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Paper for the House Committee meeting on 23 April 2004

Report on the Legislative Council Delegation's Visit to Singapore and Thailand

Purpose

This paper attaches the report on the Legislative Council delegation's visit to Singapore and Thailand from 12 to 18 February 2004.

The Visit

2. At its meeting on 14 February 2003, the House Committee endorsed the recommendation of the Parliamentary Liaison Subcommittee that a delegation of Legislative Council Members should visit Singapore and Thailand in April 2003. Owing to unforeseen circumstances, the visit was subsequently rescheduled to take place in February 2004.

3. From 12 to 18 February 2004, the delegation visited Bangkok in Thailand, and Singapore. It considers that the visit was very successful in establishing links with the Thai National Assembly and enhancing links with the Singaporean Parliament, keeping these two legislatures informed of the latest developments in Hong Kong and fostering better mutual understanding.

4. The Thai National Assembly has expressed a keen interest in forming a parliamentary friendship group with the Legislative Council. Its Committee on House of Representatives Affairs is prepared to set up a working group to study issues relating to the proposal, e.g. the timing for and the necessary procedure relating to the formation of the friendship group (see paragraphs 15 to 18 of the report). The delegation will refer the matter to the Parliamentary Liaison Subcommittee for consideration and follow-up.

Advice sought

5. The delegation's report on the visit, detailing the programme and the discussions held, is attached. Members are invited to take note of the report and the Thai National Assembly's interest in forming a parliamentary friendship group with the Council.

Council Business Division 3
Legislative Council Secretariat
20 April 2004

Report on the Legislative Council Delegation's Visit to Singapore and Thailand

12 to 18 February 2004

I. Introduction

On 14 February 2003, the House Committee endorsed the recommendation of the Parliamentary Liaison Subcommittee that a delegation of Legislative Council (LegCo) Members should visit Singapore and Thailand in April 2003. The objectives of the visit were to enhance the Council's ties with the Singapore-Hong Kong Parliamentary Friendship Group (SHKPFG), foster liaison with members of the Thai National Assembly, and to update these legislatures on the latest developments in the Hong Kong Special Administrative Region (HKSAR). The visit was subsequently rescheduled to take place in February 2004. The delegation comprised the following Members:

- ✧ Dr Hon LUI Ming-wah, JP (*Leader of delegation*)
- ✧ Hon CHAN Kam-lam, JP (*Deputy Leader of delegation*)
- ✧ Hon CHAN Kwok-keung, JP
- ✧ Hon Howard YOUNG, SBS, JP
- ✧ Hon WONG Sing-chi

(Note: Hon CHAN Kam-lam only joined the Singapore portion of the visit, while Hon Howard YOUNG only joined the Thailand portion.)

2. Ms Dora WAI, Senior Council Secretary in Council Business Division 3, accompanied the delegation throughout the visit.

II. Programme

3. The delegation visited Bangkok in Thailand and Singapore from 12 to 15 and 15 to 18 February 2004 respectively. During the seven-day visit, the delegation held meetings with parliamentarians, senior government officials and representatives of business organizations. The delegation also visited a private hospital in Thailand. The visit programme is in **Appendix I**.

Thailand

Meetings with the National Assembly

4. In Thailand, the delegation met Mr Somsak Prisananuntagul, Deputy Speaker of the House of Representatives. The delegation also attended a meeting with the Committee on House of Representatives Affairs of the House of Representatives, chaired by Mr Chanchai Chairungruang, President of the Committee. After the meeting, the Committee hosted a dinner in honour of the delegation.

Meetings with government officials

5. The delegation called on Mr Somkid Jatusripitak, Deputy Prime Minister, and senior officials of the Department of East Asian Affairs and the Office of Tourism Development, Ministry of Tourism and Sports. During the meetings, the delegation received briefings on the work of these offices and exchanged views with the officials on matters of mutual interest.

Meetings with the business sector

6. The delegation attended a luncheon hosted by Mr Chatri Sophonpanich, Chairman of Bangkok Bank of Thailand. The delegation also visited the Stock Exchange of Thailand and Bumrungrad Hospital, a private hospital in Bangkok. After visiting the Hospital, members of the delegation attended a luncheon hosted by its senior executives.

Singapore

Meetings with the Parliament

7. In Singapore, the delegation paid a courtesy call on Mr Abdullah Tarmugi, Speaker of Parliament, and toured the Parliament House. After meeting Mr Tarmugi, the delegation attended a meeting with the SHKPFG, followed by a lunch hosted by Mrs LIM Hwee Hua, Chairman of the SHKPFG. A Member from an opposition party, the Singapore Democratic Alliance, also joined the meeting and the lunch. The delegation also met members of two Government Parliamentary Committees, namely, the Committee for Finance, Trade and Industry and the Committee for National Development. On its last day of visit in Singapore, the delegation attended a dinner hosted by Mr SENG Han Thong, Deputy Chairman of the SHKPFG. After the dinner, the delegation observed the meet-the-people session conducted by a Member of Parliament (MP) in her constituency.

Meetings with government officials

8. The delegation called on Mr Raymond LIM, Minister of State for Trade and Industry and Foreign Affairs, and exchanged views with Mr LIM on matters relating to his portfolios. Officials of the Ministry of Trade and Industry gave a briefing for the delegation on the work of the Ministry. The delegation visited the Urban Redevelopment Authority, the North East Community Development Council, and the Housing and Development Board. The delegation also received a briefing from the Preservation of Monuments Board, followed by a visit to a preserved monument and lunch hosted by the Chairman of the Preservation of Monuments Board.

