

OFFICIAL RECORD OF PROCEEDINGS

Thursday, 30 March 2006

The Council met at Three 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.

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

THE HONOURABLE LEE CHEUK-YAN

THE HONOURABLE MARTIN LEE CHU-MING, S.C., 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, S.B.S., 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 CHAN YUEN-HAN, J.P.

THE HONOURABLE CHAN KAM-LAM, S.B.S., 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, J.P.

DR THE HONOURABLE PHILIP WONG YU-HONG, G.B.S.

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

THE HONOURABLE HOWARD YOUNG, S.B.S., J.P.

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH, J.P.

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

THE HONOURABLE MIRIAM LAU KIN-YEE, G.B.S., J.P.

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

THE HONOURABLE CHOY SO-YUK, J.P.

THE HONOURABLE ANDREW CHENG KAR-FOO

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

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

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

THE HONOURABLE LI FUNG-YING, B.B.S., J.P.

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

THE HONOURABLE ALBERT CHAN WAI-YIP

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

THE HONOURABLE VINCENT FANG KANG, J.P.

THE HONOURABLE WONG KWOK-HING, M.H.

THE HONOURABLE LEE WING-TAT

THE HONOURABLE LI KWOK-YING, M.H.

DR THE HONOURABLE JOSEPH LEE KOK-LONG

THE HONOURABLE DANIEL LAM WAI-KEUNG, B.B.S., J.P.

THE HONOURABLE JEFFREY LAM KIN-FUNG, S.B.S., J.P.

THE HONOURABLE MA LIK, G.B.S., J.P.

THE HONOURABLE ANDREW LEUNG KWAN-YUEN, S.B.S., J.P.

THE HONOURABLE ALAN LEONG KAH-KIT, S.C.

DR THE HONOURABLE KWOK KA-KI

DR THE HONOURABLE FERNANDO CHEUNG CHIU-HUNG

THE HONOURABLE CHEUNG HOK-MING, S.B.S., J.P.

THE HONOURABLE WONG TING-KWONG, B.B.S.

THE HONOURABLE RONNY TONG KA-WAH, S.C.

THE HONOURABLE CHIM PUI-CHUNG

THE HONOURABLE PATRICK LAU SAU-SHING, S.B.S., J.P.

THE HONOURABLE ALBERT JINGHAN CHENG

THE HONOURABLE KWONG CHI-KIN

THE HONOURABLE TAM HEUNG-MAN

MEMBERS ABSENT:

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE BERNARD CHAN, J.P.

THE HONOURABLE WONG YUNG-KAN, J.P.

THE HONOURABLE FREDERICK FUNG KIN-KEE, J.P.

THE HONOURABLE LEUNG KWOK-HUNG

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE RAFAEL HUI SI-YAN, G.B.S., J.P.
THE CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE HENRY TANG YING-YEN, G.B.S., J.P.
THE FINANCIAL SECRETARY

THE HONOURABLE WONG YAN-LUNG, S.C., J.P.
THE SECRETARY FOR JUSTICE

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

PROF THE HONOURABLE ARTHUR LI KWOK-CHEUNG, G.B.S., J.P.
SECRETARY FOR EDUCATION AND MANPOWER

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

THE HONOURABLE STEPHEN IP SHU-KWAN, G.B.S., J.P.
SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR

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

THE HONOURABLE STEPHEN LAM SUI-LUNG, J.P.
SECRETARY FOR CONSTITUTIONAL AFFAIRS

THE HONOURABLE AMBROSE LEE SIU-KWONG, I.D.S.M., J.P.
SECRETARY FOR SECURITY

DR THE HONOURABLE YORK CHOW YAT-NGOK, S.B.S., J.P.
SECRETARY FOR HEALTH, WELFARE AND FOOD

THE HONOURABLE DENISE YUE CHUNG-YEE, G.B.S., J.P.
SECRETARY FOR THE CIVIL SERVICE

PROF LAU SIU-KAI, J.P.
HEAD, CENTRAL POLICY UNIT

CLERK IN ATTENDANCE:

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

PURSUANT TO RULE 8 OF THE RULES OF PROCEDURE, THE CHIEF EXECUTIVE, THE HONOURABLE DONALD TSANG YAM-KUEN, ATTENDED TO ADDRESS THE COUNCIL AND TO RECEIVE QUESTIONS.

PRESIDENT (in Cantonese): Will Members please remain standing while the Chief Executive enters the Chamber?

PRESIDENT (in Cantonese): The Chief Executive will first address the Council.

CHIEF EXECUTIVE (in Cantonese): Madam President, you may recall that immediately after I was sworn in as Chief Executive last June, I took the first opportunity I could to address the Legislative Council. I talked about the relationship between the executive and the legislature, and pointed out that "together we stand, divided we fall". I believe we should always put the well-being of the community first, be understanding and accommodating, and try to develop a harmonious working relationship to serve the best interests of the public. If there are constant disagreements between the executive and the legislature, this will only lead to ineffective governance, and will be detrimental to the overall interests of the community. I still firmly maintain this belief.

The respective roles of the executive and the legislature, as well as their relationship, are clearly defined in the Basic Law. Simply put, the executive is responsible for formulating and implementing policies and bills, while the legislature is responsible for scrutinizing government policies and bills, and for monitoring policy implementation. In formulating or implementing a policy, the executive should take full account of public opinion to ensure the policy is moderate, reasonable and consistent with our objectives. On this basis, the executive endeavours to support the work of the legislature so that the two can co-operate in a spirit of goodwill to serve the community. Upon assuming office, Members of the Legislative Council swear to uphold the Basic Law, which covers the interdependent relationship between the executive and the legislature. They complement each other and operate with due checks and balances. The spirit of the Basic Law makes it clear that the executive and the legislature are not adversaries, and the issue of one suppressing the other does not arise. A powerful glue binds them together: public opinion. We must not stubbornly cling to our positions and lose sight of our clients — the general public — otherwise all our efforts will be in vain.

After the 2007 and 2008 constitutional development proposals failed to secure the support of a two-thirds majority of all Members of the Legislative Council, I said that we would make economic and livelihood issues our first

priority. Many wondered whether that meant that political matters would be shelved. This is not the case.

As the Chief Executive, I am responsible for leading political work in Hong Kong. In policy-making, I listen to different views; in launching important policies, I ensure there is extensive discussion and canvassing of public views. All this is part of political work, and is the essence of "strong governance". Policies should not only be made decisively, but should also respond effectively to public aspirations. When I said economic and livelihood issues would be our top priority, it was in relation to the 2007 and 2008 constitutional review. Now that the review is behind us, there is no need for further discussion. However, the Government will progressively take forward key political issues. I will go into more detail shortly.

Today, I wish to provide an overview of the key economic and livelihood issues to be covered during the remainder of the term of the current SAR Government. These focus areas, most of which have already been detailed in my policy address, warrant particular attention. I must emphasize that all the other initiatives set out in my policy address that are not covered today will still be carried out as scheduled. But on this occasion, I want to highlight a few focus areas. These focus areas will address three major challenges facing the community.

First, quality of life. The threat of avian influenza remains. Any outbreak will ruin the achievements of last year's economic recovery. We will remain vigilant to protect against any outbreak of avian influenza or other epidemic diseases. This is a top priority task of the Government. The Government will make full use of the existing mechanism to liaise closely with the health authorities in Beijing and Guangdong Province, and to closely monitor the situation, taking effective precautionary measures as appropriate. In addition, we will cap the local chicken population at 2 million to reduce the risk of an avian influenza outbreak in local farms. In the longer term, the Government will identify a suitable site for centralized slaughtering in about three years' time.

As the Chinese saying goes, "food is people's paramount concern". To provide for an environment where people can lead a happy life, first and foremost, they must have peace of mind when they eat. In mid-2006, we will work on establishing the Centre for Food Safety under the Food and Environmental Hygiene Department. The funding proposal will be submitted to the Legislative Council for consideration.

Hong Kong is seeing fewer days of blue sky. One of the many sources of our air pollution stems from power generation for daily use. The Scheme of Control Agreements between the Government and the two power companies will expire in 2008. Whilst it is important to ensure steady and reliable power supply, I wish to reiterate that we will set emission reductions as a precondition for licensing when we formulate the new schemes of control. We will require the power companies to install effective emission reduction facilities and use clean fuel as far as possible. On the part of Guangdong Province, a series of measures have been taken. They include stepping up the use of clean fuels, phasing out small and polluting power plants, installing desulphurization equipment for generation units, and imposing controls on industrial boilers. I believe that through our joint efforts, we can look forward to gradual improvement to our regional air quality.

Second, sharing the fruits of success. Our economy is now in the best shape it has been in years. But I am fully aware that some people are still working for relatively low pay. The Labour Advisory Board (LAB) is currently looking into the complex issue of "minimum wage" and "standard working hours". I hope to see substantial progress in the LAB's work and hope that a consensus will emerge. If not, the subject will be transferred to the Commission on Strategic Development for consideration.

Apart from ensuring that employees will share the fruits of success, we are committed to maintaining a level playing field and providing a favourable business environment. The Competition Policy Review Committee is scheduled to complete its review by mid-year. We will report its findings to the Legislative Council and conduct public consultation. Our objective is to develop a competition policy that best suits Hong Kong's economic situation and provides for a favourable environment for enterprises of all scales.

Third, economic prosperity. We are on our way to full economic recovery. At this critical juncture, we must seize and create opportunities for further development. This includes boosting our tourism industry. The Government is now examining six proposals concerning the development of a new cruise terminal. The results of our deliberations will be released as soon as possible. We aim to complete construction by 2011 to benefit our tourism sector and related industries, which in turn will provide more jobs for the community.

