

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 11 June 2003

The Council met at half-past Two o'clock

MEMBERS PRESENT:

THE PRESIDENT

THE HONOURABLE MRS RITA FAN HSU LAI-TAI, G.B.S., J.P.

THE HONOURABLE JAMES TIEN PEI-CHUN, G.B.S., J.P.

DR THE HONOURABLE DAVID CHU YU-LIN, J.P.

THE HONOURABLE CYD HO SAU-LAN

THE HONOURABLE ALBERT HO CHUN-YAN

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

THE HONOURABLE LEE CHEUK-YAN

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

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

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

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

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

THE HONOURABLE NG LEUNG-SING, J.P.

THE HONOURABLE MARGARET NG

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

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE HUI CHEUNG-CHING, J.P.

THE HONOURABLE CHAN KWOK-KEUNG

THE HONOURABLE CHAN YUEN-HAN, J.P.

THE HONOURABLE BERNARD CHAN, J.P.

THE HONOURABLE CHAN KAM-LAM, J.P.

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

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE SIN CHUNG-KAI

DR THE HONOURABLE PHILIP WONG YU-HONG

THE HONOURABLE WONG YUNG-KAN

THE HONOURABLE JASPER TSANG YOK-SING, G.B.S., J.P.

THE HONOURABLE HOWARD YOUNG, J.P.

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE YEUNG YIU-CHUNG, B.B.S.

THE HONOURABLE LAU KONG-WAH

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

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

THE HONOURABLE AMBROSE LAU HON-CHUEN, G.B.S., 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.

DR THE HONOURABLE LAW CHI-KWONG, J.P.

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

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

THE HONOURABLE ABRAHAM SHEK LAI-HIM, J.P.

THE HONOURABLE LI FUNG-YING, J.P.

THE HONOURABLE HENRY WU KING-CHEONG, B.B.S., J.P.

THE HONOURABLE TOMMY CHEUNG YU-YAN, J.P.

THE HONOURABLE MICHAEL MAK KWOK-FUNG

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE LEUNG FU-WAH, M.H., J.P.

DR THE HONOURABLE LO WING-LOK

THE HONOURABLE WONG SING-CHI

THE HONOURABLE FREDERICK FUNG KIN-KEE

THE HONOURABLE IP KWOK-HIM, J.P.

THE HONOURABLE LAU PING-CHEUNG

THE HONOURABLE AUDREY EU YUET-MEE, S.C., J.P.

THE HONOURABLE MA FUNG-KWOK, J.P.

MEMBERS ABSENT:

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

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

THE HONOURABLE LAU CHIN-SHEK, J.P.

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE DONALD TSANG YAM-KUEN, G.B.M., J.P.
THE CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE ANTONY LEUNG KAM-CHUNG, G.B.S., J.P.
THE FINANCIAL SECRETARY

THE HONOURABLE ELSIE LEUNG OI-SIE, G.B.M., J.P.
THE SECRETARY FOR JUSTICE

THE HONOURABLE MICHAEL SUEN MING-YEUNG, G.B.S., J.P.
SECRETARY FOR HOUSING, PLANNING AND LANDS

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

DR THE HONOURABLE PATRICK HO CHI-PING, J.P.
SECRETARY FOR HOME AFFAIRS

THE HONOURABLE MRS REGINA IP LAU SUK-YEE, G.B.S., J.P.
SECRETARY FOR SECURITY

DR THE HONOURABLE SARAH LIAO SAU-TUNG, J.P.
SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

THE HONOURABLE FREDERICK MA SI-HANG, J.P.
SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

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/Instruments	<i>L.N. No.</i>
Dutiable Commodities (Amendment) Regulation 2003	136/2003
Karaoke Establishments (Fee Concessions) Regulation 2003	137/2003
Road Traffic (Waiver of Motor Vehicle Licence Fees) Regulation 2003	138/2003
Travel Agents (Waiver of Fees) Regulation 2003	139/2003
Dutiable Commodities (Waiver of Liquor Licence Fees) Regulation 2003	140/2003
Places of Public Entertainment (Waiver of Fees) Regulation 2003	141/2003
Road Traffic (Waiver of Passenger Service Licence Fees) Regulation 2003	142/2003
Public Health and Municipal Services Ordinance (Public Pleasure Grounds) (Amendment of Fourth Schedule) (No. 2) Order 2003	143/2003
Tax Reserve Certificates (Rate of Interest) (No. 2) Notice 2003.....	144/2003
Road Traffic (Temporary Reduction of New Territories Taxi Fares) Regulation 2003	146/2003
Road Traffic (Temporary Reduction of New Territories Taxi Fares) (No. 2) Regulation 2003.....	147/2003

Apprenticeship (Designation of Trades) Order 2003	148/2003
Apprenticeship (Periods of Apprenticeship) Notice 2003.....	149/2003
Designation of Libraries Order 2003	150/2003
Village Representative (Election Petition) Rules	151/2003

Other Paper

- No. 88 — Occupational Safety and Health Council
Annual Report 2001-2002

ADDRESS

PRESIDENT (in Cantonese): Address. Mr LEUNG Fu-wah will address the Council on the Road Traffic (Temporary Reduction of New Territories Taxi Fares) Regulation 2003 and Road Traffic (Temporary Reduction of New Territories Taxi Fares) (No. 2) Regulation 2003, which are subsidiary legislation laid on the table of the Council today.

Road Traffic (Temporary Reduction of New Territories Taxi Fares) Regulation 2003 and Road Traffic (Temporary Reduction of New Territories Taxi Fares) (No. 2) Regulation 2003

MR LEUNG FU-WAH (in Cantonese): Madam President, the Government has rushed to implement the reduction of New Territories taxi fares without fully consulting of taxi drivers beforehand, and this has recently triggered a strike and drive-low protest staged by a few hundred New Territories taxis. I am not happy with the procedures and methods employed by the Government in handling this incident.

Dr Sarah LIAO, Secretary for the Environment, Transport and Works said on a number of occasions that the fare reduction was a consensus reached by the

majority of the members of the Conference on New Territories Taxi Operations (the Conference). Although the Conference is composed of 10 trade associations, this incident shows that the opinions of the drivers are not adequately reflected in the Conference. All in all, it comes down to the fact that drivers do not have their own representative in the Conference. The Transport Department has stressed repeatedly that representatives of the 10 organizations of the Conference agreed to the reduction of New Territories taxi fares. Nevertheless, the New Territories Drivers Association and I have learnt that there was in fact a divergence of views on fare reduction among the representatives of the 10 organizations of the Conference. Only representatives of seven organizations supported the fare reduction while three objected to it. In the end, as the minority had to listen to the majority, the Conference arrived at such a decision. I hope the Transport Department will review and improve the consultation mechanism of the transport trade as soon as possible so that the views of all operators of the trade, including the drivers, will be reflected in the Conference.

In fact, the New Territories Taxi Drivers Association objected to the fare reduction with good reasons. Before the Government decided to reduce the fare, the Association interviewed over 1 000 New Territories taxi drivers last month in a prudent and serious manner. Nearly 90% of the respondents said that they objected to the fact that decision on fare reduction had been made by the Transport Department without prior consultation with them, and they opined that a fare reduction would not lead to any increased income for the drivers. For want of concrete first-hand information from the drivers, I have recently conducted a survey at a taxi stand and managed to personally interview 140 taxi drivers. Among them, 10 were owner-drivers and the other 130 were rentee-drivers. The results of the survey indicated that 85 drivers objected to the fare reduction; only 37 supported and the remaining 18 showed no particular preference. The percentages for and against the fare reduction were 26.4% and 60.7% respectively. From these figures, we can see that a great majority of the drivers objected to the fare reduction. Although the Administration knew about these figures and the views of the drivers before making the fare reduction decision, it seemed to have turned a blind eye to all this and insisted on reducing the fare. I am gravely disappointed indeed.

Moreover, Dr LIAO had said more than once before the camera that she hoped the fare reduction would lead to a rise of income for the drivers.

However, according to a paper submitted by the Environment, Transport and Works Bureau to the Transport Panel of the Legislative Council, the Administration estimated that there would not be an increase in the business turnover of New Territories taxis after the fare reduction. If this is the case, I really do not understand why the Administration should still insist on implementing such a decision. I do not understand even more why the Secretary said in her statement on the reduction of New Territories taxi fare that such a reduction would lead to a "win-win" situation. If the income of the drivers would drop, how could there be a "win-win" situation?

With the economy turning worse and people not taking taxi as often, the income of the drivers certainly suffers a direct impact. However, apart from this, the high operating costs of the taxi trade, which include car rentals and fuel costs, have a direct impact on the income of the drivers as well. As the Administration has noted the real problems, it should provide answers to them as soon as possible. And before any decisions are made, the Administration should first of all fully gauge the views of the taxi trade, including the drivers.

There is no denying that the majority of the public was in support of the fare reduction. However, apart from considering the views of the public, the Administration must also take account of the interest of drivers before making the decision on fare reduction. The Administration is willing to shorten the period of fare reduction from the original six months to one month, and has undertaken to complete as quickly as possible the questionnaire survey on New Territories taxi drivers within one month. However, it has not mentioned whether or not it will decide if the reduction of New Territories taxi fare will be continued in accordance with the findings of the survey. Therefore, I hope the Administration will clarify the situation to the public and undertake to rescind the decision on the reduction of New Territories taxi fare immediately if the findings of the survey indicate that the majority of the respondents object to the fare reduction and there has been a drop in income.

Madam President, the Transport Panel of the Legislative Council convened a special meeting on the second of this month to discuss the reduction of New Territories taxi fare a second time. At the meeting, I proposed the following motion: "That the Panel opposes to the Administration's decision not to conduct a survey to directly solicit the views of the New Territories taxi drivers before the implementation of fare reduction." As nine Members from the Democratic Party and the Confederation of Trade Unions did not listen to my

view, the motion was eventually not carried with only three members voting for and nine members voting against it. I feel most sorry that incidents such as strike, drive-slow protest and motorcade were resulted because the Administration's decision on fare reduction had not been stopped in time.

Lastly, I hope that when the Government handles similar issues in future, it will listen to the views of all stakeholders in the trade, particularly the operators, before making any decisions, so as to avoid causing dissatisfaction among the operators. Moreover, enforcement should be stepped up to combat illegal activities such as the offer of discount by taxi drivers to passengers to protect the legitimate interests of the law-abiding taxi drivers. I believe that the stringent clampdown on illegal bargaining of taxi fare between taxi drivers and passengers is a more practical and effective course of action than fare reduction to raise the income of taxi drivers.

Madam President, I so submit.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Combating Destructive Fishing Activities

1. **MR WONG YUNG-KAN** (in Cantonese): *Madam President, the Fisheries Protection Ordinance (the Ordinance) prohibits destructive fishing practices. In October 1998, the Council passed amendments to the above Ordinance, which included raising the maximum fine for breaches of the provisions concerned from \$10,000 to \$200,000. In this connection, will the Government inform this Council:*

- (a) *how the Ordinance has been enforced by the department concerned since its above amendment, and details of the convicted cases, including the penalties imposed by the Court; and*
- (b) *whether it will consider taking more stringent measures, such as introducing another amendment to the Ordinance to further increase the penalties, for combating destructive fishing activities?*

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

- (a) The Fisheries Protection Ordinance (Cap. 171) was established to promote the conservation of fish and other forms of aquatic life within Hong Kong waters, regulate fishing practices and prevent activities detrimental to the fishing industry. The relevant legislation was last amended in 1998 and 1999 to have its scope widened to cover the prohibition of destructive practices including electrofishing, clam-dredging and clam-suction, and to set or increase the maximum fine for all offences from \$10,000 to \$200,000.

The Agriculture, Fisheries and Conservation Department (AFCD), supported by the Marine Police, is responsible for enforcing the Ordinance. The Department has set up an enforcement team to patrol Hong Kong waters and take actions against destructive fishing activities. On average, around 900 patrols are conducted each year. Up till now, the Department has instituted a total of 29 prosecutions, of which 22 involved the possession or use of dredging devices for fishing, six involved the use of suction devices and one concerned cyanide fishing. Apart from five cases pending court hearing, all offenders were convicted and sentenced to fines ranging from \$300 to \$3,000, and their illegal fishing gear was confiscated.

- (b) The number of reported cases involving contravention of the Ordinance has remained low and stable over the past years. The current penalties for offence under the Ordinance are already set at a substantial level and it is the jurisdiction of the Court to determine the most appropriate level of penalty within the range of penalties prescribed by the law. Nevertheless, we will intensify our enforcement efforts to deter illegal fishing practices, especially at such black spots as southern waters of Hong Kong and Lantau Island where the majority of clam-dredging cases were reported. We will also step up our education and publicity efforts to raise fishermen's awareness of the detrimental effects of destructive fishing practices on our marine environment and fisheries resources.

MR WONG YUNG-KAN (in Cantonese): *Madam President, I have to state that I have no power to interfere with judicial independence, nor do I have the power to determine the amount of fine, but I wish to talk about one incident. In 1998, in a case of fish bombing, the offender was fined \$200,000 and sentenced to one year of imprisonment. After this, there have been no more fish-bombing activities in Hong Kong waters. In Hong Kong, there is judicial independence and I certainly have no right to query this, but the question is, if the maximum fine provided by the law is \$200,000 but offenders are only fined \$300 to \$3,000, they will definitely continue to do such things. At present, in the waters around Lantau Island.....*

PRESIDENT (in Cantonese): Mr WONG Yung-kan, what supplementary do you wish to raise?

MR WONG YUNG-KAN (in Cantonese): *Madam President, in the waters around Lantau Island, a large number of fishermen still use destructive fishing methods. May I ask the Secretary if the Government will consider our proposal and increase the penalty?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as I have said, the current penalties are already set at a substantial level. In future, when judges determine the penalties, we will impress upon them the serious nature of an offence and hope that the judge will impose a more appropriate fine on the offender, having regard to the maximum fine. As Mr WONG has said, although the maximum fine provided for at present can be as high as \$200,000, most offenders were fined a lower level of fine. This is of course a matter under the Court's jurisdiction, but we can also represent to the Court the serious nature of an offence.

DR DAVID CHU (in Cantonese): *Madam President, does the Secretary have any information to indicate at which locations in Hong Kong waters destructive fishing activities usually take place? In addition, do a lot of fishermen engage in such illegal activities?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I have mentioned in my main reply that the southern waters of Hong Kong and Lantau are black spots of illegal clam-dredging. Offenders will generally be arrested and successfully prosecuted.

MR HOWARD YOUNG (in Cantonese): *Madam President, the Ordinance aims mainly at promoting the conservation of fish, however, the Secretary has also mentioned other forms of aquatic life in his reply. I wish to point out that aquatic life includes coral. Although coral has no value as food, it has value to tourism. May I know if this piece of legislation only covers fish? If someone causes destruction to coral, will he be subjected to the regulation of the Ordinance and penalized?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, the legislation in question is the Fisheries Protection Ordinance, which generally aims to conserve various forms of aquatic life but specifically regulates fishing methods, since they have an impact on the marine environment.

MR CHAN KWOK-KEUNG (in Cantonese): *Madam President, the AFCD has set up an enforcement team tasked to patrol Hong Kong waters and around 900 patrols are conducted each year. May I know how long does each patrol last and what is the area covered by the patrol?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, the enforcement team will conduct patrols at different times, and there is usually no fixed patrol period because only in this way can we arrest offenders. If the patrol period is fixed, offenders will avoid engaging in illegal activities during those periods. Therefore, the patrol period is not fixed and sometimes patrols will even be conducted at night. If we receive any complaint about illegal fishing practices, the enforcement team will co-operate with the Marine Police to arrest the offenders.

MR JASPER TSANG (in Cantonese): *Madam President, the Secretary said that education and publicity efforts will be stepped up to raise fishermen's awareness of the detrimental effects of destructive fishing practices. May I ask the Government if there is any figure to show whether the fishing vessels involved in the prosecutions instituted against breaches of the Fisheries Protection Ordinance are mainly local ones or mainly from outside the territory? How does the Government pinpoint fishing vessels from outside the territory in its education and publicity efforts?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): *Madam President, the 29 prosecutions instituted under the Fisheries Protection Ordinance all involved local fishing vessels.*

MR TAM YIU-CHUNG (in Cantonese): *Madam President, may I ask the Secretary if there is any difficulty in prosecution? At present, the authorities can only bring prosecution against possession of dredging or suction devices. That is why the penalties imposed by the Court were so light, since the offenders were only found in possession of the devices but it is difficult to catch offenders while they are in the act of employing illegal fishing practices. Is this the case? In addition, can the Secretary for Justice discuss with the Courts to make them understand that it is necessary to impose a heavier fine according to the Ordinance to achieve deterrent effect?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): *Madam President, as far as I know, most of the people who breached the Fisheries Protection Ordinance were successfully prosecuted. As I have mentioned in the main reply, the authorities have instituted 29 prosecutions so far, of which 22 involved the possession or use of dredging devices for fishing, six involved the use of suction devices and one concerned cyanide fishing. Apart from five cases pending court hearing, all offenders were convicted. My colleague told me that there is no difficulty in prosecution. As to how to impress our views upon the judges, I will hold further discussions with the Secretary for Justice.*

MR MICHAEL MAK (in Cantonese): *Madam President, of all the destructive fishing methods, such as electrofishing, clam-dredging and clam-suction, may I know which is the most common method? In addition, it may not be enough merely to impose penalties. May I know what efforts in education has the Government made?*

PRESIDENT (in Cantonese): Mr Michael MAK, how many questions do you want to ask? You can only ask one, but you have asked three in a row just now. You can ask one first and wait for a second turn.

MR MICHAEL MAK (in Cantonese): *Madam President, may I ask the Secretary what efforts of an educational nature have been made?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, efforts of what nature? I am sorry, but I could not catch it. Can Mr MAK say that again? *(Laughter)*

PRESIDENT (in Cantonese): Secretary, Mr MAK asked what efforts of an educational nature you have made.

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, in fact the AFCD has done a lot in education, such as distributing leaflets to fishermen. Regarding other work of an educational nature, I will give a reply to Mr MAK in writing. *(Appendix I)*

MS EMILY LAU (in Cantonese): *Madam President, may I ask the Secretary if destructive fishing methods include trawling? Madam President, I have gone over the prosecuted cases and it seems this type of fishing method is not involved in these cases. Is the Secretary aware that trawling will also cause a great deal of damage because the entire bottom of the sea is dredged, so that no matter it be corals or other forms of aquatic life, they are all scooped up. May I ask the Secretary if this method is included in the list of destructive fishing methods? How many prosecutions were brought against this fishing method?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as far as I know, there is no trawling activity in Hong Kong waters. Generally speaking, fishing practices that have an impact on the fisheries industry are all regulated, but in the cases prosecuted, no offender was engaged in trawling since, as far as I am aware, there is no trawling activities in Hong Kong waters. However, I will confirm this again in writing. (Appendix II)

DR RAYMOND HO (in Cantonese): *Madam President, there are many types of illegal fishing methods. If we compare clam-dredging with cyanide fishing, the seriousness of the two differs greatly. Human beings will die instantly if they come into contact with cyanide. May I ask the Secretary if the penalty pinpointing this type of offence is too light, since some fines were as low as \$300, so there is insufficient deterrent effect? Will the Secretary consider notifying the Judiciary that heavier penalties should be imposed on people who fish with cyanide?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I believe the judges will consider many factors when imposing penalties. I have said just now that I will hold further discussions with the Secretary for Justice about the best ways to impress upon the judges the seriousness of different offences and see how an appropriate fine can be determined.

MR WONG YUNG-KAN (in Cantonese): *Madam President, I would like to explain why I am so concerned about destructive fishing methods. In 1996, 10 fishing boats were engaged in clam-dredging in Mirs Bay. Some boats dug as deep as 1 m into the mud on the seabed to extract clams. Even now, the resources in Mirs Bay have not yet recovered, that is, not even in eight years' time, therefore I am very concerned about this problem. The Secretary mentioned that a total of 29 prosecutions had been instituted, but I hope the Government.....*

PRESIDENT (in Cantonese): Mr WONG Yung-kan, please come to your supplementary direct.

MR WONG YUNG-KAN (in Cantonese): *The Secretary mentioned that the southern waters of Hong Kong and Lantau Island were the black spots of the offences. May I know why they are concentrated in the south rather than the east? Why?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I am not too sure about the reason. I will ask colleagues of the AFCD about this and give a reply to Mr WONG. I will ask them if the two locations are particularly favourable to the growth of clams or if they are particularly prone to becoming black spots and then give Mr WONG a reply in writing. (Appendix III)

MR WONG YUNG-KAN (in Cantonese): *Madam President, it is because the penalty is too light, so the activities are concentrated there.*

PRESIDENT (in Cantonese): Mr WONG, you are not allowed to engage in a debate. You have to observe the rules of the legislature.

MR HOWARD YOUNG (in Cantonese): *Madam President, when the Secretary replied to my supplementary, he mentioned that the Fisheries Protection Ordinance mainly covers fish but not coral. However, I have already pointed out that coral on the bottom of the sea is a resource to tourism, as Ms Emily LAU has also mentioned. May I ask the Secretary if he will consider widening the scope of application of this piece of legislation to promoting the conservation of coral at the sea bottom? Can the Secretary request the relevant departments to conduct a research to determine if there is such a need and whether this is feasible?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I believe another piece of legislation will cover this area, but the Fisheries Protection Ordinance mainly pinpoints destructive fishing methods since they will affect the conservation of other forms of aquatic life.

PRESIDENT (in Cantonese): Second question.

Use of Cast Iron Sewage Pipes in Public Housing

2. **MS CYD HO** (in Cantonese): *Madam President, it has been reported that cast iron pipes with sand holes formed during the casting process are prone to corrosion and leakage, which may affect public health and may cause diseases to spread. In this connection, will the Government inform this Council:*

- (a) *of the names and locations of the public housing estates (PHEs) in which cast iron sewage pipes are installed; and*
- (b) *whether it will expeditiously replace the sewage pipes of the PHEs mentioned above; if it will, of the replacement timetable; if not, the reasons for that?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):
Madam President, my reply to the two-part question is as follows:

- (a) Drainage pipes in PHEs are mainly made of UPVC, although cast iron is used in some of the drainage pipes in the 36 estates detailed in the Annex.
- (b) The use of cast iron for drainage pipes complies with the Buildings Ordinance. Since the pipes are still in good condition and are properly maintained, a large-scale programme to replace them is unnecessary. To ensure proper functioning of the drainage systems, the Housing Department (HD) conducts regular checks on pipes in common areas and will repair or replace damaged internal pipes in response to tenants' reports.

In view of recent hygiene concerns over drainage systems, the HD will step up the maintenance of drainage pipes in PHEs. The condition of all drainage pipes, including cast iron pipes, will be surveyed and assessed in detail by the HD in the coming year. Replacement will be arranged if necessary.

Annex

36 PHEs with Cast Iron Drainage Pipes

<i>Region</i>	<i>Estate</i>
Eastern	Hing Man Yiu Tung
Kwai Chung and Tsing Yi	Cheung Fat Cheung Hang Kwai Fong Kwai Shing (East) On Yam Shek Lei (I) Shek Lei (II) Shek Yam (East) Tai Wo Hau
Kwun Tong	Ko Yee Kwong Tin Lower Ngau Tau Kok (II) Ping Shek Ping Tin Shun Tin Tsui Ping (South)
North	Ka Fuk
Sai Kung and Tseung Kwan O	Hau Tak Ming Tak Po Lam Tsui Lam
Sham Shui Po	Fu Cheong Lai On Nam Cheong Shek Kip Mei
Sha Tin	Sun Tin Wai
Tuen Mun	Tai Hing
Wong Tai Sin	Choi Hung Tsz Ching Tsz Lok Tsz Man Wang Tau Hom
Yuen Long	Long Ping Tin Shui (I)

MS CYD HO (in Cantonese): *Madam President, the Team Clean has recently been established under the co-ordination of the Chief Secretary for Administration. The Chief Secretary has mentioned that there would be zero tolerance of the poor hygiene condition in private housing estates. Heavy penalties will be imposed and the actions will be taken very soon. However, in regard to the PHEs, the Secretary only mentioned that a special team is responsible for checking of pipes, and emergency services and surveys will be provided to the housing units in need. Nevertheless, there is no specific timetable.*

Madam President, may I ask the Administration if the Government applies double standards in this issue? If the drainage pipes of these PHEs give rise to public hygiene problems, what legal liabilities should the Government shoulder, who will bring prosecutions against it and who will be responsible for enforcement?

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, as I have already explained in the main reply, most drainage pipes in the PHEs are now still in good condition. If they are properly maintained, a large-scale programme to replace them is unnecessary. I have already explained what the authorities have done in regard to the maintenance of pipes. Besides, since the outbreak of the epidemic, we have especially strengthened the manpower for maintenance work. We have also participated in the work of the Team Clean led by the Chief Secretary for Administration to which Ms HO referred just now.

As regards external walls, we have staff especially responsible for conducting special checks to examine whether there is any need for maintenance. In case there is a need for emergency repairs, we will follow up immediately. If the pipes are installed inside the unit, we have an Estate Drainage Ambassadors Programme under which special staff will enter the units to inspect the drainage pipes. We pinpoint mainly older estates and those with more elderly residents, as they are less alert to the facilities in their flats. Therefore, we will have special arrangements for this.

I can provide some figures to Members. In the past two months (from mid-April till now), since the launch of this programme, we have totally received 20 500 reports concerning damaged pipes. We have followed up about 16 500

cases and completed the work concerned. For the rest, they are being followed up. In this process, it cannot be said that we apply double standards. We have done a lot of work indeed.

MS CYD HO (in Cantonese): *Madam President, what I just asked is that if public health is being affected by the conditions of drainage pipes, what legal liabilities does the Government have? We see that the Government has informed private estates of the legal liabilities that they should shoulder. However, the Government still has some 9 000 outstanding cases, and we do not see what legal liabilities it has to shoulder. Can the Secretary inform this Council clearly of the legal liabilities that the Government has to shoulder in this regard?*

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

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, as regards legal liabilities, if the drainage pipes are damaged but we do not repair or pay attention to them, and let the situation continue to deteriorate, they will give rise to serious public health problems. Therefore, according to the relevant legislation, we can initiate prosecutions. As regards the PHEs, as I said just now, if we notice any problems, we will take the initiative to address the problems immediately. Besides, for the problems identified during the implementation of the programme and from the reports by residents, that is, on some areas which are usually not conspicuous, immediate repairs will also be carried out. I have just mentioned that there are a few thousand outstanding cases, but we have been following up those cases. Since the number of cases is not small at all, it will take some time to handle them. There is no question of not abiding by the law in the way we deal with the cases.

PRESIDENT (in Cantonese): Members, 11 Members are waiting for their turns to ask supplementary questions.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, in reply to Ms Cyd HO's question, the Secretary said that there was a team especially responsible for emergency repair works. However, I have heard otherwise from*

the complaints we received from the PHE residents. They complained that there was serious leakage problem in their units, but the HD had been ignoring them. May I ask the Secretary if, on hearing the reports from his subordinates, he will ask, "After receiving any complaint, when will you carry out repairs for the residents?"? Have the Secretary seen any specific figures justifying his belief that the staff concerned have carried out immediate repairs for the residents?

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, of course, in regard to any programme, I will not say that our performance can be 100% satisfactory to all people. Under this programme, we have a 500-strong team especially responsible for this kind of work, and they are all professionals. As I said just now, our manpower has been strengthened and our ability has been enhanced. Even then, we cannot guarantee that upon receipt of a complaint, it can be dealt with within the same day. It is, of course, our target. It is naturally superb that the complaint can be properly dealt with. But in some cases, we may not be able to do so. The figures quoted by me a moment ago show that we still have some follow-up cases for the time being.

In fact, I have conducted on-site inspections myself. Concerning this 500-strong team, team members will station in different PHEs. Upon receipt of a complaint, and if they determine that the problem is minor and special tools or equipment are not required, they will deal with it on the same day. If special equipment is required or small parts have to be changed, as transportation takes time, it will take longer to deal with the case. However, they will make arrangements for proper working procedures.

As regards Miss CHAN's point, I do not deny the existence of this situation. Nevertheless, I do not know whether it is because the works concerned are more complicated. Thus, I hope that Miss CHAN can provide me with the information of these cases later so that my colleagues and I can follow up the cases.

DR LUI MING-WAH (in Cantonese): *Madam President, compared with cast iron pipes, plastic pipes have more advantages. First, they are lighter. Second, they are more resistant to corrosion. The third advantage, which is the most important, they are better joined. From the Annex to the main reply, it can be noted that cast iron pipes are installed in many rather new buildings or*

buildings of a younger age. When did the Government start using UPVC pipes? Are cast iron pipes still being used despite the introduction of UPVC pipes?

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, I have already clearly stated in the main reply that among these 36 PHEs, some of the drainage pipes are made of cast iron. It is because especially in buildings with many floors, if only plastic pipes are installed, when the sewage rushes down, the plastic pipes of the lower floors will not be able to withstand the pressure. Therefore, on the lower floors, if there is a need to sustain heavy water pressure, cast iron pipes have to be used in the turning joints. For this reason, not all the drainage pipes are made of plastic, and some are still made of cast iron. It is, of course, a rather special situation. In regard to the older PHEs, most pipes on the upper floors are made of cast iron. As I have mentioned, if it is necessary to replace them, we will replace them according to the programme.

PRESIDENT (in Cantonese): Dr LUI Ming-wah, has your supplementary question not been answered?

DR LUI MING-WAH (in Cantonese): *Madam President, the Secretary has still not answered my supplementary question. I asked the Government when it started using plastic pipes, and since plastic pipes have been used, why cast iron pipes are still used?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, in regard to the timing of the introduction of plastic pipes, I will provide a written reply. (Appendix IV)

As to the reason for still using cast iron pipes after plastic pipes have been adopted, I already explained it just now. Not all the pipes that we use are made of plastic. Cast iron pipes still have to be installed on lower floors. In some PHEs, not 100% of the drainage pipes are made of plastic. They should be complemented with cast iron pipes. I hope that Dr LUI can understand and accept this answer.

MR JAMES TO (in Cantonese): *Madam President, the Secretary seems to have indicated that cast iron pipes are used mostly in older PHEs. However, for the 36 PHEs mentioned in the Annex, for example, Fu Cheong, Lai On and even Nam Cheong Estates, they are rather new PHEs, and more UPVC pipes should have been used. The Secretary said that generally speaking, UPVC pipes are used, but some are also made of cast iron. May I ask the Secretary whether the adoption of UPVC pipes has become a mainstream practice by the Government, or it has even decided to go for that direction in future, as they are indeed better? Besides, in the last paragraph of the main reply, the Secretary mentioned that there was a detailed survey. May I ask whether the result shows that in terms of prevention against corrosion and leakage, UPVC is practically much better than cast iron? It is because this is a result of practical proof.*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, UPVC pipes are mostly used nowadays. As the Honourable Member has just said, in terms of practicality, price, and so on, UPVC is better than cast iron. Nevertheless, for those cast iron pipes which have been used for years, if they are still in good condition and do not need replacement, we will not replace them. But if replacement is necessary, we definitely will replace them with UPVC pipes.

MR JAMES TO (in Cantonese): *Madam President, I am not sure whether the answer given by the Secretary also covers Fu Cheong Estate mentioned by me, as it is only a few years old.*

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

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, I do not quite understand what is meant by a few years old.

MR JAMES TO (in Cantonese): *Madam President, what I meant is Fu Cheong Estate, as I just mentioned, is only a few years old. It is a very new estate, but that cast iron pipes are used. It is different from those old PHEs to which the Secretary referred, where drainage pipes would be replaced gradually.*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, I already tried to explain it just now, but maybe some Members still do not understand. Now I take my second attempt to explain.

For those new PHEs which use UPVC pipes only, they will not be included in the list. However, if part of the drainage pipes in a PHE are made of cast iron, we will put the name of that PHE on the list, simply because some pipes are made of cast iron. I have already explained why cast iron pipes are still used in some PHEs. It is because the building is tall, the pressure generated by the currents of sewage rushing down the pipes would be greater. It is thus necessary to use cast iron in the turning joints of the pipes on the lower floors of the building.

MR LAU PING-CHEUNG (in Cantonese): *Madam President, I visited some PHEs this last Monday. These PHEs are very new, including Lower Wong Tai Sin Estate and Tung Tau Estate, the latter only have 11 years of history. However, they are not on the list, and I do not know the reason. This is the first point.*

For the second point, in these PHEs, the cast iron pipes are installed inside the kitchens, and leakage can be seen. A resident placed a sheet of white tissue on the surface of the pipe and the tissue immediately turned yellow. Indeed, leakage is observable on the body of the pipes. Some pipes carry marks of repair, having been brushed with a coat of asphalt. I believe someone has repaired the pipes, but still cannot solve the problems of the residents. When cracks and leakage are detected in the pipes which are even installed inside the kitchens, but that no replacement is made for the residents by the Government, I really do not know what "Master SUEN" will do?

PRESIDENT (in Cantonese): Mr LAU Ping-cheung, you are asking how the Secretary will solve this problem? *(Laughter)*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Thank you, Madam President. It surely killed the butterflies in my stomach once it was put that way. *(Laughter)*

This is an individual case. Since I do not quite understand the actual situation of the case, I cannot give a specific answer and I can only give a general reply.

As Mr LAU just said, he also understood that someone had done some repairs and maintenance work, but maybe the work was not thorough enough or it was done long time ago. If there is such a case, I would ask Mr LAU to provide the address concerned. We can send some staff to the site to follow up the case and see what could be done. It is possible that the drainage pipes concerned have to be replaced as soon as possible.

PRESIDENT (in Cantonese): This Council has spent more than 16 minutes on this question. This is the last supplementary question.

DR TANG SIU-TONG (in Cantonese): *Madam President, the life span of cast iron pipes is about 15 years, and many PHEs, such as Long Ping Estate in Yuen Long, have more than 15 years of history. If we take 20 years as the maximum life span of cast iron pipes, does the Government intend to replace all the cast iron pipes in PHEs within 20 years?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, as I said earlier, if the pipes need to be replaced — I do not mean an overall replacement of pipes for the building, but replacing only those pipes which are damaged or corroded — we will replace them. We seldom conduct overall replacement. But it does not mean that we will not replace part of the pipes inside the units. In fact, there are about 20 000 to 30 000 remaining units in which the pipes, also cast iron pipes, have not been replaced. However, this number will decrease gradually.

PRESIDENT (in Cantonese): Third question.

Advertisements on SARS-related Products

3. **MR BERNARD CHAN**: *Madam President, the Undesirable Medical Advertisements Ordinance (UMAO) prohibits the publication of advertisements*

which claim that any medicine or treatment has curative or preventive effects on specified diseases or conditions, including respiratory diseases like pneumonia. In view of the recent surge in advertisements on Severe Acute Respiratory Syndrome (SARS)-related products, will the Government inform this Council:

- (a) whether it has monitored the contents of the advertisements for SARS-related products published on websites or other media; if so, of the findings;*
- (b) of the law enforcement actions it has taken against persons who publish advertisements claiming that their products can cure or prevent SARS; and*
- (c) whether it plans to step up enforcement of the relevant legislation to further protect consumers?*

SECRETARY FOR HEALTH, WELFARE AND FOOD: Madam President, the UMAO prohibits the advertising of any medicine, surgical appliance or treatment for the prevention or treatment of diseases and conditions listed in the Ordinance, which include infectious diseases and respiratory diseases. The purpose of the UMAO is to prevent the general public from being misled into improper use of medical products for self-medication in respect of these diseases, thereby causing harm as a result of either the improper medication itself, or the delayed proper treatment they should receive.

- (a) Staff of the Department of Health (DH) screen newspapers, magazines and the Internet and visit retail outlets of medicines and health products to screen product promotional materials. Warning letters will be issued to the publishing companies and distributors of products for advertisements that contravene the UMAO and repeated offences will be referred to the police for investigation and prosecution action.

In the past three months, a total of 3 840 advertisements were screened and 197 advertisements were found to have contravened the UMAO. Out of these 197 advertisements, 102 were related to SARS, of which three appeared on the Internet. Most of these SARS-related advertisements were about proprietary Chinese medicines or health food products with claims on treatment or prevention of SARS.

- (b) Since the outbreak of SARS in March, a total of 182 warning letters were issued against 102 SARS-related advertisements. Upon receipt of the warning letters, most of the concerned parties have taken steps to rectify the misleading claims in their advertisements. Three cases have been referred to the police for prosecution action.
- (c) The DH has stepped up screening of advertisements and will continue to be vigilant in enforcing the UMAO for the protection of public health. We shall review the existing arrangements and work closely with the police to take prosecution action against offenders.

We are aware that there are some health claims which are not caught under the UMAO at the moment, such as detoxification, improving body immune system, and so on. To better protect the public from misleading claims, we propose to include in the UMAO a new schedule of claims the advertisement of which would be prohibited. We propose that the Director of Health would have the power to amend the new schedule and to extend its coverage to cover other products and services as and when necessary having regard to the latest development and for the protection of public health. We have set up an expert committee comprising medical professionals, academics, as well as Consumer Council representatives to draw up an initial list. We shall consult the public, the Legislative Council and the trade on the proposed list later this year.

MR BERNARD CHAN (in Cantonese): *Madam President, in part (b) of the main reply, the Secretary mentioned that a total of 182 warning letters had been issued against 102 SARS-related advertisements. It is obvious that the Government will issue more than one warning letter in certain cases. What criteria does the Secretary or the DH adopt in assessing or determining whether another warning letter has to be issued in certain cases? After the issuance of a warning letter, will there be a period of time for the shop operator concerned to rectify the situation? And if no rectification is made by the shop operator upon expiry of the period, will the authorities issue another warning letter to the shop operator concerned?*

(Telephone rang)

PRESIDENT (in Cantonese): I am sorry, Mr Bernard CHAN. Steward, please take that away. Secretary, please reply.

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, in fact, the usual practice of the DH is to issue only one warning letter. If the shop operator concerned does not make any rectification, the DH will refer the case to the police for prosecution. Then, why would there be 182 warning letters in regard to 102 advertisements? In regard to each case, we may not issue a warning letter to one person only. Sometimes, we will issue letters to the person-in-charge as well as the vendor of the product. And thus, two warning letters will be issued to different persons.