Other activity

9. Apart from the above, the delegation attended a dinner hosted by Mr Rex CHANG, Director of the Hong Kong Economic and Trade Office (HKETO) in Singapore.

III. Highlights of the programme and main points of discussions

BANGKOK, THAILAND

12 February 2004 (Thursday)

Courtesy call on Mr Somsak Prisananuntagul Deputy Speaker of the House of Representatives

10. Mr Somsak Prisananuntagul, Deputy Speaker of the House of Representatives, briefed members on the latest social and economic situation in Thailand, as well as the initiatives implemented by the Thai Government to assist the industrial and business sectors to recover from the economic downturn caused by the Asian financial crises in 1997 and the Severe Acute Respiratory Syndrome (SARS) outbreak in 2003. Members of the delegation exchanged views with Mr Prisananuntagul on a number of issues, including the constitutional framework in Thailand, and briefed him on the composition, powers and functions of the LegCo.

11. In concluding the discussion, Mr Prisananuntagul said and the delegation agreed that Thailand and Hong Kong should continue to render support to each other, especially at a time when the two economies are experiencing rapid changes and new challenges.

Meeting with the Committee on House of Representatives Affairs of the House of Representatives, followed by dinner hosted by the Committee

12. The National Assembly of Thailand is a bi-cameral institution consisting of the House of Representatives and the Senate. The Speaker of the House of Representatives is the President of the National Assembly, whereas the President of the Senate is the Vice President of the National Assembly. The three major functions of the National Assembly are to promulgate laws, control the administration of the State affairs, and give approval for important issues.

13. The Senate consists of 200 members elected by the people. The term of the Senate is six years. Senators must have attained the age of 40 or above on the day of election. The House of Representatives consists of 500 members, 100 of which are elected on a party-list basis while the other 400 on a constituency basis. The term of the House of Representatives is four years. Members of the House of Representatives must have attained the age of 25 or above on the day of election.

14. The Thai National Assembly has 31 standing committees under the House of Representatives. Each committee consists of 17 members and is chaired by a president. The president and members of these standing committees are elected from among the members of the House of Representatives. The Committee on House of Representatives Affairs is one of the 31 standing committees, and is tasked to perform the following functions:

- conducting investigations and studies concerning the development and improvement of the system, rules and practice of the House of Representatives as it may consider necessary or appropriate;
- receiving and handling complaints and suggestions on the representative affairs raised by Members of the House of Representatives and the public; and
- dealing with other matters related to the representatives affairs and international parliamentary organizations.

15. The delegation held a meeting with the Committee on House of Representatives Affairs, chaired by Mr Chanchai Chairungruang, President of the Committee. During the meeting, Mr Chairungruang indicated the interest of the House of Representatives in forming a parliamentary friendship group with the Legislature of Hong Kong. He said that the Committee on House of Representatives Affairs is prepared to set up a working group to study issues relating to the friendship group proposal, e.g. the timing for and the necessary procedure relating to the formation of the friendship group. The working group will be chaired by Mr Somsak Kunngern, Vice President of the Committee on House of Representatives Affairs, with Mr Suranand Vejjajiva, National Assembly member, serving as secretary.

16. Dr Hon LUI Ming-wah, Leader of the delegation, responded that members of the delegation were very delighted to learn of the interest of the House of Representatives in forming a parliamentary friendship group with the LegCo. He recalled that the matter had first been discussed with Mr Sihasak Phuangketkeow, former Consul-General of Thailand in Hong Kong, in December 2001. In order to promote better understanding between the Thai National Assembly and the LegCo, the Thai Consulate-General had since arranged for three delegations of the House of Representatives to visit the LegCo on 10 May 2002, 2 October 2002 and 26 September 2003 respectively. At the meeting on 2 October 2002, Mr Chairungruang, leader of the delegation, invited the LegCo to visit the Thai National Assembly to foster closer relationship between the two legislatures. Hence, the LegCo delegation's visit to Thailand with the objective of, amongst others, enhancing ties with the Thai legislature.

17. Dr LUI further said that LegCo Members had long recognized the importance of maintaining contacts with other legislatures outside Hong Kong. The establishment of parliamentary friendship groups by the LegCo required the endorsement of the LegCo's House Committee. The LegCo's Parliamentary Liaison Subcommittee, of which he was the Chairman, was charged with the responsibility for considering proposals of setting up friendship groups with parliamentary organizations outside Hong Kong as well as making recommendations to the House Committee for endorsement. So far, the Council had established five friendship groups respectively with the Japanese Diet, the Australian, Canadian, Singaporean and European Parliaments.

18. Dr LUI undertook to follow up the proposal of forming a parliamentary friendship group between Thailand and Hong Kong.

19. After the meeting, the delegation attended a cruise dinner hosted by the Committee on House of Representatives Affairs. During the dinner, members shared their views with the Assembly members and the accompanying guests on a variety of subjects, including the political systems of Hong Kong and Thailand, potential business links and room for further co-operation between the two places, trade opportunities arising from the opening up of the China market, and measures to contain communicable diseases.

13 February 2004 (Friday)

Courtesy call on Mr Somkid Jatusripitak, Deputy Prime Minister

20. The delegation was delighted to call on Mr Somkid Jatusripitak, Deputy Prime Minister, and to learn about the continuing interest of the Thai Government in Hong Kong's affairs. During the meeting, members had a fruitful exchange with Mr Jatusripitak on issues of mutual concern, which covered:

- ways to foster closer commercial and economic ties between Thailand and Hong Kong;
- means to achieve sustainable development;
- the Thai Government's efforts in containing the avian flu;
- constitutional reform in Hong Kong; and
- relationship between the Executive Authorities and the Legislature of Hong Kong.