Launching major infrastructure projects is yet another important initiative. The Tamar development project is ready to be implemented. It will not only

resolve the issue of inadequate accommodation and facilities for the Government Secretariat and the Legislative Council, but will also provide more open space for the public in the heart of the city. Furthermore, it will help ease the unemployment problem of construction workers. I hope that Members will support the funding proposal for early implementation of this project, so that construction workers can earn their living and the public can be provided with recreational space alongside Victoria Harbour.

The Central Government has been very supportive of Hong Kong's ongoing development and has reaffirmed our status as the financial centre of China. In the draft Outline of the 11th Five-year Plan submitted by the State Council to the National People's Congress for deliberation earlier this month, there were specific references to Hong Kong. The draft stresses that efforts should be made to strengthen and promote co-operation between the Mainland and Hong Kong in business and trade, science and education, culture and public health; to support Hong Kong's development in finance, logistics, tourism, and information services; and to maintain Hong Kong's status as an international financing, trading, shipping and transportation centre. The roles and strengths of Hong Kong are clearly set out in the draft. I believe that all sectors will work together to capitalize on our advantages, including the rule of law, the free flow of information and a free and equal society, to boost the economic prosperity of Hong Kong.

During the remaining term of the current SAR Government, we will work on several important political issues to lay a solid foundation for our future constitutional development. Although the constitutional development proposal for the 2007 and 2008 elections failed to gain the required support of the Legislative Council, the Government will continue to promote discussion on constitutional development and a roadmap for universal suffrage through the Commission on Strategic Development. We hope discussion on the possible model for the election of the Chief Executive and the Legislative Council by universal suffrage will conclude early next year, after which we can proceed to the next stage of work.

Separately, in my policy address last year, I announced that the role of the District Councils would be expanded, and that they would assume responsibility for the management of some district facilities. A working group under the Home Affairs Bureau and the Constitutional Affairs Bureau is devising a detailed implementation plan. The working group is now in its final phase of work, and a public consultation exercise on the functions of the District Councils and related matters is expected to commence by mid-year.

To further improve the development of the political appointment system, we will consider creating within our administrative structure a small number of positions dedicated to political duties to support the Principal Officials in their work. During the process, we will ensure that our fine tradition of a permanent, professional and politically neutral Civil Service will be preserved. After consultation with senior civil servants, we will put forward proposals for public consultation around mid-year.

We must be fully prepared to face the three major challenges I have just mentioned. By "strong governance", I am not saying that the Government is omnipotent. Instead, it is our faith in a small, but strong and effective government that can rise up to challenges, and to operate with transparency and provide effective response at crucial times. We cannot expect to draw up the perfect blueprint for strong governance behind closed doors. Policy visions can only be strengthened with the full input of views from Members of the Legislative Council and the community as a whole. It is this kind of governance that will have a popular mandate. The Government's role must change with the times, but when and how the Government should intervene requires social consensus. To reach such a consensus, the Government must be responsive to public views. Strong governance, therefore, is not an end in itself but the means to achieve the goal of "people-based governance".

Now I will turn to the West Kowloon Cultural District (WKCD) project. I know many people hope that the project can be taken forward as soon as possible, and this is also our pledge. The Chief Secretary for Administration has provided the Legislative Council with a detailed account of our next phase of work. We will work together with the community to develop a high-quality arts and cultural district for Hong Kong.

Many people consider that "re-starting" the WKCD project has been a setback for strong governance. They have only skimmed the surface, and overlooked the crux of the matter.

It is widely known that the WKCD project is one project closest to my heart. To start afresh on this landmark project was a truly difficult choice. However, it is exactly because of the project's far-reaching implications that extra prudence is called for. We should have the courage to review and rectify our decisions; and this in itself demonstrates our commitment to "people-based government".

"Strong governance" is a culture of governance based on public views and effective execution. The Government will make no empty promises, provoke no meaningless arguments and set no unrealistic goals. In my 30-odd years as a civil servant, I have always undertaken my daily duties with prudence. I expect myself to be resolute, courageous, pragmatic, honest and open, setting a good example in promoting this culture of "effective execution".

Madam President, I am happy to take questions from Members.

PRESIDENT (in Cantonese): The Chief Executive will now take questions from Members. The Administration hopes that in this Question and Answer Session, Members would only ask questions on the latest programmes which the authorities have in place from now on to June 2007.

If and when necessary, Members who ask questions may raise a brief follow-up question after a reply is given, but such question should be confined to asking the Chief Executive to further elucidate his reply.

MS LI FUNG-YING (in Cantonese): *President, Chief Executive, of late there has been extensive media coverage on the Government's plan to take forward and commence the Tamar development project to construct a building for the Government Secretariat, so land has been set aside for contractors to hire local workers to manufacture prefabricated parts. If the Tamar development project can hire local workers to manufacture prefabricated parts, then would this mean that for other local works projects, especially those of the Government and various statutory bodies, locally manufactured prefabricated parts would be used?*

CHIEF EXECUTIVE (in Cantonese): On the proposal regarding prefabricated parts, I know that this idea has been brought up very often in the community, especially in the construction industry. We would like to make a positive response to it. Of course, we need to take into account many related matters. First, we need to bear in mind that we cannot do anything to break our promise and commitment made to the World Trade Organization (WTO). This is the most important thing. Besides, with respect to the work procedures and methods we use currently, are they competitive enough in the market? Will these lead to surging project costs? I am aware of such views and I will see if

these can be applied to certain works projects. I think that of greater importance is how the market would react and how within the WTO agreement framework how much room can be spared for manufacturing this kind of prefabricated parts which must be carried out in Hong Kong. We will see if this can be done and we are prepared to try it out.

Before any decision is made, we will see if the idea is workable. Can these new suggestions be accepted in the market and is the situation really like that? Many people may say that it can be done this way but as a matter of fact, are there really people in Hong Kong who are willing to make such investments? Moreover, will this idea become successful and how much is the financial commitment? All these must be studied. I am convinced that we will be happy to carry out studies and try. But as to whether it will succeed in the end or whether it can be applied extensively to other kinds of works, I believe this will depend on how the market as a whole will react and how the general public, especially Members of the Legislative Council, would look at this matter.

MS LI FUNG-YING (in Cantonese): *President, Chief Executive, it has been a strong demand from those of us in the labour sector that prefabricated parts be manufactured in Hong Kong and that local works projects can use locally manufactured prefabricated parts. It is only now when works for the new Government Secretariat at the Tamar site is to commence that the Government says that consideration would be made, does it not show that all along the Government has neglected the aspirations of the labour sector and that it does not have any sincerity in protecting the right of local workers to employment?*

CHIEF EXECUTIVE (in Cantonese): In the address I have just given, I have also touched on the issue of prefabricated parts which you are talking about. This shows our special concern for the labour sector. The most important thing is that whether the eventual result would help the labour sector. What matters most is what happens in the market, right? I think there are many aspirations from the labour sector and these are important views too. We will handle this issue positively and we hope that we can try out new things. However, I hope very much, and maybe Ms LI would also like, to see what the effects are really and whether they are useful, before passing her judgement. I think this is the best approach to take. Concerning issues of interest in the labour sector, such as employment, low income of workers and the job security and safety of workers, and so on, all these are issues which the Government will pay particular attention. I have pointed out just now that this is one of the things which the

Chief Executive should express his personal concern. I believe it is clear enough and there is no question about it. This I think the labour sector also knows it very well.

MR JAMES TO (in Cantonese): *President, Chief Executive, the Chief Executive has just said that Hong Kong is seeing fewer days of blue sky. In March the Friends of the Earth conducted a survey in which some 100 tour guides or 4% of the respondents said that they had heard tourists say that they would not come to Hong Kong again because of the pollution problem. Mark WILLIAMS, champion long-distance runner for eight years said that air pollution in Hong Kong had reached an intolerable state. Former governor David WILSON said when he came to Hong Kong that though he loved hiking in the mountains, he could feel that air in Hong Kong was getting worse and worse. May I ask the Chief Executive that in the few years to come, especially in the 14 months remaining, whether he has set up any clear and quantifiable targets for work on air quality which is different from what he has said in the opening remarks, that we can look forward to gradual improvement to air quality?*

CHIEF EXECUTIVE (in Cantonese): Mr TO, it would not be easy to improve air quality up to quantifiable targets within a year or so and that these can be quantified and there are marked improvements. But that does not mean that I will not work hard on this. As I have pointed out in my opening remarks, first, we should be aware of the sources of pollution affecting us. We found out there are two major sources. The first comes from us. In Hong Kong, the power plants are the major source of pollution. The second is the Mainland. We have done a lot with respect to these two. As I have explained earlier, I would not repeat it again. Besides, with respect to air quality in Hong Kong, according to data obtained by experts, this year is no worse than the last and last year is no worse than the year before. But when someone is saying this, many people will agree and say that it looks as if the air quality has worsened. Recently, fog was thicker and people would say that it was pollution. This is how things are. Actually, I have seen this since I was very young and often when it comes to March or April around the time of the spring equinox, we will see such kind of situations.

Air quality is an important part of the infrastructure of Hong Kong as a cosmopolitan city and financial hub. I will certainly continue to work hard on it and what can be quantified is that when in future we will sign Scheme of Control Agreements with the two power companies, we can stipulate the requirements

and emission reduction targets. Then we will collect data with the mainland authorities in the 13 monitoring stations to see if there is any actual improvement. I believe that these can be seen within a year or so. However, in the long run, as to how air quality can be improved and restored to the quality in the 1970s, I believe the time required may be more than a year. But we will work hard on it and I am sure some achievement can be made within this year or so. You could see that in my negotiations with the two power companies, there is certainly sincerity on our part and some achievements have been made to quantify emissions reduction.