MR JAMES TO (in Cantonese): *Madam President, it seems that the direction of this question is to strengthen enforcement. The Government even proposes to include a new schedule in the UMAO to control those medicine with health claims such as detoxification. In the light of the current speedy development in technology and medicine, and the incorporation of Chinese medicine into the conventional health care system and test regime, will the Government pursue another direction, that is, considering whether the new treatment method or patent medicine can really cure the diseases as claimed? Or will the Government continue to adopt the mainstream Western medicine as the only perspective in considering advertisements with certain health claims?*

PRESIDENT (in Cantonese): Mr James TO, you have asked a very good supplementary question. However, the content of your question is not directly related to the main question and reply. Shall I ask other Members to raise their supplementary questions first, before I ask you to raise yours again? Is that fine?

MR JAMES TO (in Cantonese): *Madam President, I would like to briefly explain that my supplementary question is in fact related to the main question.*

PRESIDENT (in Cantonese): Fine, Mr TO.

MR JAMES TO (in Cantonese): *Madam President, in the main reply, the Secretary said that the UMAO prohibits the publication of advertisements which claim that certain medicine has curative effects on certain diseases. In part (c) of the main reply, the Government has actually given more information than is required by the Member, that is, the Government has given additional information. The Government proposes to include in the UMAO a schedule in order to extend the coverage of the protection of public health. As the Government indicated that there would be new development, I therefore ask the Government under these circumstances if it will review the area currently prohibited by the UMAO. This is the point of my supplementary question.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, we propose this suggestion during our review of the UMAO this year because we find that certain situations have to be prohibited but they are currently not caught in the UMAO. In part (c) of the main reply, I mentioned that there are some health claims in the advertisements which are not caught under the UMAO, such as detoxification and improving body immune system. Thus, we are preparing to include these advertisements under the ambit of the UMAO. Of course, when drafting the provisions concerned, we will make reference to the kind of advertisements prohibited under the existing Chinese Medicine Ordinance and will not only amend the UMAO from the perspective of Western medicine. It is because when the UMAO was first enacted, we did not have the Chinese Medicine Ordinance.

MR HOWARD YOUNG: *Madam President, in part (a) of the main reply, the Secretary said that staff of the DH screen newspapers, magazines and the Internet. However, Internet advertisements could actually be placed on sites originated or maintained outside Hong Kong. And, of course, many magazines accept advertisements from overseas or even foreign magazines. Does it mean that despite the screening of the Internet and magazines, there are probably many instances where the Government is actually powerless to take any enforcement action even if it does find that some of the promotional materials would, on the surface, break Hong Kong law?*

SECRETARY FOR HEALTH, WELFARE AND FOOD: Madam President, as written in my reply, we had a few instances where some of these advertisements were picked up on the Internet. I do not have any information relating to whether there are other difficulties encountered by the DH. I envisage that within the ambit of the law, obviously we can institute action. But for things that are outside the jurisdiction of Hong Kong law, we obviously cannot issue any warning letters. I shall certainly follow up with the DH to see if it does encounter any difficulties with serving warning letters against advertisements on the Internet.

MR MICHAEL MAK (in Cantonese): *Madam President, I mainly wish to know the role played by the pharmacists in pharmacies under the UMAO. Normally, there are pharmacists stationed in the pharmacies, whereas there are no pharmacists in the drugstores. In part (a) of the main reply, the Secretary mentioned that among the 3 840 advertisements screened, 197 advertisements had contravened the UMAO. In fact, since there are pharmacists in the pharmacies, why do we not ask them to refuse posting of the advertisements concerned, instead of requiring the DH to find out the problems with these advertisements? What I mean is that why we do not take some pre-emptive measures to prevent the emergence of these undesirable advertisements, rather than continuing to allow the publication of these advertisements.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, insofar as I understand it, most of these undesirable advertisements are actually posted not mainly in pharmacies, and I will confirm this point with the DH again. These advertisements are mainly posted in other retail shops, and are usually found in newspapers and magazines.

MR BERNARD CHAN (in Cantonese): *Madam President, in part (b) of the main reply, the Secretary mentioned that 102 SARS-related advertisements had contravened the UMAO. Does the Secretary have any figures showing the proportion between unlawful SARS-related advertisements and lawful SARS-related advertisements? Maybe 102 is only the number of those advertisements which have contravened the UMAO. I wonder if the Secretary has any figure on those unlawful advertisements, as I worry that all SARS-related advertisements*

carry incorrect information. I know that in the United States, the Federal Trade Commission has already informed the public that not a single product is effective, meaning effective in preventing SARS. As regards the situation in Hong Kong, are all the SARS-related advertisements misleading? Will the DH consider making an announcement to remind members of the public that they have to be more alert when purchasing the relevant products?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, according to the UMAO, no advertisement can claim that the products concerned can cure or prevent SARS.

PRESIDENT (in Cantonese): Fourth question.

Measures to Combat Crimes Committed by Mainland Visitors

4. **MS AUDREY EU** (in Cantonese): *Madam President, it has been reported that the Hong Kong Police Force and the Guangdong Provincial Public Security Bureau reached an agreement last year to establish a mechanism for reporting the particulars of offenders. Through this mechanism, the authorities in Hong Kong will provide their mainland counterparts with information on the mainland residents who have committed crimes in Hong Kong, whereas the mainland authorities will deny the persons concerned permits to visit Hong Kong for two to five years. Nevertheless, the number of mainland visitors arrested for committing crimes in Hong Kong over the first quarter of this year has still increased by more than 20%, compared to the figures of the same period last year. The crimes committed are mainly thefts and frauds. The mainland visitors who have committed crimes in Hong Kong, particularly those involved in frauds, quickly and secretly returned to the Mainland, making it difficult for the Hong Kong police to carry out crime investigation and make arrests. In this connection, will the Government inform this Council:*

- (a) *of the effectiveness of the reporting mechanism;*
- (b) *of the measures to deal with the quick and secret return of mainland visitors to the Mainland after committing crimes in Hong Kong; and*

- (c) *as the Central Government has, in response to a proposal by the Government of the Hong Kong Special Administrative Region (SAR), agreed to study further relaxation of current restrictions to facilitate mainland residents' visits to Hong Kong, whether the SAR Government has formulated any measures to step up the enforcement actions against the abovementioned criminal activities; if so, of the details?*

SECRETARY FOR SECURITY (in Cantonese): Madam President,

- (a) The purpose of the mechanism for reporting the particulars of offenders is to facilitate the mainland authorities in screening applications for revisiting Hong Kong by mainlanders who have previously committed crimes in Hong Kong. This reporting system, to a certain extent, helps to reduce the number of such persons revisiting Hong Kong to commit crimes. At present, the Hong Kong police do not have statistics on the actual number of mainlanders whose applications have been refused as a result of the reporting mechanism.
- (b) Victims of crimes involving mainland residents, such as deception (including street deception), may not be able to find out that they have fallen prey to criminals and report to the police immediately after the crimes had been committed. Therefore, it may not be easy for the police to swiftly detect such cases or arrest the offenders. Whether such cases can be effectively detected depends primarily not on whether there are sufficient measures to prevent the offenders from absconding, but whether the police can promptly ascertain the identities of the perpetrators so that they can be stopped from leaving Hong Kong. In view of this, the police have adopted proactive measures to prevent the occurrence of such crimes. Measures include patrol actions at black spots of the crimes, intelligence-led enforcement actions and publicity programmes to heighten public awareness of the need to protect personal property and taking precautionary steps against deception. For example, an eight-episode TV docu-drama series "City Swindlers" has been broadcast every Wednesday since 4 June 2003 to remind citizens of anti-deception messages.

If mainlanders entering Hong Kong with travel documents have committed crimes in Hong Kong and are at large, and the police are able to ascertain their identities, the police will include them in the wanted list and seek assistance from the Immigration Department to prevent them from leaving Hong Kong at the immigration control points. Where necessary, the police will also request the relevant mainland authorities to locate the offenders.

Sorry, Madam President, I wish to make a slight amendment to part (a) in the main reply. The words "the actual number of mainlanders whose applications have been refused as a result of the reporting mechanism" should be amended as "those who have been refused the issue of entry permits to Hong Kong". In other words, these are not visas but travel documents.

- (c) The Government places much emphasis on combating all types of crimes, including crimes committed by mainland visitors. While consideration is being given to relax the restrictions to facilitate mainland residents to visit Hong Kong, we are aware of the need to strengthen crime-prevention measures. In this connection, our law enforcement departments formed an Inter-departmental Task Force in April this year. Led by the Deputy Commissioner of Police (Operations), the Task Force comprises members from the police, the Immigration Department, the Customs and Excise Department, the Correctional Services Department, the Labour Department, the Lands Department and the Food and Environmental Hygiene Department.

Operational strategies of the Task Force mainly cover the following three areas:

- to propose to the mainland authorities that more effective and stringent measures should be adopted when determining applications for two-way permit and passport;
- to implement effective screening measures at various immigration control points; and
- to strengthen the intensity of local enforcement actions.

The Task Force has taken steps to implement the above operational strategies through:

- examining the feasibility of setting up a database so that information obtained by relevant departments on mainland visitors who have been sentenced to imprisonment for having committed crimes and those who have breached their conditions of stay could be provided to the mainland authorities, with a view to prohibiting the persons in question from revisiting Hong Kong within a period of time;
- enhancing the exchange of intelligence between the Mainland and Hong Kong, targeting syndicates which arrange mainlanders to come to Hong Kong to commit crimes such as prostitution and deception activities;
- the Immigration Department to strengthen the screening of mainland visitors entering Hong Kong at the immigration control points and refuse entry of those persons who were forbidden to visit Hong Kong due to their previous illegal acts; and
- local law enforcement departments to identify black spots of crimes committed by mainland visitors, strengthen enforcement actions and increase the number of joint operations among various departments in order to combat this type of illegal activities in a focused manner.

Through better co-ordination of local law enforcement departments and implementation of the operational strategies, it is hoped that crimes and other illegal activities committed by mainland visitors would be minimized.

MS AUDREY EU (in Cantonese): *Madam President, I would like to follow up the last point made in part (b) of the main reply where the Secretary says that if mainlanders entering Hong Kong have committed crimes, the police will include them in the wanted list and will ask the authorities to prevent them from leaving Hong Kong at the immigration control points. In the last sentence of the same*

point, it is said that "Where necessary, the police will also request the mainland authorities to locate the offenders." My follow-up question is this. Once the mainland authorities have traced these persons, apart from refusing to issue travel documents again to these people, what kind of action, criminal or otherwise, will be taken?

SECRETARY FOR SECURITY (in Cantonese): Madam President, follow-up actions by the mainland authorities are very important, but certainly that will also depend on the nature of the case involved. If the suspects are also suspected of criminal activities on the Mainland, we will not rule out the possibility that these people may have been involved in organized crime on the Mainland, for example, the illegal carrying of firearms. The mainland authorities may press charges against them. However, if the main part of their alleged illegal activities are carried out in Hong Kong, then if they are found, they will be handed over to the Hong Kong police. This is something which happens very often, and I believe Ms Audrey EU must have also noticed this. If the mainland authorities have intercepted someone who is on our wanted list, then sometimes they would hand over the person to us. If the person intercepted is a mainlander, the mainland authorities will only give us the particulars of that person. If the person is a Hong Kong resident who has secretly returned to the Mainland after committing crimes in Hong Kong, then the mainland authorities will hand over the person to us.

MR CHAN KAM-LAM (in Cantonese): *Madam President, the Secretary said in the last sentence of the main reply that there would be better co-ordination of law enforcement departments. Certainly, work is being done in this respect, for example, Mr TSANG Yam-pui, the Commissioner of Police, has visited the Mainland recently and reached an agreement with the authorities there. In view of that, may I ask the Government whether or not consideration will be made to step up efforts in such areas as mutual judicial assistance and extradition of fugitives?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, what Mr CHAN Kam-lam has said is right. Our law enforcement agencies such as the police, the Customs and Excise Department, the Immigration Department and also the Security Bureau, all maintain regular contact with their counterparts on the Mainland. For disciplined services, the Immigration Department, the

Customs and Excise Department and the police have all established a reporting mechanism with their opposite numbers on the Mainland. As Mr CHAN Kam-lam has said, apart from some administrative co-operation, such as collection of information on suspects by the mainland authorities to facilitate our detection of some syndicates which carry out illegal activities in Hong Kong, we also need to have some agreements on criminal judicial assistance, such as those related to what Mr CHAN Kam-lam has said on the rendition of fugitives, criminal judicial assistance or the rendition of prisoners, and so on. We are discussing with the mainland authorities on all these matters.

MR LEUNG FU-WAH (in Cantonese): *Madam President, the Secretary mentions in the last sentence of part (a) of the main reply that "the Hong Kong police do not have statistics on the actual number". May I ask the Secretary if this is because the mainland authorities have not issued travel documents to these persons to come to Hong Kong, or if the police do not have such information from the Immigration Department or if the police have not compiled any statistics in this regard?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, the mechanism to which I referred in part (a) of the main reply works in this way. Upon the receipt of conviction records of mainlanders in Hong Kong which we send to the mainland authorities, they will act according to their laws and may refuse to issue travel documents such as passports or permits to travel to Hong Kong or Macao to such persons within a period of two to five years. As far as I know, the mainland authorities do not have any information showing the number of applications for travel documents which they have turned down as a result of acting on the information we give them. So not only do the police, but also the Immigration Department does not have any relevant information on this.

MR JASPER TSANG (in Cantonese): *Madam President, the SAR Government has made arrangements with the Guangdong Provincial Government so that Guangdong residents can visit Hong Kong on an individual basis, that is, they will be issued multi-entry travel documents. May I ask the Secretary, when the SAR Government discussed the arrangements with the mainland Government, was it made clear that should the mainland residents commit any crimes in the territory, their travel documents to Hong Kong would be cancelled once they had returned to the Mainland? Is there such a stipulation exist?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, the SAR Government has in principle reached an agreement with the Central Government to allow mainland residents to visit Hong Kong on an individual basis, and initially, this is limited to Guangdong residents. Mainland residents can now visit Hong Kong, apart from visiting their relatives, and they can also join tours to come here. In other words, they come here as a group and return to the Mainland as a group. But when they are issued with multi-entry visas in the future, they can come to Hong Kong any time on an individual basis. That would be of great convenience to mainland residents.

We will also keep a close eye on the situation to see if any abuse will arise. We wish to attract those who really want to visit Hong Kong and spend here, not those who wish to engage in any illegal acts here. We are now discussing some details with the relevant departments on the Mainland. We will ask them to consider measures such as those mentioned by Mr Jasper TSANG, that is, to exercise stringence in the issue of travel documents and refuse applications from those with a bad record. Also, as Mr Jasper TSANG has said, if the person concerned has an undesirable record, but the mainland authorities have issued a travel document to him inadvertently, that person will be refused entry on arrival here. If someone has done anything against the laws and regulations in Hong Kong, we will report the case to the mainland authorities so that corresponding actions can be taken, such as refusing to issue travel documents to that person within a period of time or disqualify the person from applying for certain types of travel documents, and so on. All these are under discussion.

MR HOWARD YOUNG (in Cantonese): *Madam President, in this question raised by Ms Audrey EU, the phrase "secret return" has been used twice. However, Secretary Regina IP mentioned in her main reply only that if the people concerned were on the wanted list, they would be prevented from leaving Hong Kong at the immigration control points. It seems that this is not addressing the issue of "secret return". May I ask the Secretary if she is not aware of this phrase as found in Ms Audrey EU's question, or if she does not think that this is a problem? Are there signs showing that there are people who come to Hong Kong to commit crimes and later secretly return to the Mainland, thus avoiding all the immigration control points?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, Mr Howard YOUNG has raised a very interesting supplementary question. As a matter of fact, in some of the crimes involving mainlanders such as organized deception such as tricks like "spiritual worship" and other street deception, the victims report to the police only after some time. For example, in the so-called "money growing" deception cases, it is only after some time when the victims discover that they cannot "grow" money successfully that they realize that they have been cheated. With this kind of cases, it is difficult for the police to arrest the offenders before they return to the Mainland secretly. So that will depend on the circumstances of each individual case. What I wish to explain is that when information on mainlanders who have committed crimes in Hong Kong is given to the mainland authorities, it will enable them to act more prudently in vetting applications for travel document. It will also reduce the chances of mainland residents coming to Hong Kong to commit crimes. However, that does not mean that we can rely on this mechanism alone to arrest individual offenders. In order that individual suspects can be arrested, the police must be brought in to detect the cases, irrespective of whether they are deception or robbery. The police have to ascertain the identities of these offenders. Once this is done, they can be intercepted when they try to leave Hong Kong. According to information provided by the police, they have a very good crime detection rate in respect of crimes committed by mainlanders in Hong Kong.

MISS CHOY SO-YUK (in Cantonese): *Madam President, the Secretary mentioned in her main reply the setting up of a database and a reporting mechanism between Hong Kong and the Mainland on the particulars of offenders, and so on. It is reported, however, that some people enter the territory holding forged documents, for example, they will change the names on the document. Then even if they are put on the black list, they can evade detection when they come to Hong Kong again. May I ask the Secretary if discussions have been held with the Mainland to curb such cases? Some suspects may conspire with the mainland public security officials so that they can use a new and forged passport each time when they come to Hong Kong. Then it will be practically impossible for the Hong Kong authorities to conduct interceptions or investigations.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, if someone comes to Hong Kong on a false, that is, forged document, then the public

security departments on the Mainland may also be unaware of it. Our way to intercept such people is to heighten the alertness of our staff at the control points. So they will check each passenger very carefully to examine if there is any discrepancy between the person and the photograph to determine if there is any wrong with the document. These are the measures used by us to intercept these offenders.

MISS CHOY SO-YUK (in Cantonese): *Madam President.....*

PRESIDENT (in Cantonese): Miss CHOY So-yuk, has your supplementary question not been answered?

MISS CHOY SO-YUK (in Cantonese): *Sorry, Madam President. I was not referring to forged passports in my supplementary question, but those genuine passports made in conspiracy with the mainland public security officials and in which a false name of the holder is used. Will the Hong Kong authorities discuss with their mainland counterparts to see how such conspiracies between the public security officials and the suspects can be prevented?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, such things do happen, that is the so-called issue of documents at different locations. For example, someone is a native of northeastern China, but he goes to Fujian Province to apply for the document; or he makes up a pseudonym and goes to Jiangmen to apply for the document and then goes to Zhanjiang to apply for permission to visit Hong Kong. Sometimes we will find out that certain irregularities do arise in certain document-issuing units and we will report the cases to the Ministry of Public Security on the Mainland. We will inform them that it appears there are irregularities with certain local public security authorities and they will take necessary actions. Speaking from our past experience, this is an effective way to deal with the situation.

PRESIDENT (in Cantonese): We have spent more than 17 minutes on this question. One last supplementary question.

MR AMBROSE LAU (in Cantonese): *Madam President, the Secretary said in part (c) of the main reply that an Inter-departmental Task Force had been formed and that the operational strategies of the Task Force mainly covered three areas. May I ask the Secretary whether or not this Task Force will continue to operate or that it has accomplished its task? I have raised this supplementary question because after some experience is gained in time, there may be a need to adjust or strengthen certain operational strategies. So would this Task Force continue to operate or has it accomplished its task?*

SECRETARY FOR SECURITY (in Cantonese): *Madam President, this Task Force will continue to operate, for it is a standing set-up and one of its strategies is to strengthen the intensity of local enforcement actions. We envisage more cases of crimes to be committed by mainland visitors as their numbers increase, so the Task Force will have to keep its work going. I would like to stress, however, that in terms of proportion, the number of mainland visitors who commit crimes in Hong Kong has not increased, but fallen instead. The fact that the number has increased is only because there has been a great surge in the total number of visitors.*

PRESIDENT (in Cantonese): Fifth question.

Misconnected Drainage System in Mong Kok

5. **MR JASPER TSANG** (in Cantonese): *Madam President, an environmentalist is reported to have stated that the underground drainage system in the area around Dundas Street in Mong Kok has been misconnected, causing the inflow of sewage from commercial and domestic buildings into the stormwater drainage system and threatening the health of the residents in the vicinity. As such sewage may not have undergone any treatment before it is directly discharged into the Victoria Harbour, the marine environment may be polluted. In this connection, will the Government inform this Council:*

- (a) *whether it has assessed the risk of virus spreading through the misconnected drainage system; if it has, of the assessment results;*

- (b) *as the stormwater drainage system in the above area also discharges sewage and its flood relief ability is thus weakened, of the measures the authorities will take to prevent the occurrence of flooding in the area during rainstorms; and*
- (c) *whether it has assessed if the discharge of sewage from commercial and domestic buildings into the harbour through stormwater drainage pipes will hinder the optimal use of public sewage treatment facilities, resulting in a waste of public funds?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President,

- (a) As the drainage system is laid underground, it is unlikely that members of the public will come into contact with it. Therefore, the risk of virus spreading through the drainage system is very low.

There is no misconnection with respect to the underground communal drainage system in the area around Dundas Street in Mong Kok. The presence of domestic sewage and trade effluent in the communal drains there is probably caused by the illegal expedient connections between individual private buildings and the communal drainage system, or by the direct discharge of waste water into the drains at roadsides or back lanes. The Environmental Protection Department (EPD) and the Buildings Department (BD) will step up their inspection of private buildings to look for expedient connections and, if any irregularities are spotted, will request the owners of the relevant premises to rectify the situation promptly. The EPD will also initiate prosecutions against illegal discharge of waste water into the communal drainage system as part of its routine enforcement work.

To further minimize the problem caused by waste water found in the communal drains, the Drainage Services Department had installed a dry-weather flow interceptor in the section of the underground communal drainage system around the intersection of Dundas Street and Portland Street. During dry weather, the interceptor can intercept the waste water discharged into the communal drainage

system and divert it back to the communal sewerage system. The waste water will be conveyed to Northwest Kowloon Preliminary Treatment Works for screening, and then to the Stonecutters Island Sewage Treatment Works for treatment before discharge, and hence should neither affect public health nor pollute the marine environment. During wet weather, the flows in the communal drainage system will increase substantially, thereby dispersing and diluting any waste water therein. After the waste water has been discharged into the sea, most viruses in the seawater will eventually be killed by the ultraviolet radiation of sunlight and therefore public health should not be affected.

- (b) The design capacity of the communal drainage system is intended for handling the surface runoff arising from rainstorms, the volume of which is much higher than the volume of waste water being inappropriately discharged into the drainage system. Even though some waste water may find its way into the communal drains, the drainage system which is serving a large catchment area should be able to handle it without increasing the risk of flooding.
- (c) During the last 10 or more years, the Government has invested some \$20 billion in sewage collection and treatment facilities. These facilities are now handling some 2.5 million cu m of sewage daily, which accounts for 95% of the sewage produced by the population in Hong Kong. As a result of the operation of these facilities in various districts, there has been significant improvement of the water quality in many parts of our marine waters over the last decade or so.

MR JASPER TSANG (in Cantonese): *Madam President, I am gravely concerned about the dry-weather flow interceptor stated in the third paragraph of part (a) of the Secretary's reply. During dry weather, the interceptor can divert waste water discharged into the communal drainage system back to the communal sewerage system for treatment. During wet weather, waste water in the communal drainage system diluted by rainwater is discharged into the sea, while disinfection of the flow has to depend on ultraviolet radiation alone. Given that, may I ask the Secretary whether she can guarantee that waste water will not be directly discharged into the sea via the communal drainage system*

during dry weather? Does the system only operate during dry weather? In times of light drizzle, how does the system work? It is said that waste water discharged into the harbour together with stormwater has already been diluted and would do no harm to the environment, but how heavy the rain should be in order to have enough rainfall to dilute the waste water? I do not think there would be any problem in the past few days when the rain was so heavy. But still, the level of ultraviolet radiation during wet weather may fall, so whether the intended disinfecting effect will also be reduced?

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, I would like to explain a few points. A dry-weather flow interceptor is a kind of remedial measures. Basically, there should not be any expedient connection, for people doing so should have been prosecuted and arrested. The dry-weather flow interceptor is only a precautionary measure. In fact, sewers and communal drains in Hong Kong are separated in design. However, for some buildings, such as factory buildings completed in the early years, people do make expedient connections of sewers to stormwater drains for convenience. Colleagues of the EPD have conducted frequent inspections in this regard, if any irregularities are spotted, they will notify the BD which will initiate prosecution in accordance with the Buildings Ordinance. The installation of the dry-weather flow interceptor is only a precautionary measure. When connections of sewers to stormwater drains or discharge of waste water into the communal drainage system are discovered, dry-weather flow interceptors will be installed when necessary. It is estimated that expedient connections are uncommon, as not many people will do so.

Dry-weather flow interceptors only work in dry weather or in light drizzles. Whenever the flow of water is enormous, waste water cannot be intercepted for the volume of rainfall exceeds the capacity of our sewerage system. Our system is built to a diversion design, for allowing all rainfall to go into sewers may cause sewage drains to flood. In other words, during heavy rain, firstly, as I have said, stormwater will dilute waste water; secondly, diluted waste water together with the stormwater will be discharged into the sea. Two weeks ago, in a meeting of the Legislative Council, I told Members that we had all along been conducting water quality tests on seawater mainly for Escherichia coli count. So far, atypical pneumonia viruses have not been found in any seawater samples. In fact, due to the outbreak of the Severe Acute Respiratory

Syndrome (SARS), virus surveillance work has been undertaken. The life span and count of virus in seawater will not amount to any threat to hygiene because of the dilution by seawater and the exposure to light. (Disinfecting effect is certainly better on a sunny day, but a cloudy day can also achieve the purpose.)

MR AMBROSE LAU (in Cantonese): *Madam President, as stated in part (a) of the main reply, the EPD and the BD will step up the inspection of buildings to look for expedient connections of the sewage system to the communal drainage system. Will the Secretary inform us of the ways for stepping up inspections, the mode of operation and the effectiveness of such mode of operation? Since the Secretary mentioned that our drainage system was laid underground, it seems unlikely that the authorities will open up the road surface to look for misconnection of drains for this may involve many road surfaces in the territory. Will the Secretary inform us of the mode of operation then?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, the misconnection of drains mentioned in part (a) of the main reply referred to government drains. We have inspected the drains in the area around Dundas Street; neither misconnection nor leakage of government drains has been identified. Our existing sewage system is not built to an open nullah design.

In respect of inspection, from the year 2000 onwards, over 1 600 inspections are conducted monthly by the EPD to investigate illegal sewage discharge and problems caused by expedient connections of sewage systems of buildings to the communal drainage system. The complexity of the underground drainage system and existence of the enormous number of buildings have made the task of tracing contamination sources extremely difficult, particularly when tests have to be done inside individual flats. Of course, it is only when we get the information that sewage is found in stormwater drains that we can trace the contamination back to those buildings. In some cases, the connections of the drainage system of the buildings are all in a mess; some exterior sewage drains are connected to stormwater drains. To prove the misconnection, tests have to be done inside the flats concerned by putting a fluorescent dye into drains to track the flow of sewage for confirming the

discharge of sewage into the stormwater drains. Furthermore, staff of the Drainage Services Department undertaking regular sewerage maintenance will also look for irregularities of this kind. If any of these are spotted, they will notify the EPD and the BD to initiate prosecution or issue warnings.

In 2000, the EPD participated in the Coordinated Maintenance of Building Scheme (CMBS) co-ordinated by the BD. Over 300 target buildings were inspected, and the owners concerned were strongly advised to rectify the leakage or misconnection identified. The authorities may initiate prosecution in accordance with the Buildings Ordinance and the Water Pollution Control Ordinance where necessary. In 2002, four cases taken out by the EPD resulted in successful conviction with an average fine of \$15,000.

MS CYD HO (in Cantonese): *Madam President, I would like to follow up the earlier reply made by the Secretary who said that different government departments would invoke relevant ordinances to initiate prosecutions. May I ask the Secretary, starting from the identification of the misconnection to inspection, service of summons, adjudication, prosecution, conviction or even the levy of fine, how long it takes to solve the problems by rectifying the misconnection of drains to expeditiously eliminate the adverse impact caused?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, as I have said earlier, the situation varies from case to case for time is needed for the collection of evidence. If the case were to be processed under the Buildings Ordinance, it would be simpler for prosecution may be initiated by summons once irregularities on connection of drains are identified. However, for cases where the discharge of waste water into the communal drainage system has to be proved, we have to, first, enter the flat concerned to investigate, and second, to put a dye into drains for the collection of evidence. The process is rather time-consuming, and we can imagine that, most of the time, tenants are not co-operative. As for the time required for the entire process, I think it has to depend on the prosecution proceedings, such as the listing arrangement and court judgement. I thus cannot provide an exact figure for Members; but according to my experience, it usually takes about a year.

MISS CHOY SO-YUK (in Cantonese): *Madam President, I would like to ask a supplementary question on the dry-weather flow interceptor. According to the Secretary, expedient connections of drains and discharge of wastewater into stormwater drains are not allowed, and the installation of dry-weather flow interceptor is only a remedial measure. Take the Dundas Street case as an example, the waste water in question should be discharged into sewage drains but not stormwater drains. This has, however, obliged the Government to install a dry-weather flow interceptor in the area. Why should the Government adopt this measure, which is in a way encouraging expedient connection? By the installation of those facilities, the Government encourages people to make expedient connections in future. Why does the Government not step up its effort in inspection and prosecution to stamp out expedient connections? Does it mean to install those interceptors to reduce the adverse impact caused by expedient connections? If this is the case, should the arrangement be applied to the entire territory where illegal expedient connections may be found?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): *Madam President, I agree with Miss CHOY that the best solution is to stamp out illegal expedient connections. However, the designs of a lot of old buildings in many old districts are rather complicated. Since the drainage systems of those building may not necessarily be connected by open nullahs, we may have to conduct door-to-door inspections or tests, which in most cases are hardly possible. Therefore, no matter how many irregularities have been rectified, illegal expedient connections may still be found in certain districts. We finally have to resort to the installation of dry-weather flow interceptors. At present, 160 places in the territory have already been installed with these interceptors. Of course, in new development areas of better design, measures trying to "trim the toes to fit the shoes" like this one will not be adopted.*

PRESIDENT (in Cantonese): *We have already spent more than 15 minutes on this question. One last supplementary.*

DR RAYMOND HO (in Cantonese): *Madam President, part (c) of the main question in fact has not been fully covered by part (c) of the main reply. It is stated in the main question that the failed optimal use of public sewage treatment facilities has resulted in a waste of public funds. However, it is stated in the*

main reply that the Government has invested some \$20 billion in sewage collection and treatment facilities, which certainly include the \$8.3 billion for Stage I of the Strategic Sewage Disposal Scheme. According to the Secretary, the sewage treatment works has collected and treated 95% of the sewage produced by the population in Hong Kong. But since Stages II, III and IV of the Harbour Area Treatment Scheme (HATS) (a new name for the above scheme) have not yet been implemented, will the efficiency of the treatment of 95% of the sewage produced by the population be enhanced by their future implementation? At present, the treatment of the 95% of sewage only fills to 30% to 40% of the capacity of the Stonecutters Island Sewage Treatment Works, its spare capacity remains at a high level for the time being. Against this background, is this a waste of public funds that the sewage treatment facilities have not been fully utilized?

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, I am afraid I do not quite understand Dr HO's supplementary question. The Stonecutters Island Sewage Treatment Works now uses Chemically Enhanced Primary Treatment (CEPT) to treat sewage, but the objective of the HATS is to upgrade the level of treatment to secondary or higher. In fact, at present, most waste water collected are directed to various sewage treatment works, including the Stonecutters Island Sewage Treatment Works. It is only a question of the enhancement of treatment level.

Mr Jasper TSANG asked whether the failure to collect all waste water is a waste of public funds, but the amount of waste water we fail to collect is small. If the amount of waste water left uncollected is substantial, I believe lots of problems of environmental hygiene will arise. The installation of the dry-weather flow interceptor aims to maximize the amount of waste water diverted to the sewage system for treatment.

PRESIDENT (in Cantonese): Last oral question.

Private Sewage Treatment Facilities

6. **MR ALBERT CHAN** (in Cantonese): *Madam President, some of the domestic sewage from villages in the New Territories is treated by private*

treatment facilities such as septic tanks and soakaway systems, rather than by sewage treatment plants via communal sewer. In this connection, will the Government inform this Council of:

- (a) the respective numbers of inspections conducted by the relevant department last year on private treatment facilities and orders issued to or prosecutions instituted against households that had failed to treat the sewage properly and caused pollution to the environment, and the outcome of these orders and prosecutions; and*
- (b) the measures to ensure proper checking and maintenance of these private treatment facilities to prevent pollution of the environment and the breeding of mosquitoes and pests?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS
(in Cantonese): Madam President,

- (a) At present, the Environmental Protection Department (EPD) conducts inspections in the territory daily to enforce environmental legislation and to look into complaints received from the public. In view of the environmental problems that may be caused by the overflow of sewage from private treatment facilities (such as septic tanks and soakaway systems) of village houses in the New Territories, the EPD conducted over 670 special inspections in 2002. During the inspections, EPD staff examined carefully the operations and maintenance of these treatment facilities. Depending on the results, they would give verbal guidance or advice to the owners, request them to rectify the irregularities or, where necessary, replace the entire facilities. During the year, a total of six written warnings were issued against the more serious cases. Should the problem persist after the warning, the EPD would initiate prosecutions in accordance with the Water Pollution Control Ordinance. In 2002, six persons were convicted and ordered to pay a fine ranging from \$2,000 to \$15,000.

The Food and Environmental Hygiene Department (FEHD) also handles complaints about nuisances caused by the overflow or the odour from private septic tanks. In 2002, the FEHD issued a total of nine nuisance notices in respect of such complaints.

- (b) In addition to the above enforcement action, the EPD has over the years provided detailed guidance notes on the installation, operation and maintenance of private septic tanks for village houses. By referring to such guidance notes, villagers can install septic tank systems that are most appropriate to the size of their houses, the topographical characteristics and the environment of the sites. The EPD also requests owners of such tanks to ensure that their facilities are subject to regular inspection and maintenance, so that sewage would not be discharged untreated into rivers or Hong Kong waters. The Department has also made available another set of guidance notes in respect of the design of appropriate septic tanks and soakaway systems, for reference by works agents responsible for the design and installation of such facilities.

To prevent the breeding of mosquitoes, staff of the pest control section of the FEHD inspect private septic tanks in villages regularly. They will remind owners to ensure that the manholes of septic tanks are properly covered and that vent pipes are properly fitted with anti-mosquito nets.

MR ALBERT CHAN (in Cantonese): *Madam President, the main reply of the Secretary seems to say that the problems of illegal sewage discharge and septic tanks do not really exist. But I can tell the Secretary very clearly that in New Territories villages, the illegal discharge of sewage into rivers and streams is a very common problem. It is also said in the Secretary's main reply that the EPD has been taking actions in this respect, but the reply does not mention any prosecution statistics. Why are these problems still so common despite the fact that the EPD has been taking actions for such a long time and routine inspections are conducted every year — though the frequency is very low, with only 670 inspections a year, or an average of fewer than two inspections a day? May I ask the Secretary whether there are any measures and plans to prevent the continued pollution of our rivers and streams by the illegal discharge of sewage and also to ensure that the problem of septic tanks can be properly monitored and alleviated?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, in regard to the routine inspections of the EPD, I have mentioned two things. Some inspections are of course routine, and the 600 or so special inspections mentioned by me were conducted in response to complaints lodged by the public. There have in fact been many such complaints. The problem associated with village houses is a long-standing one; many septic tanks cannot function properly, which is why we may notice the direct discharge of sewage into rivers and streams. We are aware of this problem. However, since in the early days, the Government simply did not require the construction of any facilities for village houses, and also because under the Water Pollution Control Ordinance, it is very difficult to prove that the sewage discharge of a village house has led to pollution, enforcement has been rather difficult. As mentioned in the main reply, in some cases, we did give verbal advice and written warnings to the owners concerned. But the word "prosecution" was not mentioned, because we simply did not have any evidence that could enable us to successfully prosecute the owners concerned. Over the past 10 years or so, the Government has spent about \$800 million on the installation of sewage collection systems in 70 villages. This is the ultimate solution, the best solution, because sewage can be fed into the sewage treatment plants in various districts. The first batch of beneficiaries numbered 65 000.

The installation of sewage pipes in 50 more villages is underway, with expected completion within five years and at a cost of some \$600 million. As Members are aware — Mr Albert CHAN presumably knows best — even when a master sewer is installed, the villagers concerned may not necessarily be willing to feed their sewage pipes into it, because this will necessitate the payment of sewage disposal charges afterwards. That is why besides giving verbal advice, we may also have to invoke the Water Pollution Control Ordinance. In case an owner refuses to feed his sewage pipe into the master sewer passing before his village house, we may invoke the Ordinance to require him to do so. But the point is that the construction of many village houses is not subject to any planning, so it is difficult to align a master sewer before them. If an additional segment is required for connection to the master sewer, the owner concerned may be reluctant to comply. Not that I am unaware of this problem, only that we hope to make them gradually realize, through education and publicity, that a proper sewage disposal system will be good to both environmental and personal hygiene. Actually, they will sooner or later realize that this will have positive implication on the value of their properties.