Visit to the Stock Exchange of Thailand (SET)

21. The primary roles of the SET are:

- to serve as a centre for the trading of listed securities, and to provide the essential systems needed to facilitate securities trading;
- to undertake any business relating to the Securities Exchange, such as a clearing house, securities depository centre, securities registrar, or similar activities; and
- to undertake any other business approved by the Securities and Exchange Commission.

22. Mr Kittiratt Na-Ranong, President of the SET, and a number of senior executives briefed the delegation on the work of the SET and the operation of the capital market in Thailand. He informed the delegation that the Thai capital market had undergone radical change and improvement since the 1997 economic crisis. With the strong recovery of the Thai economy, the SET was the second-fastest market in terms of growth in Asia in the first half of 2002. In the face of increased global awareness of the risks of poor governance, Thailand had made strenuous efforts to

strengthen enforcement and cultivate good corporate governance to bring its standards in line with international best practices. Thailand was among the first in the region to establish a Corporate Governance Centre dedicated to helping in developing ethical practices within listed companies as well as the Thai market as a whole.

23. Mr Na-Ranong further said that listed companies in Thailand had reported increasingly robust operational results in the last two years. More companies were looking to participate actively in the capital market, thus helping the SET achieve its mission as a market where fund-raisers and fund providers could meet. The various organizations that participated in the capital market were collaborating closely to realize the mutual goal of creating a vibrant marketplace for both domestic and international investors.

24. As for the SET, its aim is to encourage the development of the market infrastructure, increase efficiency, and create greater transparency in all transactions that affect the market. With total market capitalization of more than two trillion baht and over 400 listed companies, the SET is ready to move forward to provide a comprehensive range of investment products and convenient funding mechanisms for all participants.

25. After the briefing, Mr Na-Ranong accompanied the delegation to tour the SET Building, including the lecture halls for holding seminars for the public to promote their understanding of the opportunities that the Thai capital market offered. The delegation was very impressed by the comprehensive education programmes organized by the SET.

**Lunch hosted by Mr Chatri Sophonpanich
Chairman of Bangkok Bank of Thailand**

26. Bangkok Bank was established in 1944. It is now the leading and largest commercial bank in Thailand, and is the first Thai commercial bank to provide specialist trade finance services. In 1954, Bangkok Bank opened its first overseas branch in Hong Kong. Another branch opened in Tokyo in the following year, and in Singapore shortly after that. At present, Bangkok Bank has an overseas network of 21 branches, including two representative offices. The branches in London and New York complement the Bank's extensive network in South East Asia. In Thailand, Bangkok Bank has an electronic network of around 1,700 automatic teller machines and over 600 branches servicing more than 10 million customers.

27. Bangkok Bank has eight key business units, which are: Corporate, Commercial, Business, Consumer, International Banking, Treasury, Special Asset Management/Recovery, and Investment Banking.

28. Mr Chatri Sophonpanich, Chairman of Bangkok Bank of Thailand, hosted a luncheon in honour of the delegation. Other guests joining the luncheon included Hon Bernard CHAN, Mr Staporn Kavitanon, the Vice Chairman of Bangkok Bank of Thailand, Mrs Vongthip Chumpani, an Advisor to Bangkok Bank of Thailand and the Co-Chairman of Thailand-Hong Kong Business Council, and Ms Khunying Chodchoy Sophonpanich, a Senator of the Thai Senate.

29. The delegation exchanged views with the host and the guests on a variety of subjects, including constitutional developments of Hong Kong, financial and banking services in Hong Kong and Thailand, operation of personal Renminbi businesses in Hong Kong, business opportunities brought about by the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), and corporate governance of listed companies and professional standards of intermediaries.

Meeting with Mr Noppadon Theppitak
Deputy Director-General of the Department of East Asian Affairs

30. The Department of East Asian Affairs is one of the four regional departments of the Ministry of Foreign Affairs. Its main function is to strengthen Thailand's bilateral co-operation and relationship with 15 countries and three economies in the East Asian and South East Asian regions, both economically and politically.

31. The delegation had a meeting with Mr Noppadon Theppitak, Deputy Director-General of the Department of East Asian Affairs, and Mr Piroon Laismit, Director in Division III of the Department responsible for China and Japan markets. The topics discussed included:

- promoting trade opportunities between Thailand and Hong Kong;
- role of Hong Kong as a gateway to the China market;
- economic benefits that would be brought about to Hong Kong and the neighbouring countries by the implementation of CEPA, relaxation of Mainlanders' travel to Hong Kong, and the operation of personal Renminbi businesses in Hong Kong; and
- latest political and economic situation of Hong Kong.

Meeting with Dr Sasithara Pichaichannarong
Director-General of the Office of Tourism Development
Ministry of Tourism and Sports

32. The Office of Tourism Development is responsible for the development of standards in tourism service, development of tourist sites, and promotion of standardized tourist guide.

33. Dr Sasithara Pichaichannarong, Director-General of the Office of Tourism Development, introduced the work of her Office. She also briefed members on the initiatives introduced by the Thai Government to promote tourism. One of the initiatives is the deployment of tourist police in popular tourist spots. The main duties of tourist police is to protect the personal safety of tourists and provide them with any assistance that they may need. The Office of Tourism Development is enlisting the help of young people in serving as tourist police on a voluntary basis. Those who agree to take up the voluntary assignment will receive a three-day training to equip them with the necessary skills. Dr Pichaichannarong also informed the delegation that the Thai Government was conducting a hotel star-rating exercise. It

intended to establish some standards on hotels in the country with a view to enhancing protection of and facilitating tourists.