With respect to emissions reduction, we are not engaging in empty talk. In the agreement entered with Guangdong Province in 2002, I recall that there are a number of major parts concerning emissions reduction in both places. The first is sulphur dioxide, then there are nitrogen oxides, suspended particulates, then there are things like volatile organic compounds. The emissions reduction targets are 40%, 20%, 55% and 50% respectively. Quite a significant reduction has been made in each category. Therefore, we will see if we can achieve this and that emissions are reducing all the time. This can be seen from quantified information obtained.

I do not often say that I would not come here. In fact I would come here frequently. I think it would be so frequent that you would.....we would see each other once every two months and the time we will spend together would also be longer. I hope you would not feel bored. Then I would keep on coming often. Please ask me questions and we will talk about them. Please do so on every one of these occasions. Let us see if things can work out better.

As for the remark that the number of tourists has dropped, actually it has not and there are many tourists coming here. If you ask a tourist whether the blue sky should be bluer, the answer is of course yes. We need to work harder on it. When I had lunch with Mr David WILSON, we touched on the topic and he said that when he was jogging he had an impression that the air had become worse. I think, compared to the time when he first came to Hong Kong, that is, in the 1970s when he studied here, the air in Hong Kong has certainly become worse. But if the air now is compared to the air in the 1990s, I do not think it has become very much worse. As far as I know, this year is better than last year, and it is better than the year before. I think that improvements must be made. The most important thing is, this cannot be achieved only by efforts on our part, co-operation from the Guangdong side is essential. However, Mr TO, I wish you could appreciate that I am sincere about this and I will certainly work hard on it. This is one of the main ones in the some 10 tasks proposed by me.

MR JAMES TO (in Cantonese): *President, in some matters I would think that there is a close connection between politics and livelihood issues and this problem is precisely one of them. It is because if these are our power companies, we can bargain with them and exert our control, but as the Mainland is involved, I am not sure if you, Chief Executive, would have the confidence to enter into an emissions trading agreement within the some 10 months of the remainder of your term. Are you confident that this can be achieved? Besides, do you think it would be possible to draw up some quantifiable testing standards in the near future? I am saying this because Prof Janet NICHOL of The Hong Kong Polytechnic University has said that when we say that our air is good on a certain day, it would mean that the thickness of the suspended particulates is 0.3 on that day, but for other places, a day with good air quality is 0.1. We are actually using a lower standard. So if it is asked whether fewer days of blue sky can be seen, actually the so-called days of blue sky we see is worse than that in other places. Could the Chief Executive give a reply as to whether or not he could reach an agreement on emissions trading within the remaining 14 months of his term?*

CHIEF EXECUTIVE (in Cantonese): In this regard I know that Dr Sarah LIAO, Secretary for the Environment, Transport and Works, is exerting her level best in discussing with the two power companies and the Mainland, and as for me, I will certainly continue to exert my utmost. As to the question of whether suspended particulates should be 0.1 or 0.3, I know that there is no consensus on that yet. For many places, it is 0.3 while it is 0.1 for some other places. Some experts will say that it should be 0.1 and other will say that it is 0.3. I think we should wait until experts come out and declare a world standard before we should discuss it again. But one thing is certain, that is, we are not satisfied with the air quality. We should continue to work hard and do better. This is something we must do and this is our first and foremost task. And I am well aware of it.

MS MARGARET NG (in Cantonese): *President, the Chief Executive has mentioned in the policy address his zero tolerance towards domestic violence. The Civic Party totally agrees with the Chief Executive on this agenda item. We also hope that the Chief Executive will achieve some solid results during the remainder of his current term. I have learnt that Secretary Dr York CHOW has undertaken to put forward proposals when the Domestic Violence Ordinance is to be amended at the end of this year. Will the Government actively consider, that*

is, actively consider during the remainder of the current term, the following three areas, which include the complementary measures, in particular, the provision of more legal advice so that victims can understand their own rights and to obtain legal help, as well as legal aid, in particular, the setting up of a specialized Court?

CHIEF EXECUTIVE (in Cantonese): I think Secretary Dr York CHOW means what he says. We will certainly put what we say into practice. In doing so, complementary measures, that is, what you mean by resources, will definitely be made available. At present, the provision of legal aid has proved useful to the situation. As regards the complementary arrangements of the Court, the Legal Aid Department and the Government itself, I think they should be considered along with other policies as a package. Subsequently, during the legal procedures and in the Finance Committee, this issue will be discussed together with Members and thorough deliberations will be conducted. If the Secretary has expressed confidence in putting it into practice in my current term, we will definitely have it done.

MS MARGARET NG (in Cantonese): *Thank you. We are very glad to hear a more open response. However, unfortunately, I wonder if Secretary Dr York CHOW has received any instruction, as he is unable to tell us categorically that the Government will actively consider, in particular, the setting up of a specialized Court and the provision of more legal aid services.*

Chief Executive, a lot of concrete findings on the specialized Court have revealed that savings in resources will be resulted. You know, as a lawyer, it would be better for me to appear in Court thrice and be paid thrice instead of being paid once. Do you not agree? However, with the implementation of this proposal, even if it is "taken to Court once", there will be savings in public resources and a relief of the mental suffering of the victim. Therefore, will the Chief Executive give Secretary Dr CHOW some encouragement to actively consider the complementary measures in terms of legal service?

CHIEF EXECUTIVE (in Cantonese): As Ms NG is the representative of the legal profession, I think she will fight as far as possible for the best and perfect arrangement in her view. I think Secretary Dr CHOW will share my view that when the relevant policy is introduced, it will carry the best complementary measures. I will definitely respect Secretary Dr CHOW's view. However,

we have kept an open mind on this issue. Should any policy lack adequate complementary measures, its implementation will be far from perfect. Therefore, should we take this forward, I believe consideration must be given to relevant complementary measures. As regards the setting up of a specialized Court, will it be better if a feasibility study is conducted on such a set-up? I do not know whether the Judiciary thinks it is a good idea. How about the manpower? Will there be available manpower to cope? We have to take all these factors into consideration. However, I have undertaken to conduct studies when this issue is introduced. And not only the legislation, but also all the complementary resources have to be subject to the approval of the Legislative Council.

MR JAMES TIEN (in Cantonese): *Chief Executive, in the final Budget debate yesterday, we learnt that the economy of Hong Kong has been booming recently, and our unemployment rate has also seen a drop. However, I am aware that in the medium term, as suggested by Chief Secretary Rafael HUI and Chief Executive Joseph YAM, it is possible that we will be marginalized in such areas as logistics, finance, and so on. The business sector shares their view. The Chief Executive has just mentioned Hong Kong has been offered a lot of opportunities in the 11th Five-Year Plan of the State, and in what areas we should focus our effort. In the 11th Five-Year Plan, we must render our support to the State, and it is very difficult for us to demand the vice versa. May I ask the Chief Executive apart from avoiding being marginalized in logistics and finance, what concrete actions our Government can take in the next 10-odd months so as not to let these opportunities slip away?*

CHIEF EXECUTIVE (in Cantonese): The issue of being marginalized is very interesting indeed. Whether Hong Kong will be marginalized is the recent talking point. I think we can look at this issue from various perspectives. Whether Hong Kong will be marginalized is seen in the context of the economic development of the Mainland. Geographically speaking, from a negative point of view, it is a fact that Hong Kong is situated at the southern gateway of our country; it is a fact that Hong Kong is situated at the margin. We are not situated in the Central Plains. We are not a city in the Central Plains like Changsha, Wuhan or Shijiazhuang. We are situated at the margin. However, from another angle, that is, a positive point of view, Hong Kong is the great gateway to the South where all trade enters the country. Therefore, regarding the issue of whether Hong Kong will be marginalized, if we look at the manufacturing sector, in which Mr TIEN is an expert, is Hong Kong being

marginalized? In the past, that is, 10-odd years ago, there was an over 700 000-strong workforce in the manufacturing sector of Hong Kong. However, this is no longer the case. At present, there remains less than 100 000 workers only. Does this mean we are being marginalized? On the one hand, it seems to be true, and yet on the other, it seems not to be true. We now have a workforce of 11 million in the Pearl River Delta (PRD) to serve the manufacturing sector of Hong Kong. However, the situation is not so simple. But it is true that when our economy is on the rise and our economic structure is changed, some sectors will fade away and gradually lose their competitive edge, such as the manufacturing sector just mentioned. However, we have achieved greater excellence in some areas to an extent that it is beyond the reach of others. We very much hope that Hong Kong will continue to excel in a number of areas. I very much hope that concerted efforts will be made to maintain our excellence in the following three areas. Firstly, it is businesses that based on the credibility and reputation of Hong Kong, which are difficult to be replaced by businesses on the Mainland. For example, banking, insurance, supply chain, leisure and shopping, consultation and professional services, arbitration, legal services, accounting, design and surveying. We are expert in these areas.

Secondly, it is the protection of the right of property, of which property is the requirement — business headquarters, asset management and personal financing. Hong Kong is also expert in these areas.