MR LAU WONG-FAT (in Cantonese): *Madam President, under the poor economic conditions now, owners of village houses may not have the means to carry out prompt repairs to their sewage disposal systems immediately. The Government has recently put in place a loan scheme for owners having to repair their sewerage facilities, with a view to maintaining environmental hygiene. May I ask the Secretary whether the authorities have considered the idea of expanding the loan scheme, so that owners of village houses may also apply for loans to repair their sewerage facilities and enjoy the same treatment as their urban counterparts?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): *Madam President, the loan scheme recently introduced for owners' corporations is intended to facilitate the more systematic conduct of hygiene inspections, strengthen prosecutions and expedite maintenance projects in respect of buildings in the urban areas. But the requests of individual village house owners cannot be entertained under this loan scheme. We of course appreciate that there are many problems with village houses, because the standards applicable to village houses under the buildings legislation are very different. In the case of some older village houses, for example, the maintenance and repairs of septic tanks may not be possible under the original designs. But the cost of reconstruction will be very high. The sewerage installation works for village houses will have to follow the programme of all infrastructure projects, which is what makes them somewhat different. However, I do agree with Mr LAU Wong-fat. We are carrying out inspections in many places, and we also hope that owners of village houses can first register their septic tanks. There are 100 000 village houses, but only 8 000 have registered septic tanks. We hope that with regulation, the problem of pollution can be ameliorated more effectively.*

MR ALBERT HO (in Cantonese): *Madam President, as mentioned by the Secretary, the problem is largely a legacy of the absence of any planning for rural villages over all these years. I appreciate that the problem cannot be solved overnight, because it takes time to draw up a systematic sewage disposal scheme. As pointed out by the Secretary, there are no septic tanks in some villages. These villages have become environmental hygiene black spots, frequently causing serious pollution to their adjacent areas. But the villagers*

there are very poor, with no money for the construction of septic tanks. May I ask the Secretary whether there are any plans to install temporary toilets in some particular places? Pending the completion of longer-term projects, such as the installation of septic tanks and sewerage systems — these projects may take two or three months to complete, will the Government install temporary toilets as a fundamental solution? Even permanent toilets are acceptable.

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, I have already said that we must consider many different problems, such as the willingness of owners to co-operate. Even after we have installed sewers, there is still the problem of whether or not villagers are prepared to connect their sewage pipes to the sewers we have installed. And, in fact, public toilets are built in many places already, so I do not know what kinds of public toilets Mr Albert HO has in mind. One point here is that most people would like to use their own toilets at home instead of public toilets. I guess public toilets may not achieve any great effect anyway. But still, we will consider various possible ways to improve environmental hygiene, and we are currently considering various options. I think a decision on the installation of public toilets must only be made after thorough consultation with the villagers concerned.

MR CHAN KAM-LAM (in Cantonese): *Madam President, there are 100 000 village houses, and only 8 000 of them have registered septic tanks. The number is certainly very small. I am sure that most village houses must have been equipped with septic systems. Will the Government consider the possibility of obtaining assistance from the Heung Yee Kuk or the various Rural Committees in conducting registration. Or, will the Government even hold discussions with villagers to find out how it can possibly assist them in constructing septic tanks or sewage disposal systems? Actually, the Heung Yee Kuk and Rural Committees may be able to play a role in this.*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, in fact, the authorities have started to keep a watch on the problem of septic tanks since 1980, when the Water Pollution Control Ordinance came into effect. Owners of village houses equipped with

septic tanks were then advised to apply for a licence from the EPD, which can be used as a defence for the illegal discharge of sewage subject to the provisions of the relevant legislation. Since 1992 — as Mr LAU Wong-fat may still remember — we have been co-operating closely with the Heung Yee Kuk to explain the Government's policy on septic tanks, emphasizing at the same time that the EPD will enforce sewage discharge legislation in the light of the geographical environment of individual septic tanks. Although we have made a lot of efforts in this respect, many villagers, as also mentioned by some Members just now, are still concerned that they may not have the means to meet any repairs of their septic tanks. This problem cannot be resolved overnight, but we have been taking forward this sewage discharge scheme very actively. Besides, we will also need to examine how we can do a yet better job in public health and hygiene.

PRESIDENT (in Cantonese): Mr CHAN Kam-lam, has your supplementary question not been answered?

MR CHAN KAM-LAM (in Cantonese): *Madam President, I was asking the Secretary whether the Government would work together with the Rural Committees and the Heung Yee Kuk to deal with the problem. But she simply talked about explanation and so on. I do not think that this can be of any substantial help. If we can work through the Heung Yee Kuk or*

PRESIDENT (in Cantonese): Mr CHAN, please state the part of your question which the Secretary has not answered, instead of giving your views. Secretary, you may give your additional comments.

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Madam President, I have already said that we have in fact been working with the Heung Yee Kuk and Rural Committees, but villagers do have their own worries after all. The problem is not so much about our reluctance to do anything. We will continue to work with the Heung Yee Kuk and Rural Committees.

MS CYD HO (in Cantonese): *Madam President, it will be nice if organic farming can be factored into this.*

I hope that the Secretary can examine whether there is any disproportion between villagers' abilities and the responsibilities required of them as mentioned in part (b) of the main reply. According to the Secretary, villagers (in other words, owners of village houses) are given guidance notes on choosing the septic tank systems most appropriate to the topographical characteristics and environment of their respective sites. Frankly speaking, the only kind of people who really need to have any knowledge about this should be those experts responsible for design and installation. Owners do not necessarily need to have any knowledge about all this. Will the authorities consider reviewing the abilities and responsibilities of owners, instead of just pushing all legal responsibilities onto their shoulders? Owners should be considered as having discharged their responsibility after commissioning competent persons or persons qualified for licences to carry out repairs for them every year. Villagers themselves should not be required to learn how to construct a septic tank.

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, I have mentioned that we have issued a set of simple guidance notes on the operation and routine maintenance of septic tanks. In the past (not too long ago, but I forget exactly when), the construction of a village house did not require any application to the Buildings Department. Villagers could go about the construction works on their own, which was why we must tell them how to install a septic tank when constructing a village house. Later — but I cannot recall in which year — it became necessary to obtain the permission of the Buildings Department for the construction of village houses. We now have a rather detailed design plan for the construction of septic tanks and soakaway systems for compliance by the personnel responsible for installation. Licences are issued on such a basis.

PRESIDENT (in Cantonese): We have spent more than 17 minutes on the question. One last supplementary question.

DR TANG SIU-TONG (in Cantonese): *Madam President, it is mentioned in part (b) of the Secretary's main reply that the EPD has all along been providing*

guidance and requesting villagers to ensure that the facilities in question are subject to regular inspection and maintenance. May I ask the Secretary whether the EPD will take the initiative to assist the owners concerned in checking whether their sewage discharge systems are functioning? Or, will the EPD issue any inspection guidelines to let them know who are qualified to conduct inspections?

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, we have a booklet which explains very clearly how the maintenance and repairs of septic tanks should be carried out. In fact, we can see many well maintained septic tanks in the New Territories. The owners of such septic tanks will regularly hire contractors to carry out desilting and desludging. This is mechanical work. Contractors will hand over the sludge to the sewage treatment plants of the Drainage Services Department for disposal. Moreover, when a septic tank overflows in times of torrential rain, the contractor concerned will also have to work out a way to deal with the problem. We also have guidelines on the maintenance of septic tank systems, pinpointing, for example, how they should be maintained, the frequency of maintenance yearly, the capacity of such tanks, and so on.

PRESIDENT (in Cantonese): Oral question time ends here.

WRITTEN ANSWERS TO QUESTIONS

Employment Statistics

7. **MR LEE CHEUK-YAN** (in Chinese): *Madam President, regarding the employment statistics compiled by the Census and Statistics Department, will the Government inform this Council of the numbers of employed persons (excluding unpaid family workers, foreign domestic helpers and employed persons who worked less than 35 hours during the seven days before enumeration due to vacation) in each of the past three years, broken down by the groupings in the form appended below?*

	<i>Number of employed persons</i>					
	<i>Monthly employment earnings</i>					
<i>Gender/Hours of work during the seven days before enumeration</i>	<i>Less than \$3,000</i>	<i>\$3,000 to \$4,999</i>	<i>\$5,000 to \$7,499</i>	<i>\$7,500 to \$9,999</i>	<i>\$10,000 or above</i>	<i>Total</i>
<i>Female</i>						
<i>Less than 35 hours</i>						
<i>35 to 49 hours</i>						
<i>50 to 59 hours</i>						
<i>60 hours or above</i>						
<i>Sub-total</i>						
<i>Male</i>						
<i>Less than 35 hours</i>						
<i>35 to 49 hours</i>						
<i>50 to 59 hours</i>						
<i>60 hours or above</i>						
<i>Sub-total</i>						
<i>Female and male</i>						
<i>Less than 35 hours</i>						
<i>35 to 49 hours</i>						
<i>50 to 59 hours</i>						
<i>60 hours or above</i>						
<i>Total</i>						

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Chinese): Madam President, the requested information is as follows:

Number of employed person in 2000

<i>Gender/Hours of work during the seven days before enumeration</i>	<i>Monthly employment earnings</i>					<i>Total</i>
	<i>Less than \$3,000</i>	<i>\$3,000 to \$4,999</i>	<i>\$5,000 to \$7,499</i>	<i>\$7,500 to \$9,999</i>	<i>\$10,000 or above</i>	
<i>Female</i>						
Less than 35 hours	31 800	29 200	10 500	3 000	8 600	83 000
35 to 49 hours	5 500	35 200	138 000	137 800	445 200	761 800
50 to 59 hours	800	8 100	38 300	29 400	68 800	145 400
60 hours or above	800	11 100	45 700	22 500	37 700	117 800
Sub-total	39 000	83 500	232 600	192 700	560 300	1 108 000
<i>Male</i>						
Less than 35 hours	13 100	19 500	27 800	14 900	19 100	94 400
35 to 49 hours	5 600	16 900	111 100	173 300	739 000	1 045 900
50 to 59 hours	1 100	4 400	31 100	52 900	216 600	306 100
60 hours or above	1 200	6 900	59 500	59 600	200 000	327 200
Sub-total	20 900	47 700	229 500	300 700	1 174 700	1 773 600
<i>Female and male</i>						
Less than 35 hours	44 900	48 700	38 300	17 800	27 700	177 400
35 to 49 hours	11 100	52 100	249 100	311 200	1 184 200	1 807 600
50 to 59 hours	1 900	12 500	69 400	82 300	285 400	451 500
60 hours or above	2 000	18 000	105 300	82 100	237 700	445 100
Total	59 900	131 200	462 100	493 400	1 735 000	2 881 600

Number of employed persons in 2001

<i>Gender/Hours of work during the seven days before enumeration</i>	<i>Monthly employment earnings</i>					Total
	Less than \$3,000	\$3,000 to \$4,999	\$5,000 to \$7,499	\$7,500 to \$9,999	\$10,000 or above	
<i>Female</i>						
Less than 35 hours	34 200	29 800	11 800	3 200	12 700	91 600
35 to 49 hours	7 300	39 500	131 300	128 000	446 900	753 000
50 to 59 hours	1 100	10 300	40 900	27 900	74 400	154 600
60 hours or above	1 800	12 600	49 600	23 900	39 800	127 600
Sub-total	44 300	92 100	233 600	183 000	573 800	1 126 800
<i>Male</i>						
Less than 35 hours	13 800	19 400	25 500	15 300	20 900	94 800
35 to 49 hours	8 100	17 100	105 400	162 000	722 200	1 014 800
50 to 59 hours	1 500	4 200	31 200	50 200	214 400	301 400
60 hours or above	3 300	8 500	64 400	63 500	200 400	340 100
Sub-total	26 600	49 200	226 500	291 000	1 157 800	1 751 100
<i>Female and male</i>						
Less than 35 hours	47 900	49 200	37 300	18 500	33 500	186 500
35 to 49 hours	15 300	56 600	236 600	290 000	1 169 100	1 767 700
50 to 59 hours	2 500	14 500	72 100	78 100	288 800	456 100
60 hours or above	5 100	21 100	113 900	87 400	240 200	467 700
Total	70 900	141 300	460 000	474 100	1 731 600	2 877 900

Number of employed persons in 2002

<i>Gender/Hours of work during the seven days before enumeration</i>	<i>Monthly employment earnings</i>					<i>Total</i>
	<i>Less than \$3,000</i>	<i>\$3,000 to \$4,999</i>	<i>\$5,000 to \$7,499</i>	<i>\$7,500 to \$9,999</i>	<i>\$10,000 or above</i>	
<i>Female</i>						
Less than 35 hours	45 900	31 700	11 400	3 500	10 800	103 200
35 to 49 hours	9 900	46 000	131 600	117 400	411 300	716 200
50 to 59 hours	1 500	12 300	47 100	30 800	86 500	178 300
60 hours or above	3 100	16 200	61 100	27 300	47 900	155 400
Sub-total	60 400	106 200	251 000	179 000	556 500	1 153 100
<i>Male</i>						
Less than 35 hours	20 800	23 500	29 200	15 200	17 100	105 900
35 to 49 hours	12 300	25 100	115 300	147 200	620 500	920 400
50 to 59 hours	2 300	6 400	37 100	55 200	214 500	315 300
60 hours or above	4 500	9 600	78 200	71 100	211 100	374 500
Sub-total	39 800	64 600	259 800	288 700	1 063 100	1 716 000
<i>Female and male</i>						
Less than 35 hours	66 700	55 100	40 600	18 700	27 900	209 100
35 to 49 hours	22 200	71 100	246 800	264 600	1 031 800	1 636 600
50 to 59 hours	3 800	18 700	84 200	85 900	301 000	493 600
60 hours or above	7 600	25 800	139 200	98 400	258 900	529 900
Total	100 200	170 700	510 800	467 700	1 619 600	2 869 100

Note:

- (1) Figures may not add up to the corresponding totals due to rounding.
- (2) During 2000 to 2002, among those employed persons working less than 35 hours during the seven days before enumeration, about half were not underemployed. (For an employed person to be classified as underemployed, he/she must have involuntarily worked less than 35 hours during the seven days before enumeration and either (a) has been available for additional work or (b) has sought additional work. Those who worked less than 35 hours during the seven days before enumeration but did not meet this definition were not classified as underemployed, for example, employed persons voluntarily working less than 35 hours during the seven-day period because they were busily engaged with housework, school work, and so on)
- (3) Among those employed persons working less than 35 hours during the seven days before enumeration and with monthly employment earnings less than \$3,000, around 60% were not underemployed.

Organizations Adopting Relief Measures to Assist Industries Badly Hit by Epidemic

8. **MR KENNETH TING** (in Chinese): *Madam President, various banks, public utilities as well as industrial and commercial organizations have recently taken the initiative to adopt relief measures to assist industries which have been badly hit by the atypical pneumonia epidemic. In this connection, will the Government inform this Council whether it will commend these organizations openly and encourage more organizations to adopt similar measures in order to help revive the economy?*

FINANCIAL SECRETARY (in Chinese): Madam President, many businesses, particularly those in the tourism, retail and restaurant sectors have been badly hit by the Severe Acute Respiratory Syndrome (SARS). With the lifting of the travel advisory on Hong Kong by the World Health Organization (WHO) and the United States Centers for Disease Control and Prevention, it is clear that Hong Kong is now on its way to recovery. It will however take some time for things to get back to normal.

Over the last few weeks many organizations including banks and public utility companies have followed the Government's lead to put in place relief measures to assist companies and individuals most affected by the impact of SARS. The Government appreciates and values their contribution and efforts. Their generosity and community spirit demonstrate the strength of our society.

Individual banks have offered, for example, refund of interest payment for various types of loans and deferral of principal payment for certain loans, benefiting both the employers and employees in the industries hard hit by SARS.

The relief measures offered by public utilities and transport operators include rebate and deferred payment of electricity and gas bills, discounted fares or even free rides for certain age groups.

The Airport Authority has offered relief and incentive packages to help the aviation sector and related business to tide over. The packages include reductions in long-term parking charge and rental for shops and catering outlets at the Passenger Terminal, as well as temporary discounts in aircraft landing charges.

Many industrial and commercial organizations have joined forces with the Trade Development Council to offer various types of relief measures to help small-and-medium sized enterprises tide over this difficult period. For example, discounted rates are on offer for courier and bulk mailing services, phone calls, videoconferencing, broadband connections and trade publications. Property developers have also answered our call for action. Some of them have reduced rentals.

The recovery of our economy is now underway. We must all work hard to sustain it. Apart from the organizations mentioned above, many other organizations and individuals have made considerable contribution to combating SARS and reviving Hong Kong's economy in the past few months. I thank them for their efforts. Only by the whole community working together can Hong Kong ensure it emerges from this trying time a stronger, cleaner and more welcoming place in which to live, do business and visit. We look forward to the community's continued support to relaunch Hong Kong.

Prevention and Control of Infectious Diseases

9. **MR YEUNG YIU-CHUNG** (in Chinese): *Madam President, will the Government inform this Council:*

- (a) *whether it has a mechanism for the surveillance, early warning, treatment and study of infectious diseases; if it has, of the details of the mechanism;*
- (b) *of the rationale and details of the study on setting up in Hong Kong an organization similar to the Centers for Disease Control and Prevention in the United States; whether the functions of this organization will overlap with those of the Department of Health (DH); if so, of the improvements to be made by the authorities; and*
- (c) *of the details of the education and training for the prevention, control and treatment of infectious diseases?*

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

- (a) The Government has established mechanisms on communicable disease surveillance and response, treatment and research through collaboration with the Hospital Authority (HA), medical profession, academic sector and overseas health authorities.

The DH has a well-established surveillance system on communicable diseases. Under the Quarantine and Prevention of Disease Ordinance (Cap. 141), there are 28 notifiable infectious diseases, and medical practitioners are required to notify the DH of notifiable infectious diseases. Moreover, they are encouraged to report to the DH other infectious diseases of public health significance or unusual illness patterns.

The DH also operates a sentinel surveillance system through a network of hospitals, clinics and laboratories in the public and private sectors to monitor the trend of influenza-like illness, hand, foot and mouth disease, antibiotic resistance, acute conjunctivitis and acute diarrhoeal diseases in the community. The DH also works closely with the Education and Manpower Bureau and Social Welfare Department to disseminate guidelines on prevention of communicable diseases to institutions including childcare centres, kindergartens, schools and elderly homes and to remind them to report to the DH any outbreaks of communicable diseases.

When the DH receives report of infectious diseases, epidemiological investigations will be carried out immediately to identify the source of infection, to perform active case finding and contact tracing, to provide health advice and chemoprophylaxis if indicated, and to institute appropriate control measures to prevent spread of the disease. Analysis of the information collected, and early warning if necessary, will be disseminated to the health care professionals and the public through different means such as fax and press release. They may also be published in bulletins and on the DH's website.

The Government has set up various expert working groups (for example, on avian influenza and severe acute respiratory syndrome

(SARS)) and interdepartmental co-ordinating committees (for example, on SARS, dengue fever, cholera or enteroviral infection) to facilitate disease control and research. In dealing with the recent large-scale outbreak of SARS, the DH retrieves online real time patient data from the eSARS system developed in the HA and, working in collaboration with the police, makes use of the Police's Major Incident Investigation and Disaster Support System (MIIDSS) for contact tracing and to provide early alert of potential clusters of SARS which warrant intervention and investigation. A Multi-disciplinary Response Team for SARS has also been set up involving the Food and Environmental Hygiene Department (FEHD), Housing Department, Buildings Department, Electrical and Mechanical Services Department, Environmental Protection Department and Drainage Services Department to address any environmental factors identified in the investigation of SARS cases.

Treatment of communicable diseases is generally based on best available research findings. When these are not available, we will rely on any empirical evidence and/or expert advice to derive treatment protocols which are in the best interest of patients.

Study of communicable diseases is part and parcel of the work of the DH and the HA. Research in this field is also carried out by the tertiary institutions.

On the international front, Hong Kong keeps abreast of latest developments through regular information exchange and skill transfer with the Mainland, World Health Organization and overseas health authorities.

- (b) New emerging communicable diseases, regardless of their places of origin, can soon be of global concern due to the massive international flow of people nowadays. This calls for a new approach for disease prevention and control with global emphasis, such as setting up an organization similar to the Centers for Disease Control and Prevention in the United States. In studying options for this proposed organization, we will be examining the roles and functions of the DH to ensure there will be no overlap of function. We expect that at the initial stage the organization's major areas of

work will include further enhancing the surveillance, prevention and control of communicable diseases to protect public health, gathering intelligence of diseases from other centres for disease control around the world and conducting researches to foster new knowledge.

- (c) Structured training programmes on epidemiology, communicable diseases control, public health, laboratory technologies, and so on, are available both locally and overseas. There are also work attachment programmes to overseas health authorities. Moreover, relevant Colleges of the Hong Kong Academy of Medicine conduct academic assessment through fellowship examinations.

On the job training is provided in the DH and the HA through direct supervision, academic meetings, seminars, conferences and training courses. The HA adopts a structured and co-ordinated approach in providing training to its staff on the prevention, control and treatment of infectious diseases and hospital-acquired infections. At present, every acute hospital has an infection control team (ICT), comprising a part-time Infection Control Officer who is a specialist doctor, and one to two full-time Infection Control Nurses. The ICTs organize on a regular basis structured programmes and talks on infection control for all staff in their respective hospital/clusters. In addition, the Queen Mary Hospital, the Prince of Wales Hospital and the Princess Margaret Hospital organize weekly infectious disease workshops, which are open to all HA doctors, to enhance their knowledge and promote experience sharing in the prevention, control and treatment of infectious diseases.

At the corporate level, the HA Institute of Health Care provides basic infection control training to about 500 nurses each year and infectious disease control training to about 200 nurses. The Task Force on Infectious Disease Control in the HA Head Office also organizes training activities on infectious disease control, including commissioned training by overseas experts.

During the SARS crisis, all HA hospitals have organized infection control training to update all levels and disciplines of staff on infection control guidelines relating to SARS management. These training programmes are also extended to some private practitioners

and the staff of private hospitals. In addition, the HA has developed a set of e-learning materials entitled "Training on SARS Infection Control Precautions" to facilitate self-learning by all staff members. Reinforcement training sessions for health care support workers will also be organized in all seven clusters in June 2003.

In the wake of the SARS outbreak, the Chief Executive announced on 22 April 2003 that the Administration would seek the approval of the Finance Committee (FC) of the Legislative Council to establish a fund for, among others, supporting training or further studies of medical and nursing staff. In this connection, the Government will seek the FC's approval on 20 June 2003 on the establishment of a Training and Welfare Fund for the HA at \$200 million to strengthen training of health care staff of the HA to enhance their expertise in infectious disease control in the hospital setting.

At the community level, the DH and the FEHD disseminate guidelines on how to maintain personal and environmental hygiene respectively in order to avoid contracting and spreading communicable diseases. These guidelines are available to members of the public and institutions including child care centres, kindergartens, schools and elderly homes.

Problems on Refuse Collection in Public Housing

10. **MISS CHAN YUEN-HAN** (in Chinese): *Madam President, it has been reported that the method of refuse collection currently used in public housing estates and Home Ownership Scheme (HOS) courts often involves spills and emission of foul odours from refuse chutes, refuse storage chambers and refuse containers, and the transportation of refuse also gives rise to environmental hygiene problems. In this connection, will the Government inform this Council:*

- (a) *of the districts where complaints were lodged about spills and emission of foul odours from refuse chutes, refuse storage chambers and containers and the areas adjoining elevators for disposing of refuse in public housing estates and HOS courts over the past three years, and how these complaints have been handled;*

- (b) *whether it has prescribed the monthly cleansing frequency of refuse containers in public housing estates and HOS courts; if it has, of the details;*
- (c) *as the Housing Authority agreed in 1998 that, except in special circumstances, all public housing developments with more than 2 400 domestic flats and scheduled for completion after 1 January 2001 would be provided with an Automated Refuse Collection System (ARCS) and that the feasibility of retrofitting the facilities in both existing estates and those under construction would be studied, of the progress of the provision of these facilities by the authorities, and whether a timetable has been set by them for such provision in all public housing estates and HOS courts in the territory; and*
- (d) *whether it will consider providing additional elevators specially designed for transporting refuse in public housing estates and HOS courts which could not be installed with ARCS; if not, the reasons for that?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese):

Madam President, as required by the Housing Department (HD), large refuse bins at the refuse storage chambers and refuse collection points of public housing estates and HOS courts under its management must be washed once a day, while the rubbish bins placed in public areas such as the lift lobby on each floor should be washed once every two weeks. Where necessary, estate or court managers will ask cleansing contractors to step up the frequency.

In the past three years, there were complaints from public housing estates and HOS courts in all districts about spills and emission of foul odours from refuse chutes, refuse storage chambers and containers, and the areas used for refuse disposal adjacent to elevators. On receipt of complaint, the HD will carry out inspection to identify the causes of the problem. The causes may vary, including cracks in the refuse chutes, blockage of refuse chutes, insufficient cleansing and accumulation of rubbish in refuse storage chambers. Appropriate follow-up actions such as emergency repairs of any damaged facilities and tighter supervision of cleansing contractors will be taken depending on the nature of the problem. If the nuisance arises from residents' improper disposal of rubbish or leakage of garbage bags, notices will be posted to enlist tenants' co-operation in maintaining environmental hygiene.

Since the Housing Authority's decision in 1998, ARCS has been installed in three newly completed public housing estates (namely, Wah Lai Estate in Kwai Chung and Tin Heng Estate and Tin Yat Estate in Yuen Long) and three HOS courts (namely, Choi Ming Court in Tseung Kwan O, Yu Chui Court in Sha Tin and Lai Yan Court in Kwai Chung). Another seven housing projects under construction will also be provided with this system. However, in view of high costs of installation and operations, the Housing Authority is now reviewing the cost-effectiveness of such system.

Retrofitting ARCS in existing housing estates would involve extensive works such as excavation, refuse chute modification, construction of central transformer room and diversion of underground utilities. Given the high installation costs and prolonged construction period, it is not cost-effective to retrofit such facility. Similarly, installation of additional elevator for transporting refuse in existing public housing blocks would involve complex and costly works, including foundation works for additional lift shaft or lift tower and diversion of underground utilities, and so on. Some tenants will also need to be relocated in order to make room for the lift lobby and shaft. In view of these considerations, we will not retrofit ARCS or refuse elevators in existing public housing estates and HOS courts.

Meanwhile, to enhance estate cleanliness and environmental hygiene, the HD has recently implemented a series of measures to improve the refuse collection arrangements. Garbage bags are provided to tenants since June to facilitate proper handling of rubbish. Refuse collection hours are adjusted to suit the circumstances of individual estates, while refuse storage chambers are opened or additional refuse containers provided to facilitate rubbish disposal outside the designated collection hours. To reduce stench and improve the environment, a newly developed biochemical odour removal device will be installed in the refuse collection points of public housing estates. Where necessary, roof covers for refuse collection points will also be installed. These measures should be able to abate effectively the nuisance arising from refuse collection.

Draft Guidelines of Competition Policy Advisory Group

11. **MR FRED LI** (in Chinese): *Madam President, the Competition Policy Advisory Group (COMPAG) has developed a set of draft guidelines to define*

anti-competitive practices, provide pointers with objective benchmarks to assess Hong Kong's overall competitive environment and promote consistent application of Hong Kong's competition policy across sectors. Interested parties are being consulted on the draft guidelines. In this connection, will the Government inform this Council:

- (a) of the details of the draft guidelines, particularly the definitions of anti-competitive practices and the objective benchmarks for assessing competitive environment;*
- (b) of the details of the consultation exercise conducted on the draft guidelines, and whether consumers and non-business sectors are consulted;*
- (c) whether this Council will be consulted on the contents of the draft guidelines before they are finalized; if so, of the consultation timetable; if not, the reasons for that;*
- (d) of the proposed timetable for finalizing and implementing the guidelines; and*
- (e) how it will ensure that various sectors and bodies take heed of the guidelines, which have no legal effect?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Chinese): Madam President, my reply to the five parts of the question raised by the Honourable Fred LI is as follows:

- (a) The purpose of the guidelines developed by the COMPAG is to provide the business sector with objective pointers, benchmarks and principles to assess Hong Kong's overall competitive environment; define and tackle anti-competitive practices; as well as encourage various sectors to proactively implement Hong Kong's competition policy. The draft guidelines include:
 - (i) major elements such as the rule of law; a transparent investment and tax regime; and free flow of trade, foreign exchange and information, and so on, to gauge whether the

overall business environment in Hong Kong is conducive to competition and free trade;

- (ii) a three-step test to gauge whether certain business practices limit market accessibility/contestability and impair economic efficiency/free trade to the detriment of the overall interest of Hong Kong; and
- (iii) specific indicators to help detect anti-competitive practices and abuse of dominant market position activities which may directly or indirectly restrict competition.

The draft guidelines also provide a list of examples of anti-competitive practices or market-distorting activities including:

- price-fixing to increase the cost of supply;
 - preventing or restricting the supply of goods or services to competitors;
 - market-sharing agreements based on geographic or customer demarcations, including unfair or discriminatory standards made between members of a trade or professional body to deny newcomers market access or reduce their competitiveness in the market;
 - joint boycott, bid-rigging, market allocation, sales and production quotas intended to increase the cost and reduce the choice and availability of supply.
- (b) The COMPAG has consulted and invited 30 chambers of commerce, trade and industry organizations to give their views and comments on the draft guidelines (see Annex). The Consumer Council is a member of the COMPAG. It participated in the drafting of the guidelines and has offered comments.
- (c) After we have concluded the consultation and collated the views received, we will submit the guidelines to the Economic Services Panel of the Legislative Council.

- (d) Our target is to promulgate the guidelines before the end of 2003.
- (e) The guidelines are drafted with contributions from the chambers of commerce and trade and industry organizations, and developed with the support of the business sector. They support the move to provide general guiding principles across the sectors. The COMPAG will further encourage individual business sectors to develop their own codes of conduct on the basis of the guidelines. The COMPAG will also monitor the implementation of the guidelines.

Annex

Guidelines for maintaining a competitive environment
and defining and tackling anti-competitive practices

Consultation list

(A) *Chambers of Commerce* (13 names)

The American Chamber of Commerce in Hong Kong
The Australian Chamber of Commerce in Hong Kong
The British Chamber of Commerce in Hong Kong
The Canadian Chamber of Commerce in Hong Kong
The Chinese General Chamber of Commerce
The Chinese Manufacturers' Association of Hong Kong
The European Chamber of Commerce in Hong Kong
The Hong Kong General Chamber of Commerce
The Indian Chamber of Commerce Hong Kong
The Hong Kong Japanese Chamber of Commerce and Industry
The Korean Chamber of Commerce in Hong Kong
The Swedish Chamber of Commerce in Hong Kong
The Singapore Chamber of Commerce (Hong Kong)

(B) *Trade Commissions and Business Associations* (1 name)

The Hong Kong Exporters' Association

(C) *Trade and Industry Bodies*

(1) *General* (3 names)

Hong Kong Retail Management Association
Federation of Hong Kong Industries
Hong Kong Association of Freight Forwarding Agents Limited

(2) *Financial Services* (5 names)

The Hong Kong Association of Banks
Hong Kong Monetary Authority
Securities and Futures Commission
The Stock Exchange of Hong Kong
The Hong Kong Association of Restricted Licence Banks and Deposit-taking Companies

(3) *Shipping* (2 names)

The Hong Kong Shippers' Council
Hong Kong Liner Shipping Association

(4) *Telecommunications* (1 name)

Office of the Telecommunications Authority

(5) *Broadcasting* (2 names)

Broadcasting Authority
Television and Entertainment Licensing Authority

(6) *Residential Property Market* (1 name)

Hong Kong Real Estate Agencies Association

(7) *Travel Industry* (1 name)

Travel Industry Council of Hong Kong

(8) *Insurance Industry* (1 name)

The Hong Kong Federation of Insurers

Utilization of Mong Kok Stadium

12. **MR FREDERICK FUNG** (in Chinese): *Madam President, regarding the Mong Kok Stadium managed by the Leisure and Cultural Services Department (LCSD), will the Government inform this Council:*

- (a) *of the number of activities held at the Stadium in the past 12 months and the details of each, including the organizers, type of activities, number of days rented and number of spectators;*
- (b) *whether it regularly collects users' opinion on the facilities of the Stadium; if it does, of the method of collection and the results of the latest opinion survey, as well as the follow-up actions taken by the authorities concerned; if not, the reasons for that; and*
- (c) *whether it plans to improve the standard of the Stadium's facilities, such as retrofitting a roof and permanent seats with back rests at the spectator stands; if so, of the details and implementation timetable of the plan; if not, the reasons for that?*

SECRETARY FOR HOME AFFAIRS (in Chinese): Madam President, my replies to the Honourable Member's questions are as follows:

- (a) In the past 12 months from 1 April 2002 to 31 March 2003, the Mong Kok Stadium was rented out for 97 days, of which 79 days were for football-related activities and 18 days for non-football activities. The total attendance was 220 624. Details of the activities held are set out in the Annex.
- (b) The LCSD collects users' opinion on the facilities of the Stadium through different channels, such as letters, emails or telephones. Since its establishment on 1 January 2000, the LCSD has accepted users' suggestions and carried out works to improve and increase the facilities of the Stadium, including:
 - provision of a VIP stand with roof cover and 54 individual seats;
 - replacement of the electronic score-board;
 - installation of closed circuit television for the entire venue for effective and safe crowd control by the police; and
 - provision of a VIP cum conference room for host organization.

(c) The LCSD would keep improving the facilities of the Stadium. Works that are in progress or will be carried out by phases in this financial year include:

- improvement to existing floodlights;
- modification of entrance gates;
- improvement to the shooting area for telecasting and the broadcasting towers for radio and television; and
- refurbishment of the first aid room.

In response to the suggestions of the Hong Kong Football Association Limited (HKFA), the LCSD is purchasing portable goal posts for visiting football teams' practice, and is working with the Architectural Services Department on the installation of roof cover and individual seats for the spectator stand of the Stadium.