34. The delegation considers that the HKSAR Government could draw reference from the tourist police concept. Members also shared their ideas with Dr Pichaichannarong on matters of mutual interest, including possible areas of co-operation between Hong Kong and Thailand on the tourism front, ways to promote Hong Kong as a tourist destination for Thais and vice versa, estimated growth of Mainland tourists to Asian countries, the HKSAR Government's strategies for promoting tourism, and hotel standards in Hong Kong.

14 February 2004 (Saturday)

Visit to Bumrungrad Hospital (BH), followed by a luncheon hosted by BH

35. BH is a public company traded on the SET. Its principal owners include the Bangkok Bank and the Sophonpanich family (one of Thailand's most respected business families). It is the largest private hospital in South East Asia with over 2,000 employees, of which more than 600 are physicians and dentists mostly with international training or certification. It has 554 inpatient beds, 57 Deluxe Rooms, 21 VIP Suites and two Royal Suites to suit different needs. It is the first private hospital in Thailand awarded Hospital Accreditation based on US and Canadian Standards. It is also the first hospital in Asia accredited by the US-based Joint Commission on International Accreditation.

36. On the social responsibility side, the BH Foundation, established in 1990, is involved in a wide range of health education and charitable activities to improve the health status of underprivileged Thais. The Foundation has provided medical benefits, ranging from check-up services to heart valve replacements, to over 100,000 Thais in need for over 10 years.

37. During the visit, senior executives of BH gave the delegation a detailed introduction on the services and facilities of the Hospital. Members of the delegation were informed that apart from local patients, the Hospital services more than 270,000 international patients from over 150 countries each year. Members were particularly amazed by the state-of-the-art functionality offered by BH's information system - the Hospital 2000 Total Hospital Information System (THIS). The system was designed by a world-wide provider of information technology solutions developed exclusively for the healthcare industry.

38. THIS is a completely integrated hospital information system combining both healthcare front office and back office operations in a single database, working in all languages. Patient information can be viewed and pharmacy labels can be printed in English, Chinese, Thai, Japanese or any other language in a single installed system. The functionality of THIS covers virtually all departments in a healthcare organization, from accounting and human resource systems to clinic and ward systems, etc. Since all X-ray films are stored on BH's information system which is accessible to all staff concerned, it is no longer necessary to pass around hardcopies of X-ray films within the Hospital. The chances of contamination through contacts with X-ray films are thus greatly reduced. The management of BH consider that the system provides

them and other users of BH's service with more accurate and timely information while reducing the complexity of operations.

39. Members of the delegation enquired about the cost of running the new information system and the lead time required for converting the old system to the new one. A representative of the information system provider said that the cost of maintaining the old system was around 10 times the cost of running the new one. Regarding conversion, the whole process involved data conversion, training of 1,200 staff and over 600 doctors, re-engineering of the business process and massive hardware roll-out. As a result of good planning and great teamwork, the whole process was completed effectively within 45 days and the new system smoothly went "live" on 17 December 1999 as planned.

40. The delegation finds the briefing and discussions very informative and substantial. Members consider that the experience in BH would provide very useful reference for the healthcare sector in Hong Kong.

SINGAPORE

16 February 2004 (Monday)

Courtesy call on Mr Abdullah Tarmugi, Speaker of Parliament

41. During the meeting with Mr Abdullah Tarmugi, Speaker of Parliament, members of the delegation updated him on the latest social, political and economic developments in Hong Kong, and had an exchange with him on a wide range of subjects. Mr Tarmugi was informed of the LegCo's commitment to maintaining close ties with various legislatures, and to strengthening the parliamentary links between Singapore and Hong Kong.

Tour of the Parliament House

42. The delegation toured the Parliament House and received a briefing on its design and facilities. The Parliament House, which was newly built in 1999, reflects the distinctive "Colonnade" design. The design blends well with the surrounding buildings in the Civic District alongside the Supreme Court and the City Hall. While the facade of the Parliament House is dignified and stately, the building is equipped with modern features to cater for future needs of sophisticated technology. The Parliament House comprises three new blocks and a restored building which formerly housed the Attorney-General's Chambers. The entire complex occupies 2.2 hectares of land with a built-up area of 19,000 square metres.

Meeting with Mr LEONG Horn Kee, Chairman of the Government Parliamentary Committee (GPC) for Finance, Trade and Industry, and Mr ANG Mong Seng, Deputy Chairman of the GPC for National Development

43. GPCs are formed by the ruling party, i.e. the People's Action Party (PAP). MPs belonging to the PAP are divided into groups according to different policy areas under different ministries. The major responsibilities of GPCs include:

- serving as commentators and raising queries on the work of the respective ministries, particularly during the Budget debate;
- seeking explanation and clarification from the respective Ministers on issues relating to their policies; and
- receiving briefings on the Government's proposals relating to policy change, and introducing the new policies in their respective constituencies to the constituents.

44. Mr LEONG Horn Kee, Chairman of the GPC for Finance, Trade and Industry, and Mr ANG Mong Seng, Deputy Chairman of the GPC for National Development, briefed the delegation on a number of initiatives introduced by the Singaporean Government to revive the economy after the economic downturn. These included stabilizing land costs and rentals by regulating land supply, lowering the level of Central Provident Fund contributions to reduce business operating costs, and attracting businesses to invest in high-tech industries by offering incentives such as tax concessions. With these initiatives, the Gross Domestic Product in Singapore has an expected growth of 2% to 5% and the unemployment rate has declined to 4.5%.