Thirdly, it is professions that are built around the core of intellectual property, for example, the development of brand names, research and development, literary and creative industries, education, medical services and training of talents. We are also expert in these areas. If we look at the issue from this perspective, Hong Kong will never be marginalized; Hong Kong will always maintain its central position; Hong Kong will always contribute to our country and set an example. However, we must not refuse to change. We must keep trying our best, as well as keep refining and optimizing industries in these three areas to leave our existing competitors behind so that neighbouring cities like Tokyo and Singapore will not stand a chance of comparing themselves with us. Moreover, Hong Kong will remain outstanding in these areas despite the steady emergence of the mainland cities.

The 11th Five-Year Plan is of vital importance. In the next five years, we will see our country primarily follow a path of comprehensive, co-ordinated and sustainable economic and social development, especially in the rural life. At the same time, we will see our country promote as far as possible a new strategy of "going global" to capitalize on different advantages in order to

provide a more extensive society and country as a whole in the hope of enhancing our economic position. This is a critical moment. At this moment, I think it will bring challenges for Hong Kong. When we see the emergence of some mainland cities, we will try even harder to improve our own service sector to achieve a bigger edge. On the other hand, we must tie in with and make use of this huge opportunity to further develop the businesses and trades I have mentioned earlier. As we still have an edge over the Mainland in these businesses and trades in terms of the opportunity and degree of development, we should make full use of them for our own advancement. I strongly believe our advantages lie in these areas. The CEPA has already been in place for us. Subsequently, my colleagues and I will make a greater effort with businessmen, Mr TIEN and other members of the public in the hope of opening up the door to the Pan-PRD Region to bring more people to the region to create a more favourable business environment and better opportunities. The 11th Five-Year Plan is an important programme which will bring more opportunities than challenges for Hong Kong.

MR JAMES TIEN (in Cantonese): *President, thanks a lot for the Chief Executive's reply, to which I agree. However, the Chief Executive has just spoken a lot about the 11th Five-Year Plan, the key issue of my question is: Does it mean we in the business sector have to look for the opportunities by ourselves; or the Government will somehow give us an analysis of the 11th Five-Year Plan of the State so that we in the business sector can quicken our pace and avoid missing this opportunity?*

CHIEF EXECUTIVE (in Cantonese): We will fulfil our own duty. But the keynote remains that the business sector will assume a leading role in economic development. Regarding this issue, last time when I reported on my work — sorry, it should be during the NPC and CPPCC Sessions, I took the opportunity to visit a lot of Ministries and Commissions and to meet with the heads of our neighbouring provinces and cities. All these efforts constitute the groundwork for receiving the new opportunities brought by the 11th Five-Year Plan. I very much hope that various businesses and trades, such as finance, film industry, creative industry, and so on, will also seize the opportunity of the 11th Five-Year Plan to explore new horizons.

As regards invitation of investment and negotiation of new market, I have been preparing to visit at least four provincial capitals in the Pan-PRD Region this year to look for new markets and new opportunities. I hope the business

sector of Hong Kong will work with me in this regard. I will spare no effort and I will spare no sweat. I hope the business sector will work with me in this regard.

MR ALBERT CHENG (in Cantonese): *First of all, I would like to thank Mr TSANG on behalf of my constituents for accepting their petition letter at the entrance of the Legislative Council Building a short while ago. Those people holding mousetraps are long-time residents of Kwun Tong. They are living in buildings over 40 years old, in which not only concrete has spalled off, but also the condition has become beyond repair. On the issue of urban renewal, it is not what Mr TSANG described to our residents on the radio as "every venture is a loss".*

Mr TSANG has just mentioned in the third paragraph of his address that launching major infrastructure projects is yet another important initiative for economic prosperity. As urban renewal will bring improvement to the environment and value will certainly be enhanced, it will benefit the community as a whole. May I ask Mr TSANG whether he will implement as quickly as possible during his current term the undertaking of the Urban Renewal Authority (URA) given years ago to accord priority to the 25 outstanding projects of the Land Development Corporation, with the project of Kwun Tong being given the top priority?

CHIEF EXECUTIVE (in Cantonese): I know the redevelopment project of Kwun Tong is currently a programme of the largest scale of the URA. Yue Man Square and other areas are included in the project which covers an extensive piece of land and affects a considerable number of shops and households. I know they are now canvassing the views of different sectors, calculating the total cost of the project, as well as assessing our existing affordability of the cost. I know this is one of the major tasks that requires their immediate attention. I very much believe that they will follow up the project. I know Mr CHENG is gravely concerned about this project. I will follow up the project myself to mark the present progress. The URA has made the arrangement to include this project in its programme. However, this is a project of a very large scale, which certainly takes time. What are we facing now? It is an interesting scenario where some want expeditious redevelopment and some want no involvement of the Government. For instance, residents of Wan Chai where urban renewal is underway have expressed their unhappiness about the

redevelopment. I hope that when Kwun Tong actually undergoes redevelopment, it would be best if Mr CHENG and Members of different background will render their joint assistance to the completion of the project.

MR ALBERT CHENG (in Cantonese): *Mr TSANG, you mentioned in the ninth paragraph of your address that you cannot expect to draw up the perfect blueprint for strong governance behind closed doors.....*

CHIEF EXECUTIVE (in Cantonese): No, we cannot.

MR ALBERT CHENG (in Cantonese): *..... May I ask you to spare time to visit Yan Oi Wai where the worst elements of society are found to gain an understanding of public sentiment, instead of hiding at your place to watch koi carp? (Laughter)*

PRESIDENT (in Cantonese): Those at the public gallery please stop clapping.

CHIEF EXECUTIVE (in Cantonese): I made these visits before. But I usually did it in a quiet manner. If I go with Mr CHENG, it will create a lot of noises. I will accept your advice and pay a quiet visit there as soon as possible. Moreover, I will discuss with Mr Billy LAM to see how to quicken up this project.

MR CHEUNG HOK-MING (in Cantonese): *Chief Executive, you mentioned in your address earlier that launching major infrastructure projects will create employment and ease unemployment, to which the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) completely agrees. You have mentioned, in particular, the Tamar development project. It seems that there is only the Tamar site in your mind. The DAB has earlier conducted a detailed study on this issue. And the findings reveal that a lot of our surrounding regions, including the Mainland and other neighbouring regions, have gradually relocated their government headquarters or political centre from their nucleus zone, mainly because, first, of reducing the congestion of the nucleus business district; in addition, of upgrading the planning of the entire city and promoting a multi-centre layout. May I ask the Chief Executive whether consideration was*

given to these factors in the process of site selection? The DAB has suggested east Kowloon as the future site of the Government Headquarters. Our rationale is: Should the Government Headquarters be located at Southeast Kowloon, the pace of urban renewal and economic development of the area will very likely be boosted. May I ask the Chief Executive whether consideration was given to the proposal of the DAB in the process of site selection?

CHIEF EXECUTIVE (in Cantonese): Mr CHEUNG, I think I will answer your question this way.

First of all, everybody should know by now that Southeast Kowloon, in particular, the Kai Tak development project, is of vital importance to Hong Kong. There are only a few quality lots left in the Victoria Harbour for future development. And this is an important piece of land which deserves our prudent administration. Everybody knows that the ban on further reclamation was imposed two years ago. We are now trying to adopt a zero-reclamation option for future planning, in which landmark projects and infrastructure projects are being drawn up. One of them is the development of a cruise terminal, and that is likely to be the perfect site for the development. Moreover, there is also the development of a multi-purpose stadium. As far as I know, the development of a metropolitan park is also in our plan. Other governmental ancillary facilities will also be provided there. I believe the development project of Southeast Kowloon will transform the area into a dynamic and thriving community, as well as a major business centre.

Your second question concerns the issue of Government Headquarters. This is the second question and I hope Members of the DAB will examine this issue together with me. We have given this issue a lot of thought for a long time. Hong Kong is different from other countries. When a country with a very large territory plans to develop its national headquarters, particularly its capital domain, it needs an extensive piece of land. Therefore, the capital of the United States is Washington instead of New York. Another example is South Korea. It decided to relocate from Seoul out of national need. However, different or unexpected consequences will often be resulted.

Hong Kong is a financial centre. It is very difficult for us to place our current — our whole development concept is — the merging of the executive, legislative and judicial authorities with our central business district into an entity without any separation. Otherwise, undesirable consequences will be resulted. We are different from a big country. Hong Kong is only such a small place.

We wish to let people see how we work, and how we work efficiently. For instance, the application of licences, the issuance of court summons and a sit-in on a Legislative Council Meeting to see how the Council works. And it is also necessary for Legislative Council Members to interact with the executive authorities. These are the factors of my consideration. Regarding the whole development concept, studies on the siting of the Government Headquarters actually commenced as early as 10 years ago. After repeated deliberations, Central District has remained the best choice. Even if the Government Headquarters is to be relocated from Central District, I wonder if I have the boldness or ability to lobby the Legislative Council to relocate together with us, let alone the Judiciary. However, if we are separated, efficiency will instantly be reduced. Therefore, along this line of thinking, we decided from the outset that the Government Headquarters should be located in Central District. I think it is not enough to relocate the Government Headquarters alone. We have to consider the relocation of the Legislative Council to the same place; and to persuade Judges to relocate the courts nearby. However, I believe this whole exercise is more formidable than having debates in the Legislative Council. Therefore, it is our belief from the beginning to the end that the Government Headquarters should not be relocated anywhere else. And this is our reason to consider the construction of the Government Headquarters at the Tamar site.

Moreover, we should not forget that approval was granted to the construction of Government Headquarters at the Tamar site three years ago. Approval was granted three years ago, not now. The subject under discussion now is the readjustment of an approved works project. There was criticism of the height of the buildings. In response, the height of the buildings will be restricted. If a 180-m tall building blocks the ridgeline, its height will be reduced. If our footprint is too big, we will make it smaller. However, the decision of the construction of Government Headquarters still stands. And our original plan of having all headquarters located there still stands. It is also my wish that the Legislative Council will be relocated to the same site as planned, with the Judiciary nearby, which is just on the opposite side. The whole planning is clearly defined. We are not talking about a new project, but an old one.