Annex

Mong Kok Stadium

Details of the Events held from 1 April 2002 to 31 March 2003

<i>Hosting Organization</i>	<i>Name of Event</i>	<i>Date of Event</i>	<i>Attendance</i>
HKFA	F.A.Cup (1) Sun Hei vs Xiangxue Pharmaceutical (2) South China vs Hong Kong Football Club	4 April 2002	663
HKFA	F.A.Cup (1) Buler Rangers vs Fukien (2) Happy Valley vs Double Flower	7 April 2002	1 007
HKFA	F.A.Cup (1) Sun Hei vs Double Flower (2) South China vs Buler Rangers	11 April 2002	1 514
HKFA	Soccer Match-League (1) Buler Rangers vs Xiangxue Pharmaceutical (2) Double Flower vs Hong Kong Football Club	18 April 2002	306

<i>Hosting Organization</i>	<i>Name of Event</i>	<i>Date of Event</i>	<i>Attendance</i>
HKFA	Soccer Match-League (1) Curtain Raiser (2) Happy Valley vs Sun Hei	20 April 2002	2 267
HKFA	Asian Super League Qualification Match (1) South China. Veteran vs Sun Hei Veteran (2) South China vs Sun Hei	25 April 2002	909
HKFA	Leslie Santos' Farewell Football Match (1) Celebrity Invitation Team vs Stars Team (2) South China vs Sun Hei	1 May 2002	7 259
HKFA	Football Training of Hong Kong team	16 May 2002	22
HKFA	Football Training of Scotland National Team	17 May 2002	38
HKFA	Football training of South Africa National Team	18 May 2002	42
HKFA	Football training of South Africa National Team and Scotland National Team	19 May 2002	85
HKFA	Football training of Scotland National Team	20 May 2002	32
HKFA	Football training of South Africa National Team	21 May 2002	42
HKFA	Football training of South Africa National Team	22 May 2002	45
HKFA	Football training of South Africa National Team	23 May 2002	38
LCSD	"Nike" All Hong Kong Youth Football Challenge Cup 2002 (Decoration)	7 June 2002	56
LCSD	"Nike" All Hong Kong Youth Football Challenge Cup 2002	8 June 2002	280
	Pitch Transition	15 June 2002 to 13 August 2002	
HKFA	Football training of Newcastle	14 August 2002	35

<i>Hosting Organization</i>	<i>Name of Event</i>	<i>Date of Event</i>	<i>Attendance</i>
HKFA	Female Soccer Match-Foreign Team (1) Police Officer vs Rangers (2) Hong Kong vs Shanghai	25 August 2002	85
Home Affairs Department	Uniformed Group Joint Parade 2002	6 October 2002	600
HKFA	Soccer Match-League (1) Double Flower vs Sun Hei (2) Happy Valley vs Buler Rangers	10 October 2002	836
HKFA	Soccer Match-League (1) Buler Rangers vs Sun Hei (2) South China vs Xiangxue Pharmaceutical	13 October 2002	2 257
HKFA	Soccer Match-League (1) Happy valley vs Xiangxue Pharmaceutical (2) Sun Hei vs Fukien	19 October 2002	999
Asian TV	1st Television Soccer Cup Football Match	20 October 2002	95
HKFA	Soccer Match-League (1) Double Flower vs Buler Rangers	24 October 2002	260
HKFA	Soccer Match-League (1) South China vs Double Flower (2) Fukien Vs Happy Valley	27 October 2002	2 180
HKFA	Soccer Match-League (1) Fukien vs Buler Rangers (2) South China vs Happy Valley	3 November 2002	4 299
HKFA	Soccer Match-League (1) Double Flower vs Fukien (2) Buler Rangers vs Xiangxue Pharmaceutical	7 November 2002	406
HKFA	Soccer Match-League (1) Sun Hei vs South China	8 November 2002	1 560
HKFA	Soccer Match-League (1) Happy Valley vs Hong Kong Football Club	9 November 2002	348
Asian TV	1st Television Soccer Cup Football Match	10 November 2002	83

<i>Hosting Organization</i>	<i>Name of Event</i>	<i>Date of Event</i>	<i>Attendance</i>
Home Affairs Department	Joint Parade for Uniform Groups (Rehearsal)	12 November 2002	15
HKFA	Third Division (B) League (1) Tseun Wan District vs Sham Shiu Po District (2) Wan Chai District vs Eastern District	16 November 2002	680
Home Affairs Department	Joint Parade for Uniform Groups (Rehearsal)	17 November 2002	2 300
HKFA	Soccer Match-League (1) Happy Valley vs Double Flower (2) South China vs Buler Rangers	19 November 2002	1 499
HKFA	Soccer Match-League (1) Sun Hei Veteran vs Police Officer (2) Sun Hei vs Happy Valley	22 November 2002	850
Home Affairs Department	Joint Parade for Uniform Groups (Decoration)	23 November 2002	2 500
Home Affairs Department	Joint Parade for Uniform Groups	24 November 2002	6 000
HKFA	Soccer Match-League Cup (1) Sun Hei vs Hong Kong Football Club (2) Double Flower vs Happy Valley	26 November 2002	354
HKFA	Soccer Match-League Cup (1) Buler Rangers vs Fukien (2) Happy Valley vs Xiangxue Pharmaceutical	29 November 2002	486
HK St. John Ambulance	St. John Ambulance Brigade Annual Inspection (Rehearsal)	30 November 2002	65
HK St. John Ambulance	St. John Ambulance Brigade Annual Inspection	1 December 2002	2 500
HKFA	HK League XI Training	3 December 2002	20
HKFA	HK League XI Training	4 December 2002	40
Union of Head of Aided Primary Schools of Hong Kong	14th Education Cup football match	7 December 2002	120

<i>Hosting Organization</i>	<i>Name of Event</i>	<i>Date of Event</i>	<i>Attendance</i>
HKFA	Soccer Match-League Cup (1) Sun Hei vs Hong Kong Football Club (2) Double Flower vs South China	8 December 2002	690
HKFA	Soccer Match-League Cup (1) Fukien vs Xiangxue Pharmaceutical (2) Happy Valley vs Buler Rangers	10 December 2002	620
HKFA	Soccer Match-League Cup (1) Hong Kong Football Club vs Double Flower (2) Sun Hei vs South China	12 December 2002	901
HKFA	Soccer Match-League Cup (1) Xiangxue Pharmaceutical vs Buler Rangers (2) Happy Valley vs Fukien	14 December 2002	713
Asian TV	1st Television Soccer Cup Football Match	15 December 2002	60
HKFA	Football training of Dalienshide and Anyang LG	19 December 2002	48
HKFA	Football training of Dalienshide and Anyang LG	21 December 2002	24
HKFA	Football training Dalienshide and Anyang LG	23 December 2002	41
	Closed for Maintenance (winter over sowing)	24 December 2002 to 3 January 2003	
HKFA	Football training	4 January 2003	24
	Closed for Maintenance (winter over sowing)	5 January 2003 to 9 January 2003	
HKFA	Soccer Match-League (1) Fukien vs Hong Kong Football Club	10 January 2003	84
HKFA	Soccer Match-League (1) Sun Hei vs Double Flower (2) Buler Ranger vs Happy Valley	12 January 2003	1 653
HKFA	Soccer Match-League (1) Sun Hei vs Buler Rangers	16 January 2003	419

<i>Hosting Organization</i>	<i>Name of Event</i>	<i>Date of Event</i>	<i>Attendance</i>
HKFA	Soccer Match-League (1) Happy Valley vs Fukien (2) Double Flower vs South China	18 January 2003	1 272
Asian TV	1st Television Soccer Cup Football Match	19 January 2003	86
HKFA	Soccer Match-League Cup (1) Buler Rangers vs Sun Hei (2) Happy Valley vs South China	23 January 2003	2 252
Hong Kong and Kowloon Flower and Plant Workers General Union	Flower Trading Activities	26 January 2003 to 1 February 2003	141 827
HKFA	Football Training	30 January 2003	28
HKFA	Football Training	31 January 2003	28
HKFA	International Teams Football Training	2 February 2003	52
HKFA	International Teams Football Training	3 February 2003	76
HKFA	Carlsberg Cup Training	4 February 2003	65
HKFA	Soccer Match-League (1) Buler Rangers vs South China	9 February 2003	1 886
Asian TV	1st Television Soccer Cup Football Match	16 February 2003	78
HKFA	Rehearsal for East Asia Cup Football Match	16 February 2003	159
HKFA	Soccer Match-League (1) Fukien vs Xiangxue Pharmaceutical	20 February 2003	91
HKFA	East Asia Cup Training	21 February 2003	44
HKFA	East Asia Cup Training	22 February 2003	30
Asian TV	1st Television Soccer Cup Football Match	23 February 2003	145
HKFA	East Asia Cup Training	23 February 2003	53
HKFA	East Asia Cup Training	25 February 2003	73

<i>Hosting Organization</i>	<i>Name of Event</i>	<i>Date of Event</i>	<i>Attendance</i>
HKFA	East Asia Cup Training	26 February 2003	24
HKFA	East Asia Cup Training	27 February 2003	74
HKFA	East Asia Cup Training	1 March 2003	25
HKFA	Soccer Match-Senior Shield (1) South China vs Hong Kong Football Club (2) Happy Valley vs Fukien	6 March 2003	252
HKFA	Soccer Match-Senior Shield (1) Sun Hei vs Double Flower (2) Buler Rangers vs Xiangxue Pharmaceutical	8 March 2003	736
Hong Kong Road Safety Patrol	Hong Kong Road Safety Annual Review	9 March 2003	2 500
HKFA	Soccer Match-Senior Shield (1) South China vs Buler Rangers (2) Sun Hei vs Happy Valley	13 March 2003	2 374
Hong Kong Girl Guide Association	Hong Kong Girl Guide Association Annual Celebration 2003	15 March 2003	325
HKFA	Soccer Match-Senior Shield (1) Happy Valley vs South China	16 March 2003	4 442
Hong Kong Girl Guide Association	Hong Kong Girl Guide Association Annual Celebration 2003	22 March 2003	350
Hong Kong Girl Guide Association	Hong Kong Girl Guide Association Annual Celebration 2003	23 March 2003	6 000
HKFA	Football Training of Laos	24 March 2003	22
HKFA	Soccer Match-Asian Cup China 2004 (1) Hong Kong vs Laos	25 March 2003	1 239
HKFA	Football Training of Bangladesh	26 March 2003	24
HKFA	Soccer Match-Asian Cup China 2004 (1) Laos vs Bangladesh	27 March 2003	274
HKFA	Soccer Match-Asian Cup China 2004 (1) Bangladesh vs Hong Kong	30 March 2003	2 364

Total Attendance: 220 624

Inviting Immediate Family Members of Legislative Council and District Council Members to Attend Official Functions

13. **MISS CHOY SO-YUK** (in Chinese): *Madam President, I have learnt that, as a general practice, when the Government invites the Legislative Council Members or District Council members to attend official functions, only their spouses but not other immediate family members (for example, their parents and children) are also invited. Even if their spouses have declined such invitations, their other immediate family members will not be invited. In this connection, will the Government inform this Council:*

- (a) *of the rationale for such a practice;*
- (b) *whether it has assessed if such a practice is an unfair treatment to the immediate family members other than the spouses, and contravenes the spirit of the Family Status Discrimination Ordinance (FSDO) (Cap. 527); if it has, of the assessment results; and*
- (c) *whether it will consider inviting, in addition to the spouses, the other immediate family members to attend official functions?*

SECRETARY FOR HOME AFFAIRS (in Chinese): Madam President,

- (a) Invitations to official functions are extended by bureaux or departments organizing the functions having regard to such factors as the purpose, nature and scale of each function.
- (b) The FSDO outlaws discrimination on the ground of family status in specified fields. "Family status" is defined as the status of having responsibility for the care of an immediate family member. Invitation to official functions does not fall under any specified fields under the FSDO and the question is irrelevant to family status discrimination.
- (c) The relevant bureau or department organizing an official function will consider whom to invite on a case to case basis.

Prevention of E-mail Spamming and Junk Faxes

14. **MR SIN CHUNG-KAI** (in Chinese): *Madam President, it is learnt that the Australian National Office for the Information Economy released a research report on the social impacts of e-mail spamming in April this year. According to the report, e-mail spamming has brought about various adverse impacts which include losses in production and Internet bandwidth, dispersal of pornographic materials, Internet frauds, money-laundering activities, and so on. In this regard, the Australian Government will enact legislation to regulate email-spamming activities. The Government of the United Kingdom also plans to amend its legislation to regulate usage of information on personal e-mail addresses. In response to my questions raised in April and May last year, the Government advised that the Office of the Telecommunications Authority (OFTA) was currently reviewing the effectiveness of the Guidelines for Senders of Fax Advertisements (the Guidelines) published in July 1999 regarding junk fax, and was working with the Office of the Privacy Commissioner for Personal Data and the Hong Kong Internet Service Providers Association (HKISPA) to review the effectiveness of the Code of Practice for Prevention of E-mail Spamming (the Code) issued by the HKISPA in February 2000 to decide on the need for legislation against junk fax and e-mail spamming. In this connection, will the Government inform this Council:*

- (a) of the countries and regions which already regulate or plan to regulate against junk fax and e-mail spamming;*
- (b) whether it has conducted a study similar to that in Australia to assess the economic and social impacts of junk fax and e-mail spamming on the local economy; if it has, of the findings of the study; and*
- (c) of the progress of the respective reviews on the Guidelines and the Code; and whether the report on the reviews concerned will be published?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Chinese): Madam President,

- (a) Different countries adopt different regulatory measures to tackle the problem posed by junk fax and e-mail spamming. The United

States, the United Kingdom and Japan have enacted specific legislation for such a purpose. Legislation in the United States and the United Kingdom regulates both junk fax and e-mail spamming, while that in Japan covers e-mail spamming only.

- (b) Although we have not carried out a detailed study similar to that conducted in Australia, we have been monitoring the local situation regarding junk fax and e-mail spamming in Hong Kong closely. We note that quite a large number of small and medium enterprises use fax and e-mails to promote and publicize their business or that of their clients. In so doing, they reap the benefits of Hong Kong's low telecommunications costs and high penetration of fax terminals and personal computers/mobile phones. On the one hand, if such activities are not properly carried out, they create nuisance to the receivers. Junk faxes also involve paper printout by receivers and therefore incur extra costs to them. On the other hand, we need to ensure that any regulatory measure must not stifle legitimate business activities.
- (c) As part of the review of the Guidelines published by the OFTA in 1999, the OFTA commissioned The Chinese University of Hong Kong in August 2001 to conduct a survey regarding the attitude of the public towards the junk fax problem in Hong Kong. The views gathered were diverse. 33.1% of the respondents considered the existing administrative measures effective in tackling the problem, while 31% thought otherwise. In view of the outcome of the survey, the OFTA considers it necessary to deliberate further on a range of possible measures to combat the problem, including the enactment of legislation and the strengthening of current guidelines/code of practice. It is considering these issues in consultation with the industry and relevant government departments.

Establishing a Centre for Disease Control and Prevention in Hong Kong

15. **MS EMILY LAU** (in Chinese): *Madam President, on the 5th of last month, the Chief Executive stated that "the Government has begun to study establishing an organization similar to the Centers for Disease Control and Prevention in the United States to fight and prevent infectious diseases". In this connection, will the executive authorities inform this Council:*

- (a) *of the proposed location of the office of the organization, as well as its estimated establishment costs and annual operation costs; and*
- (b) *whether, in conducting research work on the control and prevention of infectious diseases, the organization will, apart from the mainstream Western therapies, explore other treatment options (such as alternative therapies, Chinese therapies and medication, naturopathy and homeopathy); if so, of the details; if not, the reasons for that?*

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

- (a) We are studying options for setting up an organization similar to the Centers for Disease Control and Prevention in the United States. The Experts Committee to review the management and control of the Severe Acute Respiratory Syndrome outbreak in Hong Kong will also cover this in its deliberations. We will work out the details of the location and the estimated costs for setting up and operating the proposed organization after the structure and mode of operation of the organization have been finalized.
- (b) The proposed organization's functions may include, among others, applied research and development to enable prompt response to emerging infection. The organization will also work closely with tertiary institutions and commission applied research projects which have immediate field application for control and prevention of communicable diseases, including research on effective modalities of prevention using therapies from authenticated sources. At this stage we have no preconceived idea on the nature and scope of the research studies, which will be decided in due course in the light of prevailing circumstances and international experiences.

Rent Concessions to Retail Operators in Public Housing Estates

16. **MR LAU KONG-WAH** (in Chinese): *Madam President, the Housing Authority (HA) announced on 23 April the granting of rent concessions for three*

months to retail operators in public housing estates under its management, including those stallholders in markets managed by single operators. It has been reported that some single operators have offered rent concessions for stalls under their management at rates lower than those they enjoy themselves. In this connection, will the Government inform this Council:

- (a) of the number of market stalls managed by single operators;*
- (b) of the reasons for some stallholders being offered lower rates of rent concessions than those offered to the single operators concerned; and*
- (c) how it will penalize those single operators who have not offered rent concessions for stalls under their management at the same rates as offered to them?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese):

Madam President, my reply to the three-part question is as follows:

- (a) Of the 133 markets under the HA, 34 markets with a total of 2 010 stalls are managed by Single Operators.
- (b) In determining the rents for individual market stalls, Single Operators take into account the rents they have to pay to the HA, the expenses for improving market facilities and organizing promotional activities, and profit margin. Hence, the total amount of rents collected from individual stallholders is higher than the rent paid by Single Operators to the HA. Because of the difference in rental amounts, the rates of rental concessions for stallholders calculated on the basis of actual rents paid to Single Operators were lower than the rate of concessions granted by the HA to Single Operators, despite that Single Operators had passed on to stallholders the rental concessions granted by the HA in entirety.

Nonetheless, to assist stallholders in tiding over current business difficulties, Single Operators of the 34 markets have decided to grant additional rental concessions out of their own budget to stallholders in June.

- (c) If Single Operators do not pass on the rental concessions to their stallholders in entirety, the Housing Department (HD) will withhold from them the corresponding amount of reductions. Such non-compliance will also be reflected in the appraisal scores on the Single Operator concerned, which will affect tenancy renewal and bidding for new contracts. To ascertain compliance, the HD inspects information on stall rents, which shows the actual amounts of rent reductions given to the stallholders. There has not been any case of non-compliance since introduction in 2001 of the requirement for Single Operators to pass on rental concessions.

Self-evaluation by Schools

17. **DR RAYMOND HO** (in Chinese): *Madam President, it has been reported that the Education and Manpower Bureau asks all primary and secondary schools in Hong Kong to conduct self-evaluation in the new school year commencing in September this year. In this connection, will the Government inform this Council:*

- (a) *whether consultation has been carried out prior to implementing the school self-evaluation project; if so, of the parties consulted and the consultation results;*
- (b) *of the mechanism in place to monitor self-evaluation by schools; and*
- (c) *whether the scope of the school self-evaluation project will be extended to cover universities?*

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

- (a) School self-evaluation (SSE) is not a new concept, and has been a core element of the School Management Initiative (SMI) promulgated in 1991 and the School-based Management (SBM) fully implemented in all public sector schools in 2000. In launching SSE, the Education and Manpower Bureau has conducted formal and informal consultations with school councils and advisory

bodies such as Board of Education, Education Commission and the Legislative Council Panel. Feedback has been positive and the benefits of SSE have been well recognized.

- (b) Schools' self-evaluation is monitored through the external review of Quality Assurance inspection (QAI). The Education and Manpower Bureau will conduct external school review to validate schools' self-evaluation and assess schools' performance to ensure that schools can facilitate their own development through SSE. In addition, the School Management Committee has the responsibility to ensure that the school puts into practice the school mission and goals, and formulates school plans and conducts SSE in accordance with the guidelines issued by the Education and Manpower Bureau. The school plans and reports are also made known to parents, teachers and members of the public.
- (c) As regards the universities, they are all self-accrediting institutions. The respective governing ordinances of the universities empower them to confer degrees and other academic awards. Their award-bearing programmes are accredited and conferred by the universities, and are subject to their internal quality assurance mechanisms. The Administration does not plan to extend the above SSE to the universities.

Impact of Town Gas Production Plants and Power Stations on Residents Nearby

18. **MR FRED LI** (in Chinese): *Madam President, regarding the impacts of town gas production plants and power plants on the residents in their vicinity, will the Government inform this Council:*

- (a) *whether it regularly monitors the amounts of emissions from town gas production plants and power plants and the radiation levels of such emissions; if so, of the findings of the last monitoring work; if not, the reasons for that;*
- (b) *whether it has studied if the emissions from such plants have any health impacts on the residents nearby; if so, of the results of the study;*

- (c) *of the stipulation under the existing legislation on the shortest distance between such plants and residential premises; whether it knows the relevant stipulations in the United States, the United Kingdom, Japan and other advanced countries and the criteria for determining the permitted shortest distance; if so, of the relevant details; and*
- (d) *whether it will consider prohibiting the construction of residential premises within a certain distance from such plants?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): Madam President,

- (a) For the purposes of controlling air pollution and protecting public health, town gas and electricity production are classified as "specified processes" under the Air Pollution Control Ordinance. Town gas production plants and power plants have to obtain a licence from the Environmental Protection Department (EPD) for operation. The maximum level of emissions of the plants and the emission monitoring requirements are set out in the licences. Under the licences that the EPD has issued to the town gas production plants and power plants in Hong Kong, the licensees are required to measure the level of emissions of their plants. The EPD has access to and monitors the data collected.

The data from the monitoring system shows that the levels of emissions of the town gas production plants and power plants are below the maximum levels prescribed in their respective licences.

We do not measure the level of radiation of the emissions from the plants.

- (b) The maximum level of emissions is prescribed in the specified process licences with the objectives of controlling air pollution and protecting public health, including the health of residents living in the neighbourhood of the plants. As mentioned in (a) above, the data from the monitoring system shows that the emissions from the plants are below the maximum levels prescribed in their licences.

Moreover, the pollutants emitted are well dispersed at a height after passing through tall chimneys, thus reducing the impact on the health of residents in their neighbourhood.

- (c) There is no specific requirement of minimum distance between town gas production plants/power plants and residential premises in existing legislation in Hong Kong. We are not aware of any legislation prescribing such requirements in the United States, the United Kingdom, Japan and other advanced countries.
- (d) Although existing legislation in Hong Kong does not prescribe a minimum distance between town gas production plants/power plants and residential premises, the established systems for selecting sites for development of such plants, and for planning land uses in the vicinity of "potentially hazardous installations" (PHIs) already serve to protect public health and safety. Under the established arrangement, in selecting a site for use as a town gas production plant or power plant, a comprehensive planning and assessment exercise including evaluation of safety and environmental factors will be carried out. After a possible site has been identified, an environmental impact assessment and, if necessary, a risk assessment will be conducted to ensure that the project will meet safety and environmental considerations.

Moreover, under the established planning system, a set of criteria is used to govern the construction of residential premises in the vicinity of PHIs. Town gas production plants are classified as PHIs. Power plants are not classified as PHIs, since the quantities of hazardous materials stored at them do not exceed the limits set. The Hong Kong Planning Standards and Guidelines (HKPSG) stipulate that the land use in the vicinity of a PHI must comply with the relevant standards set out therein so as to minimize the risk posed by the PHI to residents nearby. A "Consultation Zone" will be delineated for the PHI concerned. The boundary and size of the "Consultation Zone" are determined having regard to the topography, the PHI type and its hazardous material storage capacity. For any development proposal that may increase the number of people living or working in the "Consultation Zone", a risk assessment has to be carried out in accordance with the HKPSG

with the objective of ensuring that the risks posed by the PHI to the public are confined within acceptable limits.

Given the foregoing, we have no plan to introduce a new requirement of minimum distance between town gas production plants/power plants and residential premises.

Encouraging Mainland Private Enterprises to Apply for Listing in Hong Kong

19. **MR KENNETH TING** (in Chinese): *Madam President, will the Government inform this Council whether:*

- (a) *it has made a forecast on the number of mainland private enterprises which plan to apply within the next two years for listing in Hong Kong; if it has, of the forecast number; and*
- (b) *it knows if the authorities concerned will take measures to encourage more high-quality mainland private enterprises to get listed in Hong Kong; if they will, of the details of the measures; if not, whether they will expeditiously consider taking such measures?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Chinese): Madam President, the Government, the Securities and Futures Commission (SFC) and the Hong Kong Exchanges and Clearing Limited (HKEx) will spare no efforts in strengthening our position as the premier capital formation centre for our country.

As to the Honourable Member's specific questions, my reply is as follows:

- (a) According to the HKEx, as the number of mainland private enterprises planning to apply for listing in Hong Kong depends on various market factors, it would be difficult to forecast the number of such enterprises which plan to apply for listing in Hong Kong within the next two years. But the fact that a total of 60 enterprises whose major operations are located in the Mainland listed in Hong Kong in 2002 may provide Members with some useful reference.

- (b) The HKEx is responsible for market promotion and assessing the potential of markets within and outside Hong Kong. The HKEx organizes large-scale promotional conferences in the Mainland regularly. These events aim to provide potential candidates seeking listing in Hong Kong with an overview on Hong Kong as the prime listing venue for mainland enterprises and help enhance their understanding of the listing requirements in Hong Kong. In addition, the HKEx collaborates with other institutions, including various provincial and municipal governments, in their efforts to encourage potential issuers to apply for listing in Hong Kong.

Together with the market participants, the Administration has been paying visits to various parts of the Mainland to promote the services provided by Hong Kong as an international financial centre, such as the visit to Shandong led by the Financial Secretary in May 2002, and Financial Secretary' and my visit to Nanjing in December 2002. These visits to the Mainland will continue. The Office of the Government of the Hong Kong Special Administrative Region in Beijing and our Economic and Trade Office in Guangdong also organize promotional activities in the Mainland from time to time to promote, amongst other matters, our financial services. These efforts help encourage high-quality mainland enterprises to apply for listing in Hong Kong.

To attract high-quality mainland private enterprises to apply for listing in Hong Kong, it is important for us to maintain a vigorous and robust corporate governance regime that is commensurate with Hong Kong's position as an international financial centre. The Government is committed to improving our corporate governance and hence our market quality. Against this background, the Government has, together with the SFC and the HKEx, been pressing ahead with the implementation of the Corporate Governance Action Plan with a view to bringing our corporate governance standard in line with international standards. Achievements to date include effective implementation of the Securities and Futures Ordinance, publication of the consultation

paper jointly by the SFC and the HKEx on the regulation of sponsors and independent financial advisers in May 2003, and commencement of the consultation today on the Phase II Corporate Governance Review by the Standing Committee on Company Law Reform.

At the same time, the Government, together with the SFC, also seeks to facilitate market development by removing unnecessary regulatory barriers and legislative hurdles.

We believe that by enhancing market quality and maintaining a fair and transparent market which provides a level playing field for issuers within and outside Hong Kong, supported by various promotional efforts by the Administration as well as the HKEx, more quality mainland enterprises would be attracted to get listed in Hong Kong.

Operation CARE

20. **MR YEUNG YIU-CHUNG** (in Chinese): *Madam President, it is learnt that the Government will spend \$102 million on "Operation CARE", whereby non-governmental organizations (NGOs) will be commissioned to create a total of 4 500 jobs that will last for three months, for providing household cleaning and minor repair services for the elderly living alone and people with lower self-care ability. In this connection, will the Government inform this Council:*

- (a) *of the procedures for NGOs to apply to create such jobs and the approval criteria;*
- (b) *of the number of applications submitted by NGOs so far, the outcome of these applications and the amount of the approved grants, broken down by the districts in which the service recipients live; and*
- (c) *how it will monitor the NGOs' spending of the approved grants?*

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

- (a) The Social Welfare Department (SWD) has responded promptly to the needs of the community by commissioning NGOs to launch "Operation CARE" within a short period of time. For the 2 500 jobs under the household cleansing service, a total of 71 NGO service units are involved, with 70% of the work allocated to the 40 District Elderly Community Centres and the remaining 30% taken up by 31 non-profit-making organizations/local organizations recommended by the District Social Welfare Officers. For the 2 000 jobs under the household minor repair service, these have been allocated to five non-profit-making organizations/trade unions with relevant experience or capability in recruitment and service delivery and as recommended by the Labour Department. The list of organizations operating the cleansing/repair service has been uploaded onto the homepages of the SWD and the Labour Department. Also, open recruitment exercises are being conducted by the relevant operators, with selection made on the basis of the working experience and skills of the applicants.
- (b) "Operation CARE" has territory-wide coverage, including Hong Kong Island, Kowloon and the New Territories. Of the total allocation of \$102 million, the household cleansing service accounts for \$49 million and the minor repair service for the remaining \$53 million. In allocating the resources to the participating units, the SWD has taken account of the demographic characteristics and unique needs of the districts. Please see the Annex for the details.
- (c) On service monitoring, the SWD has drawn up a set of Service Agreements and guidelines to monitor, through the respective Planning and Co-ordinating Teams, the service performance of all participating units. The guidelines set out in detail, for compliance by the participating units, the rules governing the use of funds, including the number of staff, their wage levels and Mandatory Provident Fund, administrative costs, and provision for materials and consumables, and so on, together with the requirements on the completion and submission of their financial statements.

Operation CARE

No. of NGO Service Units and Amount of Allocations by Districts

(a) Household Cleansing Service

<i>SWD Administrative Districts</i>	<i>NGO Service Units</i>	<i>Total Allocations Approved (\$million)</i>
Central, Western and Islands	5	2.353
Eastern and Wan Chai	8	4.883
Southern	3	1.377
Kwun Tong	7	5.267
Wong Tai Sin and Sai Kung	12	5.399
Kowloon City	5	2.922
Sham Shui Po	5	3.883
Yau Tsim Mong	4	2.921
Sha Tin	5	3.308
Tai Po and North	3	3.884
Yuen Long	4	3.401
Tsuen Wan and Kwai Tsing	6	5.826
Tuen Mun	4	3.307
Total	71	48.731 (say 49.00)

(b) Household Minor Repair Service

<i>SWD Administrative Districts</i>	<i>NGO Service Units</i>	<i>Total Allocations Approved (\$million)</i>
Central, Western and Islands, Eastern and Wan Chai (Part A), Southern	1	5.475
Kwun Tong (Part A), Yuen Long, Tai Po and North, Sha Tin	1	13.306
Eastern and Wan Chai (Part B), Kwun Tong (Part B), Wong Tai Sin and Sai Kung	1	12.996
Kowloon City, Yau Tsim Mong, Sham Shui Po	1	9.478
Tsuen Wan and Kwai Tsing, Tuen Mun	1	11.978
Total	5	53.233 (say 53.00)

BILLS**First Reading of Bills**

PRESIDENT (in Cantonese): Bills: First Reading.

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 2003**BOUNDARY FACILITIES IMPROVEMENT TAX BILL**

CLERK (in Cantonese): Landlord and Tenant (Consolidation) (Amendment) Bill 2003
Boundary Facilities Improvement Tax Bill.

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 2003

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):
Madam President, I move the Second Reading of the Landlord and Tenant (Consolidation) (Amendment) Bill 2003 (the Bill).

Last November, I announced in my Housing Policy Statement nine measures to stabilize the property market. One of the measures was to conduct a thorough review of the Landlord and Tenant (Consolidation) Ordinance. The main objective of the review is to relax the security of tenure for private residential properties and to reduce government intervention in the private rental market so that the free operation of the market can be restored and the interests of landlords and tenants can be better balanced.

Between January and March this year, we collected, through a consultation paper, briefings and a telephone survey, views from the public on the options identified in the review. Most of the respondents supported the abolition of the security of tenure and the removal of the minimum notice requirement for terminating non-domestic tenancies.

This Bill was formulated against this background. Its primary objective is to lift the security of tenure restrictions under Part IV of the Landlord and Tenant (Consolidation) Ordinance, and to dispense with the minimum notice requirement for terminating non-domestic tenancies under Part V of the Ordinance. Let me now briefly explain these two proposals.

Under the existing security of tenure restrictions, so long as the tenant is willing to pay market rent, the landlord cannot refuse to renew the tenancy upon its expiry unless the landlord's refusal is based on certain special grounds, such as repossession of the property for self-occupation or redevelopment. The security of tenure provisions were introduced in 1981 when there was a serious shortage of domestic accommodation, resulting in a situation where tenants had little bargaining power with landlords. It was not uncommon for landlords to ask for substantial rental increases upon tenancy renewal. In order to protect the interests of tenants, restrictions on the security of tenure were introduced. Today's circumstances have changed considerably compared with then: there has been an abundant supply of private rental units in recent years, resulting in drastic downward adjustments in rental levels and significantly increasing the bargaining power of tenants. Under such circumstances, security of tenure restrictions are no longer justified and therefore should be abolished.

In order to give both landlords and tenants ample time to make preparations for the removal of security of tenure, we propose that the Bill should come into effect after a certain period of time, say, two months after the passage of the Bill. In other words, there would be a transitional period to allow landlords and tenants to adjust to the changes so that they would know clearly when the security of tenure restrictions would come to an end. Tenants who initiate tenancy renewal before the effective date may renew their tenancies for one more term in accordance with the existing provisions on security of tenure if their renewal requests are successful. From the effective date onwards, security of tenure would no longer apply.

The second proposal is to lift the minimum notice requirement for terminating non-domestic tenancies. At present, a non-domestic tenancy would continue even after the expiry of its term unless notice of termination has been served by the landlord or the tenant before the end of the tenancy. Under the existing provisions, the minimum notice period prior to tenancy expiry is six months for landlords and one month for tenants.

This requirement restricts the freedom of landlords and tenants in negotiating the period for giving notice. We propose to remove such intervention so that the two parties would be free to mutually agree on the notice period in accordance with the spirit of the contract. This would not adversely affect the rights of tenants of non-domestic tenancies because given the ample supply of non-domestic rental units in the market, tenants now have much greater bargaining power than before to negotiate longer notice periods having regard to their individual needs.

Overall, the Bill will help restore the free operation of the rental market, reduce the difficulties faced by landlords in letting out their properties to new tenants or repossessing their properties, and rebuild public confidence in investing in properties for rental purposes. It will have a positive effect on the overall development of the property market.

The Landlord and Tenant (Consolidation) Ordinance has been amended many times before. In particular, a large number of provisions would be deleted in the present exercise. In view of this, we intend to overhaul the Ordinance in the next stage of the review to ensure that the remaining provisions protecting the basic rights of landlords and tenants are coherent.

Madam President, I recommend the Landlord and Tenant (Consolidation) (Amendment) Bill 2003 to this Council.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Landlord and Tenant (Consolidation) (Amendment) Bill 2003 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.

BOUNDARY FACILITIES IMPROVEMENT TAX BILL

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Madam President, I move that the Boundary Facilities Improvement Tax Bill be read the Second time.

To facilitate the flows of people and trade between Hong Kong and the Mainland, the Government has committed enormous resources to carrying out various projects to improve the boundary-crossing facilities. Investments in these projects total some \$14 billion.

Examples of such projects include the construction of the Shenzhen Western Corridor and the Deep Bay Link at a cost of \$8 billion and the construction of boundary-crossing facilities at the Lok Ma Chau Spur Line at a cost of \$650 billion. When complete, these two new land departure points can handle more than 60% of the current throughput of passengers departing from the territory, thus greatly easing the congestion at the boundary crossings and facilitating passengers in crossing the boundary. The Shenzhen Western Corridor is expected to complete at end 2005 and the Lok Ma Chau Spur Line in mid-2007.

In addition, the Government has been improving the existing facilities at the boundary crossings, for example, the expansion of the departure hall at Lo Wu, the increase of immigration counters at the Lok Ma Chau Building from 28 to 50, the construction of vehicular X-ray inspection building and related systems, the expansion of the Sun Tin Interchange, and the improvement of the waiting facilities for Lok Ma Chau-Huanggang shuttle buses, and so on. Most of these projects will complete between this year and mid-2005. Others will complete by 2008. By then, the cross-boundary facilities at the crossings will have been greatly improved.

These projects costing some \$14 billion are exclusive of other planned infrastructural projects such as the cross-boundary facilities in the "co-location" arrangement costing \$2.5 billion at the new crossing at the Shenzhen Western Corridor and the additional resources injected aside in recent years into improving immigration and customs services.

To help finance this huge expenditure on the improvement of boundary-crossing facilities, it is necessary to levy a Boundary Facilities Improvement Tax

(BFIT) on persons departing Hong Kong via the land or sea departure points. The Bill which I have moved its Second Reading is meant to provide the legal basis for the collection of BFIT.

At present, passengers departing from Hong Kong at the Macau Ferry Terminal and the China Ferry Terminal have to pay a Passenger Embarkation Fee at \$18. We are of the view that the collection of a fixed fee at \$18 from all persons departing from Hong Kong via the land or sea departure points to finance the construction of cross-boundary facilities would be more equitable than selectively collecting an embarkation fee from passengers at the ferry terminals as it is presently practised.

We propose that all persons departing from Hong Kong via the land or sea departure points will be charged BFIT at \$18 per head. The tax will be collected by carrier operators on behalf of the Government. As for the collection of BFIT from private cars, as passengers do not have to leave their vehicles to clear the customs, it is suggested that BFIT for each vehicle will be charged at \$100 and to be paid by the owner of the vehicle. When BFIT is introduced, the current Passenger Embarkation Fee will be abolished.

Similar to the arrangements for the Air Passenger Departure Tax, we propose that drivers, crew members and other persons operating cross-boundary carriers including goods vehicles, ferries or cruises or performing any functions under the Bill be exempted from the payment of BFIT. It is also proposed that the following persons should also be exempted from the payment of BFIT: boundary-crossing full-time primary and secondary school students, children under 12 years of age, transit passengers including passengers of cruises and passengers departing from the pier at the new airport, and passengers who arrive at Hong Kong because of inclement weather and emergency, as well as visiting diplomats, consular corps and members of specified international organizations empowered by certain legislation for such exemption.

To ease the burden on frequent commuters, we propose that concessions be provided to allow people to decide whether or not to opt for the monthly tax concession or the per trip-based tax. The monthly ticket is set at \$270, or a level equivalent to tax payable for 15 trips. The concessionary rate represents roughly a maximum of 50% discount on the full tax payable in one month by commuters who travel across the boundary every day. It is proposed that the concessionary tax does not apply to cruises including casino vessels and passengers in private cars.

As I have mentioned, the tax will be collected by carrier operators on behalf of the Government in the charging of transport fares. This collection mode will not hamper the heavy flows of passengers and vehicles at the boundary control points and it is also most convenient to the travelling public. This is also the method used by ferry companies in collecting the Passenger Embarkation Fee and by airlines in collecting the Air Passenger Departure Tax at the moment.

It is proposed in the Bill that operators or their agents collecting the tax on behalf of the Government be imposed some statutory responsibilities such as the maintenance of proper records, furnishing of returns on passenger numbers to the Commissioner of Transport (the Commissioner) or Director of Marine (the Director), and payment of the tax to the Commissioner or the Director. Any person permitting passengers who have not paid BFIT to board their vehicles or ships without exercising reasonable diligence will commit an offence. A surcharge will be imposed on late payment. The above major responsibilities for operators are largely in line with the arrangements under the Air Passenger Departure Tax Ordinance. The Government will pay administrative fees to carrier operators who incur additional expenses in their collection of the tax on behalf of the Government.

After the introduction of the proposal on BFIT, we have held several rounds of discussion with the 150 transport operators or their trade associations over the collection arrangements since July 2002. We have heard their views on our proposed collection methods. After months of discussion, most of the operators or trade associations have expressed the view that the collection method is workable. Some of the cross-boundary through bus operators are still concerned that under the off-site collection method, their workload and responsibility will increase and so they think that this is not acceptable in principle.

After weighing the views from all quarters, we have come to the view that off-site collection is more appropriate. Having regard to the views expressed by the transport operators, we would take measures as appropriate to implement effective tax collection and minimize the concern of the transport operators. We would, for example, step up publicity before the tax is implemented with a view to educating the public on the need to pay the operator a tax on departure by land and by sea. We propose to provide in the Bill statutory defences for offences so as not to punish the operators who have exercised reasonable

diligence. Moreover, we will draw up beforehand an operational manual so that operators can have a better understanding of the Government's requirements on enforcement. The Government will also strengthen support at various high-risk boarding spots to help operators enforce collection so as to minimize the enforcement difficulties on the part of the operators.

On the collection of tax from private cars, we propose to adopt the most cost-effective method, that is, the Automatic Vehicle Recognition System of the Customs and Excise Department and add to it a billing system for collecting BFIT so that owners of private cars can be billed on a monthly basis.

We estimate that this proposal of imposing a BFIT would generate about \$1 billion in additional revenue in a year for the Government. It is hoped that BFIT would be collected in the year 2004-05 to help finance the expenditure incurred by various projects to improve cross-boundary facilities. The exact date for the implementation of the tax will depend on the time required by carrier operators to modify their systems for tax collection purposes.

Madam President, I so submit. I hope Honourable Members can lend their support to this Bill.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Boundary Facilities Improvement Tax 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.

MOTIONS

PRESIDENT (in Cantonese): Motions. Proposed resolution under section 6(3) of the Betting Duty Ordinance.

PROPOSED RESOLUTION UNDER SECTION 6(3) OF THE BETTING DUTY ORDINANCE

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Madam President, I move that the first motion under my name

printed on the Agenda be passed. The resolution seeks to implement the Budget proposal to increase the duty on exotic horse racing bets put forward by the Financial Secretary on 5 March.

The Financial Secretary proposed in his 2003-04 Budget speech to increase the duty on exotic horse racing bets from 19% to 20%. It is estimated that an additional revenue of \$150 million will be generated from this in a full year.

Owing to the seriousness of the fiscal deficit problem, the revenue measures proposed in the Budget must be implemented in order to alleviate our fiscal position, thereby facilitating the Government to attain a balance budget gradually.

Betting duty is an important and stable source of recurrent revenue. In the year 2002-03, it generates a total revenue of \$11.1 billion in a full year, representing over 7% of total government revenue. Of this, revenue from the duty on horse racing bets amounts to \$9.7 billion, with \$2.7 billion coming from exotic bets. Exotic bets refer to six-up, treble, tierce, trio, double trio and triple trio. A mild adjustment of the duty rate on exotic bets will not affect people's livelihood.

At present, 76% of the turnover on exotic bets goes to payouts, 19% to betting duty and the remaining 5% to the Hong Kong Jockey Club's commission. The first motion proposes that the betting duty rate on exotic bets be slightly increased to 20%. I will move another motion in a short while to reduce the payout rate from 76% to 75% accordingly.

Subject to Members' approval of the resolution, the adjustment will take effect from 1 August. Starting from the next horse racing season, betting duty on exotic bets will be imposed at the new rate.

With these remarks, Madam President, I call upon Members to support the Government's resolution.

The Secretary for Financial Services and the Treasury moved the following motion:

"That with effect from 1 August 2003 section 6(1)(b) of the Betting Duty Ordinance be amended by repealing "19%" and substituting "20%"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by the Secretary for Financial Services and the Treasury 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 the Secretary for Financial Services and the Treasury 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.