45. Members of the delegation briefed Messrs LEONG and ANG on the measures implemented by the HKSAR Government to improve the business environment and the employment situation. They also exchanged views on a variety of subjects, including retraining schemes and employment services for the unemployed, social security assistance schemes, distribution of major government spending, and pace of democratization in Hong Kong.

**Meeting with the SHKPFG,
followed by lunch hosted by Mrs LIM Hwee Hua, Chairman of the SHKPFG**

46. The SHKPFG was formed in September 1998. It had been five years since the SHKPFG last visited Hong Kong and six years since the LegCo's last parliamentary visit to Singapore in February 1998.

47. Mrs LIM Hwee Hua, Chairman of the SHKPFG (who is also the Deputy Speaker of Parliament), and a number of MPs (including some members of the SHKPFG and an MP from an opposition party, the Singapore Democratic Alliance) attended a meeting with the delegation and the lunch that followed. Members of the delegation were informed that the Parliament of Singapore has a constitutional term of five years. The present Tenth Parliament was constituted by a general election held in November 2001. Normally, after a general election, the President appoints an MP who is likely to command the confidence of the majority of the MPs as the Prime Minister (PM) and, on the advice of the PM, appoints other MPs to be Ministers. The PM and the Ministers then make up the Cabinet. The PAP has been in power since 1959, having won all the general elections.

48. The present Tenth Parliament has 94 MPs: 84 Elected, one Non-Constituency Member (NCMP) and nine Nominated Members (NMPs). The law provides for up to three NCMPs, who are additional MPs selected in accordance with the law from unsuccessful electoral candidates to ensure the representation of political

parties not forming the government. The constitution also provides for up to nine NMPs. A Special Select Committee, chaired by the Speaker of the House, invites NMP nominations from the general public and functional groups, and selects the nominees from these groups for appointment by the President. The presence of NMPs ensures a representation of independent and non-partisan views in the Parliament. Generally, NCMPs and NMPs enjoy the same rights and privileges as other elected MPs, but they cannot vote on any motion relating to an amendment to the Constitution, a vote of no confidence in the Government, a Money Bill or a Supply or a Supplementary Supply Bill.

49. Group Representation Constituencies (GRCs) were created in 1988 to ensure continued representation of MPs from the minority communities. Each GRC returns a certain number of MPs from one party, one of whom is from either the Malay community or the Indian and other minority communities. For the general election in 2001, Singapore was divided into 23 electoral divisions, of which nine were Single Member Constituencies (SMCs) and 14 were GRCs, with each GRC returning either five or six MPs.

50. Members of the delegation then briefed Mrs LIM and other attending MPs on the latest economic, social and political situations in Hong Kong, and exchanged views with them on a variety of topics, including the following:

- constitutional reform of Hong Kong, and the possibility of electing the Chief Executive and all LegCo Members by universal suffrage in 2007 and 2008 respectively;
- economic benefits that would be brought about by the implementation of CEPA, relaxation of Mainlanders' travel to Hong Kong on an individual basis, and the operation of personal Renminbi businesses in Hong Kong;
- the rule of law and legal system in Hong Kong;
- the laissez-faire policy in Hong Kong;
- competition and room for co-operation between Hong Kong and Shanghai;
- admission of talents schemes in Hong Kong;
- economic prospects of Hong Kong and Singapore;
- Singapore's strategy for promoting trade with Mainland China and India;
- retraining programmes in Singapore for the unskilled middle-aged;
- initiatives and support measures introduced by the Singaporean Government to develop high-tech industries; and

- number of foreign domestic helpers (FDHs) in the Singapore market, and the eligibility criteria for employing FDHs by individual households.

51. At the lunch, Dr Hon LUI Ming-wah thanked Mrs LIM and the other MPs for their hospitality. He conveyed the message that the LegCo much cherished the links and friendship with the Parliament of Singapore, and hoped that more contacts at the parliamentary level would bring about more opportunities for further exchanges and co-operation between the two places.

Visit to the Urban Redevelopment Authority (URA)

52. The URA is Singapore's national land use planning authority. It prepares long-term strategic plans and detailed local area plans to guide physical development, and co-ordinates with various sectors of the community to bring these plans to reality. To safeguard Singapore's natural heritage for future generations, the URA is mindful to plan sensitively in relation to the natural environment.

53. Mr Michael KOH, Director of Urban Planning and Design of the URA, introduced the work of the URA, and shown members a 1:400 model of the Central Area in Singapore, which highlighted the main features of the Central Area covering Orchard Road, the Central Business District, Singapore River as well as the conservation areas of Chinatown, Little India and Kampong Glam.

54. Mr KOH informed the delegation that Singapore only has a land area of about 682 sq km and that not all the land can be developed. Water catchment areas already take up 40% of the land area. Moreover, there are some height restrictions on buildings in certain areas such as Tampines, Simei and Changi. Buildings in these areas shall not exceed 12 storeys in order not to affect the flight paths. With these limitations, the URA's biggest challenge is to provide a planning blueprint that can optimise the land resource to meet the current needs, as well as to safeguard land for future development while maintaining the quality of life.

55. Some of the solutions identified by the URA are to create new land by reclamation and make the best use of the available land. For example, high-rise buildings should be constructed wherever possible. Railway depots can be tucked under major roads. Public transport stations can be integrated so that they share the same location in a multi-storey complex. Civic facilities, such as community centres, public libraries and sports complexes, can also be better integrated to maximize land use. In dealing with land use, the URA is guided by five planning principles: thinking long-term, adopting a pro-business approach, working as one, being open and transparent, and being flexible and responsive. The URA considers that these principles have stood Singapore in good stead over the past few decades.

56. The delegation finds the briefing very informative and is impressed by the work of the URA. Members consider that the Singapore experience would provide useful reference for Hong Kong.