In response to the public opinion of the need for open space, we have revised the layout of the development. The total area of the site is 4 hectares, of which 2 hectares are designated for the government complex and the Legislative Council complex, and the other 2 hectares for open space. The design of a waterfront promenade will be retained. The future waterfront promenade will provide a large deck as wide as a soccer pitch. Therefore, the future

development of the Tamar site and surrounding area, together with open space and waterfront promenade, will cover over 10 hectares of land in total. And the government complex and the Legislative Council complex occupy only around 2 hectares. Therefore, the site will look much better and pleasing in future. In my view, it is the right place for the Government Headquarters. You said that Southeast Kowloon will develop into a thriving district. But it does not mean the Government Headquarters has to be relocated there. I think problems at both the conceptual and operational levels will arise. I hope the DAB will consider my views on this issue. And I hope it will reconsider its stance and keep supporting my proposal.

MR CHEUNG HOK-MING (in Cantonese): *Chief Executive, you have in your reply described the Tamar site as a very pleasing place. However, my question just raised is: In the process of site selection, did you actually consider the suggestion of the DAB? We are a political party that closely follows public opinion and represents the grassroots. We have found the public is of the opinion that the relocation of the Government Headquarters to Southeast Kowloon will give impetus to the economic development of the old district. Will the Government establish an image of closely following public opinion by accepting our proposal? I hope you will speak more on this.*

CHIEF EXECUTIVE (in Cantonese): Mr CHEUNG, I have considered the proposal. My colleagues and I have considered the proposal. In retrospect, the Legislative Council granted approval to this project three years ago. Moreover, I have just said that the relocation of the Government Headquarters to Southeast Kowloon is impossible in terms of development concept and mode of operation. I have also just said that Southeast Kowloon will be given a facelift in future. It will undergo a development of many facets and keep thriving in a different way.

Most importantly, should the Government Headquarters be relocated to Southeast Kowloon, planning has to be started afresh now. In that case, there is no knowing when the project will be completed. At present, the construction industry is in urgent need of new vacancies. The Government has committed a spending of over \$22 billion this year. Next year, that is, the new financial year, the spending has yet to reach \$23 billion while it should be \$29 billion. Under these circumstances, there is no time for delay. Besides, over 2 000 construction workers are now waiting for work. Therefore, I very much hope that the DAB will consider my points made earlier. We can continue to discuss

and examine this issue. Southeast Kowloon will undergo an excellent development and planning. And public consultation will be conducted. However, I believe the Government Headquarters and the Legislative Council complex should be located in Central.

DR KWOK KA-KI (in Cantonese): *I wish to ask the Chief Executive the issue of strong governance. Mr CHEUNG Hok-ming has just put a very good question. It is greatly appreciated. Everyone knows that Mr CHEUNG has more than once spoken on behalf of the DAB on the issue of strong governance.*

I am aware that the Chief Executive has gone out of his way to discuss the Tamar development project, as well as the economic collaboration with the Mainland. It is greatly appreciated. However, Chief Executive, public opinion has urged the Government to deal with important issues from their point of view, which include the progress of democratization and universal suffrage, as well as incidents of the Grand Promenade, the Discovery Bay and the Cyberport which in their view have involved transfer of benefits and collusion between business and the Government and on which a lot of discussions were conducted in this Chamber this week. In this Chamber, your subordinates faced our queries with a lack of objectivity and even in a manner that suggests complaining against Members. May I ask the Chief Executive, apart from the construction of a Government Headquarters with a panoramic harbour view — you have just spent a lot of time explaining the need for a Government Headquarters with a panoramic harbour view — what other issues, for instance, the two issues I mentioned earlier, are on the agenda of the Government during the remaining 10-odd months of your current term to realize strong governance?

CHIEF EXECUTIVE (in Cantonese): Honourable Members, I had made it a point to distribute my address to all of you before I addressed this Council today. I believe all of you must have received it. Have you received it? I believe you should have received it.

I mentioned earlier some of my major areas of concern. The Tamar development project is one of them, and the development of democracy is another. You may find in my speech all major areas of concern in my capacity as the Chief Executive. I have clearly explained myself in this regard. Our next endeavours in constitutional development which is one of the major areas of concern in my current term have also been included. I have very clearly stated this point.

DR KWOK KA-KI (in Cantonese): *The Chief Executive said in this term — he actually said it last year — that he would live to see the implementation of universal suffrage. I know this issue will be referred to the Commission on Strategic Development for discussion. However, this is actually not the answer. I might as well ask the Chief Executive direct: What actions will you take for you to live to see the implementation of universal suffrage in Hong Kong?*

CHIEF EXECUTIVE (in Cantonese): *If Dr KWOK Ka-ki and I make a concerted effort, we will certainly live to see it. (Laughter)*

MISS CHAN YUEN-HAN (in Cantonese): *I will ask only one question today on behalf of the Hong Kong Federation of Trade Unions. In fact, I would like to ask another question. My major concern is the job opportunities of Hong Kong workers. But I am also concerned that those with jobs work for very low pay. Finally, I have decided to ask a question that I frequently put here to the Chief Executive. May I ask the Chief Executive whether he has a copy of the contract of the Food and Environmental Hygiene Department (FEHD)? Recent contracts, I mean both new and old ones, offered by the FEHD have the wage of a night-shift worker working from 4 pm to 10 pm pitched at \$3,100. This is the wage offered in the recent contracts. A worker used to be offered a wage of \$4,760 for seven-and-a-half-hour's work in the old contracts.*

I think this situation has highlighted the problem of Hong Kong, that is, either the grassroots are without a job or even they have one, they have to work for very low pay. However, when the Chief Executive spoke on the issue of minimum wage, he repeated his views expressed a long time ago. Chief Executive, I think you were using a "delaying tactic" when you asked me today to wait longer for a consensus to be reached in the Labour Advisory Board (LAB). You said the issue would be referred to the Commission on Strategic Development for consideration in a few months. On the one hand, we have noticed the wage condition, and on the other, we still have to wait. I hope the Chief Executive will show the boldness when he was last here. As five-day week will be introduced, and given workers are now facing a difficult situation of working for very low pay, why does the Government not take one step further to implement the resolute measure of setting a minimum wage and standard working hours? Why did the Chief Executive keep stating the need to wait in his speech? I did a count. Although you mentioned this issue rather early in your address, placing it in the first paragraph under the topic of sharing the fruits of success, I

cannot sense the sincerity of the Government in solving the greatest difficulty faced by the workers now, that is, they are working for very low pay. The wage of workers for outsourced government work has kept falling.

CHIEF EXECUTIVE (in Cantonese): I have some regrets about this. The wages have still experienced a downward movement recently to follow the market trend. This is the reason why I have accorded the issue of minimum wage and standard working hours a higher priority among the dozen or so prime concerns of mine.

Miss CHAN Yuen-han, you know I have not altered my schedule of work. I have just said that the LAB has looked into this issue for 18 months and it will continue its deliberations until mid-year. Should a consensus fail to emerge, a conclusion will be made at the end of the year. Our policies should not be subjected to frequent changes. If a consensus cannot be reached by mid-year, the issue will be referred to the Commission on Strategic Development for consideration. This is our decision. And this is our agreement. This is our decision when we last discussed this issue. And it stands.

Moreover, we did not cease working in the past. Regarding this issue, you should know that the Government itself, public organizations, subsidized organizations and subsidized schools have all offered workers employment and protection under the standard contract terms in the provision of similar services. I know currently nearly 30 000 people, which is not a small number, are benefited under this arrangement. On the one hand, I very much hope that a permanent solution will be identified for this issue. On the other hand, no efforts have been spared within the Government.

Miss CHAN Yuen-han, the issues of minimum wage and standard working hours and five-day week are two different matters. Why? The former, that is, the issue of minimum wage and standard working hours, is a controversial topic in society, to which a large number of people disagree. This is why deliberations on this issue have stretched over such a long time. However, on the issue of five-day week, public opinion has shown an inclination for its implementation and given it very strong support. Therefore, they are two different matters. On one issue, its early implementation is made possible by adhering to public opinion; on the other issue, public opinion is greatly divided. Therefore, more patience is required for a consensus to emerge in the community.

Miss CHAN Yuen-han, I will try my best — you will try your best, and so will I. But we cannot abandon this process, that is, sometimes, we have to follow established procedures. You have already waited for so many years. Would you please wait a bit longer?

MISS CHAN YUEN-HAN (in Cantonese): *Chief Executive, I am not unwilling to wait. I also believe that I can wait until mid-year. However, recent messages conveyed by the Government have shown a deviation from the stance of the Chief Executive — one moment a trip to Singapore to visit the "Public Service Commission" was brought up; this week the business sector relayed that legislation was not required as they would adopt the same practice of the Government in the cleaning and security trades (both of which are the lowest-pay work types in Hong Kong). I am gravely concerned. I agree to what the Chief Executive has just said. The Government has handled some issues with efficiency, like some problems concerning construction workers we discussed with the Secretary of Department this morning. However, regarding this issue — a key issue of working for low pay — has the Government only listened to the opinion of the business sector and neglected the views of the labour groups? I am deeply concerned that the Government has not tilted the balance in favour of the needy. We very much hope that the Chief Executive will really understand our concern.*

You said public opinion was diverse and divided. I beg to differ. I agree that it was such a few years ago. However, a study conducted earlier by the Oxfam reveals that more than 60% of the people support the implementation of minimum wage and standard working hours. I visited the 10 major trades last year to listen to the views of the workers, as well as the management. Although some of them did not have a full understanding of the issue, they finally agreed that it was necessary to solve the problem of the low-income workers. Chief Executive, we are all waiting for you.