PRESIDENT (in Cantonese): Proposed resolution under section 3(4) of the Betting Duty Ordinance.

PROPOSED RESOLUTION UNDER SECTION 3(4) OF THE BETTING DUTY ORDINANCE

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Madam President, I move that the second resolution standing in my name as set out on the Agenda be passed. The resolution seeks to lower the percentage of payout for exotic horse racing bets from 76% to 75%, so as to implement the proposal to increase the duty on exotic horse racing bets by 1% put forward by the Financial Secretary in the Budget on 5 March.

Subject to Members' approval of the resolution, the adjustment will take effect from 1 August. Starting from the next horse racing season, payouts for exotic bets will be set in accordance with the new rate.

With these remarks, Madam President, I call upon Members to support the Government's resolution.

The Secretary for Financial Services and the Treasury moved the following motion:

"That with effect from 1 August 2003 section 3(3)(b) of the Betting Duty Ordinance be amended by repealing "76%" and substituting "75%"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by the Secretary for Financial Services and the Treasury 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 the Secretary for Financial Services and the Treasury 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 to extend the period for amending the Fire Services (Fire Hazard Abatement) Regulation.

PROPOSED RESOLUTION UNDER THE INTERPRETATION AND GENERAL CLAUSES ORDINANCE

MR IP KWOK-HIM (in Cantonese): Madam President, I move that the motion, as printed on the Agenda, be passed.

At the meeting of the House Committee on 16 May 2003, Members decided to set up a Subcommittee to study the Fire Services (Fire Hazard Abatement) Regulation laid on the table of the Legislative Council on 14 May 2003.

To give the Subcommittee enough time for deliberation and to report the result of deliberation to the House Committee, in my capacity as Chairman of the Subcommittee, I move the extension of the period for deliberation of the subsidiary legislation to 2 July 2003.

Madam President, I urge Members to support the motion.

Mr IP Kwok-him moved the following motion:

"That in relation to the Fire Services (Fire Hazard Abatement) Regulation, published in the Gazette as Legal Notice No. 113 of 2003 and laid on the table of the Legislative Council on 14 May 2003, the period for amending subsidiary legislation referred to in section 34(2) of the Interpretation and General Clauses Ordinance (Cap. 1) be extended under section 34(4) of that Ordinance to the meeting of 2 July 2003."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr IP Kwok-him 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 IP Kwok-him 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: 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. I am obliged to direct any Member speaking in excess of the specified time to discontinue.

First motion: Resumption of private streets.

PRESIDENT (in Cantonese): Mr CHAN Kam-lam, do you have a point of order?

MR CHAN KAM-LAM (in Cantonese): Madam President, there are now only seven Members in the Chamber. I think the other Members should be invited back to the Chamber to attend the meeting.

PRESIDENT (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

(After the summon bell had been rung, a number of Members returned to the Chamber)

PRESIDENT (in Cantonese): Mr IP Kwok-him, you may now move your motion and speak on it.

RESUMPTION OF PRIVATE STREETS

MR IP KWOK-HIM (in Cantonese): Madam President, I move that the motion, as printed on the Agenda, be passed.

Private streets are a legacy of history. In the '40s, after the victory in the war of resistance, Hong Kong had to be rebuilt from ruins. The planning in those years was not as meticulous as it is now. After a piece of land was granted by the Government, there were no clear requirements on how the roads in an area should be laid out and to what standards they should be built. This was entirely the responsibility of the developers or the major landlords then. The problems found in the private streets of some old districts are the legacy of history. I remember that in those years, if someone knew where the next meal would come from, did not have to put up under a balcony and could live in new buildings, he would be considered a well-off person. Hardly did it occur to them that their hard-won homes would become rubbish dumps nowadays.

Nowadays, in this big city known as "Asia's world city", it is indeed a shame on Hong Kong that some residents still live in a rubbish dumps. The eight streets in Hung Hom with the word "Wan" in their names have frequently appeared in the papers these days because of the epidemic outbreak, so I trust Members already have some knowledge of their conditions. However, in news footages there were no smells. In order to understand how the residents feel, I

went to the scene to nose the smells of the streets with the word "Wan" in their names. The entrance to the area, Wan On Street, appeared to be no different from any other street. In recent years, the Government has taken the initiative to carry out maintenance of the road surface, but it is another story for the other seven private streets.

Wherever we turned our eyes, the road surface was all pot-holed and no part of it was intact. The ground was steeped in iridescent sewage and the stench was irritating. The areas around the light-well were strewn with age-old rubbish and the stench from them wafted through the air. Since parts of the road surface had been submerged in stinking sewage for a protracted period, the residents could only resort to putting planks on them and continue to evade the problem. There was also an abandoned vehicle on the road that served as an open storehouse and an object that could barely be figured out as a vehicle, with its glasses all broken and the body propped up by some bricks. Its main function is a large rubbish bin. To top it all, the sewage pipes of the illegal structures on the rooftops were illegally connected to the stormwater drains on the ground. In order not to upset Members' stomachs, I need not elaborate on what kind of sight there will be in the streets when the toilets are flushed, and Members can imagine it. The streets mentioned by me are "a feast to the eyes and nose" and an essential passageway for residents. In view of such a living environment, one cannot help but ask if this is the type of place that Hong Kong people live in.

The problems in these streets with the word "Wan" in their names are not unique. In Hong Kong, there are at least dozens of streets with the same problems, although the types of problem and the gravity may vary. The environments of Hung Kwong Street and Wing Yiu Street in the vicinity are just as awful and utterly dilapidated. I found instances in which rusted plates of iron were used as gutter covers. If someone of a build like the Secretary for Home Affairs steps on them, the result may be the scene described in the lyric of a song years ago, "the dandy falls into the gutter". Poorly managed private streets are big malignant tumours in Hong Kong and they must be cleared away immediately. The problem is, in pinpointing these poorly managed private streets, how should we clean them up and how can we deal with the symptoms as well as the core of the problem?

On 28 May, the Chief Secretary for Administration, as head of the Team Clean, announced that in order to improve the hygiene condition of these private

streets, the Government will invoke the Public Health and Municipal Service Ordinance to carry out a clean-up first and then recover the costs from the owners. This approach of "clean-up first, recover the costs later" appears to be feasible, however, on closer examination, the property ownership of these old buildings are very fragmented and many owners have already emigrated or cannot be contacted or have emigrated for good. Most of the units were rented out and there is simply no incentive on the part of these owners to pay up. The result is that the costs cannot be recovered after the clean-up. In the end, a charge will be registered against the land title. Since the owners are waiting for the demolition and redevelopment of the buildings, no one will be willing to buy these buildings either under these circumstances. Therefore, it does not matter even if a charge is registered against the land title and in the final analysis, the Government has to shoulder the costs. I wonder how often the Government will be entangled in the procedures to clean up, recover the costs and register a charge against the land title. When the epidemic subsides, the importance of environmental hygiene will be given less and less attention over time. Will the Government still be willing to grapple with these problems relating to private streets? The intention of cleaning up first, recovering the costs later is laudable, however, it deals only with the symptoms but not the core of the problem, so the problem cannot be solved at root. In order to deal with the problem once and for all, the Government has to take over poorly managed private streets and place them under the direct management of the Government before the problem can be solved effectively.

In fact, it is not the case that no attempt has been made by the Government to resume private streets. It was due to a lack of determination and commitment that the present situation arose. The Government introduced a pilot scheme in 1983 to resume some poorly-managed private streets and formally launched the Private Street Resumption Programme in 1986. The 18 District Officers were responsible for identifying problematic private streets each year and the Home Affairs Department was responsible for implementing the programme and the Private Street Resumption Committee would carry out further screening. As of 1995, the number of streets covered by the programme reached 166, but it has not increased any further ever since. Up to 2000, 70 of these streets had been resumed and the Government decided to delete 79 streets which it could not resume from the programme. The remaining 16 streets will be ready for resumption and discussion is being held over one of them. This information is supplied by the Government. On closer examination, the number of private streets does not amount to 104, as I have mentioned in my motion. Since the

conditions of these private streets are indeed an inextricable mess, no one can tell how many private streets there are in the entire territory. Here I am very glad that Mrs Sophie LEUNG of the Liberal Party has made a correction for me by deleting the figure "104". I am grateful to her for having made a revision for me.

Recently, an official in charge has said that there remains only the work on resuming 16 streets. After these streets are resumed, the problem will have been solved and all would be well since the remaining 79 streets can be deleted from the programme. If we look closely, these 16 streets are all located in my constituency — the Central and Western District, including the Ching Lin Terrace and Tai Pak Terrace, which are very familiar to me. I have a profound impression of these streets, since in 1999, in order to repair a section of railings, each building on the Ching Lin Terrace has to shoulder as much as \$160,000. This section of road surface is open for public access 24 hours a day, however, the owners there were required to contribute money and everybody felt very much put off. In the end, the owners very much wanted the Government to resume it at an early date to shrug off the burden. Therefore, when the Government decided to resume these 16 private streets, the residents all applauded in joy, hoping that it could do so soon. Such is the mentality of the owners. If we look at the situation now, tasks that can easily be accomplished are listed as "not yet completed", in that case, are we going to turn a blind eye to the more complicated cases, such as those with the word "Wan" in their names? Is the problem considered to have been solved simply by deleting the 79 streets from the programme? In that case, if we put it more bluntly, what the heck is the Government for?

In 2000, among the 79 private streets deleted from the programme are the eight streets with the word "Wan" in their names, which are "a feast to the eyes and the nose". According to the official explanation, the reason for failing to resume the streets is that the consent of 100% of the owners could not be obtained, that the resumption would give rise to claims for compensation and that it would be difficult to solve the legal issue of overhanging balconies. According to the paper provided to this Council by the Government, the authorities implemented the Private Street Resumption Programme by virtue of the power vested by the Roads (Works, Use and Compensation) Ordinance. Section 13 of the Ordinance confers powers on the authorities and the Chief Executive in Council may by order direct that these private streets be resumed for public purposes. It is a pity that this provision has not been appropriately invoked, resulting in the shelving of the programme.

Poorly-managed private streets jeopardize public health and safety and damage Hong Kong's image. After 20 years of accumulation, the problems have become matters of public interest. To suit the remedy to the problems, the Democratic Alliance for Betterment of Hong Kong (DAB) considers that the Government should make full use of the power vested by the Roads (Works, Use and Compensation) Ordinance to resume these private streets once and for all and hand them back directly to the Government to undertake maintenance and repairs. Details such as compensation should be settled on a case-by-case basis. As far as I know, the great majority of owners are happy to hand over their ownership of these private streets at the first opportunity and relieve themselves of the burden that has been weighing on their shoulders for several decades. Many of the shops in these private streets are garages. If these shops have to close down and discontinue their businesses because of resumption, the Government can in fact make reference to criteria employed in offering *ex gratia* compensation to shop tenants in urban renewal projects. Owner-occupiers and tenants should be entitled to compensation amounting to four and three times the rateable value of their shops respectively for discontinuation of their businesses. As to overhanging balconies, the Government can, according to section 42 of the Buildings Ordinance, waive the prescribed fees of these overhanging balconies after resuming the streets. In fact, as long as the Government can make good use of the existing legislation, the problem of poorly-managed private streets can be solved very quickly.

According to the findings of the questionnaire survey conducted by me among District Council members, over 90% of members whose constituencies have private streets agree that these private streets are burdens to small property owners, and they all agree that the Government should boost its efforts in resuming problematic private streets. They also agree that the District Councils should play a greater role. One can say that the Government is doing a great service by resuming poorly-managed private streets as soon as possible.

Poorly-managed private streets are big malignant tumours in Hong Kong and everyone is itching to get rid of them. This is why I have moved this motion to urge the Government to exercise its statutory power to complete the remaining items of the Private Street Resumption Programme, in order to resolve this long-standing problem at root. It should also formulate a long-term policy and direction and step up law enforcement to improve the environment of other problematic private streets and back alleys. Cases like the streets with the word "Wan" in their names are blemishes on the Private Street Resumption

Programme. The Government must drum up sufficient resolve and commitment in dealing with these private streets, otherwise this will become a deficiency of the Team Clean. In addition to posing a threat to the public, this will also be a shame on Hong Kong.

Madam President, I so submit.

Mr IP Kwok-him moved the following motion: (Translation)

"That, as the fragmented ownership of many of the private streets in the territory has given rise to poor management of such streets, resulting in their facilities falling into disrepair and sewers bursting, thereby creating breeding grounds for viruses and posing hazards to public health, this Council urges the Government to re-formulate the policy direction for private street resumption, so as to provide the relevant Policy Bureaux with sufficient powers and resources to effect the resumption of the remaining 104 private streets under the Private Street Resumption Programme, with a view to fully resolving the various problems arising from private streets, thereby improving the environment of the community and enhancing people's quality of life."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr IP Kwok-him be passed.

PRESIDENT (in Cantonese): Mrs Sophie LEUNG and Mr James TO will move amendments to this motion. Their amendments have been printed on the Agenda. The motion and the two amendments will now be debated together in a joint debate.

I now call upon Mrs Sophie LEUNG to speak first, to be followed by Mr James TO; but no amendments are to be moved at this stage.

MRS SOPHIE LEUNG (in Cantonese): Madam President, the Liberal Party very much agrees with the spirit of today's motion moved by Mr IP Kwok-him on the "resumption of private streets". In Hong Kong, numerous private streets have all along been subject to "no control". Owing to the lack of management,

those streets are always piled with rubbish and flooded with sewage and soiled effluent. Such an environment facilitates the breeding of mosquitoes, insects, rats and cockroaches, thereby creating breeding grounds for viruses. If we do not address the problem squarely, mishap will finally find its way.

Today, I will move an amendment to the motion on behalf of the Liberal Party. One of the reasons for the amendment is that the motion states that 104 private streets under the Private Street Resumption Programme introduced in 1986 have not yet been resumed, which is inconsistent with the fact. Mr IP has already mentioned this earlier. According to the original plan, only 96 streets have not yet been resumed, of which the resumption of 17 streets are under negotiation, and the remaining 79 streets have been removed from the resumption list by the Government. Anyway, the figures should not be the most important issue. The Liberal Party thinks that in view of the outbreak of Severe Acute Respiratory Syndrome (SARS), it is more important to move an amendment to highlight the seriousness and urgency of the problems posed by private streets, in order to urge the Government to show its determination by taking valiant measures in removing the time bombs scattered in our city. In respect of poorly-managed private streets beset with environmental hygiene problems, we support an early resumption of all those streets. The return of ownership of such streets to the Government allows the Government to tackle the hygiene and management problems, and to clean up those filthy and smelly streets. The removal of bric-a-brac from the streets allows an obstacle-free cross-ventilation of fresh air and the formation of a wind tunnel, improving the air quality in front and at the back of private streets, and thereby protecting the health of nearby residents. This is an important factor.

Madam President, all along, the Government has paid no attention to unclear ownership problems of private streets, unwilling to take active actions against the management and cleansing problem of private streets. The resumption programme has dragged on for 17 years. I consider the delay is, in some measure, closely related to the frequent redeployment of senior government officials, for Administration Officers will usually change their posting every two to three years. Consequently, it can be seen on the TV screen recently that residents of the eight "Wan" streets in Kowloon City have to pick their way through sewage or even soiled effluent every day. We have been brought to the abrupt awakening that why such backward, unhygienic and disgusting scene still exists in a 21st century cosmopolitan city as modern as Hong Kong.

It is worth noting that the earlier removal of the 79 private streets from the original resumption programme by the Government was not because the poor management and environmental hygiene problems had been resolved satisfactorily. The Government did so only for technical reasons, just to avoid the troubles involved and possible compensation claims. The Government is turning a blind eye to the problem, trying to negate it completely. In this respect, many public figures should in fact be held responsible for sometimes when they try to help a small group of residents to fight for higher compensations, they are more of a hindrance than help to the situation. The Government is so stupid to bury its head in the sand. Regarding the resumption of ownership of the 17 private streets under negotiation, the completion of the programme will be plagued by undue delay if the Government continues to take the indifferent attitude it has adopted for years.

The Liberal Party considers the introduction of legislative amendment a crucial factor in solving the problem. Such amendment should allow the authorities to apply the resumption mechanism employed by the Urban Renewal Authority, where only the consent of a majority of owners affected but not all is required, for the mandatory resumption of private streets which are considered violating environmental hygiene requirements or posing hazards to public health. Moreover, the Government may by legislative amendments pinpoint delay in resumption of private streets caused by unclear ownership. By the public display of resumption decision on the premises affected and other places and assuming consent by owners filing no reply within the specified period, the process of resumption will be significantly shortened.

In other words, the existing rigid practice on private street resumption requiring the consent of all owners should be changed. Owing to the long history of certain buildings and various reasons, some title records are incomplete and some owners may have already passed away. Given that, it is often impossible to obtain the consent of all the owners, and the problem of private streets will only suffer further delay with no hope of a definite date of resolution. If there is another outbreak of SARS, those officials at fault will be called to resign again and should be prepared for the guillotine.

Madam President, regarding the possible compensation claims incurred by the resumption of private streets, the current practice of the Government is too rigid for it insists that no compensation be granted unless the owner can prove to have suffered unforeseeable loss afterwards. We consider the Government

should be more flexible in handling certain legitimate claims. Instead of easily resorting to shelving the environmental hygiene problems in counter of compensation claims, it should consider solving the problems by redeploying existing resources. On the other hand, owners affected should also appreciate that the environment of their private streets will affect the community at large, and that a hygienic living environment is a prerequisite for good health. In respect of the hygiene condition of private streets, owners should not focus only on monetary interest. They should not regard compensation as their source of income, but should work with the community together to facilitate Hong Kong becoming a hygienic city.

Moreover, the resumption of streets may lead to possible compensation claims resulting from the demolition of protruding balconies of the nearby buildings occupying government land. The Liberal Party is of the view that the primary concern is to confirm whether those balconies are legal. If they are illegal, the Government has the responsibility to take rigorous and expeditious action in accordance with the principles on demolishing illegal structures.

The Liberal Party supports Mr James TO's call for respecting the wishes of the majority of the owners as stated in his amendment. However, without a legal basis, this can hardly be done. We also urge public figures to be more cautious; they should gain a clear understanding of the situation before they come forward for the interest of any group. As for the accord of priority to the redevelopment of private streets in poor conditions, the Liberal Party thinks that the Government should consider giving priority to redeveloping those streets already included in the redevelopment programme. For those streets not included in the above programme, resumption of ownership of the streets may already help to solve the pressing hygiene problems, and the inclusion of nearby buildings as redevelopment items may not be necessary. The resumption of private streets and redevelopment are two different issues that should be treated separately, lest it will only give rise to more problems.

In a word, if we are to promote a territory-wide cleaning campaign for the maintenance of a good living environment in the light of SARS, the Government cannot just sit watching and do nothing about private streets of poor management.

Madam President, I so submit.

MR JAMES TO (in Cantonese): Madam President, according to definition of the Democratic Party, the hygiene problems with private streets are essentially associated with sanitation and management. As regards ways to resolve the problems, the suggestions we made with respect to policies and strategies can be divided into three levels. First, if the matter is purely a hygiene problem, what was done in the past is really quite disappointing. This time, we can place a high stake on the Chief Secretary for Administration that he is really determined to take action. If so, we will raise no objection even if he chooses to begin with the "Wan" streets — we should indeed allow the Chief Secretary to begin from there.

Why do we have to say something like that? This is because despite determination and resources, problems of the second level will still arise, that is, management. Even if the Government is willing to carry out cleansing for the owners of private streets (regardless of the possibility of recovering the costs in future and the necessity of threatening to "register a charge against the property titles concerned" in order to recover the costs, for it is another matter), what can be done if the owners act in the same way again in future?

Should this happen, the Secretary for Home Affairs (he is in the Chamber now) may well appoint professional managers to take up management of the buildings by virtue of the Building Management Ordinance. As far as I understand it, some private streets are in terrible conditions because they have partly been converted illegally into garages, hardware stores, and so on. Some private streets are even occupied for parking purposes. If the Government really resorts to appointing professional management staff, they might manage to settle the matter by engaging some Gurkhas. Will anyone dare to fight with the Gurkhas? They may just stand still like a pillar to block vehicular access. In some extreme cases, even help from the police can be sought for reinforcement purposes. Under certain circumstances, the problem can simply be resolved through enforcement of the relevant hygiene legislation and appointment of management staff.

I suggest giving priority consideration to two comparatively strict and less popular measures because we respect private ownership. It is undesirable for us to resort to resumption easily. We will not appeal to the Government again for compensation because it is always reluctant to dig into its purse. However, we all concur that the Government should not act Scrooge if it really wants to do something.

Why do I have to add the wording "while respecting the wishes of the majority of the owners" in my amendment? This is because most people will not be so stupid as not to realize that, should land resumption be effected, they will have less land in their possession and, upon redevelopment, the plot ratio of their land will be reduced and they will thus receive less compensation. If they still agree and, notwithstanding they certainly understand that they should not "make futile contributions to a chit-fund", let the Government help them, they will not complain in future. If the majority of the owners disagree, they are likely to complain and say something like this: "There must be collaboration between government officials and businessmen. They definitely wish to redevelop our streets. This is why they start by resuming our private streets, thus reducing our plot ratio. When resumption is carried out in future, whether by the Urban Renewal Authority (URA) or other bodies, they will benefit from the resumption." If the majority share the same thinking, at least this means they are perfectly clear that the land in their possession will be reduced, but still they are willing to hand over the responsibility to the Government. Of course, the Government will say: Even if the owners are willing to hand their land to us, must we accept it? The Government must consider the fact that public good is involved in this case, a case of public interest. If the problems with those streets cannot be resolved even if the relevant hygiene legislation and management are strictly enforced, as I described just now, the Government must thoroughly consider what can be done to resolve the problems.

(THE PRESIDENT'S DEPUTY, MRS SELINA CHOW, took the Chair)

However, there are times when the problems can still not be resolved thoroughly by resumption of the relevant private streets alone. I agree with Mrs Sophie LEUNG that it is inappropriate to require the Government to, after resuming all private streets in a compulsory manner, resume adjacent streets as well. Neither does my amendment imply doing this. What I actually mean is hygiene can be a priority factor when consideration is given by the URA to carry out redevelopment. I would like to remind Members of the conditions in certain private streets. Let me cite the "Wan" streets as examples. According to the Government, land boundary will be drawn after resumption is completed. When it comes to the payment of compensation, it is definitely necessary unless legislation is amended so that compensation can be waived. Now, those streets are resumed by the Government in public interest, meaning that they are now

owned by the Government which will be responsible for managing the streets in question. However, it must be borne in mind that balconies, canopies and other things protruding from above the streets will continue to be managed by someone else.

When the resumption exercise is over, the Government can then declare the resumed private streets as public streets. Enforcement might become even stricter if some people still dare to litter on these streets. However, the Government must bear in mind that it does not own the structures and sewers of the buildings in the neighbourhood. Given that redevelopment does not necessarily follow resumption, those people may still behave in the same old manner. Of course, the Government may say that charges can be laid against improper behaviour until the Government is satisfied. By the same token, prosecutions can be instituted with respect to the conditions of private streets until the Government is satisfied. Actually, the Government is confronted with exactly the same problems in every resumption of private streets — fragmented ownership, poverty-stricken elderly persons, and so on. I have sought to add the wording "to consider according priority to the redevelopment of such streets" because I think it is necessary for the Government to, in certain cases, resume streets in the neighbourhood in conjunction with the resumption of certain private streets before the problems with the entire district can be thoroughly resolved. I hope priority consideration can be given, but I do not mean to force the Government to do so.

Lastly, I have to remind the Government (though this point has been raised by the Chief Secretary for Administration in his report) that certain back alleys look like streets (we generally believe there should be a distinction between streets and back alleys because the former should be wider than the latter) because they are very wide. Some private back alleys are so wide that people consider them as private streets. Actually, it does not make any sense to distinguish them as "back alleys" or "streets" because they are open to vehicular access, though vehicles do not necessarily use them. Their usage is not subject to any control because they are private. Given their considerable number, I hope the Government can pay attention to private back alleys.

Finally, a few words on money. I think the payment of money is warranted because public interest is involved. But why must I introduce the notion of redevelopment? This is because, if redevelopment is carried out after resumption, the Government might manage to make no loss or even "make some

profit", though there remains an element of uncertainty. However, if the Government seeks to only resume the private streets then it has to make compensations for the structures protruding from above the streets, and it will have to dig into its pockets without any hope of getting something in return, for there is simply nothing the Government can expect to get in future. Therefore, in order to thoroughly resolve the problems, and should this be proved feasible, I would like to advise the Government to consider its "purse" from time to time. Just imagine hundreds of millions of dollars will be involved if compensation is to be made. Under certain appropriate circumstances, the Government may perhaps consider requesting the URA to give priority consideration to redeveloping those private streets and their neighbourhood.

Actually, there are more than 200 private streets on the list, and many of them are extremely wide, though not necessarily wide enough to allow vehicular access. However, should redevelopment be carried out to them and their neighbouring streets, the overall effect and benefits, coupled with the benefits gained from designing the facilities in the light of the redeveloped environment, should far exceed the price that has to be paid. I know the Government is deeply puzzled as to why this problem should remain unresolved after so many years. Mr IP Kwok-him finds it necessary to move his motion because the Government is reluctant to spend from its purse. As such, I would like to pass him this card. Under certain circumstances, it might prove to be more economical and consistent with the wishes of the residents if resumption is followed by redevelopment.

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

DR RAYMOND HO (in Cantonese): Madam Deputy, since the outbreak of atypical pneumonia, environmental hygiene in Hong Kong has become our main concern. The district cleaning activities carried out by the three Secretaries of Departments and the 11 Bureau Directors under the leadership of the Chief Executive has made us realize more clearly than ever before that there is still much room for improvement in terms of environmental hygiene in Hong Kong. I agree that in order to maintain the cleanliness of Hong Kong, we must impose heavy penalties on people caught littering and spitting. But at the same time, we must pay attention to the hygiene conditions in places easily overlooked by

people, such as narrow side streets and back alleys, otherwise all the resources spent and efforts made by the Hong Kong Government and the people may be wasted. Sometimes, however, it is rather difficult to ensure that the hygiene conditions in these places meet the standards required, because they are private streets not under the control of the Government. Therefore, in the interest of public health, tourism promotion and Hong Kong's international image, the Government should resume the private streets found in various districts in Hong Kong, with a view to improving our environmental hygiene fundamentally.

As we all know, back alleys are often polluted by heaps of rubbish and infested by mosquitoes, cockroaches and rats. People like to dispose of the things they no longer want in these places; food establishments also do dish washing there in order to save space on their shop premises. As a result, back alleys are polluted by heaps of rubbish, all the time slippery and greasy. Rats and mosquitoes therefore breed rapidly, and these places are turned into hotbeds of bacterial growth. Worse still, the situation is deteriorating. The Interim Report on Measures to Improve Environmental Hygiene in Hong Kong recently released by the Team Clean has identified back alleys as black spots of environmental hygiene. If the back alleys can be brought under the control of the Government, I am sure that the problem will be solved very quickly. But if they remain as private streets, the full co-operation of their owners must be secured before the situation can be improved. Moreover, since private street ownership in Hong Kong is so fragmented, the Government will definitely encounter many difficulties in urging the owners to improve the hygiene condition of their streets. Some owners may, for instance, be unwilling to spend any money on improving the hygiene condition of their streets. If the Government can resume those private streets plagued with problems, the hygiene standard in these streets will definitely be improved much more quickly and effectively.

I appreciate that the resumption of private streets does involve many problems, such as legal technicalities, compensation, and so on. But it is precisely for this reason that the Government must formulate an appropriate policy and implement it as soon as possible.

Poor hygiene in private streets is a long-standing problem. Although the Government has tried to resume some poorly-managed private streets for quite some years, the progress has been very slow. I hope that the Government can

capitalize on the increasing concern about public hygiene following the outbreak of atypical pneumonia and quicken the pace of resuming poorly-managed private streets, so as to improve environmental hygiene in Hong Kong and prevent any epidemic outbreak in future.

Madam Deputy, I so submit.

DR YEUNG SUM (in Cantonese): Madam Deputy, to start with, I am deeply concerned that a number of private streets have been removed from the Private Street Resumption Programme (PSRP). The private streets problem does not happen overnight. One hundred and sixty-six private streets were identified under the PSRP launched in 1986. According to the latest information furnished by the Home Affairs Department (HAD), however, 79 private streets have been removed from the PSRP. In Eastern and Wan Chai districts, more than 10 private streets have been deleted from the list owing to the problem of protruding balconies. This means that the conditions of these streets, having been removed from the PSRP, will only deteriorate.

I hope the Secretary can pay attention to the difficulty of organizing owners of old buildings. There are a number of old districts and buildings on Hong Kong Island. It is not easy at all to organize small owners living there, who are mostly quite old. With the absence of Owners' Corporations, a number of private-owned streets situated among old buildings are often plagued by such problems as illegal parking, accumulation of refuse, unauthorized extension, gathering of hawkers, sewers bursting, lack of repairs, and so on.

I would like to give the Secretary a prominent example. The Quarry Bay Street in Eastern District, a private street already removed from the PSRP, is divided into two sections, with one section managed by the Government where cleansing is carried out regularly, and the other being a private street not given regular cleansing. This section (the enclosed section of 61, Quarry Bay Street) is subject to no control because of a number of legal issues.

Residents of the four buildings at 61, Quarry Bay Street, an enclosed street, are in fact mostly elderly. Some of them are retired employees of the former Taikoo sugar plant. It is no easy task to organize them. Furthermore, a section of 61, Quarry Bay Street is managed by developers, which makes it

difficult for small owners to interfere with that part of the street. With the passage of time, the condition of the enclosed street will further deteriorate. For this reason, the small owners are now pushing for regular cleansing. But what they actually hope is that the Government can expedite the resumption of the street as a solution to the problem.

I hope the Secretary can appreciate the plights of the elderly. In this respect, the Government can surely consider the proposal raised by Mr James TO on behalf of the Democratic Party. Under the proposal, the HAD shall encourage small owners to formulate long-term solutions on their own or help them engage cleansing firms. Given the inability of the elderly owners to organize themselves, the Government should take the initiative to tackle the problem.

Under section 14 of the Public Health and Municipal Services Ordinance (Cap. 132), if the Authority is of the opinion that any premises or any part of any premises are in such a state as to be injurious or dangerous to health, the Authority may cause a notice to be served upon the owner or occupier of the premises requiring him to carry out improvement works or the Government can arrange to have such works carried out. This point has also been raised by the Chief Secretary for Administration, Mr Donald TSANG, in his plan. A number of problems can be resolved should the Government take a positive approach by moving a few steps forward. For example, an elderly woman by the surname of WAN had filled up two flats with 40 tons of refuse over the past 10-odd years. With the assistance and mediation of District Council members and the Social Welfare Department, cleansing work was eventually carried out by the Food and Environmental Hygiene Department.

The last point I wish to raise is, apart from raising the amounts of fines, educating the public is also very important. The Democratic Party hopes such tasks as cleansing private streets and back alleys, requiring the public to maintain and repair sewers, and so on, are just the beginning. In the long run, to turn Hong Kong into a city that emphasizes environmental hygiene, the living culture and habits of the public must be changed through education, in addition to raising the amounts of fines and enacting more legislation, so that people will find it embarrassing to spit and litter on a clean street.

Madam Deputy, I so submit.

MR LAU PING-CHEUNG (in Cantonese): Madam Deputy, the outbreak of atypical pneumonia has exposed some hazards of environmental hygiene in Hong Kong and compelled us to address the problems in the management of building and private streets. Therefore, Mr IP Kwok-him's motion on "Resumption of Private Streets" is very timely.

As I mentioned earlier, the management of buildings and private streets are similar in nature for both involve management of common areas in building properties or lots. If the owners could organize themselves and do a proper job in maintenance and management, then the Government actually does not have to, and also should not resume the private streets for this is infringement of private property rights.

However, in reality, some property owners have actually not taken up the responsibility of doing a proper job in maintenance and repairs due to various reasons. In the case of the eight "Wan" streets in Kowloon City, which the Chief Secretary for Administration specifically mentioned in the Interim Report on Measures to Improve Environmental Hygiene in Hong Kong, where buildings lack maintenance, sewers are in disrepair and sewage flow onto the streets, they have not only polluted the environment but also become breeding grounds for viruses and endanger the health of all Hong Kong residents. Therefore, the Government has decided to clean up those streets first and then recover the expenses from the property owners. This I support. However, this is only a stopgap measure. It is because the ownerships of such properties are so very fragmented that Owners' Corporations can hardly be set up to do a proper job in the management and maintenance of common areas. Therefore, the resumption of private streets may be the last resort of the Government in dealing with this problem.

According to our information, there are about 96 problematic private streets that have not yet been resumed. It should be noted that though the conditions of private streets are not entirely similar, on the whole, all of them lack maintenance. They have rugged road surfaces, poor environmental hygiene and there are even cases of unauthorized building structures and occupation of common areas. Though in the interest of the public, property owners of private streets do have the responsibility of maintaining environmental

hygiene, this does not mean that the Government can automatically resume these private streets without making compensations. What the public sees at the moment is that the Government has been trying to persuade property owners to unconditionally hand over the private streets without spending a single cent of public money. This is obviously impracticable. This explains why despite the efforts of the Government in trying to resume private streets for more than 10 years, the Home Affairs Bureau has to remove 79 streets from its target list of the remaining 96 private streets. This is because they are aware that it is impossible to convince 100% of the property owners to surrender the private streets voluntarily.

In fact, though the management of private streets is poor, it does not mean the common areas of private streets have no value for property owners could use such areas for parking or other purposes; or even though such common areas are not used for any purposes of economic benefits at the moment, they can be factored into the calculation of plot ratio in future. Furthermore, under the Roads (Works, Use and Compensation) Ordinance or the Land Resumption Ordinance, if the Government has to resume such private streets for public purposes, it has to notify the property or title owners in writing 28 days prior to the resumption to ask the persons concerned to make claims for compensation within a specified period of time. Therefore, if the Government has to resume private streets, reasonable compensations must be made.

However, we need not be excessively concerned about enormous compensations because in the prevailing property market, property prices have already been greatly adjusted downwards and since those are all common areas, they will not have a very high economic value and the amount of compensation will also not be very high. Finally, if the amount of compensation were to be equally shared among all owners, the amount payable to each owner would also not be much. Moreover, everyone knows that many property owners of private streets hope that the Government can resume the private streets and take up the environmental hygiene work, so they do not bother too much about compensations. Therefore, I support the original motion on urging for the allocation of additional resources and Mrs Sophie LEUNG's amendment on "adopting decisive measures", so as to seize this opportunity to completely resolve this long-standing problem and to strive for a win-win solution.

As regards Mr James TO's amendment, let me once again declare that I am a non-executive director of the Urban Renewal Authority (URA). As I pointed out earlier, the conditions of private streets are not entirely similar and there may also be new buildings among a large number of dilapidated ones. According to its urban renewal policy, the URA will not acquire buildings of less than seven years of age for redevelopment because the rate of compensation is based on the per sq ft price of properties of less than seven years old in the same district. If it acquires new buildings of less than seven years old and makes compensations on the basis of the price of seven-year-old buildings, it would also be unfair to the affected owners. Moreover, in selecting targets for renewal, other factors such as the overall financial viability also have to be taken into consideration. As such, I cannot support Mr James TO's amendment.

I so submit.

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

DEPUTY PRESIDENT (in Cantonese): Mr James TO, do you wish to make a clarification?

MR JAMES TO (in Cantonese): Madam Deputy, I would like to make a clarification in relation to Mr LAU Ping-cheung's earlier speech.

DEPUTY PRESIDENT (in Cantonese): Mr TO, please be concise.

MR JAMES TO (in Cantonese): Madam Deputy, I would like to clarify that I did not mention in my speech that newer buildings should be resumed. I only referred to older, dilapidated buildings with poor hygiene conditions.

MR AMBROSE LAU (in Cantonese): Madam Deputy, in the wake of the heavy blow dealt by the outbreak of Severe Acute Respiratory Syndrome (SARS), the Hong Kong community has unanimously acknowledged improvement of

environmental hygiene as a matter of urgency. However, the fragmented ownership of many private streets in the territory has given rise to the problem of poor management. The environment of those filthy streets and back alleys is very poor, and the bursting of sewers and accumulation of rubbish and bric-a-brac often found in those streets have reduced them to hotbeds and black spots for the breeding and spread of viruses.

As early as in the beginning of '70s, a cleaning campaign was introduced into the territory. However, the slogan of "Keep Hong Kong Clean" has been promoted for over 30 years, yet the result has not been satisfactory. On the contrary, Singapore, another Asian country that has a cleaning campaign ongoing for more than 30 years, has long since made outstanding achievements. It has earned the reputation of a "garden city" and has been acknowledged by international organizations as the cleanest city in Asia with the best quality of life. That Hong Kong has lagged behind Singapore in terms of cleanliness and hygiene is mainly because of the long-standing environmental hygiene problems plaguing the private streets. Private streets are often found to be in a run-down state and extremely dirty, added to this is the problem of illegal structure. We obviously cannot allow the problem of private streets to continue.

I am of the view that the poor environmental hygiene condition of private streets can be improved in the three aspects listed below:

Firstly, since private streets are owned by private owners, all along it is the responsibility of owners to ensure that their streets are properly managed. However, in most cases, Owners' Corporations (OCs) have not been established. Since the departments responsible for municipal services only perform non-regular cleansing of private streets occasionally, it is only natural that the environmental hygiene of those streets can hardly see any improvement. The Government has encouraged owners of private streets to organize OCs to enhance management and improve environmental hygiene, but this has failed to bring about any noticeable effect. Three years ago, the Government began to make an annual provision of about \$40 million to the Home Affairs Department for purposes of facilitating the establishment of OCs and following up repairs of private streets, but no significant achievements have been made. Therefore, the Government should try to change these non-binding incentives to legally binding mandatory requirements, urging owners of private streets to set up OCs as soon as possible. If private owners fail to respond actively, the Government may

appoint management company to cleanse those private streets comprehensively to improve environmental hygiene, and then recover the expenses from the owners concerned. If owners refuse to pay the costs, the Government may also bring the case to Court to demand the payment. If poor environmental hygiene conditions of private streets are caused by the improper management of management companies, the Government may propose improvement, or do the cleansing first and recover the costs later.