Visit to the North East Community Development Council (CDC)

57. The CDC functions as a local administration of its district. It initiates, plans and manages community programmes to promote community bonding, racial harmony and social cohesion. Currently, there are five CDCs serving the country, namely North East, North West, South East, South West and Central Singapore. Through the CDCs, the residents can get involved in their community and work towards making life better for themselves and their fellowmen. The more able and successful are encouraged to come forward to help the less successful to make the community a better place for all.

58. Mr Brennan LEE, General Manager of the North East CDC, gave a power point presentation on the work of the North East CDC. He informed members that the North East CDC, comprising three GRCs and an SMC, serves a population of about 650,000 residents. Apart from planning and managing community programmes, the CDC also provides various social assistance services to the disadvantaged groups in its district, ranging from family support programmes to holistic assistance to the unemployed to enhance their employability, etc.

59. The North East CDC is managed by a Council, comprising a full-time Mayor and 15 advisers, appointed by the People's Association. Funding of the CDC comes from the following three sources:

- Annual Resident Grant : the CDC is provided with an annual grant of S\$1 per resident in that district for running its programmes;
- Matching Grant from Government : the CDC can raise funds for its programmes. The Government provides a matching grant of S\$3 for every S\$1 raised by the CDC. To encourage longer-term donations, the Government provides a higher matching grant of S\$4 for every S\$1 of contribution raised from local residents and businesses through electronic means; and
- Operating Grant : the operating cost of the CDC offices is met by the Government.

Dinner hosted by Mr Rex CHANG, Director of the HKETO in Singapore

60. The HKETO in Singapore is one of the 11 economic and trade offices of the HKSAR Government around the world. It was established in 1995, with the objectives of developing and strengthening trade and economic ties between Hong Kong and the ASEAN countries (covering Singapore, Malaysia, Thailand, Indonesia and the Philippines), enhancing understanding of Hong Kong in the ASEAN region, and promoting inward investment from the region to Hong Kong.

61. During the dinner, Mr Rex CHANG, Director of the HKETO in Singapore, briefly introduced the work of the HKETO. Members were very appreciative of the efforts and contribution made by the HKETO in promoting Hong Kong's economic and trade interests in the ASEAN region. They also expressed gratitude for the excellent support provided by the HKETO in facilitating the delegation's visit.

17 February 2004 (Tuesday)

Visit to the Preservation of Monuments Board (PMB), followed by visit to a preserved monument (CHIJMES) and lunch hosted by Mr Alfred WONG, Chairman of the PMB

62. Part of the missions of the PMB is to inculcate in Singaporeans an appreciation of the built heritage and the history of Singapore through the national monuments, thereby helping to nurture a strong sense of unity and identity. Since its inception in 1972, the PMB has gazetted approximately 50 buildings as national monuments. These monuments are a remarkably diverse group of religious, civic, cultural and commercial buildings, reflecting Singapore's multi-ethnic and multi-religious society. Some of these monuments are still serving their original purpose while others have been enhanced and given a new lease of life through creative restoration and adaptive reuse.

63. Officials from the PMB gave a power point presentation on the work of the PMB and the process of how dilapidated monuments are restored to revive their original characteristics. After the briefing, Mr Alfred WONG, Chairman of the PMB, and officials of the PMB accompanied the delegation to visit one of the national monuments - CHIJMES.

64. CHIJMES was originally a mission school, conveniently located in the heart of Singapore's civic and cultural district. It took almost five and a half years to transform the site into its present form - a plaza of fine food and beverage outlets and theme retail shops. The newly constructed buildings at CHIJMES follow the 19th century neoclassical architecture of the original buildings. Much of the original fabric of the CHIJMES Hall has been retained and restored, including the exquisitely beautiful 19th century stained glass windows. The ceiling-high display of stained-glass artistry provides a magnificent backdrop for any event. The CHIJMES Hall has proven to be a popular venue for a variety of local and international performances and events, ranging from glitzy cocktails to gala dinners. The Hall can accommodate up to 280 persons for banquets, 350 for performances and 500 for cocktails.

65. Members find the briefing and the visit very interesting and informative. They consider that the Singapore experience on preservation of monuments would offer very useful reference for Hong Kong.

Visit to the Housing and Development Board (HDB)

66. The HDB is a statutory board under the Ministry of National Development. It plans and develops public housing and related facilities for residents of Singapore. Officials of the HDB informed the delegation that Singapore began an ambitious programme to re-house large numbers of squatter area residents during the 1950s. In 1964, it inaugurated the Home Ownership Scheme which started to sell large numbers of public housing units to residents as part of its nation-building programme. Apart from subsidized prices and direct loans at concessionary rates, Singapore's Home Ownership Scheme allows citizens to use the contributions they are obliged to make to the Central Provident Fund to fund the purchase of their homes in order to make

home purchase more affordable. Nowadays, more than 84% of Singapore residents live in public housing flats.

67. The HDB offers six types of flats, from one-room to five-room apartments and executive flats. The most popular type is four-room apartment of about 90 sq m in size. This type of apartment has three bedrooms, a living room, a store room, two bathrooms and a kitchen. The HDB also offers premium apartments with higher quality finishes that require minimal renovation. In order to encourage multi-tier families and promote community spirit, older people in Singapore are allowed to move into smaller-sized customized studio apartments which are close to their families and friends. Married children can also choose to live near their parents.