CHIEF EXECUTIVE (in Cantonese): I have listened to the views of the labour groups. I have to listen to their views. However, I cannot turn a deaf ear to the views of the employers. At present, public opinion is still divided on this issue. Miss CHAN Yuen-han, public opinion is actually divided. If not, why do we need to go to such a lot of trouble to consider this issue? Moreover, you blamed me for doing nothing all the time. Would you please take a look at the 100-odd-year history of Hong Kong, from its founding until now, among all the

former Governors and Chief Executive, who has placed the issue of minimum wage and standard working hours high on their list of priorities? I hope this will show the sincerity of the Government on this issue, fine?

MR TOMMY CHEUNG (in Cantonese): *When I stand up, the Chief Executive will immediately know what I want to say because he has put me at the first place.*

CHIEF EXECUTIVE (in Cantonese): Excuse me, I have placed you.....

MR TOMMY CHEUNG (in Cantonese): *I am talking about "food is people's paramount concern". (Laughter) He has put quality of life which is my area of concern at the first place. Miss CHAN Yuen-han will be happier if the issue of labour was placed there instead.*

I am not particularly happy about the Chief Executive putting my area of concern at the first place because both he and I are quite fond of good food. At the mention of "food is people's paramount concern", I cannot find it in the first paragraph of his address. If there are no fresh chickens for consumption by the people of Hong Kong, what will we eat then? Therefore, I would like to ask questions concerning the capping of chicken population at 2 million and the implementation of centralized slaughtering mentioned in the first paragraph of his address.

I do not agree that the reduction of chicken population to 2 million has anything to do with our safety. It lacks the support of any data and theories. However, I would like to return to the issue of the implementation of centralized slaughtering. When the Permanent Secretary and I attended a forum recently, he said to me that chilled chickens would be the product of centralized slaughtering. This is very different from the warm meat originally suggested to be produced under the regional poultry abattoir pilot scheme. Should centralized slaughtering be implemented, two problems will arise. One of them will, in particular, happen in North District. As its transportation route is similar to the one by which chilled chickens are imported into Hong Kong from Shenzhen, it is impossible for Hong Kong to compete. I oppose this practice not only because there will be no more fresh chickens for our consumption, but also because we will have no competitive edge in economic terms.

May I ask the Government, after the implementation of centralized slaughtering, how it will deal with the unemployment problem of over 100 000 people involved in the entire "chicken chain" — from farming, wholesaling, transport to retailing — to emerge in the next few years and after the implementation? They are neither able to work in these trades nor to switch to other trades in future. How will the Government deal with this problem?

CHIEF EXECUTIVE (in Cantonese): I think we have to consider this issue in various aspects. Like you, I am also fond of good food. Steamed plain chicken is our favourite dish. You should know that both of us can tell whether the chicken is fresh or chilled. I know it because they taste different. However, it is a matter of give and take. Faced with the threat of avian influenza, we have to think of the best course of action.

In this regard, Secretary Dr York CHOW and his colleagues have made every effort to strike a balance. They have found a balance in the sale of 2 million live chickens in retail outlets in Hong Kong. The rearing of a total of 2 million live chickens a day should be adequate. This is because before the SARS outbreak, the chicken population in Hong Kong was around this number. However, after the SARS outbreak, the chicken population has expanded due to either a higher breeding rate of chickens or an increase in chicken farmers. In fact, the size of the chicken population before the SARS outbreak should be retained. And this is the reason for us capping the chicken population at 2 million.

As regards centralized slaughtering, it is hoped that a site can be identified for centralized slaughtering to ban the transport of live chickens which are the cause of epidemic to the city centre such as Central and Wan Chai. Will there be "warm chickens" for our consumption under the future operation? There is always a possibility because they are now looking into this issue. And both you and I hold onto the same purpose. But it will be made easier if we move to Fanling or near the abattoir. If we live near the abattoir, we can get a chicken faster. If we live farther away, we have to buy a chilled chicken. The experts hold such a view. However, I strongly believe we will strike a balance between protecting the employment of the trade and its significance to the catering and tourism industries, as well as the protection of public health.

I am aware that the means of living of around 3 000 operators will be affected by the implementation of centralized slaughtering. However, they may

not be rendered jobless, only that they may have to change the way they work, such as the transportation of chilled chickens by refrigerated vehicles in addition to that of live chickens. They need to make such efforts. The retail trade also faces the same change. In addition to the sale of live chickens, they have to try various ways to sell different types of chilled chickens. And if the chicken stall is near the abattoir, it is possible for them to sell warm meat. The only difference is that chickens are not allowed to be slaughtered at the stall.

We fully understand that this will cause inconveniences. Therefore, we will consider a compensation scheme at the same time. I hope Mr Tommy CHEUNG will share my concern. On the one hand, we will look into ways to protect the trade and to maintain the competitiveness of Hong Kong in tourism. On the other hand, we are much more concerned about the health of the entire population of Hong Kong. We hope to strike a balance and come up a final proposal to your satisfaction.

MR TOMMY CHEUNG (in Cantonese): *President, I am very glad to learn from the Chief Executive that there will be compensation. I hope the compensation scheme will be in place as quickly as possible because there are not just 3 000 people involved. I am sure there are over 10 000 people because the operation of chicken stalls is not the only trade affected.*

The Chief Executive asked us to think of ways to improve our competitive edge in this exercise. Please allow me to tell the Chief Executive that the catering trade will certainly lose its competitive edge because we cannot compete without the supply of chickens — in addition to the lack of supply in fish, geese and ducks. I have also told you the reason why a delicious goose is so hard to come by. It is because there is no longer any supply of fresh geese in Hong Kong. Moreover, poultry including geese and ducks will also be slaughtered centrally. Therefore, I wish to ask the Chief Executive a follow-up question. I do not oppose the Government laying the groundwork now. But when will such groundwork be laid? Will these measures be abandoned if an effective cure or vaccination is found to curb the spread of avian influenza? Or have these measures already been initiated? I have learnt from the newspaper that the Executive Council has discussed the implementation of centralized slaughtering and decided to "give it the green light". Does it mean this is the point of no return at which no more fresh chickens will be supplied in future, and we have to say "bye bye" to fresh chickens? How are we going to deal with this situation?

CHIEF EXECUTIVE (in Cantonese): First of all, we are not going to say "bye bye" to fresh chickens. Otherwise, it is not necessary to implement centralized slaughtering. The objective of implementing centralized slaughtering is to maintain the supply of fresh chickens for public consumption. Do you not agree? In other words, chickens will be reared in Hong Kong. There will be 2 million chickens being kept in Hong Kong in the future. I hope there will be a continuous supply of fresh chickens for public consumption. There will not be a complete lack of supply of fresh chickens.

Moreover, there is a mechanism for compensation. At present, compensation will be paid upon the surrender of the licence by a stall-holder. There is such a mechanism in place. You have raised a lot of issues. And I cannot recall all of them immediately. You asked what we would do if there was a new invention. Centralized slaughtering cannot be implemented overnight. Even if we work at top speed now, as far as I know, the abattoir for centralized slaughtering cannot be completed until 2009. And this can only be achieved by expediting the process of site identification by staff at the regional level and the undertaking of the contractor to expedite the construction. If it is so lucky — Tommy, if both you and I are so lucky — that in the next few years, a vaccination is found to curb avian influenza and to ensure nothing will happen to chickens to get rid of the disease, you and I will work together for the abandoning of the building of the abattoir. Fine? However, when the problem is yet to be solved, we have to face the reality to think of ways to protect the public and to reduce risks through centralized slaughtering. This is what we should do.

Tommy, there is one point I do not understand. Can you give me an answer? Why do people go to Singapore to eat Hainan chicken? Those are all chilled chickens. But it does not matter to them. When the people of Singapore can do it, I do not believe we people of Hong Kong cannot do it. There must be a way.

MR TOMMY CHEUNG (in Cantonese): *Please allow me answer the question of the Chief Executive.*

PRESIDENT (in Cantonese): You cannot ask any more questions. Moreover, I wish to take this opportunity to remind Members that today's Question and Answer Session has just 24 minutes to go. But we still have 15 Members

waiting. Therefore, Members who have the opportunity to ask questions please be concise and direct with your questions. And please do not make a lengthy presentation of your own opinions.

MS AUDREY EU (in Cantonese): *President, I am very pleased to see the topic of "quality of life" in the speech of the Chief Executive. However, when everyone has to work over 10 hours a day, as well as on Saturdays and Sundays, I do not know how quality of life can be attained. But I will not discuss with you the issue of maximum working hours because you have mentioned "blue sky" under the topic of quality of life.*

You have mentioned in your speech that "we will set emission reductions as a precondition for licensing..... We will require the power companies to install effective emission reduction facilities." Chief Executive, Hong Kong actually has no options because our power market is monopolized by the two power companies. Even if the two power companies refuse to accept your condition, you can do nothing but grant them licences because we cannot afford to do without power supply. At present, our Motherland has promoted the construction of an economized society. Many foreign countries have also suggested an energy saving of around 1% through an economic use of power and energy. However, as regards the issue of energy audit that I brought up in the Budget debate, it was found that energy audit was conducted on only two government buildings each year. The policy address also states that power consumption in all government buildings will be reduced by 1.5% annually. Will consideration be given to the addition of more terms and conditions in the building codes to require buildings to contribute to power saving? Will the issues of power saving and demand side management be accorded the top priority during the remainder of your current term so that energy saving will really be achieved in Hong Kong?