Secondly, if the effect is not satisfactory after the first option has been implemented for some time, the Government may consider this second option. In view of the complex and fragmented ownership of private streets which has made resumption by the Government impossible within a short time, it is suggested that before the ownership issue is resolved, the Government should consider introducing legislative amendments to resume the management right of those streets. Since the management of private streets involves a number of government departments, I suggest the Government to set up a task force responsible for co-ordinating the work of different departments, aiming for the expeditious resumption of the management right of private streets. The resumption of management right of private streets is a feasible solution in the short term, for it can prevent the hygiene conditions of private streets from gaining no improvement before government resumption.

Thirdly, the Government introduced the Private Street Resumption Programme (PSRP) long ago. The Government once aimed to resume the ownership of private streets via the redevelopment of old districts with the joint efforts of the Hong Kong Housing Society, the dissolved Land Development Corporation and the existing Urban Renewal Authority. However, owing to limitations of power and resources, the relevant Policy Bureau can hardly resume the remaining 104 streets under the PSRP. Therefore, the Government should reset its policy direction as soon as possible, introduce amendments to relevant ordinances to give the relevant Policy Bureau sufficient powers and resources to expeditiously resume the remaining 104 private streets under the programme. The Government also needs to conduct reasonable planning and redefine the criteria on population density, architectural space, transport links and green planning for purposes of redevelopment.

Madam Deputy, I so submit.

MR MA FUNG-KWOK (in Cantonese): Madam Deputy, the outbreak of Severe Acute Respiratory Syndrome (SARS) has taught us a bitter lesson on our environmental hygiene. Mr IP Kwok-him has moved a motion on private streets, in the hope that the Government can speed up the Private Street Resumption Programme to provide an ultimate solution to the problems associated with private streets. I am of the view that the general direction of the motion merits support. But since the problem of private street ownership is rather complex, the Government must adequately protect the interests of owners in the course of resumption. The presence of public support for a tough approach to environmental hygiene must never lead the Government to ignore the rule of law and the interests of the minority. Besides, I also propose that in respect of those private streets with the problem of fragmented ownership which cannot be resolved overnight, the Government should first resume their management right and then proceed to tackle their hygiene problems as a matter of priority.

For a very long time, these places have been subject to "no control", so to speak. They have been ignored by owners and tenants, and some of them have even been reduced to hotbeds of criminal activities. For various reasons, the Government has also turned a blind eye to them, allowing them to tarnish the image of Hong Kong as a world city. The Government has, however, started to pay attention to this problem, saying that it will closely monitor and supervise building maintenance and hygiene. It is said that in case owners are unable to organize themselves, the Government will apply the principle of "act now, recover costs later"; it will proceed immediately to cleanse those back alleys and streets which pose dangers to public health and then seek to recover the expenses incurred from the owners or tenants concerned. This approach should be supported.

The point is that since not many private street owners are left, the remaining ones may have to shoulder all the costs of cleansing. This is not fair to them. The motion of Mr IP Kwok-him seeks to tackle precisely this practical problem by asking the Government to resume these private streets. I am sure that from the long-term perspective, this will provide an ultimate solution.

Having said that, however, I must also point out that Hong Kong is after all a society governed by the rule of law, with the protection of the individual's lawful rights and interests as one of its cornerstones. Unless there are really very special reasons, and unless we have followed the due process of law, the

individual must never be deprived of his lawful rights and interests. Even if the individuals concerned are just very small in number, their lawful rights and interests should still be respected. Therefore, I am of the view that the Government should proceed cautiously with the resumption of private streets and compensate owners in strict accordance with the law.

Besides, since some owners may like to use their streets for various purposes, they may not wish to see any government resumption. As long as the intended purposes are consistent with legislative requirements and the owners concerned can prove that they are capable of managing their streets effectively, the Government should respect their wishes and refrain from resumption.

In view of the tight finances which make it difficult for the Government to allocate the huge resources required, and also due to the problem of unclear ownership standing in the way of resumption, I think the Government should, for the sake of public interest, first resume the management rights of private streets with unclear ownership and serious problems, so that it can proceed immediately to improving the hygiene condition of those streets.

Madam Deputy, I agree to Mr IP Kwok-him's motion in principle and hope that the Government, while seeking to improve the cleanliness and image of Hong Kong, can pay heed to Members' views and prevent any damage to the rule of law in Hong Kong. And, I will also support the respective amendments of Mrs Sophie LEUNG and Mr James TO.

Thank you, Madam Deputy.

MR NG LEUNG-SING (in Cantonese): Madam Deputy, the outbreak of Severe Acute Respiratory Syndrome has prompted the community to reach a consensus on various initiatives to improve environmental hygiene, including the principle of "act now, recover costs later" mentioned in the Interim Report on Measures to Improve Environmental Hygiene in Hong Kong as a means of tackling the perennial hygiene problems found in private streets. The first targets of this principle, the eight "Wan" Streets in To Kwa Wan, will see the mandatory replacement of drainage pipes at the end of June. The Government will recover the costs incurred from the owners concerned at a later time. In response, we wish to welcome the Government's concern about environmental hygiene and also its determination to take actions. However, we still wish to see a concrete and ultimate solution to the problem of private streets.

To pinpoint the poor environmental hygiene in private streets, the Government has been implementing the "Private Street Resumption Programme" under the Roads (Works, Use and Compensation) Ordinance since 1986, with a view to achieving more effective management and maintenance. Totally 62 private streets have been resumed so far. The remaining 104 streets have not been resumed for various reasons, and the responsibility of cleansing these streets is shared by all the owners concerned. However, owing to fragmented ownership, many of these private streets are effectively under no management at all, which is why they have become public hygiene black spots.

We are pleased to see that after the epidemic outbreak in Amoy Gardens, the Government has finally learnt a bitter lesson and made determined efforts to clean up the environment. But apart from tough enforcement, we naturally also wish to see the implementation of some systematic measures that can resolve the problems at root. I have recently inspected 13 streets in Ma Tau Kok in the course of handling complaints about environmental pollution in Kowloon City. I am thus able to appreciate the seriousness of the various environmental problems relating to noise nuisance, emissions, sewage and waste. The Government definitely needs to draw up a co-ordination mechanism, so that all the relevant government departments can effectively back up, implement and monitor the various improvement measures. Currently, many old buildings have not set up Owners' Corporations, and it is also rather difficult for the owners concerned to organize themselves for the purpose. Therefore, in the long run, the Government must play a more active role to assist owners of these buildings in establishing their Owners' Corporations, so as to effect proper management. And, besides the implementation of stern measures to cleanse private streets, the Government should also do all it can to rally public support by instilling in people an awareness of environmental cleanliness, enhancing the relevant publicity efforts and promoting the concept of self-discipline in the community. That way, the idea of "environmental protection is everybody's responsibility" can be firmly established in people's minds.

The resumption of private streets is a longer-term task because it may involve many complex issues of ownership and compensation. I recommend the Government to adopt a two-pronged approach. On the one hand, it may provide assistance to owners and residents of existing private streets and foster among them an awareness that they themselves should take steps to manage and repair their own private streets. On the other hand, there must be a clear-cut policy under which the relevant legislation can be amended when necessary to

achieve resumption. The ownership problem mentioned by me just now should of course be taken into account. In any case, the treatment must be reasonable, so as to strike a balance between effective management and the best interest of the public.

I am of the view that since the streets concerned are called private streets, the owners and residents there should naturally be obligated to repair and maintain them. Whether for their own good or that of the public at large, they should still keep their living environment clean. Even if the Government has not decided to intervene in the cleansing and maintenance of private streets, the residents there should still discharge their civic obligation of keeping their homes and the public environment clean. If they do not do so, and if the Government thus has to work alone without any public support, the only result will be a wastage of resources. The aim of achieving an ultimate solution will never be achieved.

Madam Deputy, I so submit.

DR TANG SIU-TONG (in Cantonese): Madam Deputy, Clean Hong Kong Campaigns have been going on for 30 years, and the amount of money spent by the Government on improving community hygiene every year is by no means small. But it was not until the recent outbreak of atypical pneumonia that the Government finally seemed to "wake up", seemed to notice the actual situation in some hygiene black spots in the territory. To quote the remarks made by the Secretary during his walkabouts, the conditions are "appalling" and "terrible". But to the residents of old districts or those living near to hygiene black spots, the extremely poor hygiene conditions are in fact "nothing special".

In the Interim Report on Measures to Improve Environmental Hygiene in Hong Kong recently published by the Team Clean under the charge of the Chief Secretary for Administration, it is pointed out that the hygiene problems associated with back alleys and private streets must be tackled. The common problems found in those private streets identified as hygiene black spots are littering, obstruction of access by abandoned vehicles, hawkers' stalls and shop operators, and also water seepage or overflow of sewage caused by improper maintenance and management. I very much support the determination of the Government to tackle these perennial environmental hygiene problems, and I also hope that the government initiatives can achieve some concrete results. But

the management and cleanliness problems connected with private streets are long-standing and complex problems, or "structural" problems, so it will not be easy for the Government to achieve good results.

It is said in the Interim Report that "the cleansing of private rear lanes and streets has in the past been left to owners." This view is certainly correct in principle, but there are many problems in implementation. The root cause of the management problems and poor hygiene of private streets is fragmented ownership, which makes it very difficult to locate the owners who should bear responsibility. Besides, some individual owners think that private streets are in fact public streets, not their private premises, so for this reason they are reluctant to bear any responsibility.

The solution proposed in the Interim Report consists of two main points. First, the Government will clean up filthy private streets to demonstrate its determination to deal with this problem. Second, if the owners are unable to organize themselves properly, the Government will first clean up the relevant back alleys and private streets and then recover the expenses from the relevant owners afterwards. I am of the view that while there is no doubt that these methods can achieve some short-term results, they will fail to effectively tackle the root problem of no one being willing to assume the management of a private street. To maintain the cleanliness and good conditions of a private street, it is necessary to conduct regular and systematic inspections, maintenance and cleansing. We cannot hope to solve the problem once and for all simply by having the Government to clean up a street first and then recover the costs. Besides, if the owners concerned do not co-operate and pay their shares of the costs, what can the Government do? The Government can of course take legal actions, or it may even cause a charge to be marked against the properties concerned. But all this is very time-consuming and involves administrative resources. This is not to speak of the fact that all these methods may not necessarily work in the case of utterly irresponsible owners or those who do not intend to sell their properties.

Another point is that the Government and the community sometimes really need to appreciate the plight of individual owners. In the case of some private streets with serious environmental hygiene problems, the developers simply cannot be located, and the individual owners are mostly grass-roots people who do not have the means to meet expensive maintenance and cleansing.

Madam Deputy, I maintain that it is necessary for the Government to resume poorly-managed private streets plagued with environmental hygiene problems and posing danger to the interest and safety of the public. As a matter of fact, since 1986, the Government has been implementing the "Private Street Resumption Programme", under which private streets marked by poor conditions and creating environmental nuisances will be resumed and repaired. At the beginning, the Government identified 166 private streets in the urban areas, but it subsequently removed 75 of them from the Programme for various reasons, thus drastically reducing the number of streets to be resumed. According to sources, only 17 streets remain on the list, and the resumption of 16 of them is near completion.

However, I just do not think that it is proper for the Government to drastically reduce the number of private streets to be resumed simply because of some technical or legal considerations, such as the "trespassing problem" that may be caused by protruding balconies and also possible compensation claims from owners whose interests are adversely affected. I am of the view that although the resumption of private streets does involve complex legal problems and may even require financial commitments on its part, the Government should still do its utmost to solve the problem, instead of avoiding it. Instead of unilaterally removing some private streets from the resumption list, the Government should at least consult the District Councils, the Legislative Council and the relevant professionals in society, so that joint efforts can be made to identify satisfactory long-term solutions, some examples being the introduction of appropriate legislative amendments and the injection of more government resources for the purpose. I do not think that the difficulties encountered by the Government in resumption are at all insurmountable. The only problem is the Government's own determination, whether it is prepared to take active steps to work out an ultimate solution. Having been taught such a bitter lesson by the recent outbreak of atypical pneumonia, both the Hong Kong Government and the community should realize the serious consequences of public hygiene problems. Slow responses and procrastination can never be tolerated any longer.

Madam Deputy, we understand that the Government is determined to improve environmental hygiene in Hong Kong, and we agree that heavy penalties can certainly achieve some results, but we also think that the ultimate solution should be an effective environmental management mechanism at the community level, under which regular maintenance and cleansing work can be conducted. Therefore, the management vacuum found in some private streets must be filled. I so submit.

MR FREDERICK FUNG (in Cantonese): Madam Deputy, the sudden onslaught of atypical pneumonia has caused Hong Kong people to change their long-standing lifestyle overnight and the resurfacing of many perennial social problems belonging to different policy areas. For instance, the environmental hygiene of private streets, a frustrating problem for years, has been brought up high on the agenda of social discussions recently. As a matter of fact, the Hong Kong Association for Democracy and People's Livelihood (ADPL) and I began to expressing concern about the hundreds of problematic private streets as early as the beginning of 1990s. Of all the related problems, the disrepair of street surfaces and single buildings as well as indiscriminate parking are the most pressing ones.

To begin with, the long-time disrepair of private street surfaces is a very common problem. In particular, the old district of Sham Shui Po and the "13 Streets" in Kowloon City can well be described as the worst-hit areas. The surfaces of these streets are rugged due to long-term lack of repairs, with the result that unwary residents and pedestrians may easily trip over them. The holes of varying sizes on the street surfaces will be filled up with stagnant water in the rainy season, causing the breeding of mosquitoes and pest. What is more, the curb-side drains there are often blocked due to the lack of frequent clearance, and this has led to bacterial growth and the breeding of various viruses, thus posing threats to public health. The departments concerned must address all these problems squarely. Unfortunately, although the ADPL and I have repeatedly brought up these problems for discussion in the District Council, the departments concerned have failed to give us any satisfactory reply.

The ADPL and I both understand that because of the problem of unclear ownership with some private streets, the abundance of unauthorized protruding balconies and the large number of valid compensation claims, it would be impossible for the Government to assist the residents concerned in tackling the problems without first obtaining the consent of all owners. So, very often, the residents have to solve the problems all on their own. What is more, the Government does not have the right to manage private streets. For this reason, the Food and Environmental Hygiene Department has told us that it is even difficult for it to arrange for any routine cleansing of the private streets, let alone causing authorities to assume the responsibility of repairing and maintaining the street surfaces. The ADPL and I think that this mentality of the Government is rather conservative and outdated. I am of the view that at this very time when there is a growing concern about environmental hygiene and a social consensus

that more should be done in this respect, the authorities should step in on the routine cleansing of private streets, having regard to the majority wish of residents and subject to the consent of owners.

Also, the living conditions inside single buildings on private streets have remained extremely poor for a long period of time. Most of these buildings have not set up any Owners' Corporations or hired any management companies, so the residents have to pool their money and hire "individual" cleansing workers to cleanse the common areas of their buildings. As a result of this, these buildings are often very filthy, with litter all over the place. The structural safety of these buildings is also far below standard. There are cracks on sewage pipes, will sewage seeping. Concrete also spalls off from external walls and those of individual units, much to the concern of us. What is more, the buildings on private streets are mostly very old, built decades ago, so there is a general lack of fire service installations that meet the required standards. These buildings have thus become traps and hazards. And, as I have just mentioned, the problem of indiscriminate parking on private streets is also very serious. Since under the existing traffic legislation, the police are not authorized to take any enforcement actions on private streets and issue fixed penalty tickets to the owners of illegally parked vehicles, the existing 104 private streets have effectively become places not regulated by traffic legislation. Indiscriminate parking will not only hinder residents' access, more importantly, in the unfortunate event of accidents and emergencies, vehicles indiscriminately parked may even obstruct the access of fire engines, ambulances and even police patrol vehicles. This will seriously jeopardize residents' lives and property, and the consequences can be very horrible.

In view of this, the ADPL and I reiterate that the Government should act proactively. It should take decisive actions and amend the relevant legislation, so that traffic policemen, for example, can be authorized to take enforcement actions on private streets. The aim should be to eliminate this state of "lawlessness" within the shortest possible period of time.

For long-term actions, we have three proposals. We notice that two phases of actions are outlined by the Chief Secretary for Administration in the Team Clean's Interim Report on Measures to Improve Environmental Hygiene in Hong Kong. We are of the view that the measures will not be able to eradicate the problems and improve the situation fundamentally. By eradicating the problems, it is meant that a mechanism especially for private streets must be set

up in the long run. Such a mechanism should be able to operate independently and given the resources required to deal with the relevant problems. This is the only long-term solution. We wish to put forward three possible directions for the reference of the Government. The first one is the mandatory employment of management companies by private street property owners. I can remember that I already raised this proposal during a motion debate on another topic and when the Chief Secretary for Administration announced the interim measures. And, as early as 1996, I also raised this idea with the then Secretary for Home Affairs, Mr David LAN, saying that the Government should commission some NGOs, or non-governmental organizations in full. The rationale behind my proposal is that NGOs will not work for money only, and the management of buildings or private streets is also an issue of more than money. Particularly at the beginning, that is, from the time with no Owners' Corporation to the time when one is established, NGOs will do a better job than commercial management companies. The Government may employ management companies through NGOs to handle this problem. The second proposal is the resumption of private streets. Once a private street has been resumed by the Government and put under its management, then under the Government's mechanism, it will deal with cleanliness, maintenance and fire services issues on a regular basis. Of course, after the completion of such work, I mean, if such work is associated with the private streets, the Government may recover the costs from the owners concerned. In terms of non-ownership related matters, the private street should be treated and managed as a public street after resumption. Then, there is the third proposal. In the case of those dilapidated buildings built decades ago, their inclusion in the urban renewal programme should be considered; they should be handed over to the Urban Renewal Authority for redevelopment. Renewal will see the construction of new buildings and the disappearance of old ones. I think the Government may consider these three proposals.

Thank you, Madam Deputy.

MISS CHOY SO-YUK (in Cantonese): Madam Deputy, the Chief Secretary for Administration said in this Chamber late last month that the Government would launch a pilot scheme to solve the serious and long-standing problems of the poor environmental conditions of back alleys and private streets. The Government would adopt the "polluter pays" principle and take the measure of "act now, recover costs later" and even the unusual measure of registering a charge against the land title so as to thoroughly and permanently solve the problem of seriously

polluted environment. I fully support any actions that can improve the community environment, but I am concerned that relying on these measures alone can still not solve the problem that private streets are subject to "no control". The Government should also adopt the confiscation of private streets as a last resort to eliminate environmental hygiene black spots.

Although the proposal of the Chief Secretary for Administration is fair and reasonable, it is after all a very heavy burden to small owners short of financial means. Private streets with serious environmental hygiene problems are generally found in old districts with an ageing population, where the building owners are either missing or dead and the flat owners are mostly grassroots. Thus, it is by no means easy for them to additionally bear huge amounts of maintenance and cleaning expenses. It is foreseeable that the Government would encounter great resistance when it implements the scheme. Eventually, it may have spent public money on cleaning the private streets and yet fail to recover the costs in pursuance of the "user pays" principle. Moreover, in case the Government has to take legal actions against grass-roots people for the recovery of the outstanding payments, it will very easily give people an impression that it is bullying and oppressing the people. This I believe will be the last thing Members would wish to see.

In fact, the Government confirmed long ago that the resumption of private streets is an effective way to tidy up the environment and started implementing the Private Street Resumption Programme in 1986, incorporating 166 private streets throughout the territory into the Programme. Unfortunately, the Programme has encountered a lot of difficulties and only 70 private streets, around 40% of the total number, have been resumed, and nothing definite has been done to the remaining private streets. Although the subsequent establishment of the Urban Renewal Authority has rekindled hope on the part of the Government, believing that the problem of private streets can be solved through the redevelopment of old districts, the effectiveness has not been evident so far. Whilst the property market slump continues, we can hardly be optimistic about solving the problem of private streets by way of redevelopment now. Thus, we must take to the old path again and reconsider the idea of the resumption of poorly-managed private streets.

Of course, we will not underestimate the difficulty in the resumption of private streets. For one thing, the ownership of these streets are very fragmented, some owners are not in Hong Kong and are even dead, so the possibility of getting 100% consent of the owners for resumption of the streets is

extremely low. Yet for another, the resumption of private streets will give rise to an array of legal problems, including the handling of protruding balconies, owners' claims for compensation from the Government for reduced area for development and the claims arising from traffic diversions, which must be solved properly.

On the surface of it, the confiscation of private ownership appears to be a barbarous act that is little short of looting but, in all fairness, while we respect owners' rights to manage their own properties, we cannot neglect other people's rights to have their health not be jeopardized by poor environmental conditions. Similarly, even though a certain person is a properly owner up stream, he cannot dump rubbish into the river at will, polluting the source of drinking water of the residents down stream. Therefore, in the face of thickheaded owners, if warnings and prosecution over the years remain ineffective or with the consent of a certain proportion of owners, the Government should adopt the confiscation of private streets as a last resort to ensure that these places will not become the hotbeds of germs and viruses and the origins of epidemics.

From another perspective, there is actually not much difference between most private streets and streets managed by the Government and the general public can have free access to these private streets, therefore, the owners of private streets can generally not benefit from their ownership. On the contrary, precisely because of their ownership, they are obligated to keep these streets clean and pay for the relevant costs. Therefore, to these owners, the resumption of private streets will actually take away their heavy burden of management and can effectively straighten out the cityscape, which will benefit both parties indeed.

The Comfort Terrace in North Point is a very good example of the problem of private streets and it sufficiently illustrates how private streets can be a nuisance to owners. The Comfort Terrace is a shortcut connecting Tin Hau Temple Road and King's Road, and, as we can imagine, numerous vehicles travel along it in both directions every day. Without paying special attention, I believe many people are not aware that the Comfort Terrace is indeed a private street. However, it must have been a very painful experience for the relevant owners of the Comfort Terrace because several owners have paid more than \$1 million each for the maintenance of a slope on the Comfort Terrace earlier on; the road section is full of bumps and holes at present and lacks maintenance at all. Although the Government has agreed to repair the road, it has concurrently

asked the owners to sign and agree to bear all maintenance and repairs costs in future. Would the owners dare assume responsibilities for this bottomless pit? The road has virtually become a public place in disguised, is it fair to ask a small number of owners to bear all responsibilities of repairs and maintenance?

After the Severe Acute Respiratory Syndrome epidemic, the general public has come to realize that community hygiene is a significant issue of life and death, and it must be accorded top priority by the Government which can definitely not be tethered by the ownership problems. Actually, various sectors of the community have reached a consensus as to how to eliminate these long-standing hygiene blackspots long ago, and we only lack the Government's determination and decisive actions. Hence, I hope the Chief Secretary for Administration and the Secretary can expeditiously look into the mechanism and essential legislative procedures for the resumption of private streets.

With these remarks, Madam Deputy, I support the motion.

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

(No Member indicated a wish to speak)

DEPUTY PRESIDENT (in Cantonese): Mr IP Kwok-him, you may now speak on the two amendments. You have five minutes.

MR IP KWOK-HIM (in Cantonese): Madam Deputy, I am grateful to the two Members for moving amendments to my motion. Mrs Sophie LEUNG's amendment mentions making amendments to the relevant legislation and adopting resolute measures to solve this problem. She also corrected the inaccurate figure of 104 mentioned in my motion. Here I would like to express my heartfelt thanks to her and say that the DAB agrees with the direction of her amendment as a whole, since we believe the amendment has highlighted the issues which my motion has failed to mention. Therefore, the DAB supports Mrs Sophie LEUNG's amendment.

(THE PRESIDENT resumed the Chair)

As to the amendment proposed by Mr James TO, one important principle mentioned in it is that resumption must be based on "respecting the wishes of the majority of the owners". I also believe that on the issue of resuming private streets, it is necessary to obtain the consent of owners. In fact, I believe Mr James TO is also aware that the work on resuming private streets has been ongoing for 20 years so far. In the past, the Home Affairs Department already contacted as many owners of private streets as it could. It is easy as pie to obtain the consent of a majority of owners, since nowadays, owners who will agree to it constitute an overwhelming majority. Many owners hope that the Government will get in touch with them, and they are willing to surrender the private streets involved to the Government.

Miss CHOY So-yuk has also mentioned that these private streets are indeed difficult to stomach, that is, they are not palatable yet lamentable if discarded. Often enough, owners have to spend a lot of money in fulfilling their responsibilities. However, the problem is that there is still a tiny minority, perhaps just one or two or several persons, who are not willing to see their private streets resumed. Problems over ownership or perhaps over balconies or other issues may be involved here. In fact, several Members have mentioned these problems and I will give some response on them later.

Regarding the point on respecting the wishes of the majority of owners in resuming private streets, we are in support of this and there is no difference over this. However, the DAB has reservations about another point of amendment made by Mr James TO, which is "to consider according priority to the redevelopment of such streets". The main reason is that if redevelopment is to be carried out, it will be pointless to do so through private developers. Therefore, redevelopment will to a great extent involve the Urban Renewal Authority (URA). I have heard Mr LAU Ping-cheung mention this point. As a member of the URA, he is also of the same view. The problems inherited and faced by the URA now are mammoth. Every issue gives the URA a headache, for example, it is still busying itself nowadays with such simple matters as managing the 25 development projects bequeathed by the Land Development Corporation. It cannot solve the problems, nor can it put forward any specific proposal.

It will take at least another five years before the programmes will be completed and the problems solved. Moreover, the former Land Development Corporation also mentioned problems relating to 200 streets, which also has to

be dealt with. Therefore, if we consider according priority to the resumption of private streets in the context of urban redevelopment and pass the job onto the URA, I think we will only further complicate the issue and I am afraid the URA will be overloaded to breaking point. Moreover, in that event, there will be another group of people who have to wait for prolonged periods and by this I mean private street owners. Therefore, it seems that this method will not work and will constitute another reason for procrastination. For the above reasons, the DAB has reservations about Mr TO's suggestion of considering according priority to redevelopment, so we will not support Mr TO's amendment. Thank you, Madam President.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, to begin with, I would like to thank Honourable Members for expressing valuable opinions on the resumption of private streets and improvement of the community environment.

Mr IP Kwok-him's motion and the amendments proposed by Mr James TO and Mrs Sophie LEUNG share the same goal of urging the Government to expedite its work of improving the management and environmental hygiene of private streets. To improve environmental hygiene is the prime task of the Government.

Let me start by giving a brief account on the reasons for introducing the Private Street Resumption Programme (PSRP) and its progress.

As the name suggests, private streets are privately owned. According to the terms of land lease, a lessee should be responsible for the construction, maintenance and repairs of every street on the relevant lot. As such, a lessee should be held fully responsible for the management and repairs of his private street. Generally speaking, the Government will not, and should not, intervene in the management of land under private use. Only under special circumstances when public interest and safety are involved will assistance be offered to the owner.

It is roughly estimated that there are several thousand private streets in Hong Kong, mostly in large-scale private developments or housing estates. Besides making access for occupants and the public easier, private streets function as internal passages in housing estates. They are mostly properly

managed; rarely are they plagued by management and maintenance problems. Problematic private streets are largely found in old districts, such as Eastern District, Kowloon City, and Central and Western District. The common problems include damaged road surface, littering, illegal parking, obstruction by abandoned vehicles, illegal building structures, obstruction caused by hawker stalls and shop operators and water leakage or flooding caused by lack of proper management and maintenance, and so on. These problems are mainly attributable to joint ownership and a lack of awareness of self-management on the part of owners.

In 1986, a programme for the resumption and maintenance of private streets was launched under the Roads (Works, Use and Compensation) Ordinance (Cap. 370) for the purpose of improving private streets in terrible condition and causing nuisances to the environment. At the same time, the Private Street Resumption Committee (PSRC) was set up to take charge of co-ordinating departmental efforts in drawing up the resumption programme and overseeing the progress of resumption.

Between 1986 and 1995, 166 private streets in the urban areas were, based on the information furnished by various districts, identified and included in the PSRP by the PSRC. At that time, the safety, traffic or environment of these streets were in need of improvement and the ownership of these streets was fragmented. To date, the repair works in 70 resumed private streets have completed.

As for the 96 private streets that have yet to be resumed, about which Honourable Members have expressed concerned, 79 have been removed from the PSRP, and the remaining 17 are awaiting resumption.

Let me explain the reasons for the Government to remove these 79 private streets from the PSRP. First, some of the private streets, not more than 37, have already been improved. It is therefore no longer necessary for government resources to be used to resume the streets. Second, resumption of seven private streets might involve compensation and this is in violation of the Government's long-standing policy — public money must not be used for compensating the relevant owners for the resumption of private streets. One of the main reasons for causing compensation claims is opposition from owners. Owners object mainly because they believe, should redevelopment be carried out in future, the area of the resumed street might be counted as the site area of the

lot as well. Owners reluctant to give up the interest they might have will therefore object. Four private streets are affected in this manner. Furthermore, some shop operators would raise objection and claim compensations on grounds of businesses being affected because some streets are no longer opened to vehicular access after resumption. Nine private streets fall into this category. Third, 22 private streets involve problems with protruding balconies. Resumption of these streets will lead to trespassing problems. Property owners who maintain their balconies after resumption will constitute trespassing under the law. We have thoroughly examined various alternatives to address the trespassing problem, but no feasible solution has been identified to overcome the problem without the input of huge government resources. If we press hard with the resumption of such private streets, the owners may sue the Government for loss of legal title.

When the PSRP was launched, the Government once considered requiring the owners to surrender the streets voluntarily. However, it was proved to be extremely difficult because of the usual problem of multiple-ownership and the ever-changing pattern of ownership. To trace all owners is not only arduous but also time-consuming because it is necessary to trace all owners, mortgages and registered prospective purchases or ownership changes, and so on. Furthermore, information kept by the Land Registry may be outdated. People who have emigrated to overseas countries will further complicate the search. These owners, even if found, might not all agree to surrender their land to the Government.

Some people hold the view that the Government does not necessarily need to obtain the consent of all owners before problematic streets can be resumed. In their opinion, the wishes of the majority of the owners should be respected. The streets in question can be resumed as long as the majority of the owners agree to surrender the streets voluntarily. I am afraid this is not feasible because private streets, being private property, are protected by the law. Even if the majority of owners agree to voluntary surrender, they cannot force the minority owners who disagree to surrendering the streets.

The root cause of the environmental hygiene problems plaguing private streets is not confined to private streets *per se*. It can be traced to such factors as water pipes bursting and effluent leakage on upper floors, littering by residents living on upper floors, poor maintenance of public facilities of buildings, and poor public awareness of environmental hygiene, thus causing

bursting of pipes, effluent seepage and extreme dirtiness. The eight "Wan" streets in Kowloon City are an excellent example. As such, the resumption of private streets is not the only solution to improving the environment of private streets. Not only is resumption time-consuming, it also involves a number of government departments. Even if everything proceeds smoothly, at least three years' time is required. In cases of extreme complexity, it may take eight to nine years before the resumption and maintenance work can be completed.

Not all the 96 private streets mentioned above have hygiene problems. According to the observations made during recent inspections, the environmental hygiene of most private streets under the PSRP is acceptable. Only 25 or so private streets, including the eight "Wan" streets mentioned earlier, have problems of environmental hygiene.

We are of the view that, in order to resolve the serious environmental problems confronting private streets speedily and effectively, decisive actions must be taken. These should include issuing repairs orders to require owners to repair drains, road surfaces, and so on. It is clearly pointed out by the Team Clean in the Interim Report on Measures to Improve Environmental Hygiene in Hong Kong that owners should be responsible for the cleansing of private streets. Should the owners fail to organize themselves, the Government will carry out cleansing work for back alleys and streets in poor sanitation by resorting to the "act now, recover costs later" principle and then recover the costs incurred from owners or tenants later. Various District Offices and relevant government departments will work in collaboration with the relevant owners to maintain the cleanliness of these back alleys and streets. A new pilot scheme with public involvement will be carried out in the eight "Wan" streets and the experience gained will form reference for the Government in dealing with similar problems in future. Owing to sewers bursting and perennial overflow of effluent, the eight "Wan" streets are plagued by serious environmental hygiene problems and the health of the residents living in the district are at risk. Relevant government departments, such as the Food and Environmental Hygiene Department, the Buildings Department and the Drainage Services Department, have taken actions of environmental improvement to the buildings located on the eight "Wan" streets and the vicinity of the area, and deal with such serious hygiene problems as bursting of pipes, and so on. The relevant departments will recover costs incurred from the owners upon completion of their actions.

One point particularly worth mentioning is that the Buildings Department has started inspecting six spots covered by its pilot scheme, including private

streets. Should such problems as bursting or blockage of pipes or leakage of effluent are identified, urgent repairs will be carried out. As for non-urgent cases where the replacement of pipes is required, such as in the case of slightly damaged pipes, the Buildings Department will, by way of a written order, require the relevant owners to carry out the relevant remedial works by a specified date. Should the owners fail to act in compliance with the order within the specified period, the Buildings Department will engage a contractor to carry out remedial works and recover the costs incurred from the owners afterwards.

In order to enhance the residents' awareness of taking up the management role themselves, we have been making continuous efforts to publicize among the owners and tenants of private streets the importance of managing and maintaining the streets. Moreover, they are offered help to organize Owners' Corporations or mutual aid committees to improve the environmental hygiene of private streets. A guideline on private streets maintenance has also been published for public reference. Improvements have been seen subsequent to the setting up of management committees in certain buildings.

Mr James TO proposed that the Government should consider according priority to the redevelopment of private streets. In this respect, we would like to respond as follows: The purpose of the Urban Renewal Programme (URP) is to ameliorate the ageing problem faced by urban areas through demolishing buildings in disrepair, conserving old buildings, and preserving buildings with historical, cultural and architectural values in a holistic and integrated manner. In ascertaining the needs, priority and implementation mode of individual old districts, the Government and the Urban Renewal Authority will consider various factors, including the condition of buildings, the living condition of residents, financial assessment, and the preservation value of the relevant buildings, and so on.

The purpose of the URP is to ameliorate the ageing problem facing urban areas and buildings, not to resolve the private streets problem. Under the prerequisite of optimizing limited resources, priority treatment should be given to old districts and buildings with urgent needs under the URP. Besides, not all private streets are plagued by problems of maintenance, management and environmental hygiene. It is therefore inappropriate to adopt a broad-brush approach of resuming all private streets for redevelopment or priority redevelopment. Generally speaking, if individual demolition and

redevelopment projects involve private streets, the relevant private streets will be resumed in conjunction with the implementation of the project to enable the relevant site to be utilized in a more effective manner in the course of redevelopment.

In conclusion, as in the case of common areas in multi-storey buildings, owners must be responsible for cleaning, maintaining and managing private streets. Resumption of private streets cannot be a permanent cure to environmental hygiene problems. It is most important to raise the public awareness of keeping the environment clean and to enhance management. It is hoped that, through today's motion debate, we can urge owners, tenants and the public to make concerted efforts to improve the environment of private streets.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now call upon Mrs Sophie LEUNG to move her amendment to the motion.

MRS SOPHIE LEUNG (in Cantonese): Madam President, I move that Mr IP Kwok-him's motion be amended, as printed on the Agenda.

Mrs Sophie LEUNG moved the following amendment: (Translation)

"To add "and amend the relevant legislation" after "this Council urges the Government to re-formulate the policy direction for private street resumption"; to delete "effect the resumption of the remaining 104" after "so as to provide the relevant Policy Bureaux with sufficient powers and resources to" and substitute with "adopt decisive measures to effect the expeditious resumption of all the"; to add "original" after "private streets under the"; and to add "which are still beset with problems of environmental hygiene and poor management" after "Private Street Resumption Programme". "

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mrs Sophie LEUNG to Mr IP Kwok-him's motion, be passed.

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 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): Mr James TO, as Mrs Sophie LEUNG's amendment has been passed, I have given you leave to revise the terms of your amendment, as set out in the paper which has been circularized to Members today. In accordance with the House Committee's recommendation which I have also accepted, when you move your revised amendment, you have up to three minutes to explain the revised wording in your amendment, but you may not repeat what you have already covered in your earlier speech. You may now move your revised amendment.

MR JAMES TO (in Cantonese): Madam President, I move that Mr IP Kwok-him's motion as amended by Mrs Sophie LEUNG, be further amended by my revised amendment.

My revised amendment as approved by the President has been tabled before Members. I only wish to speak very briefly. "To consider according priority to the redevelopment of such streets" is built on the premise that resumption and redevelopment be considered only for those private streets "which are still beset with problems of environmental hygiene and poor management". Therefore, I am not saying that all private streets must be resumed, as the Secretary has just stated. Instead, my point is that all

consideration must be based on the abovementioned premise. And, I must add that even under the redevelopment strategy of the Urban Renewal Authority, problems of environmental hygiene are a factor determining whether priority should be accorded to redevelopment.

Just in case Members happen to have any misunderstanding, I hope that they can now get a clear picture and agree to support my revised amendment.

Mr James TO moved the following further amendment to the motion as amended by Mrs Sophie LEUNG: (Translation)

"To add "while respecting the wishes of the majority of the owners, and to consider according priority to the redevelopment of such streets" after "which are still beset with problems of environmental hygiene and poor management". "

PRSEDIENT (in Cantonese): I now propose the question to you and that is: That Mr James TO's amendment to Mr IP Kwok-him's motion as amended by Mrs Sophie LEUNG be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr IP Kwok-him rose to claim a division.

PRSEDIENT (in Cantonese): Mr IP Kwok-him has claimed a division. The division bell will ring for three minutes.

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

PRSEDIENT (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:

Dr Raymond HO, Mr Eric LI, Mr SIN Chung-kai, Dr LAW Chi-kwong, Mr Abraham SHEK, Ms LI Fung-ying and Mr Michael MAK voted for the amendment.