68. The Singaporean Government gives strong financial support to public housing projects in the country. There are two types of loans provided by the Government in this respect: the housing development loan which finances the HDB building programmes, and the mortgage financing loan which provides direct financial assistance to buyers of HDB flats. In the past, only households with five family members or more and a monthly household income of not more than S\$1,000 were eligible to apply for a HDB flat. Today, the thresholds of household size and income ceiling are relaxed to two persons and S\$8,000 respectively. There is also a special programme to help the lower-income families buy their first home or upgrade their existing flat to a bigger one.

69. Members of the delegation briefed officials of the HDB on the HKSAR Government's housing policy and strategy. They said that prices of private residential property in Hong Kong fell drastically as a result of the Asian financial crisis and the SARS outbreak. The issue of negative equity was of great concern to the public. Economic adversities and the loss of confidence in the future brought about a considerable oversupply in the private property market, hence further depressing property values. Following a thorough review, the HKSAR Government decided that it should focus its public housing activities on providing only basic subsidized rental housing for families in need. To address the malaise in the private property sector, the Government had withdrawn from the role of property developer, by halting the production and sale of public subsidized flats. Its aim was to maintain a stable environment that facilitated the fair and healthy development of the property market in Hong Kong.

Call on Mr Raymond LIM, Minister of State for Trade and Industry and Foreign Affairs, followed by briefing by the Ministry of Trade and Industry (MTI)

70. The MTI was formed in 1979, tasked to anticipate problems ahead, identify opportunities for economic growth, rationalize existing policies, and propose strategies and directions for further growth. The Ministry itself has about 200 staff, with nine statutory boards and one government department under its purview.

71. The delegation had a discussion with Mr Raymond LIM on a variety of subjects, including:

- strategies for transforming Singapore into a globalised knowledge-based economy;

- restructuring of the tax regime and the Central Provident Fund system in Singapore;
- the Singaporean Government's efforts in promoting entrepreneurship and internationalisation of companies, upgrading the manufacturing sector, developing the services sector, assisting domestic enterprises, nurturing human resources, and helping Singaporeans to respond to changes and take advantage of new opportunities;
- latest constitutional developments in Hong Kong;
- business opportunities to be brought about by CEPA; and
- initiatives implemented by the HKSAR Government to improve the business environment and revitalize the economy.

72. After the discussion, officials of the MTI gave a power point presentation on the role and functions of the MTI, the work of the Economic Review Committee, as well as an overview of the Singapore economy. The Economic Review Committee, with members drawn from the private and public sectors and the academia, was set up in December 2001 to comprehensively review various policies and propose strategies to promote the further growth and development of the Singapore economy.

Dinner hosted by Mr SENG Han Thong, Deputy Chairman of the SHKPFG

73. Mr SENG Han Thong, Deputy Chairman of the SHKPFG, hosted a dinner in honour of the delegation on its last day of visit in Singapore. Mr ANG Mong Seng, Deputy Chairman of the GPC for National Development, also joined the dinner. During the dinner, members exchanged views with Messrs SENG and ANG on a number of subjects.

Visit to meet-the-people session conducted by an MP

74. Meet-the-people sessions are normally held once a week at night in each of the constituencies. These sessions are conducted by MPs for their constituents, and are normally held in the PAP's branch offices of the respective constituencies. Constituents can make appointments to meet their respective MPs and seek advice or assistance from these MPs during the sessions.

75. Members of the delegation visited Mrs LIM Hwee Hua's constituency to observe the meet-the-people session conducted by her. Members were briefed on the process of how MPs handled requests from their constituents. Members were also invited to sit in a number of interviews conducted by Mrs LIM for her constituents. The cases raised mainly concerned matters relating to district facilities and social welfare of residents.

IV. Conclusion

76. Members of the delegation consider that the visit has been very successful in establishing links with the Thai National Assembly and enhancing links with the Singaporean Parliament, keeping the two communities abreast of the latest developments in Hong Kong and fostering better mutual understanding. Members are particularly delighted to note the continuing interest in Hong Kong's affairs expressed by the various parliamentarians as well as community and business leaders of the two countries.

77. The delegation has also been enlightened through the exchanges with the officials of various government ministries and departments as well as representatives of different organizations. Members are most impressed by the all-round approach adopted by the Thai and Singaporean Governments for revitalizing their economy, achieving sustainable development and enhancing the quality of life of their people. Although some of the experience may not be directly relevant or readily transferable to Hong Kong, members feel that it will provide valuable reference for Hong Kong in shaping its future development.

V. Acknowledgements

78. The delegation wishes to record its appreciation of the HKETO in Singapore for putting together a substantial and useful visit programme, and the Thai Ministry of Foreign Affairs, the Singaporean Parliament Secretariat, the Thai Consulate-General in Hong Kong and the Singaporean Consulate-General in Hong Kong for facilitating the visit.

79. Members are particularly grateful to Miss Grace KWOK, Deputy Director of the HKETO in Singapore, who accompanied the delegation and rendered impeccable service to members throughout their visit to Singapore.

80. Above all, the delegation would like to extend its sincere gratitude to all the parliamentarians, government officials and representatives of public and private organizations for sparing their time to meet the delegation and providing them with useful information and briefings on a wide range of subjects.

81. Relevant papers and materials presented to the delegation are listed in **Appendix II**. A set of the papers and the materials will be placed in the LegCo Library for Members' perusal on request.