CHIEF EXECUTIVE (in Cantonese): I think this is a very good suggestion. We should try our best in this regard. We have actually achieved savings in power consumption in government buildings. But is the result satisfactory? The aspiration of the people of Hong Kong varies. Honourable Members, let us compete with each other, shall we? The Legislative Council will also practise economic use of electricity and see which of us will achieve the biggest savings in electricity consumption next year. Starting from today, the Legislative Council Building will compete with the Government Headquarters to see which of them will achieve bigger savings in electricity consumption next year.

Moreover, I very much agree with you on the issue of buildings. I know that the Buildings Department and the Planning Department have made full use of the existing regulations, town planning and building specifications to impose requirements of reduction of power consumption. Should you allow me to build the government complex at the Tamar site, I can assure you that it will be built with the maximum power saving and energy conservation stated in the town planning specifications.

MS AUDREY EU (in Cantonese): *President, the Chief Executive has challenged the Legislative Council to compete with the Government in the saving of electricity consumption. However, Madam President, the Legislative Council has, in fact, made substantial economies. (Laughter) While the Government is a spendthrift, President, it is not fair to require the Government to reduce power consumption by 1.5% only to compete with us.*

Chief Executive, you have just admitted that the biggest polluters are actually the two power companies. We are now facing the review of the Scheme of Control Agreements in 2008. However, after reading the consultative paper published by the Government, we have found that the conclusion of repeated deliberations is the renewal of the schemes of control. This absolutely will not help reduce power consumption and raise environmental performance. Therefore, President, I would like to present to the Chief Executive the report "freshly" published today by the Civic Party in response to the government study on the power market. Copies have already been sent to Secretary Stephen IP and Secretary Dr Sarah LIAO. I hope the Chief Executive will spare some time to read the report. President, I believe the Legislative Council will also monitor the performance of the Government in the saving of power consumption. President, it is unacceptable to save only 1.5%, is it not?

PRESIDENT (in Cantonese): The Legislative Council has all along practised economic use of power. Of course, we have the duty to continue to do so, as well as to monitor the true performance of the Government in the reduction of power consumption.

CHIEF EXECUTIVE (in Cantonese): I do not wish to argue about this issue. There are 3 000 people working in the Government Headquarters and 300 in the Legislative Council. Power consumption per capita can be measured. I hope Members will never consider the Government a spendthrift of power. We are

no spendthrift. Regarding "extravagance" with power, we know who is actually so after the measuring is done. It does not matter. Even if we start from an unequal baseline, it is possible for us to have a fair competition. Are you saying we are a spendthrift? It does not matter. We can still compete with each other to see who actually consumes more power. However, we should stop arguing about this. Our objective is the same. We must strive for better performance.

Many thanks for your report. I will definitely read it. And my colleagues will also definitely read it. The deadline for consultation is tomorrow, after which a conclusion will be drawn. Of course, there are two power companies here. To a certain extent, we have to examine their performance and rely on them. However, it is not necessary for us to completely rely on them without alternative support. We will look into other resources, channels and sources of power supply. Consideration will also be given to these options.

Moreover, I have clearly stated that one of the major conditions for the renewal of the schemes of control is whether the power companies will accept and comply with the standards of sulphur emission specified by the Government. If not, I believe our negotiations with the two companies will be very difficult.

MISS CHOY SO-YUK (in Cantonese): *President, I also wish the Chief Executive will take a look at the energy-saving measures proposed by the DAB, (laughter) and the motion on energy saving proposed by me at the time.*

However, President, I now wish to state that since the Government announced the Central reclamation and Tamar development project, Victoria Harbour protection groups and environmentalists have raised strong objections. Our objections to the project are based on two major reasons: First, this project, as mentioned by the Chief Executive earlier

PRESIDENT (in Cantonese): Please put your question as quickly as possible.

MISS CHOY SO-YUK (in Cantonese): *..... I am as quick as I can. I have yet to say that (laughter) there will be a lot of office components in the project. And as mentioned earlier, there will be around 10 hectares of open space. It is very*

likely that the area will be reduced into a ghost city after half past five like the present Wan Chai North.

Second, the public will find access to the waterfront difficult. Like in the present Wan Chai, the public have to go through a lot of footbridges and buildings before they can reach the Golden Bauhinia Square. It is very likely that this piece of invaluable land at the north of the Central District, as described by the Chief Executive earlier, will be wasted and reduced into a ghost city due to improper planning. I would like to ask the Chief Executive whether, just as he said, he has the courage to rectify the situation and overhaul the entire project to transform the area into a district of rich diversity and liveliness, or a dynamic and thriving district, as he described earlier, that is appealing and easily accessible to both the locals and tourists.

CHIEF EXECUTIVE (in Cantonese): First of all, as regards the planning of the Central District, I hope it will not cause further arguments among us because it has been a bone of contention for a long time. The planning of the Central District was devised in 2000. There was a request for a re-examination of the project by the Town Planning Board (TPB) in 2005, to which the TPB acceded. Subsequently, challenges kept emerging despite the TPB deciding that such actions were improper and should not be approved. As far as I know, a challenge was raised recently but it was finally dropped. I believe this means the present planning of the Central District has become a consensus of the Hong Kong public. I think there are no serious errors in this project. But is it to everyone's taste; is it to everyone's satisfaction? This is impossible. Therefore, Miss CHOY should understand that she should follow my example to accept it as a common consensus. However, will the developed Tamar site lose its appeal in future? I do not think so. I believe it will attract crowds of people because it is not difficult to get to the podium. People may walk from the Pacific Place to the government complex in future. Or they may go to the government complex from that area. And the podium at the ground level of the government complex is open space. People may reach the waterfront from the podium through another podium across a road. There will be 10-odd hectares of land at the waterfront. I believe it will become an area of great appeal, with a popularity no less than that of Tsim Sha Tsui East. Together with other attractions in the Central District such as Lan Kwai Fong, it should develop into an area of hustle and bustle.

However, as the site will encompass the government complex and the Legislative Council complex, it may be inappropriate to blend with those

commercial activities you suggested. However, I totally agree with you that the area must be made lively. And this is not an issue of town planning. I think more sophisticated and refined planning for the project is necessary. We will be more meticulous in this aspect, OK? The entire layout plan will be on display in due course to show the public the future planning of the area. I hope Miss CHOY will give us her comments on that occasion.

MISS CHOY SO-YUK (in Cantonese): *President, the Chief Executive mentioned that the area has undergone planning for a very long time. This is exactly the same as the West Kowloon project which has been under discussion for a very long time. But the Chief Executive also mentioned that the Government should have the courage to rectify the situation and this is not exactly a major rectification. I really hope the Chief Executive will at least re-examine the project because our common goal, just as he said, is its development into a lively and thriving area. Why should this factor not be added to the overall planning, which includes the Tamar site and the Central District? Why does the Chief Executive not re-examine the project to make it a more lively and popular area?*

CHIEF EXECUTIVE (in Cantonese): I think the present planning represents a model for the development of a future hub of prosperity. We should not say that it will be an imperfect, unappealing or unpopular development. This is a different view, which I beg to differ. This project has undergone a very long period of deliberation. This Government has always told us that we discuss and do not decide, and even when we decide, we do not implement. I wish to tell Members that the Tamar development project was approved three years ago. We are now not talking about a new project. I wish to reiterate this point. However, you have offered us a valuable piece of advice. In other words, when the project is actually underway, consideration will be given to finding ways to maintain the public appeal of the area so that people will go there not only during the daytime but also at night. Careful consideration will be given to this suggestion. Consideration will certainly be given to this factor when the development of the project is underway.

MR LEE WING-TAT (in Cantonese): *I will come straight to the point without any introduction. I only wish to ask a question concerning the Tamar development project. I sent a submission to the Government three weeks ago to request for: First, a further reduction of the scale of the Government*

Headquarters at the Tamar site as there is no need for all the supporting staff to work there; second, a development below ground as far as possible, that is, several levels of office space will be provided underground to reduce the height of the buildings.

Regarding the second proposal, we think individual buildings of the Government Headquarters carry historical value, particularly the central wing of the Government Headquarters where demonstrations involving millions of people have been staged. Therefore, I hope this building will be preserved.

Third, the Chief Executive mentioned that the planning has been completed. The planning has been completed all right. But we have learnt in the planning subcommittee of some shocking proposals by the Government. Our Government has designed a groundscraper — usually it is a skyscraper — in the Central District. Do you know what a groundscraper is? It is a most undesirable design. The piers off the IFC are of a similar design. There are coffee shops where it is originally designed for the public to go for a stroll. However, can you find people go for a stroll at the piers off the IFC now? That is a lesson. Therefore, I hope the Chief Executive will keep an open mind on this issue. This has nothing to do with the layout plan. But practical experience tells us that it is undesirable. It is very difficult to make use of the piers now. And the public are denied enjoyment of the harbour.

CHIEF EXECUTIVE (in Cantonese): As regards the relocation of the Government Headquarters, we agree in principle to reduce the footprint and landmark as far as possible. Regarding the blocking of the ridgeline by the buildings, I have said earlier that the height of the buildings will be reduced from their original 180 m to between 130 m to 160 m to avoid blocking the ridgeline. The names of groundscraper or skyscraper do not mean much. What really matters is the substance. I said earlier that there would be 10.9, 10.89 hectares of open space in the development. And the development of the government complex and the Legislative Council complex will only be around 2 hectares. Therefore, we can see that the groundscraper will take up very little space. Generally speaking, the groundscraper will take up little space, which is around one sixth of the total site area while the other five sixths will be designated as open space for public use. Therefore, what you said is not going to happen.