Mr HUI Cheung-ching, Mr CHAN Kwok-keung, Mr WONG Yung-kan, Mr LEUNG Fu-wah and Mr IP Kwok-him voted against the amendment.

Mrs Selina CHOW, Mrs Sophie LEUNG, Mr Howard YOUNG, Ms Miriam LAU, Mr Timothy FOK, Mr Henry WU, Mr Tommy CHEUNG and Mr LAU Ping-cheung abstained.

Geographical Constituencies and Election Committee:

Ms Cyd HO, Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr Andrew CHENG, Mr SZETO Wah, Mr Albert CHAN, Mr WONG Sing-chi and Mr Frederick FUNG voted for the amendment.

Mr CHAN Kam-lam, Mr Jasper TSANG, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Dr TANG Siu-tong and Mr Ambrose LAU voted against the amendment.

Mr NG Leung-sing abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 20 were present, seven were in favour of the amendment, five against it and eight abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 22 were present, 13 were in favour of the amendment, seven against it and one 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): Mr IP Kwok-him, you still have up to one minute three seconds for your reply.

MR IP KWOK-HIM (in Cantonese): Madam President, I am very grateful to the 11 Members who have spoken on my motion. However, after listening to the remarks of the Secretary, I am disheartened and feel that there is still a long, long way ahead, because the Secretary is still clinging to the old mindset in tackling the existing problems of private streets. Such a mindset cannot help to solve the problem. The Government is now spending \$10 billion on cleaning up Hong Kong. I am sure that the money can never be recovered. Do not ever think that coercion can help recover the money, can force owners to pay. I can tell Members that, that is basically impossible. Without an ultimate solution, without resorting to the laws to effect resumption, it will basically be impossible to solve the existing problems with private streets, especially those found in the eight "Wan" streets.

Mr MA Fung-kwok has expressed concern about private ownership rights. We too very much respect such rights. But I also hope that the interests and health of the public can be respected as well.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That Mr IP Kwok-him's motion, as amended by Mrs Sophie LEUNG, 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 as amended passed.

PRESIDENT (in Cantonese): Second motion: Asia's World City.

ASIA'S WORLD CITY

MR ABRAHAM SHEK: Madam President, I move the motion as printed on the Agenda be passed.

From time to time, we need to take stock. Severe Acute Respiratory Syndrome (SARS), though a painful experience, has given Hong Kong precisely that opportunity for review. "Where are we?" is the natural question, and "Who are we?" is the fundamental issue. I hope to look into both of these questions today and I invite my colleagues to join me in exploring this motion.

The Chief Executive's 2003 policy address spent three whole paragraphs on Hong Kong as Asia's World City. He used various eye-catching phrases which I will use as the contents of my speech tonight. What are these phrases? These phrases are:

"our competitive edge"
"a fair and independent judicial system"
"the rule of law"
"big market, small government" policy
"efficient government and favourable business environment"
"freedoms and rights we now enjoy"
"clean up our environment"
"biliberate and trilingual proficiency", so on, and so on.

Mr TUNG, like all great men, evidently, has a dream, that is, to build and maintain Hong Kong as a world-class city in Asia in which among other dazzling features, are the Cyberport, the Science Park, the Chinese Medicine hub, the logistics hub and Disneyland. Such a diverse portfolio in a dream is indeed impressive. For this dream to materialize, we need an equally stunning scaffolding to build it upon.

"Where are we in politics?"

Our first priorities, at any point in time, are political stability, economic prosperity and reasonable living standards for all. Most of the time and for some of our population, this Government has achieved them. Most of the time and for most of our population, they look forward to a more progressive society where universal suffrage, freedom and democracy are norms, and not rights that have to be fought for at every turn. We hope to see this part of the scaffolding erected in the future as guaranteed by the Basic Law.

A world-class city is a city with open doors. It is one in which government policies are fair and transparent offering a truly level playing field. It is one in which the government is politically tolerant and can accommodate differences. To be a world-class city — and Asia's world-class city especially — the Martin LEEs of Hong Kong should not be criticized for their beliefs and their speeches, for a start; while friends like the Bernard CHANs out there would not be the only ones sitting on 10 or more government committees. Some of our Emily LAUs or Cyd HOs should be able to sit on a few and speak their minds freely. This is what tolerance really means.

And what about the annointed baby soon to-be-born called Article 23? Every nation has a right to formulate laws for national security and Hong Kong is no different. But it must be so balanced that our freedoms enshrined in the

Basic Law will not be challenged in any way. Article 23 should not be a divisive axis on society. It must provide that sense of security which is the cornerstone and bedrock of political stability, and the umbilical cord to economic prosperity. Article 23, if properly formulated, should put Hong Kong in no less advantageous a position as in the days pre-1997. To be truly the world city, the "freedoms and rights we now enjoy" as Mr TUNG has promised us must be preserved.

"Where are we in our financial and economic position?"

British colonial rule left us a dowry and a legacy to build upon. We are now an international financial centre. Hong Kong is a cut above the rest because of our political stability, our independent judiciary system and our upholding the rule of law. This competitive position needs to be maintained for us to keep our edge.

Our taxes may be low but we need a definite and clear-cut policy to attract overseas investors. The Administration should not be over-stringent to deter market growth nor interfere with market practice. How about considering the abolition of estate duty to attract global investment?

By the way, have I not been paying attention lately or has the Government stopped talking about its *laissez-faire* policy for a while? Or has there been a quiet shift in this French term's meaning post-1997? *Laissez-faire* used to stand for Government non-intervention. Now, it is more like *laissez moi*, which is let me (and my gang) do it.

"Where are we as a society?"

Winston CHURCHILL said, "Men are all born equal, but some are more equal than others". Does this apply to Hong Kong? How can Hong Kong be a world-class city if there are still people barely surviving on subsistence level, sharing toilets and kitchens in old dilapidated tenement blocks while there are empty government flats? How can we ensure "a unique and attractive environment" when social inequality, racial and educational discriminative practices are prevalent in our society?

For the past decades, our people have been equal before the law and the poorest have been looked after under our welfare schemes. Our continued duty

is to ensure that underprivileged children, women and the elderly are given proper treatment in health, housing and welfare. These are truly world standards of compassion.

What about our overall environment?

I look at the term "environment" from two perspectives — the birds and the SARS.

First, the birds, and I am talking about our feathered friends. We are blessed with the yearly arrival of millions of migratory fowls to the New Territories, to Mai Po. They truly make Hong Kong a world city. But be careful, what nature giveth, man's greed and ignorance taketh away. Surely, this is not the world standard for environmental friendliness.

Secondly, SARS. This was a very rude wake-up call for all of us. We are planning to be, or are already seen by the Government as, Asia's World City. But please look at how SARS spread so quickly, especially in Amoy Gardens, in the hospitals and in the community. For a city to have reached our level of style and sophistication, and our Gross Domestic Product per capita is so healthy, this unhygienic condition of environment is nothing short of being embarrassingly sickening.

Fortunately, we have a sterling quality medical staff and workers, especially compared with other cities.

If Hong Kong's image has been tarnished by our unhygienic habits and policy failures, our front-line medical soldiers saved us from the nadir of a bad reputation. In SARS, I see one clear message — irrespective of the wealth of our city, we are all God's creatures and life is brittle. Every single inhabitant was, is and can still be under threat. Over 280 people have been sacrificed to make Hong Kong a safer place and for them we are forever grateful and indebted. If we do not like what we are now in terms of environmental hygiene, then for goodness sake, we should clean up our act. Team Clean and the rest of us not only have a city to clean; it has a population to educate and an image to repolish as well.

Finally, the "the interplay of different cultures", as Mr TUNG said in his policy address in Hong Kong's overall atmosphere is crucial to this city's desire

to be truly global. Again, I say, racial discrimination must go! This environment of cultures intermingling cannot rest on the idea of "yes" to a selected few and "no" for many.

Mr TUNG, in his policy address, spoke of a "favourable business environment". This is not possible if our nature, our future, and our culture are out of sync. A positive business environment and a "competitive edge" are not only about economic and financial considerations. Without world-class social, environmental and health conditions, how many world-class investors would show up on our shores and stay? Why not go elsewhere?

"Who are we?"

I have spent a lot of time on "where" Hong Kong is. The crucial follow-up question is "Who are we and who do we want to be?" I turn to two issues on this.

On Education

Madam President, Hong Kong *is* its people. We have no natural resources to draw from in this city of a thousand islands. We have only us. Our education should therefore be a high priority and quality constant.

Sometimes one simply sees in a school the instrument for transferring a certain maximum quantity of knowledge to the growing generation. But that is not right. Knowledge is inanimate; the school, however, serves the living. It should develop in young individuals those qualities and capabilities which are of value for the welfare of the commonwealth.

"Knowledge is a dead thing". I did not say that. Albert EINSTEIN said that and I agree. The knowledge economy may be important, but it is not of much use if the people are unable to use it to Hong Kong's advantage.

In his three paragraphs on Hong Kong as Asia's World City, Mr TUNG encouraged "more citizens to acquire biliterate and trilingual proficiency." Yes, indeed, but last week's release of the English benchmark test results by teachers was as much a shock to my system as the SARS crisis.

With a high percentage of teachers failing, where is the root of the problem? In the training of trainers or in the institutions that provide the training? What is the level of English in our universities? After all, these all have a domino effect from one level to another.

Our "competitive edge" is blunt in the language compartment, period.

Our Culture

When we discuss "Who we are and who we want to be", we are looking at our culture.

Mr TUNG wishes to "stimulate diversity and inspire creativity" so as to make Hong Kong become Asia's World City of art and culture. We have shrugged off our "cultural desert" tag for a few years now. Have we become a "cultural dessert" in that we offer what is on the sweet-tooth menu of many major cities? Or are we just a salad bowl where the tomatoes and cucumbers and lettuce of arts are tossed together for an absolute supermarket choice of who we are? Mr Secretary, Dr Patrick HO, for years Hong Kong has been crying out for a heritage and cultural policy — where is it (or simply, we are not having it), please tell us? Have we degenerated from being the Pearl of the Orient to just another city on the Pearl River Delta?

Conclusion

In conclusion, Madam President, a world city is beyond a physical landscape and a beautiful skyline. It should be a landscape of modernity, heritage and culture, encompassing diverse values, multi-racial harmony and a political centre of freedom and democracy. A world city has no boundaries and yet possesses its own character.

I thus urge the Government not to complacently stand up in reply to say that we already have everything it takes for Hong Kong to be Asia's World City. We do not. And unless we start with this admission, progress will be less than desirable in a world where increasingly, every cosmopolitan city is vying to be the top. As we take off our masks in a Hong Kong whose health is recovering, so too we must take off our blinders.

With these words, I so submit.

Mr Abraham SHEK moved the following motion: (Translation)

"That, as the Government has proposed to position Hong Kong as "Asia's World City", this Council urges the Government to fully evaluate and assess Hong Kong's current economic and social conditions, comprehensively review the policies and strategies relevant to Hong Kong's position as an international city, promote the building of a more open, tolerant, receptive and innovative city image, and reinforce and enhance Hong Kong's international status, so as to make Hong Kong truly "Asia's World City"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr Abraham SHEK be passed.

PRESIDENT (in Cantonese): Dr YEUNG Sum will move an amendment to this motion, as printed on the Agenda. The motion and the amendment will now be debated together in a joint debate.

I now call upon Dr YEUNG Sum to speak and move his amendment.

DR YEUNG SUM (in Cantonese): Madam President, I move that Mr Abraham SHEK's motion be amended, as printed on the Agenda.

Madam President, maintaining Hong Kong as and developing it into Asia's World City is an objective that all of us should work together to achieve. I wish to express the views of the Democratic Party on three aspects, namely regulation of the financial markets, politics, medical and health services.

First of all, I wish to talk about regulation of the financial markets.

Madam President, Hong Kong not only has more satisfactory financial and banking systems in the Asian region, it also ranks very high in the region in terms of market transparency and resourcefulness. Therefore, it can live up to the names of an Asian financial centre and a metropolis in Asia. However, the recent arrest of Shanghai business man ZHOU Zhengyi has revealed the oversight of the financial regulators in Hong Kong and the loopholes in

supervision. The incident involves many more parties than two listed companies in Hong Kong, and the Bank of China (Hong Kong) Limited (BOC) as a note-issuing bank is also one of the subjects in the incident. The incident is gaining increased coverage, for not only the local media are making reports every day, even the mainland media have made special reports and widely reported the whole incident during the entire period.

In contrast to the fervour of the media, the financial regulators in Hong Kong have been unusually quiet. Firstly, the Hong Kong Exchanges and Clearing Limited (HKEx) and the Securities and Futures Commission (SFC) have not taken the initiative to carry out investigations on the incident and they have not fulfilled their responsibilities to small investors and the market, thus, their performance has really been disappointing. In late May, news broke in the Mainland that ZHOU Zhengyi was being investigated in Beijing and there was speculation that improper loans were involved, however, the HKEx had not taken any actions, even not issuing any statement of concern.

I believe general investors know that the involvement of the person-in-charge of a listed company in a legal dispute will naturally have significant impact on its stock prices. Nevertheless, the regulators have kept quiet during the period, only incidentally indicating their concern when asked by the media. After the breaking of the news that ZHOU Zhengyi was involved in a loan scandal, the stock prices of Shanghai Real Estates and Shanghai Merchants fell sharply for several days running and the market values of the two stocks evaporated by more than \$760 million within a week, which was a very astonishing rate.

On 2 June, the regulators suspended trading of the stocks concerned in a hurry but investors had already suffered substantial losses. Have the regulators played their roles? Where are their responsibilities to small investors?

It is the duty of the SFC to maintain and promote the fairness, efficiency, competitiveness, transparency and order of the securities and futures industries. The BOC is a note-issuing bank in Hong Kong and a blue chip stock, in the face of the replacement of the chief executive of BOC within a short period of time and the detention for interrogation of the persons-in-charge of two listed companies in the Mainland and Hong Kong, why can the SFC remain indifferent and why has it not issued any statements or taken follow-up actions?

The Hong Kong Monetary Authority as the major regulator of banks has always been criticized by outsiders as an independent kingdom. It has handled BOC's application for the replacement of a top executive with unusual efficiency, which aroused the query of Dr David LI, a Member of this Council from the banking sector. It is thus clear that the incident is serious.

Madam President, the problems have obviously surfaced before our eyes. In the face of state enterprises and even enterprises with Chinese investment, the financial regulators in Hong Kong seem to have cast aside their usual professional practices and proper attitudes. They have either reacted slowly or too quickly to the development of events.

There may be two factors for the situation. First, these regulators accord priority to the interests of listed enterprises and often give the interests of small investors the lowest priority. Second, the financial regulators in Hong Kong are completely unable to regulate private enterprises based on the Mainland. There are deficiencies in the mechanisms of communication between both places in respect of market regulation and private enterprises are difficult to control, so even though the regulators wish to clarify the situation they may not be able to do so.

In fact, incidents of private enterprises running into financial crises have taken place one after another, and the past incidents of Euro-Asia Agriculture and Brilliance Automotive are examples of the same kind. Hong Kong is a world city and financial centre in Asia, but the regulators in Hong Kong have failed to play their regulatory roles properly and allowed listed enterprises to take advantages of small investors. How can the investors have confidence in the market? How can foreign countries have confidence in Hong Kong as a financial centre?

The Democratic Party is of the view that the series of incidents reflects a deterioration in the quality of private enterprises and the excessively slow reactions of the Government and the regulators, and there are actually very big loopholes in our supervisory system for listed companies. Private enterprises will be listed in Hong Kong to raise funds one after another in the future, and the regulators should expeditiously enhance their abilities and determination to regulate them in order to restore investor confidence in Hong Kong as a financial centre.

Next, I wish to talk about politics. Madam President, apart from economic conditions, political conditions are also indispensable for Hong Kong to become the window on China and to enhance its international status. Hong Kong has to build up an open, tolerant and acceptable image, and we also have to build up a more democratic, human rights-respecting and equitable society. A more tolerant political system is also an essential prerequisite for Hong Kong to become a world city. A democratic political system embodies a balance systemically struck between the interests of various parties in the community including political beliefs and full expression of various opinions. It is a pity that, given the lack of tolerance on the part of the person in power, there is almost no room for peaceful political discussions. Now that the Severe Acute Respiratory Syndrome (SARS) is over, the prime task is to rebuild the economy, review the deficiencies of the medical system and help the public tide over difficulties. To tackle this unprecedented crisis, the Government must be tolerant towards all parties so that various sectors can be united and look for methods and a way out together. Rejecting people with different political views and suppressing the dissidents would only impact on social cohesion and will not help the solution of problems at all.

To become Asia's World City, we must build up a human rights-respecting society. It is thus obvious that the National Security (Legislative Provisions) Bill (the Bill) introduced by the Government will precisely undermine the existing human rights and freedom. As proposed in the Bill, the Secretary for Security has the authority to proscribe any local organization including a local organization that is subordinate to a mainland organization prohibited by the Central Authorities in accordance with national laws on the ground of national security. "Subordination" includes acceptance by the local organization of substantial financial contributions, sponsorship or support, or loans of a substantial amount, directly or indirectly, from the mainland organization. This is most worrying because even though the local organization does not have any intention or concrete actions to jeopardize national security, once the relevant mainland organization is prohibited on the Mainland, the Secretary for Security may also be influenced by the prohibition of the organization on the Mainland by an open decree and will "reasonably believe" that the local organization should be prohibited on the ground of national security. In that event, the operation of a local organization will be prohibited on the basis of the political decision of the Mainland, thus introducing mainland legal concepts into the local legal system in a disguised form, doing great damage to "one country, two systems" and importing the mainland practice of rule by law.

Furthermore, the offences of sedition and handling of seditious publications as proposed in the Bill have a very wide coverage and broad definitions, which undermine the freedoms of expression and the press in Hong Kong. Owing to the relevant provisions, the media will dare not report sensitive news, which is not conducive to Hong Kong becoming a world city or information centre in the Asia-Pacific Region. Actually, national security should not contradict such values as democracy, freedom and human rights and they should be tolerant of each other. Genuine national security means that it should be ensured that the political and civil rights of nationals would not be undermined while protecting national security. However, national security is only the synonym of "security of the one in power but insecurity of the people" at present.

Finally, I wish to talk about medical and health services. Hong Kong has always worked towards becoming a world city. In people's eyes, Hong Kong has become a world city long ago and the skyscrapers with curtain walls on both sides of the Victoria Harbour have proved it.

Nevertheless, the SARS epidemic has made us realize that there is still a certain distance between Hong Kong and a world city in terms of governance, public administration and humanistic quality. The outbreak of the epidemic in the communities has made us come round to the fact that mice and insects are everywhere and the poor conditions of building maintenance and public hygiene management are factors for the outbreak of infectious diseases.

Insofar as the medical system is concerned, though we have many top-notch medical experts, advanced apparatuses and technologies, the SARS epidemic has shown us that our medical system is so very vulnerable. Public health administration is in a state of confusion and fragmentation, and there are rooms crammed with hospital beds. There is a serious shortage of protective gear for medical personnel saving lives on the front line and we ultimately have to rely on funds raised by the people and the assistance provided by the Central Authorities. These management problems have turned hospitals into hotbeds for the spread of diseases, and many medical workers have been infected or have even sacrificed their lives. These conditions should really not be found in a world city. The Government should set up a commission of inquiry to find out the truth and affix responsibilities lest infectious diseases should deal another blow to people's health in future.

I so submit.

Dr YEUNG Sum moved the following amendment: (Translation)

"To add "democratic, human rights-respecting, equitable," after "promote the building of a more"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Dr YEUNG Sum to Mr Abraham SHEK's motion, be passed.

MRS SELINA CHOW (in Cantonese): Madam President, the Chief Executive and the Special Administrative Region Government have rightly positioned Hong Kong as "Asia's World City". For us, this is not our goal. Whether Hong Kong can claim itself to be "Asia's World City" is actually dependent on how people look at us and how we look at ourselves. Instead of singing our own praises, we might as well take a look at how the rest of the world looks at us.

To start with, from the angle of tourism, for three years in a row, including the latest statistics published on 10 June this year, our airport was chosen by "Sky Track's Research" in the United Kingdom as the world's top airport. With its passenger throughput reaching 30 million per annum, the Hong Kong International Airport was rated number one in terms of degree of satisfaction in a survey of 46 major airports in the world. Very often, Hong Kong hotels appear in the world's top 10 hotels list too. In June 2002, Cathay Pacific was chosen by the 14th "TGG" tourism award as the best airline of the year and the best airline in Northeast Asia.

From another perspective, in what manner does the international community look at Hong Kong as a business city? It was estimated in a survey in mid-2002 that there were 3 237 overseas organizations in Hong Kong. The number of regional offices set up in the territory by these organizations was also the highest in 11 years. At the same time, Hong Kong is among the territories with the most representative offices of international banks in the world. Of the 100 largest international banks, 73 have chosen to set up their representative offices here, bringing the total number to 94. In November 2002, in a report published by the United States Heritage Foundation on index of economic freedom, Hong Kong was named the world's freest economy for the ninth year in a row. In September 2002, the Economist Intelligence Unit, in one of its issues of *Global Outlook in Country Forecast*, compared the business environment of

60 countries and territories, and Hong Kong was ranked second in Asia. In September 2002, the *Business Traveller - Asia Pacific* (having interviewed its readers) selected Hong Kong as the world's second most popular city for operating business.

When it comes to anti-graft operation, the "Transparency International", an anti-graft watchdog, pointed out in its global corruption survey published in Berlin that Hong Kong ranked 14th on the global chart in terms of clean government, and came second in Asia.

Now let us look at Hong Kong from another angle. Up to 209 conventions were held in the territory in 2002, with the number of attendance totalling 33 199. International exhibition activities were attended by nearly 350 000 people, and enterprise activities attracted up to 111 000 people. In September 2002, the Hong Kong Convention and Exhibition Centre was chosen by readers of the *Meetings and Incentive Travel*, an internationally-acclaimed tourism publication, as the world's best convention centre. In a survey sponsored by Singapore's CEI Asia Pacific on exhibition venues in the Asia-Pacific Region, Hong Kong was rated the best exhibition centre as well as the best exhibition city in the region.

Why do I find it necessary to spend so much time providing Honourable Members with so many data instead of delivering my speech? This is because I wish to demonstrate to Honourable Members that, in the eyes of foreigners, Hong Kong has so many favourable conditions that support its claim to be "Asia's World City". We are not singing our own praises. It is the people from other parts of the world who give us this status.

In an interview by a foreign journalist this morning, I was confronted with the question that we can see a number of cities in China are constantly making progress and thriving. This is particularly so for Shanghai (we will naturally think of this city when we talk about matters concerning this) because there has been huge room for favourable development in Shanghai over recent years. When I was asked whether I feared that Hong Kong would be outshone by Shanghai, I replied that Shanghai, China's number one city, was totally different from Hong Kong, Asia's World City, in terms of status.

Why is it possible for Hong Kong to maintain its status? Besides its geographical strengths, what matters most is its software. I am talking about software, not hardware. Hardware refers to the infrastructure of a city. It

depends very much on whether the infrastructure is built perfectly. Software is, in contrast, constituted by the people. This explains why I, when confronted by many with the question concerning Hong Kong's future, would say, as in the past, it is the people that matters. The success enjoyed by Hong Kong today is entirely attributable to Hong Kong people for their quality, maturity, tolerance and spirit of striving to make constant self-improvement. We must rely entirely on human resources if Hong Kong is to maintain its present status. The people of Hong Kong are not only required to determine the standards and levels of our culture, language, education, and so on, they are also responsible for attaining the goal they have set for themselves.

Thank you, Madam President.

MR HUI CHEUNG-CHING (in Cantonese): Madam President, Hong Kong has become Asia' World City long ago if we take into account such conditions as information, free flow of foreign exchange and travellers, the rule of law convention, the popularization of English, all-directional sea, land and air traffic networks, our location at the centre of Asia and less than five hours' flights to regions with half of the world's population. We are more internationalized than such Asian cities as Tokyo, Seoul and Taipei. However, compared to such Western cities as New York and London, the internationalization of Hong Kong is definitely inferior. For instance, the market value of our stock market ranks second in Asia but only ninth in the world; we have the third largest foreign exchange market in Asia but it only ranks seventh in the world. In fact, New York will not regard itself as a world city in America and London will not regard itself as a world city in Europe. To become a world city of a larger scale, Hong Kong should not be restricted by its geographical location and it should set its eyes on the whole world.

A world city is often supported by a country that occupies a decisive position in the international political and economic arenas. While China has gradually become more influential in the international arena and absorbed the largest amounts of foreign investment, Hong Kong has potentials for further internationalization indeed. Before the reform and opening of the Mainland, as there were very few ports and cities opened to the outside world, Hong Kong could naturally become the largest port and an essential window through which western countries pried about the Mainland, and it was even a famous spot where eastern and western spies gathered. Although the Mainland has implemented reform and opening since 1978, its rules and regulations are still out of line with

the international ones, so, Hong Kong still remains the key to communication between the Mainland and the world. Today, the Mainland has acceded to the World Trade Organization and launched active efforts to open up to foreign investors in an all-directional way within several years. For more than a decade, mainland elites have directly studied overseas and more and more foreign news agencies, overseas travellers and investors have moved their strongholds from Hong Kong to the Mainland, thus, our international position is subject to challenge.

To revitalize the attractiveness of Hong Kong to the international community, we cannot rely on slogans, public relations activities or inviting foreign celebrities to Hong Kong alone. These efforts must be made, but I am afraid their effects are only transient. It is most important to attract more foreigners to stay in Hong Kong on a long-term basis, to work and buy properties here and even settle down and become Hong Kong people with three stars on their identity cards. Hong Kong should strive to become the most suitable city in China for residence of foreigners. Besides highlighting the superiority of our medical services, education and public order to those on the Mainland, as well as our being a tolerant and free society, and our rich and glamorous lifestyles, we should also demonstrate the management abilities of a world city. Although the atypical pneumonia crisis has shown the mature side of our civil society, it has also exposed an ugly side of it in such long-standing problems as liberal littering, drains in disrepair, sewage, mice and cockroaches everywhere and spitting. All this demonstrates that our city management abilities and the quality of our people warrant improvement. Otherwise, foreigners who cannot live here with their minds at ease will abandon us in the event of dangers and disasters.

It is similarly important for us to grasp the opportunities of the advancement of our country to raise our level of internationalization and we should not be content with being surpassed by the Mainland. Hong Kong and the Mainland will soon sign the principal agreements under the Mainland/Hong Kong Closer Economic Partnership Arrangement and it is estimated that substantive agreements can be reached in late June on many specific domains such as convenient boundary crossing, co-operation of small and medium enterprises, the promotion of trade and investment, electronic commerce and the transparency of laws. Besides, substantive progress can hopefully be made in the negotiations on trade in goods on mutually beneficial basis (such as zero tariff). It is also estimated that the barriers for the northward movement of local professional services will be greatly eliminated, for example, they will be able to file applications for and sit examinations for mainland professional

qualifications on the Mainland, and they will even be able to start businesses there and provide services directly. The SAR Government should make proper use of these generous gifts of the Central Government for the attraction of people, goods and capital from all parts of the world. The Chief Executive has stated in his policy address this year that we will help tens of thousands of small and medium enterprises from the United States, Europe and Japan to use Hong Kong as a base, and we will also help enterprises in the Pearl River Delta to establish outlets in Hong Kong so that they can sell products to foreign companies direct. In this connection, I hope the Government will expeditiously come up with measures to implement the relevant policies so as to ensure that Hong Kong will continue to be the most suitable world city in China for foreign investors to do business in the Mainland.

Finally, it is certainly worth mentioning that Hong Kong must have a diversified foreign language environment to attract people from overseas to live and do business here. The Government should not only vigorously promote English language education from kindergarten, but it should also allocate more resources to encourage universities, secondary and primary schools to offer courses or overseas exchange programmes and let students learn at least one foreign language — French, German, Japanese, Portuguese or Arabic — besides the Chinese and English languages. With a pluralistic foreign language environment, the public will have a broad international outlook and Hong Kong can bring the essence of Chinese and Western cultures into full play, otherwise, Hong Kong will only be a world city in a well.

Madam President, I so submit.

MR TIMOTHY FOK: Madam President, we have all learned from the Severe Acute Respiratory Syndrome (SARS) epidemic. We know now that our people are capable of profound compassion, grit, dedication and sacrifice. The heroes are the medical staff on the front line. They are ordinary citizens who donate time and money. Six years ago, Hong Kong became the Special Administrative Region of China. In 2003, through the struggle with SARS, we have finally become a community with an identity forged in pain and hope.

Our athletes will compete in the Special Olympics. They will do so with half a team. Their ordeal tells us two things. The Olympic ideal of inclusion remains alive and for that, we thank the International Olympic Committee, which used diplomacy to change the Irish Government's mind. The image of Hong

Kong, however, continues to suffer, and not only because of SARS. The question is: Why can others not see us the way we want to be seen?

Several years ago, our Government launched a project to convey a bullish picture of Hong Kong to the world. The campaign was full of pizzazz and it came with a logo, a slogan, and a huge price tag. We called Hong Kong the "World City of Asia". In October, I led the Hong Kong team to the Asian Games in Pusan. And there, I found that Pusan had been calling itself the "World City", not just of Asia but, well, of the world.

The spinning of Hong Kong has not worked as intended. We should not blame the Government or the public relations firm behind the campaign. The aim was good, even if the results have been lagging. What is at fault is our jaded age in which attention span is short and tastes fickle. People everywhere are bombarded each day with a barrage of sales pitches. Not much registered with modern minds, particularly the commercials about Hong Kong that savvy television viewers can skip, using their remote control.

Decades ago, social commentators already said that words had lost their impact. Now apparently, images too. To create a buzz, we cannot just advertise our virtues. It is never what we say. It is always what we do. What we have done so far is to talk ourselves into believing our own commercials. Cynics call that self-delusion. I call it simply human nature.

We must take time out from facile branding and take stock of ourselves. We need to talk less and do more to show the world, and ourselves, that we have the right stuff, the guts, the vision — and not just the dream but also the pursuit of it.

How we go about translating aspirations into achievements will determine our future. Little else we do as a society matters as much. All this is about progress, about brightening the prospects of our children and about making us competitive when everyone else is advancing at ever quickening paces.

Hosting momentous events is an emphatic, unforgettable way of telling everyone else about a time and place. The United Kingdom defeated Nazi Germany in 1945 but it was three years later, in the London Olympics, that it truly felt liberated from the gloom of war, rations and privations. Japan used the 1964 Tokyo Olympics to demonstrate its recovery and emergence as an

economic giant. South Korea likewise took the 1988 Seoul Olympics to declare its break from military dictatorship and emergence as a democracy. Australia used the 2000 Sydney Olympics to herald its coming of age as a multicultural, multiethnic country. Our own nation will parlay the 2008 Beijing Olympics into a statement of confidence as a beneficial global power.

We too must demonstrate ambition and the commitment beyond grand gestures conceived on Madison Avenue. We have been talking about a stadium that meets our needs since 1998. We have been courting YAO Ming and the Houston Rockets to play an exhibition game here, only to be rebuffed because that team refuses to risk the health of its players at our outdated coliseum. We will have a Disney theme park just when many have grown weary of the Magic Kingdom and interested in the Middle Kingdom.

Madam President, let me appeal to all not just to talk the talk, but walk the walk. Muhammad ALI is not loved for his promises but for his delivery. Others shall judge us not by what we say, but only by what we do. Action is poetry. Hollow utterances are but sounds and fury signifying nothing. I support the motion.

DR RAYMOND HO: Madam President, without any disputes, Hong Kong is an international business centre in any sense. We have a well-established legal system, a state of the art airport, a world-class container port with the world's highest total container throughput for the last 10 years, a very sophisticated telecommunications infrastructure, a highly developed financial market and a highly flexible workforce with a good grasp of the world markets. Internationally accepted commercial practices are dutifully observed and business transactions are taking place in a very efficient manner.

Nevertheless, Hong Kong does not enjoy the same status of the world's top-notch cosmopolitan cities such as New York and London, if other facets other than business are taken into consideration. Among other weaknesses, the living environment in Hong Kong is far from desirable. We do not have the same level of cultural richness. Perhaps this is the price that we have to pay for our single-minded economic pursuit in the past few decades.

The recent outbreak of Severe Acute Respiratory Syndrome (SARS) has highlighted the unbalanced development in Hong Kong. On the one hand, we

have a very open and transparent government, a team of highly trained medical and health care staff and a well-developed medical infrastructure to deal with the epidemic. On the other hand, the outbreak has opened our eyes to the poor state of environmental hygiene in our city.

If Hong Kong is to join the rank of first-class international cities, we need to have a clean living environment. The Team Clean under the leadership of the Chief Secretary for Administration must, as stated in its mission, establish and promote a sustainable, cross-sectoral approach to improve environmental hygiene in Hong Kong. The Government must not allow it to fade into obscurity when the SARS crisis is over. More than that, Hong Kong must pursue a more balanced development strategy. In this respect, the Council for Sustainable Development can play an important role.

With Hong Kong's strong fundamentals, becoming "Asia's World City" is an achievable goal for Hong Kong. But it calls for an overhaul of Hong Kong's development strategies. The Government should take up the opportunity to demonstrate its leadership in meeting the challenge.

Madam President, I so submit. Thank you.

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, the positioning of Hong Kong has been a hot topic in the past few years. The SAR Government positioned Hong Kong as Asia's World City, the Financial Secretary turned Hong Kong into super Manhattan when he first took office and the Tourism Board marketed Hong Kong as a "City of Life" to foreigners. Some members of the media think that Hong Kong should be a city of protests or anger because of the continuous protests and demonstrations. Interestingly, one or two adjectives cannot truly and fully reflect the actual situation of Hong Kong. But when these conflicting adjectives or concepts are pieced together, they precisely highlight the fact that we must re-examine the present situation of Hong Kong and make efforts together to rebuild a city with an ideal.

Insofar as the future of Hong Kong is concerned, the positive and optimistic kind will ask how Hong Kong should be developed while the negative and pessimistic will ask whether the development of Hong Kong that has continued for so many years can sustain. They are concerned that when our development will come to an end. However, Madam President, there is no

contradictions between negative or positive people and they only wish to ask whether the prosperity of Hong Kong can sustain. If so, we have to keep asking about our positioning and the direction of our development.

Recently, there have been two pieces of international news about cities. The first one is about Liverpool beating several other British cities and being elected the cultural city in Europe, and the other is about the leaders of various countries gathering in St. Petersburg to celebrate its 300th anniversary. One of these two cities is a British port and major industrial town in the past and all that it remains in the minds of many people now may only be the name of a football team, whereas St. Petersburg has lost its importance during the Tsars' epoch. Some will wonder why people still think highly of these two cities. In my opinion, besides having a football team that even the Chief Executive supports, there used to be a band of profound impact from Liverpool that brought about a musical or even cultural revolution. I am referring to the Beatles. St. Petersburg has the Bolshevik Revolution that affected the whole 21st century. Regardless of whether the results are good or bad, it can at least make people reflect on the economic situation at that time. Though the two cities have lost their prosperity of old, they are still valued by the international community today. I think that it is precisely because of their culture and spirit, not simply because of material prosperity.

On the contrary, Hong Kong used to attach importance only to material construction in the past. There are more and more tall buildings but we are still worried about being left behind by Singapore or surpassed by Shanghai. We are still talking about material living and economic hardware, without considering cultural quality which is more important.

It is true that the economic construction in the past has greatly improved our living. We no longer hear people frequently ask those downstairs to turn off their taps like what people did 30 to 40 years ago, and simple and crude resettlement areas have become harmony blocks today. Although there are material improvements and changes in names, have the interpersonal relations become more harmonious as suggested by the names of public housing blocks? Has the cultural quality of Hong Kong people improved?

During the recent outbreak of Severe Acute Respiratory Syndrome (SARS), the community sings praises on the professionalism and selfless contribution of medical workers, and some residents of Amoy Gardens have said

that the relations between neighbours have greatly improved after the incident. Nevertheless, we should ask why people only know how to treasure such relations after problems have emerged. After the SARS incident, quite a number of people are still inconsiderate and do not think about the others, and they are still littering and spitting everywhere. In spite of economic development, why have our cultural quality and personal character remained the same, as they were 30 or 40 years ago? The SARS incident has told us that even though the former resettlement areas have become tall buildings today and our material life has improved, there are still plenty of killing viruses. There will be more and more grievances if the cultural quality and character of individuals are not improved.

To improve the cultural quality of a city and to teach the public about concern for others is certainly not an easy task. However, I think that we cannot do so by building one or two more cultural centres or staging one or two more shows about loving the country and Hong Kong. I think that it is an endless task and we especially need the Government to take the lead and assume an exemplary role. Yet, it is a great pity that the Government's policies are not headed in this direction. When the Government wishes to deal a blow to litterbugs, it only thinks about heavier penalties and encouraging mutual surveillance, not hesitating to harm the relations between neighbours. When there is a fiscal deficit, the Government thinks without hesitation about wielding its axe at the socially disadvantaged groups in the community who have the least power and influence, reasoning most high-soundingly that the socially disadvantaged groups should also make contribution to society. Yet, it has not considered their affordability or evaluated all the bad effects on society, in particular, it is very often seen grabbing rice from a beggar's bowl. How can a government that is so indifferent to the people encourage them to be concerned about one another and improve cultural quality and personal character?

Madam President, the day before yesterday, there was a report that, during an activity held at the airport, some airport staff cordoned off a toilet for five hours for the exclusive use of the wife of the Chief Executive, and this aroused the discontents of other performing guests. The act of these staff members was criticized as excessive bootlicking that got Mrs TUNG into trouble and damaged her image. Even Mr Allen LEE, a Deputy to the National People's Congress, felt sad about such a culture. In the past few years, this practice within the Government, especially that of Mr TUNG Chee-hwa in appointing cronies and biasing towards major businessmen and consortia and his

subordinates, has set an example for subordinates, nurturing a culture of bootlicking. How can our society have promising development?

Madam President, apart from material abundance and economic prosperity, the cultural foundation and close interpersonal relations of a city are more important. Thus, I hope officials can attach importance to that.

I so submit.