Visit programme in Bangkok, Thailand

12 February 2004 (Thursday)

- 10:50 Arrived in Bangkok
- 12:30 Lunch
- 14:15 Courtesy call on Mr Somsak Prisananuntagul, Deputy Speaker of the House of Representatives**
Parliament Building
- 15:15 Meeting with the Committee on House of Representatives Affairs of the House of Representatives**
Parliament Building
- 17:30 Dinner hosted by the Committee on House of Representatives Affairs of the House of Representatives**
River cruise, The Royal River Hotel

13 February 2004 (Friday)

- 9:45 Courtesy call on Mr Somkid Jatusripitak, Deputy Prime Minister**
3/F, Thanon Pissanulo, Dusit Bangkok
- 10:45 Visit to the Stock Exchange of Thailand**
The Stock Exchange of Thailand Building, 62 Rachadapisek Road, Klongtoey, Bangkok 10110
- 12:30 Lunch hosted by Mr Chatri Sophonpanich, Chairman of Bangkok Bank of Thailand**
28/F, Boondharik Room, 333 Silom Road, Bangkok

14:30 Meeting with Mr Noppadon Theppitak, Deputy Director-General of the Department of East Asian Affairs

2/F, Ministry of Foreign Affairs, Sri Ayudhya Rd., Bangkok 10400

15:30 Meeting with Dr Sasithara Pichaichannarong, Director-General of the Office of Tourism Development, Ministry of Tourism and Sports

2/F, National Stadium, Rama 1 Rd., Wangmai, Patumwan Bangkok 10330

19:30 Dinner

14 February 2004 (Saturday)

9:00 Visit to Bumrungrad Hospital

33 Sukhumvit 3, Wattana, Bangkok 10110

12:00 Luncheon hosted by Bumrungrad Hospital

15 February 2004 (Sunday)

12:00 Departed for Singapore

Visit programme in Singapore

15 February 2004 (Sunday)

15:20 Arrived in Singapore

16 February 2004 (Monday)

9:30 Courtesy call on Mr Abdullah Tarmugi, Speaker of Parliament
Temasek Suite, Level 2, Parliament House

9:45 Tour of the Parliament House

10:30 Meeting with Mr LEONG Horn Kee, Chairman of the Government Parliamentary Committee for Finance, Trade and Industry, and Mr ANG Mong Seng, Deputy Chairman of the Government Parliamentary Committee for National Development
Parliament House

11:00 Meeting with the Singapore-Hong Kong Parliamentary Friendship Group
Parliament House

12:00 Lunch hosted by Mrs LIM Hwee Hua, Chairman of the Singapore-Hong Kong Parliamentary Friendship Group
Parliament House

14:30 Visit to the Urban Redevelopment Authority
3rd storey, URA Centre, 45 Maxwell Road

16:15 Visit to the North East Community Development Council
3 Tampines Grande, #01-02 AIA Tampines

19:30 Dinner hosted by Mr Rex CHANG, Director of the Hong Kong Economic and Trade Office in Singapore
Long Beach Seafood Restaurant, 1202 East Coast Parkway

17 February 2004 (Tuesday)

- 10:00** **Visit to the Preservation of Monuments Board**
1 Canning Rise
- 11:00** **Visit to a preserved monument (CHIJMES)**
Victoria Street
- 12:00** **Lunch hosted by Mr Alfred WONG, Chairman of the
Preservation of Monuments Board**
Lei Garden Restaurant, CHIJMES, Victoria Street
- 14:00** **Visit to the Housing and Development Board**
32/F, HDB Hub, Lorong 6, Tao Payoh
- 16:00** **Call on Mr Raymond LIM, Minister of State for Trade and
Industry and Foreign Affairs**
9/F, Treasury Building, High Street
- 16:30** **Briefing by the Ministry of Trade and Industry**
- 19:00** **Dinner hosted by Mr SENG Han Thong, Deputy Chairman of the
Singapore-Hong Kong Parliamentary Friendship Group**
Grassroots Club, 3/F, 190 Ang Mo Kio Ave 8
- 21:30** **Visit to meet-the-people session conducted by an MP**
Blk 109 #01-641, Serangoon North Ave 1

18 February 2004 (Wednesday)

- 8:05 Departed for Hong Kong

Papers and materials presented to the delegation

1. Publications provided by the Stock Exchange of Thailand:
 - (a) Annual Report 2002 (with CD-ROM)
 - (b) Fact Book 2003
 - (c) Monthly Review (December 2003)
 - (d) Newsletter (January 2004)
 - (e) Report on Corporate Governance (August 2001)
 - (f) Investor Guide

2. Publications provided by Bumrungrad Hospital:
 - (a) Fact sheet (June 2003) (with CD-ROM)
 - (b) Booklets and leaflets on the services and facilities of the Hospital
 - (c) Brochures on the integrated information system of the Hospital

3. Publications provided by the Parliament of Singapore:
 - (a) *The Singapore Parliament: The House We Built*
 - (b) Booklet on the Singapore Parliament
 - (c) Booklet on Members of the Tenth Parliament

4. Publications provided by the Urban Redevelopment Authority:
 - (a) Annual Report 2002-03
 - (b) Concept Plan 2001
 - (c) Brochures on land use planning
 - (d) *Urban Redevelopment Authority - home.work.play*

5. Publications provided by the North East Community Development Council:
 - (a) Booklet on the work of the Council
 - (b) Brief profiles of the advisers to the Council
 - (c) Press clippings on the Council

6. Publications provided by the Preservation of Monuments Board:
 - (a) *In Granite and Chunam - The National Monuments of Singapore*
 - (b) List of national monuments of Singapore
 - (c) Brochure and fact sheets on CHIJMES

7. Publications from the Housing and Development Board:
 - (a) Annual Report 2002/2003
 - (b) The World of HDB (with CD-ROM)
 - (c) Facts on public housing in Singapore
 - (d) Brochure on Toa Payoh Town

8. Publication provided by the Ministry of Trade and Industry of Singapore: *New Challenges, Fresh Goals - Towards a Dynamic Global City (February 2003)*