Regarding the relocation of staff to the complex, it is necessary for all the staff to be relocated there. The number and entitlement of the staff can be

reduced to the extent that the complex can accommodate 3 000 staff. As the Legislative Council has raised such a concern, it can also consider a reduction itself. It would be better if there are reductions on both sides. But I think it does not matter even if the Legislative Council can make no reduction. What really matters is a reduction by the SAR Government to minimize its utilization of land. However, it is impossible for the supporting staff not to be relocated there. If they are not relocated, the Government will have to retain the use of the two buildings and thus occupy more land. I do not think this is practicable. Therefore, major supporting staff must be relocated to the new complex but the Government will minimize its utilization of land. I think our direction is rather similar to that of the Democratic Party, which is to minimize the utilization of land, the occupation of space, as well as the width and the height. The width and the height will be reduced to retain space for public use as far as possible. We will do that. However, the planning for the development of the present Central Government Offices site has not yet confirmed. A layout plan has not yet been prepared. The site is zoned for GIC use, that is, for Government, Institutional and Community use, and for no other purposes. When planning is to be made for the site in future, we can examine the historical value of the buildings and see which of them merit preservation, for instance, as you mentioned earlier, the site where protests and demonstrations were held with blood and sweat. We will consider these issues. Fine? However, at present, planning has yet to start.

MR LEE WING-TAT (in Cantonese): *President, I wish to ask a very short follow-up question. I hope the Chief Executive will again keep an open mind. The concern groups on environment and planning are not totally without grounds when they criticized the planning of the Central District as being far from perfect. I will cite only two examples. One of them is the piers off the IFC. I was there once and found I was the only person at those piers drinking coffee. Why is no one there? This is a waste of the site where the piers stand. Second, regarding the groundscraper concept, a horizontal block around 1 km wide and 10-storey tall occupying a substantial area of the Central District will cut the city centre into two sections. I hope you will go through the information again to see if there is a need for such a building.*

CHIEF EXECUTIVE (in Cantonese): Consideration will be given to how to improve our existing projects as far as possible. This is probably not an issue of town planning but one concerning conversion and design. I strongly believe

this will not happen to the Tamar development project as its future draft plan will be discussed together with the Legislative Council. Therefore, the situation is not going to repeat itself.

MR PATRICK LAU (in Cantonese): *Our business environment has taken a turn for the better in tandem with the economic recovery of Hong Kong. However, many members of my profession have complained to me about their encounter with numerous difficulties when approval for matters of lands and buildings is sought. In particular, requirements of a highly critical nature in the procedures have caused delays in their work. Many Members have just suggested the launching of many works projects in the hope to ease the unemployment problem of construction workers. However, may I ask the Chief Executive how he can lead a sensible and efficient government in the coming year to solve this very serious problem of my profession? This is an issue of the provision of services to the public.*

CHIEF EXECUTIVE (in Cantonese): I believe Mr LAU is talking about the processing of lease modification by the Lands Department. Am I right? Are you talking about these issues? I think these are your major concerns.

The Lands Department has actually looked into ways to optimize the procedures for lease modification. They have kept examining the issue. They have really kept examining the issue. As far as I know, a very good example is that the period of approval after the lodging of an application has been shortened from 24 weeks in the past to 22 weeks at present. Moreover, regarding the procedures, constant dialogues have been maintained with the Institute of Surveyors to find the best way to, on the one hand, protect our valuable resources and avoid environmental and other problems, while on the other, improve the business environment. We have to strike a balance in this regard.

As far as I know, constant discussions have been conducted. And the transparency of their procedures has been enhanced to allow the public to learn of the process. Some of the tasks have been completed. In February this year, a code of practice was released to explain the current methods, procedures and requirements of application. Details were all clearly set out. On the implementation of the new measure, they have also met with the Land Subcommittee of the Land and Building Advisory Committee to discuss related issues.

I also know that procedures of land grant and lease modification have been completely systematized. A CD ROM disc has recently been produced, which contains a lot of information on government offices. And relevant procedures have been uploaded onto the Internet, which include the details of the current land grants. In particular, information such as the lot, site, land use and regrant premium has all been uploaded onto the Internet. Therefore, a very high degree of transparency is attained. I believe in this issue, nothing can be perfect. I very much hope that Mr LAU will discuss with the Director of Lands — He will be more than happy, Mr LAU will be more than happy to discuss with Members — the ways to simplify and optimize the procedures to respond to the need of the profession. However, Mr LAU should also be allowed to play a regulatory and monitoring role.

MR PATRICK LAU (in Cantonese): *President, apart from the Lands Department, I also mentioned earlier the Buildings Department. It also plays a crucial part in the approval of our plans. We have encountered a lot of difficulties in this regard. Mr CHENG made a very good point earlier. It is probably because the Chief Executive has never submitted any plans himself that he has no idea what a difficult situation we face. Therefore, if you can find time to talk to members of my profession, we can tell you our actual problems. Subsequently, under your instructions, the Administration can do something to facilitate our work. In fact, other cities are now removing obstacles and lifting restrictions. And yet our Government is now burdening us with more problems. This will hinder our provision of services to the public. Therefore, I hope you will pay due attention to this serious problem.*

CHIEF EXECUTIVE (in Cantonese): I believe many people share my sentiments. I remember not so long ago, you "forced the issue down the throat" of the Director of Buildings in this Chamber. *(Laughter)* You should not blame him. On some occasions, he has to handle these issues with care. The crux of the matter is how to strike a balance. The profession demands efficiency while the public demands honesty and fairness, in which a balance also has to be maintained. I believe all these issues centre around the exercise of the power of discretion.

I have recently sent colleagues to examine the reasons why Singapore has an edge over us in terms of licensing procedures; the reasons why we always

rank second in this area while Singapore always ranks first. We have actually looked into this issue. After the visit, my colleagues found that although the origins of our legal frameworks were cognate, our courses of development varied considerably. Under the system of Singapore, the regulatory authorities are all given a much greater power of discretion than that of ours. The minimal discretionary power that can be exercised by the officials of Hong Kong has made our procedures protracted.

However, can our officials be given a greater discretionary power? Apart from potential risks, it probably will not receive the approval of the Legislative Council. This is because the law has to be amended to accelerate these procedures. And in the process, a lot of issues will be involved. Therefore, we have to find a balance in some areas. We really cannot compete with others on the time element in these areas. This is because honesty, fairness, transparency and accountability have to be assured. However, I hope Mr LAU will not be dispirited. And the Buildings Department and the Government will not be dispirited. We will continue to find ways to achieve a balance to attend to various aspects. Fine?

PRESIDENT (in Cantonese): The last Member to put a question.

MR VINCENT FANG (in Cantonese): *Chief Executive, I wish to follow up the issue raised earlier by Mr Tommy CHEUNG. In fact, at the Chief Executive's Question and Answer Session last year, I put the same question to Mr TSANG. Regarding the existing policy on public health, it is the hope of the Government to gradually phase out the trades of live chickens and live pigs. I asked the Chief Executive last year, "Chief Executive, will you offer these trades some small favours to help them survive?" And you replied that day, "I have not 'taken out the knife' yet." I think the implementation of centralized slaughtering is inevitable. The Government is now preparing to "take out the knife". May I ask the Government whether relaxed policies will be adopted on ex gratia compensation or support for a restructuring of the trades, as well as vocational training in other trades?*

CHIEF EXECUTIVE (in Cantonese): This is not only what we should do, but also one of our duties. I very much believe that when the new scheme is introduced and discussed in the relevant panel, we have to give a progressive

account in this regard. The policy concerned is finalized. And we think this is the right move. The implementation of centralized slaughtering is vital to protecting public hygiene and public health of Hong Kong. On the other hand, the interests of the trades concerned also have to be taken into account. Therefore, on the implementation of the new policy, not only Secretary Dr York CHOW has to do a good job, other colleagues also have to make complementary efforts in areas of training, retraining and restructuring of the trades. Special support will also be given to related trades. We will perform these tasks.

A compensation scheme has always been in place. Regarding the licence, when a licence is surrendered, compensation will be paid. This is our present practice, and will remain our ongoing practice. When a special procedure is introduced, consideration will be given to the protection of the interests of taxpayers and the spending of public funds, as well as the successful restructuring of the trades and the protection of public health.

MR VINCENT FANG (in Cantonese): *Chief Executive, you have mentioned in your speech that centralized slaughtering will be implemented in about three years' time. However, in the meantime, if alternative methods can be found to protect public health and separate humans from chickens, as well as to provide warm meat for public consumption, will you take them into consideration?*

CHIEF EXECUTIVE (in Cantonese): If scientific evidence proves this is possible, we will certainly take it into consideration. I have mentioned earlier that if there really is an invention that can prevent the outbreak of avian influenza, we will definitely take it into consideration.

PRESIDENT (in Cantonese): Thank you, Chief Executive, for replying questions from 14 Members today. I think the distribution of the Chief Executive's address before the meeting has helped Members focus their questions.

Members will please remain standing when the Chief Executive leaves the Chamber.

CHIEF EXECUTIVE (in Cantonese): Thank you.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 11.00 am on Wednesday, 26 April 2006.

Adjourned accordingly at twenty-nine minutes to Five o' clock.