MR MICHAEL MAK (in Cantonese): Madam President, before my turn to speak, I listened to Mr Abraham SHEK's speech in moving the motion which excited my thoughts and feelings. He has advised the Government to be more tolerant in this respect. For instance, he has said that Mr Bernard CHAN of the Breakfast Group has been appointed to more than 10 committees, and he has also unexpectedly suggested that the Government should appoint Ms Emily LAU and Ms Cyd HO to such committees. I hope the Government will listen to his advice. This is indeed a serious matter and if the Government can listen to more voices, the names of a cosmopolitan city and Asia's World City will become more well-known in the world. Therefore, I am very pleased that Mr Abraham SHEK has such opinions.

Madam President, when the Chief Executive, Mr TUNG Chee-hwa, delivered the third policy address within his term of office on 6 October 1999, he said that "Hong Kong should not only be a major Chinese city, but could become the most cosmopolitan city in Asia, enjoying a status comparable to that of New York in North America and London in Europe." Time flies and more than three years have quickly passed, but the halo of our cosmopolitan city is gradually disappearing and the Chief Executive' grandiose plan to surpass Britain and catch up with the United States has again come to nothing.

Internal and external factors are essential to a cosmopolitan city. The Chief Executive only has a one-sided view and he has only noticed the external factors for the success of New York and London but neglected the internal factors for the success of the two cosmopolitan cities.

New York and London are human rights-respecting, free and democratic cities. Their mayors are elected under democratic political systems. People-oriented, they accord priority to the people, and they are highly accountable to

the people. However, our Chief Executive is elected in an 800-people small circle election behind closed doors. During the Severe Acute Respiratory Syndrome (SARS) incident, some officials in Beijing and Taipei were replaced or resigned of their own accord for having failed to effectively deal with SARS. Only Hong Kong is different from the others. The Government reacted slowly and handled matters improperly during the SARS incident, failing to control the epidemic situation promptly. The Government has been unwilling to bear responsibilities so far. To our surprise, the Secretary for Health, Welfare and Food as a major player in the SARS incident has been appointed chairman of the SARS committee. It is really an eye-opening experience for an official involved to investigate himself and the SARS incident verifies once again that the so-called accountability system is actually unworthy of the name.

Have New York and London ever suppressed dissidents by legislative means, clamped down on freedom of the press and exploited people's freedom and human rights? The SAR Government has acted wilfully and forced the enactment of laws on Article 23 of the Basic Law, bringing about a retrogression in democracy and seriously undermining the freedoms of the press and assembly. As a result, Hong Kong has been reduced to an international laughing stock before becoming a cosmopolitan city. A democratic government is indispensable to a cosmopolitan city. If Hong Kong wishes to become a cosmopolitan city, it must establish a free, democratic and human rights-respecting political system.

Humanistic quality is very important to social development, and outstanding citizens are the foundation of a cosmopolitan city. Nevertheless, it is a pity that, after Hong Kong people's revelries and celebrations during festivals, heaps of rubbish would be left behind and there were even splotches and destruction of public property by youngsters who openly provoked the police. The Government should step up civic education and teach young people to love Hong Kong since childhood through families, schools and communities so that they understand that they are also members of the community and they have the obligations to cherish and value public property besides the rights to enjoy various public facilities.

Although the Chief Executive is determined to make Hong Kong a prime cosmopolitan city in Asia, the policies implemented by him are running in the opposite direction. To achieve fiscal balance, the Government has blindly

reduced resources over the last few years, even the funding for education and scientific research have not been spared. The economic recession has plagued the neighbouring Japan for quite some time but their annual funding for scientific research has increased rather than decreased. The Government should learn from their example and formulate visionary policies for local talents training and promoting the development of scientific research.

Apart from local talents training, we have to absorb professionals from overseas and pool talents from various places to enhance our competitiveness. A free and democratic place with a sound legal system and environmental hygiene is certainly conducive to the attraction of professionals from overseas. Insofar as the SARS incident is concerned, on the one hand, we can proudly declare to the world that we have outstanding health care workers who have not shrunk on the eve of the battle; they have not asked the Government for a pay increase before holding fast to their posts and they have even volunteered to work in the highly dangerous departments of hospitals; even though they have seen their colleagues falling down one after another, they have still tried their best to provide the public with quality medical services, and they are our Q-mark medical personnel. On the other hand, the SARS incident has highlighted our poor environmental hygiene, evident in littering and spitting by inconsiderate people and sewage everywhere, which is a horrible sight. I hope the Government will draw a lesson from the bitter experience and commit more resources to training of health care workers and improving environmental hygiene. The Government has vigorously and resolutely introduced measures for cleaning up the territory, and I hope that they are long-term and persistent policies that can ultimately improve our living environment and attract foreign professionals, rather than being all thunder but no rain.

Only saying in a passionate way that Hong Kong should become Asia's World City is unrealistic. The Government should be practical and realistic and prudently evaluate the qualities of Hong Kong and formulate visionary policies, and enforce the relevant policies with perseverance so as to consolidate and improve our international image.

MR CHAN KAM-LAM (in Cantonese): Madam President, all along, the people of Hong Kong have been diligent, assiduous and responsive. They have worked a miracle for Hong Kong to the amazement of the world, for the brilliant achievements attained by this oriental pearl are beyond comparison. However,

when we talk about the development of Hong Kong, a comparison with the Four Little Dragons of Asia seems inevitable. This explains that the development of Hong Kong is still very limited. The Democratic Alliance for Betterment of Hong Kong (DAB) thinks that unless Hong Kong can extricate itself from the boundary of this 1 000 sq km for further development, becoming a cosmopolitan city will only be a remote target that affords aspiration but not attainment. The target, of course, cannot be achieved by voicing concerns on fostering democracy and protection of human rights.

Early this year, the Chief Executive stated clearly that to lead Hong Kong in the right direction for long-term development, integration with the Pearl River Delta (PRD) was a must. However, our development in this respect is far from satisfactory.

The DAB thinks that the integration of Hong Kong and PRD can only be achieved by proactive thinking. To Hong Kong, the political meaning of reunification is certainly the elimination of barriers imposed by the boundaries between both places. The future development of Hong Kong should follow the road to full integration. The adoption of the "two systems" principle definitely should not be a barrier to the integration. The existence of "two systems" has provided room and complementary conditions for development, narrowing the gap between both places. The integration absolutely will not blur the distinction between the "two systems". On the contrary, this integration will highlight the complementary advantages of the systems of Hong Kong and the Mainland and draw on the merits of the two systems while making up for each other's deficiencies.

In Hong Kong, this integration has all along been led by the community, integration in economic and trading activities and manufacturing processes has long since taken place. However, strictly speaking, changes of both places in the past 20 years or so were not led by the community, but by the governments. In mid-1970s, the introduction of the open door policy and reforms by DENG Xiaoping induced the changes. Without the open door policy and reforms, how can the governments of villages and cities in the PRD area adopt special policies to attract investments and induce the Hong Kong manufacturing sector to set up factories in the Mainland? Without the further reform on the economic system following DENG Xiaoping's call during his tour of southern China in the '90s, integration in the economic domain led by the community would have been restricted and the smooth development would have been impeded.

After the reunification, Hong Kong has suffered the blow of the financial crisis, revealing the weakness of its economic structure, and the pain caused by the adjustments is hard to endure. Even though, the Government and the community have to face the reality and adapt to the adjustment. Chief Executive TUNG Chee-hwa, directing the development of Hong Kong towards the PRD and setting up a new economic pillar based on the advantages of Hong Kong, is heading in the right direction for development. Next, we have to take proactive actions in policy formulation, planning and implementation to prepare for the full integration. The direction of integration with the PRD outlined in the policy address by the Chief Executive has not yet prompted government officials to change their thinking. The integration direction proposed by the Chief Executive may have encountered resistance from certain government officials to a certain extent, thus denied full implementation. Some government officials still adopt the "trusting-to-chance-and-strokes-of-luck" attitude or depend on the community to take the lead, unwilling to be ahead of the community to direct and set the trend towards integration. Therefore, the limited effectiveness of the integration approach proposed by the Chief Executive over the years may find cause to this.

In fact, we must discard the "Big Hong Kong" mentality. All along, we have a misconception that Hong Kong is better than cities on the Mainland in terms of living standard, material as well as legal system. However, we should bear in mind that, with the opening and reform in the Mainland, our competitive edge has gradually changed. The gap distinguishing the advantages and disadvantages of both places has significantly narrowed, and merits of either party are even on par with that of the other. Therefore, in respect of the Hong Kong-PRD integration, we should not take the attitude that "they need us more", refusing to open ourselves to try to discover our way humbly. On the other hand, we often hear some specious arguments, such as the Government should not be involved in the market, leaving it to the business sector is the best way out. Think about it, at all times and in all countries, which government does not take on market development as its own responsibility?

Since China's accession to the World Trade Organization earlier this year, the economic positioning of Hong Kong has become crystal clear. We will concentrate mainly on the development of tourism, financial services, logistics and trade. Certainly, the property market and other service industries will also benefit from the overall development of the economy. To maintain a healthy

positioning and sustained development of our economy, we must make a good job of long-term planing. The integration with the PRD is not a temporary measure, but the only way to sustain long-term development. However, the people of Hong Kong are still perplexed by many intricate and complex thoughts. In times of a flagging economy, they wish that the Central Government would come to their aid. When there is a boom in the economy, they wish the integration would proceed slowly. The progress of integration will certainly be hindered by this kind of shortsighted thinking. We will then miss the opportunity.

Recently, the Central Government has really made an effort in approving the Closer Economic Partnership Arrangement tailor-made for the Hong Kong Special Administrative Region. It has also relaxed current restrictions and streamlined the procedures for social visits to Hong Kong, and residents from Guangdong Province will soon be allowed to visit Hong Kong in their personal capacity. These important policies have opened up more opportunities of further development for the economy of Hong Kong. Now is the time for the people of Hong Kong to show how well they can grasp these opportunities.

Madam President, I so submit.

MISS CHOY SO-YUK (in Cantonese): Madam President, Hong Kong has always considered itself as Asia's World City, but to live up to this claim, besides maintaining first-class economic and financial systems and a sound rule of law system, other social concepts and policies should catch international standards to avoid our being reduced to a shallow city that only looks prosperous but neglects social responsibilities and lacks the right ideology and historical depth.

Madam President, I am going to talk about the views of the DAB on the world city in respect of sustainable development and environmental protection.

One of the internationally recognized prerequisites of an advanced city is the promotion of sustainable development. On the surface, we have the Council for Sustainable Development, but it does not promise plain sailing because the Council is after all the hardware only and the key lies in the SAR Government expeditiously formulating a comprehensive software in the light of the objective

situation of Hong Kong, that is, it should work out a tailor-made Local Agenda 21 and an action plan.

In this regard, we are obviously lagging behind. The far-flung Seattle already set 40 indicators 20 years ago for the evaluation of sustainable development, and more than three fourths of the provinces, autonomous regions and municipalities directly under the Central Government in the adjacent China have already set up organizations for Local Agenda 21. More than half of them have completed or are in the process of formulating Local Agenda 21 or relevant action plans. Moreover, 40 state-level experimental zones and 60-odd provincial experimental zones have been established in China, spanning 25 provinces, cities and autonomous regions nation-wide. Are these figures enough to make us engage in self-reflection?

Besides rousing ourselves to catch up in respect of sustainable development, we are also lagging behind in terms of our progress in reducing greenhouse gas emission and utilization of renewable energy. Just look around the world and we will find that there is certainly a very big distance between us and advanced Western countries that have always been pioneers on this front. Even Shenzhen across the boundary and other mainland cities are running ahead of and faster than us.

Leaving aside the unofficial agreement made by the European Union at the Earth Summit, it is absolutely an unrealizable target for Hong Kong to attain 15% utilization of renewable energy by 2012. Even on the adjacent Mainland, there has been very rapid growth in the application of solar and wind energy. There is approximately 30% annual growth in solar heaters and the total area of solar energy panels ranks first in the world. China has indicated long ago that new energy and renewable energy should account for 2% of energy consumption by 2015 and the target of the faster-developing Shenzhen is 3% by 2010.

On the contrary, green energy still remains at the stage of research in Hong Kong and actual production has not yet started. Our target is 1% by 2012, 2% by 2017 and only 3% by 2022. In other words, we are 12 years behind Shenzhen! What is more, specific policies and economic incentives remain castles in the air.

Our waste reduction and refuse treatment is also out of tune with the international pace. In this respect, explicit objectives, distinct systems of rewards and penalties and determination to implement the project definitely

affect its success or failure. Nevertheless, in the face of the accelerated overflowing of the three strategic landfills, the Government still hesitates to move forward and fails to introduce effective financial incentives to promote concrete actions of waste reduction by the public. As a result, the huge sums of public money spent on waste treatment every year are washed down the drain.

The experience of neighbouring places is enough to make us feel deeply ashamed. South Korea proposed many years ago that the transportation of kitchen waste to landfills would be disallowed from 1 January 2005 onwards. Coupled with the introduction of other relevant legislation and policies to subsidize environmentally-friendly products, the rate of recovery of kitchen waste for treatment has substantially increased from 20% in 1998 to 60% last year. The Taipei municipal city government has already launched a pilot scheme similar to our Dry and Wet Waste Separation Pilot Programme since 2000, and it has recently further formulated the action plan for the 2010 Zero Burying, Full Recovery (零掩埋全回收) policy. On the contrary, our Dry and Wet Waste Separation Pilot Programme has just begun without any set targets.

Madam President, I have not heard so far of any international city that does not attach importance to its ecological environment. However, the Long Valley incident a year or so ago and the dispute over the Lantau North-South Road Link have reflected that our conservation policies are far from being sound, frequently giving rise to conflicts between urban development and natural conservation. To protect the precious natural ecological resources in the territory, I hope the Government can expeditiously announce effective solutions including the resumption of land having important ecological value by means of compensation or exchange of land. This can safeguard the interests of the private landowners and more effectively carry out conservation management.

In addition, some other treasures on private land are continuously disappearing for the same reasons. They are the antiquities and monuments, valuable and old trees that bear testimony to the historical vicissitudes of Hong Kong. On the surface, we already have a series of legislation and measures to stand guard, but it is a pity that we lack explicit and effective policies after all, including the provision of reasonable compensation to private landowners to resolve conflicts arising from imminent redevelopment of antiquities. Protecting heritage that is full of historical and humanistic values is easier said than done.

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

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

MR HOWARD YOUNG (in Cantonese): Madam President, Hong Kong has always been given high ratings internationally. For instance, Hong Kong was chosen by the United States Heritage Foundation and the *Wall Street Journal* in November 2002 as the world's freest economy for the ninth consecutive year. In June 2002, the Fraser Institute in Canada and the Cato Institute in the United States announced that Hong Kong was the world's freest economy for the seventh consecutive year. Furthermore, it was revealed by the statistics published by the Invest Hong Kong that a total of 117 foreign-funded companies came to Hong Kong last year for investment purposes, and the figure was the highest over the years.

I believe no one will dispute Hong Kong's status as truly Asia's World City, given the territory's conditions and achievements nowadays. Certainly, no one will object if we strive for excellence. I believe this is the objective of the motion, too. As such, even if Hong Kong has attained the standard of a world city, it does not mean we can simply fold our arms and do nothing.

Conversely, our economic performance and public confidence in our future have dropped in comparison with the past because of the impact arising from the economic depression over the past few years and the SARS epidemic. The unemployment and deflation problems have not only continued to trouble us, but also affected the confidence of overseas communities and investors in Hong Kong. To avoid jeopardizing Hong Kong's status as Asia's World City, emphasis must be put on revitalizing the economy and restoring the confidence of businessmen and travellers from the Mainland and other parts of the world in investing and travelling in Hong Kong. Mrs Selina CHOW has talked about a number of issues pertaining to tourism, I am not going to repeat them.

The Liberal Party has also made a lot of suggestions with respect to relaunching the economy. I am not going to spend much time repeating them. On the whole, economic issues are closely related to the ability of a city to become a world city. In particular, such standards as economic performance, economic data, financial system or per capita income are often used as indicators

internationally for the purpose of judging whether a city meets the standard of a world city. If Hong Kong is to consolidate its status as Asia's World City, it must start by ameliorating its economic and employment problems. Without a sound economic foundation, how can it deal with other problems?

Dr YEUNG Sum has proposed in his amendment to add such wordings as "democratic, human rights-respecting, equitable". We can hardly oppose to major principles like these. However, our views may differ on the relevance between such aspirations and the making of a world city. In particular, the Liberal Party does not concur with Dr YEUNG's view on the enactment of legislation on Article 23 of the Basic Law. It can even be said that our positions are opposite. Nevertheless, as pointed out by me earlier, we should not raise objection to such wordings as "democratic, human rights-respecting, equitable". However, the rating standards adopted internationally are usually focused on financial and economic performance. Within the ambit of the Basic Law, safeguards have been provided with respect to the aspirations raised by Dr YEUNG Sum, as pointed out by Mr Abraham SHEK indeed. For instance, the Basic Law has provided explicit safeguards for various rights enjoyed by the people of Hong Kong and their personal freedom, and has specifically given Hong Kong room in moving towards democratization in a progressive manner. Excessive worries are therefore unwarranted.

Madam President, I so submit.

MR HENRY WU (in Cantonese): Madam President, today's motion seeks mainly to urge the Government to evaluate Hong Kong's conditions, comprehensively review relevant policies, and reinforce Hong Kong's international status so as to make Hong Kong truly Asia's World City. I support these suggestions, particularly in view of the fact that Hong Kong's gold trade happens to be fully compatible with the abovementioned elements.

As the representative of the financial services industry, I am very grateful to Mr Abraham SHEK for moving this motion today. He has given me a good opportunity to speak on Hong Kong as a global gold market as well as its position in Asia's gold trade.

In the '70s, Hong Kong's gold market became one of the four major gold markets in the world. Over the years, Hong Kong has been playing the role as an important distribution centre for gold. To meet gold demands in Asia, Hong Kong may import gold from other parts of the world to meet local demands and for re-export to other parts of Asia. When there is a demand for gold elsewhere in the world, Hong Kong may import gold from various sources in Asia for re-export to other parts of the world. In 2002, the total value of gold exported and re-exported from Hong Kong stood at \$9.7 billion and \$2.3 billion respectively.

Madam President, both Chinese and Asians adore gold. With rising incomes and more liberal state management policies, there is a steady growth in demand for gold in the Mainland. Since the '90s of the last century, the Mainland has become the fourth largest gold consumer in the world. It has subsequently even surpassed Japan and become the third largest consumer behind India and the United States.

Given that China's gold market is set to provide enormous support for the growing global demand for gold, market practitioners have even anticipated that the mainland market will be able to raise the global gold investment demand by two to three times. This will inevitably impact on the global gold market in a positive manner. With the savings by Chinese residents totalling more than RMB10,000 billion yuan, even if only 1% of the savings, or RMB100 billion yuan, is converted into gold, it will translate into a demand for gold of up to 1 100 tons per annum.

It is thus evident that the mainland gold market offers huge potential and room for development. In a further move to develop China's gold market, the People's Bank of China has recently removed 26 vetting hurdles for the gold industry in a bid to give incentive to China's gold market in moving towards full liberalization. Coupled with the fact that China, with its vast territory, is richly endowed with gold mine resources, should Hong Kong be able to capitalize on its position and strengths in the global gold market and co-operate with the Mainland in the manner of "using the front portion of premises as shop and the rear portion for dwelling" on a mutually beneficial basis, a win-win situation will presumably emerge.

For a long time, Madam President, Hong Kong's gold market has been enjoying an international and regional edge. Thanks to the hard work of the

industry, Hong Kong's gold market has successfully secured an important position in the international market. Therefore, to further reinforce the achievements made by the Hong Kong gold market, the Government should review its policies with a view to providing the local gold trade with better prospects.

A quick and effective policy is to abolish tariff on import/export of gold. India, for instance, has recently lowered its tariff significantly on the import and export of gold. I am deeply convinced that lifting the tariff on import/export of gold can help vitalize the local gold trade, further reinforce Hong Kong as Asia's "dragonhead" in the distribution of gold. This will further upgrade Hong Kong's international status to make it truly Asia's World City.

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

MR BERNARD CHAN: Madam President, our Chief Executive first mentioned his vision of Hong Kong as Asia's World City in his policy address in 1999. He specifically compared our role in the future to that of New York and London, in their own regions.

I remember some commentators at the time saying that Hong Kong was already Asia's World City. And, by many measurements, this was probably true.

Since then, the phrase "world city" has become very popular among people who want to complain about something. They ask, "how can Hong Kong be a world city when the traffic is so bad, or the schools are so bad?" — even though the traffic and schools are just as bad as those in New York and London.

We have got to the stage where people claim we cannot be a world city because a certain sports event is not covered on local television, or a foreign pop group does not visit Hong Kong, or the pizza does not taste the same here — or whatever.

One thing you notice about New York and London is that they do not talk about being world cities. They do not paint slogans on buses. They do not

care what the Heritage Foundation thinks about them. They do not care if a company moves its headquarters in or out. They do not care what some business magazines write about them.

Another thing you notice is that New York and London break a lot of the rules. Compared with Toronto or Frankfurt, they are dirty. They have high crime rates. Their public transport is a mess. Compared with San Francisco or Paris, you cannot really call them beautiful. But it does not stop them from being world cities.

They attract the best and the brightest. Over the years, they have developed clusters of talent. And they have become centres for a wide variety of high-value service industries, notably in trade and finance.

So what is missing here in Hong Kong?

We are making a determined effort to clean up. Our crime rates are fairly low. Our public transport is excellent. We have the most amazing skyline in the world. We also have low tax rates and we have the legal traditions and the business environment.

And, like New York and London, we have the biggest clusters of international professional talent in our region.

In other words, could it be that Hong Kong is already a world city? And we just have not noticed? Or we refuse to believe it, because we prefer to feel sorry for ourselves because it is not the '90s and we cannot make money by speculating in property anymore?

If we want to be a world city, the first step is to remind ourselves that we are one already. Let us take the slogans off the buses, stop spending millions of dollars on embarrassing publicity programmes, and stop worrying about what other people think of us.

And then let us see what we need to do to build on our position.

We do need to make changes to stay ahead. And some people will resist those changes. We have to push ahead, anyway.

We need to stop killing chickens in the street markets. Even Guangzhou is thinking of doing that. We need a better environment for pedestrians. Even Shanghai is doing that. We need to open our door wider to talents from the Mainland and from the rest of the world. Singapore is doing that.

We need to clamp down on traffic in urban areas. London is doing that. We need tougher, less tolerant police action against anti-social behaviour. New York is doing that. We need better stock market listing and corporate governance standards. Everyone is doing that.

And, most of all, Madam President, we need to stop imagining that we are not a world city. We already are. We just do not believe it.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Mr Abraham SHEK, you may now speak on Dr YEUNG Sum's amendment. You have up to five minutes to speak.

MR ABRAHAM SHEK: Madam President, I thank Members here. They have spoken on the subject. There is a total of 12, including myself is 13, who have spoken on this city, Asia's World City. Why do I choose to live in Hong Kong? I was born in Macao, raised in Hong Kong, educated in Australia, have lived in London, in Europe, and in the Americas, but I have chosen Hong Kong because Hong Kong is my world. Hong Kong is my city. Hong Kong is the land where I have grown to like and to love. Whether this city is going to be Asia's World City is important, but not of paramount importance. What is important to me is, this is the city where I can bring up my children in peace, in good surroundings, and with good moral values, and this is what a city is all about. We live in a city where we build and live in it, and where we share, and we are living in the city where we care about each other. And this is what a world class city is about.

Dr the Honourable YEUNG Sum talked about the issues of democracy and human rights. Everyone of us loves democracy. Who does not love

democracy? Everybody talks about human rights. We all have human rights. Which of the kinds of freedom do we not have in Hong Kong? Universal suffrage? We are having it; as I have said many times in this Chamber. So, basically, in the spirit of tonight's speech which I have asked for tolerance, openness and acceptance, I would support YEUNG Sum's speech and amended motion tonight, so that we can ensure that we do have this unity to make Hong Kong a better place.

I extend to him that Hong Kong is a place that we should not go for differences. We should unite together for the city that we all love, and this is Hong Kong.

CHIEF SECRETARY FOR ADMINISTRATION: Madam President, I am very pleased that the Honourable Abraham SHEK has provided me with this opportunity to underscore the Government's commitment to Hong Kong's positioning as Asia's World City. His speech covered almost the entire waterfront of governance as well as social, economic and political enlightenment in Hong Kong. I tend to agree with the sentiments and substance of most of what he said and indeed, I was touched by the refrains in his concluding speech.

Other Honourable Members went further in their speeches. They delved into our performance in various fields from prudential supervision as an international financial centre, upholding human rights, the pursuit of full democracy to the preservation of old trees. While we have never been complacent with what we have achieved as a world city, we must also accept that "world city" is not a fixed concept which one can measure with precision, or a status which can remain unchallenged over time.

As the Honourable Mrs Selina CHOW has said, it is not so much what we claim ourselves to be, but what others around the world see us as. To be a world city, Hong Kong has to earn it, then work on it and make continuous advancement on all aspects of life in this city that can compare favourably with the best the world continues to offer. I believe that Hong Kong has accepted this challenge. As the chief spokesman for the Brand Hong Kong programme, I propose to speak on this subject from the perspective of a narrower framework on how Hong Kong is being perceived by people outside Hong Kong as fitting the label of a world city.

I very much hope that I can count on the support of Honourable Members to help us promote all that Hong Kong offers as Asia's World City, particularly to audiences abroad. This is even more important now in the wake of the Severe Acute Respiratory Syndrome (SARS) crisis, as we seek to reassure business travellers and tourists around the world that Hong Kong is safe to visit — not the least because of the selfless dedication and professionalism of our world-class medical professionals.

Indeed, the SARS crisis and our response is an excellent example of how seriously we take our international responsibilities. We have been open and transparent with the global community in dealing with the disease. We have worked closely with the World Health Organization. We have kept our residents and the international media fully informed of the latest developments. Our researchers have shared their findings to help others deal with the disease or develop new treatments and hopefully a vaccine. We have implemented stringent checks at all exit points to screen for possible SARS cases and thus reduce, to an absolute minimum, the chances of exporting new infections. We take our global responsibilities seriously, not just as any city but one bearing the reputation of a world city.

Our response to the September 11 terrorist attacks in 2001 is another example. As the President of the Financial Action Task Force on Money Laundering, Hong Kong played a major role in co-ordinating global efforts to stamp out the financing of terrorist activities. And although our presidency has passed, we continue to support the work of the Financial Action Task Force wholeheartedly in tracking and curtailing criminal financial transactions. This is what is expected of an advanced international financial centre. And this is the role that Hong Kong will gladly play.

I have listened carefully to the debate, and I do not think there is a great gap between us. I am sure that we all want what is best for Hong Kong. It is, after all, as Mr SHEK has said, our home and naturally, we want to project a positive image about Hong Kong to the rest of the world.

As Members will know, the Brand Hong Kong programme was launched by the Chief Executive just over two years ago. Our positioning as Asia's World City had been articulated by the Chief Executive before that. But, market research here and overseas during the Branding exercise in 2000 confirmed that "Asia's World City" best described Hong Kong's unique

strengths and advantages as a progressive, free and stable society that offered considerable opportunities, and had built a formidable global reputation as a provider of high quality goods and services.

If we want to discuss our positioning as Asia's World City, then we need to understand that this is what we have achieved for many years. We did not become, or aspire to be, Asia's World City the day that Brand Hong Kong was launched. It had been a work in progress for decades and remains a work in progress now.

The Brandline "Asia's World City" is the embodiment of what many of us already knew: that Hong Kong is an international trade, investment and financial centre; an international transport, communications and tourism hub; an international services platform for the mainland market.

It also reflects the dynamic nature of Hong Kong's growth as an economy and society over the past six decades — from a war-ravaged trade entrepot, to a manufacturing dynamo, to a sophisticated services centre exporting and importing expertise and knowledge to and from the East Asian and Pacific Region, but particularly the Mainland of China.

But what Brand Hong Kong has allowed us to do is to focus our attention more closely, not only on the promotion of our strengths and advantages, but also on what it takes to remain a player in an increasingly competitive global market. It is a benchmark by which we must judge ourselves, and be judged by others.

If you read the papers, you will undoubtedly see stories, letters or opinion pieces on what it means to be Asia's World City. Often, the reference to Asia's World City is used to pinpoint areas where we have not lived up to international standards or expectations. Hopefully, we do draw on those comments to do a better job, whether it is pizza, as the Honourable Bernard CHAN has said, or the other subjects for the matter. And if we ignore those comments or observations, we do so at our own peril.

However, if you look back at Hong Kong's development, you will also see that a number of factors, or principles, has not changed. These have been instrumental in our progress as an international city. And, they set us apart in Asia.

The rule of law upheld by an independent Judiciary, a level playing field for business, a competitive market, a clean government and a community with an ingrained intolerance of corruption, low taxes, a duty-free port, a free and vibrant media, all of these elements are an integral part of our positioning as Asia's World City, and will remain so.

While we have remained true to these basic tenets of economic and social development, that does not mean we have stood still. Far from it. The fact that more than 85% of our Gross Domestic Product is now services-related clearly illustrates that we have been changing and moving up the value-added chain as an economic entity. We continue to do so. Developing even closer ties with the Pearl River Delta is another example of how we are using our unique skills set and geographical location to move even further up the economic ladder.

And this is where we serve the best interests of our country, as well as our own people, by using our skills and expertise to take products manufactured in the Mainland to the rest of the world, and to help the rest of the world bring their goods and services to the Mainland. That is why all of these strengths and advantages, all of our rights and freedoms, have been enshrined in the Basic Law.

For example, Article 109 stipulates that we must have the appropriate legal and economic environment to maintain our status as an international financial centre, which is another way of saying "Asia's World City". English remains an official language because it is an international language of business.

Significantly, the Basic Law also provides for the continuation of the common law system — a system that is widely respected and understood in the international community. But it goes further than that by allowing distinguished Judges from other common law jurisdictions to sit on the full bench of the Court of Final Appeal. This not only reinforces the international standing of our legal system, it also allows our community — through the Courts — to maintain close links with other common law jurisdictions and contemporary jurisprudence. What better way to inspire international confidence. What better way to illustrate our country's commitment to Hong Kong as Asia's World City, in a way that no other mainland cities can match.

The Basic Law also provides for our continued participation in a whole range of international forums such as the World Trade Organization, the Asia-Pacific Economic Co-operation, the World Customs Organization, the International Telecommunication Union, just to name a few. We are at liberty to continue developing relations with foreign governments in areas of mutual interest such as legal assistance, air services, shipping, communications, cultural exchanges, technology — in most areas you would care to think of except defence and foreign affairs. We are home to a significant consular corps. The United Nations High Commissioner for Refugees, the European Commission, the International Monetary Fund, the Bank for International Settlements and the World Bank all have a regional presence here. So, there is a constitutional underpinning to our positioning as a world city, again where you cannot find any parallel in any other mainland city.

Within the Government, we have Invest Hong Kong, which was set up in July 2000 to spearhead efforts to attract inward investment to Hong Kong. Invest Hong Kong continues to do so aggressively, which is why more than 3 100 international companies use Hong Kong as a regional base, and why another 1 750 international companies maintain local offices here, and why we have such a strong presence of international chambers of commerce.

But Invest Hong Kong does not just promote Hong Kong as the best place in Asia to do business — it promotes Hong Kong as a package: A city with a skilled workforce, a broad, deep pool of talented professionals, Asia's largest concentration of large and small international companies, a comprehensive selection of international schools, great restaurants and bars, a vibrant arts and culture scene, world-class sporting events and facilities, a regional transport hub, proximity to, and a wealth of experience in, the China market.

And it is not just Invest Hong Kong that is working hard to promote our city. The Commerce, Industry and Technology Bureau, the Financial Services and the Treasury Bureau, the Constitutional Affairs Bureau, the Home Affairs Bureau, the Economic Development and Labour Bureau, the Security Bureau, the Health, Welfare and Food Bureau — all of these have important international elements to their work. In fact, most of our bureaux and many departments have some international contact within their areas of responsibility.

I myself chair the International Business Council, which provides us with a regular and frank feedback on how we are doing and what we need to do to meet

the benchmark of being Asia's World City. The Chief Executive draws on the experience and knowledge of some of the most influential corporate leaders in the world during meetings of his Council of International Advisers. International interaction is firmly entrenched — indeed ingrained — within our Government.

In the quasi-government area, we have the Hong Kong Tourism Board and the Hong Kong Trade Development Council that promote our attraction as a leisure and business destination, as well as a major, regional sourcing and manufacturing hub. The Hong Kong Airport Authority promotes Hong Kong as a regional aviation hub. The Hong Kong Monetary Authority, the Securities and Futures Commission, the Hong Kong Exchanges and Clearing Limited — all of them maintain close contacts with international banks, international regulatory authorities and international financial markets. The Independent Commission Against Corruption enjoys enormous respect around the world, and has been used as a model anti-corruption agency by other countries. Our International Arbitration Centre has helped Hong Kong develop as a dispute resolution centre for the Asia-Pacific Region.

Many non-governmental organizations, professional associations and academic groups maintain close links with sister organizations overseas, once again ensuring that the latest international trends and developments are relayed back to Hong Kong in a timely and useful manner.

So, our positioning as Asia's World City is not just government led — nor can it ever be. It involves virtually every aspect of our society. The flair and creativity of our film industry, our designers, artists and performers have more to do with individual talent and drive than anything we do in the Government. The quality and innovation of our clothing, electronics goods, watches and toys are as much about the keen eye and entrepreneurial flair of our business people as they are about government policies that provide a duty-free environment for importers and exporters.

And, as the Honourable Abraham SHEK and Dr the Honourable YEUNG Sum have pointed out, our positioning as Asia's World City must include more than just an economic element — it involves many aspects such as openness, fairness, tolerance, plurality, personal freedoms, human rights, democratic development, receptiveness to new ideas and ways of thinking, creativity and innovation. The way in which we embrace all of these ideals will define our progress as a world city. I am sure that we are up to the task.

Madam President, Hong Kong's positioning as Asia's World City is a natural fit with everything we have achieved as a community and an economy. But more importantly, it provides us with a constant reminder that we can never stand still — that we live in a world that changes fast and expects more of us at each turn. Not just in the realm of economic freedom and development, but in many other areas that impact on the quality of life and the quality of society in which we live.

This is a vision that I remain firmly committed to. Thank you.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Dr YEUNG Sum to Mr Abraham SHEK'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.

(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): Mr Abraham SHEK, you may now reply and you have one minute 58 seconds.

MR ABRAHAM SHEK: Again, Madam President, I would like to take this opportunity to thank all the Members here tonight for speaking on this motion. This motion actually brings unity among the 60 Members here for a change. We can do it if we put our hearts into it. The Chief Secretary for Administration's reply takes 60 minutes. Within these 60 minutes, he laid the

strong foundation of what Hong Kong as Asian's World City is. What needed to be done here is how among our 60 people act on this foundation to make Hong Kong a better place. We have a common goal, that common goal is to rebound Hong Kong into prosperity, into better health, and into a city that the world will look on us as the best city in the world. Thank you.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Abraham SHEK, as amended by Dr YEUNG Sum, 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 as amended passed.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 2.30 pm on Wednesday, 18 June 2003.

Adjourned accordingly at nineteen minutes past Eight o'clock.

Appendix I**WRITTEN ANSWER****Written answer by the Secretary for Health, Welfare and Food to Mr Michael MAK's supplementary question to Question 1**

The Government has made the following education and promotion efforts to deter destructive fishing practices:

- (a) erect notice boards to warn against prohibited destructive fishing practices at selected public piers and fishing ports and set up a hotline which enables the public to make immediate reports on relevant offences to the Agriculture, Fisheries and Conservation Department (AFCD);
- (b) publish and distribute information leaflets that highlight the detrimental effects caused by destructive fishing practices to our marine environment and fisheries resources;
- (c) disseminate, through the AFCD's website, information on prohibited destructive fishing practices and the damage that may be caused by such activities;
- (d) stage a permanent exhibition at the Fisheries Hall of the Lions Nature Education Centre in Sai Kung to raise public awareness of the relevant legislation. The AFCD will also organize a similar exhibition at the Fisheries Education Centre of the Department's Aberdeen Fisheries Office, which is due to open in late 2003; and
- (e) the AFCD staff always reminds fishermen to refrain from engaging in such activities at its regular meetings with fishermen and during routine patrols.

Appendix II**WRITTEN ANSWER****Written answer by the Secretary for Health, Welfare and Food to Ms Emily LAU's supplementary question to Question 1**

Trawling is not one of the destructive fishing practices controlled under the Fisheries Protection Ordinance. Nevertheless, the Government is aware of the deleterious effects trawling might have on the marine environment. Hence the Agriculture, Fisheries and Conservation Department has introduced a number of measures to protect our fisheries resources, including designating marine parks and reserves where trawling is forbidden and placement of artificial reefs in various parts of Hong Kong waters to serve as an anti-trawling device, in addition to providing habitats and spawning grounds for fishes which can enhance our fisheries resources. In an effort to conserve our marine environment, we are now actively pursuing the proposal of establishing fisheries protection areas and extending the areas where trawling is prohibited.

Appendix III**WRITTEN ANSWER****Written answer by the Secretary for Health, Welfare and Food to Mr WONG Yung-kan's supplementary question to Question 1**

Southern Hong Kong waters and waters in the vicinity of Lantau Island abound in shellfish resources, thus attracting some fishermen to engage in clam-dredging in those areas. The Agriculture, Fisheries and Conservation Department will continue to join forces with Marine Police to take enforcement action against these illegal activities.

Appendix IV**WRITTEN ANSWER****Written answer by the Secretary for Housing, Planning and Lands to Dr LUI Ming-wah's supplementary question to Question 2**

The use of UPVC drainage pipes started in Hong Kong in the early '70s. UPVC pipes were first used in public housing in 1975. Due to technical reasons and other factors, cast iron is still being used for some of the drainage pipes in 36 housing estates. With proper maintenance and upkeep, cast iron pipes function as effectively as UPVC pipes and should not be more vulnerable to leakage.