

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 24 November 2010

The Council met at Eleven o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE ALBERT HO CHUN-YAN

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

THE HONOURABLE LEE CHEUK-YAN

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

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

DR THE HONOURABLE MARGARET NG

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

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

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

THE HONOURABLE LEUNG YIU-CHUNG

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

THE HONOURABLE WONG YUNG-KAN, S.B.S., 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 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, S.B.S., J.P.

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

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

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

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

THE HONOURABLE VINCENT FANG KANG, S.B.S., J.P.

THE HONOURABLE WONG KWOK-HING, M.H.

THE HONOURABLE LEE WING-TAT

DR THE HONOURABLE JOSEPH LEE KOK-LONG, S.B.S., J.P.

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

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

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

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

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

THE HONOURABLE CHIM PUI-CHUNG

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

THE HONOURABLE KAM NAI-WAI, M.H.

THE HONOURABLE CYD HO SAU-LAN

THE HONOURABLE STARRY LEE WAI-KING, J.P.

DR THE HONOURABLE LAM TAI-FAI, B.B.S., J.P.

THE HONOURABLE CHAN HAK-KAN

THE HONOURABLE PAUL CHAN MO-PO, M.H., J.P.

THE HONOURABLE CHAN KIN-POR, J.P.

DR THE HONOURABLE PRISCILLA LEUNG MEI-FUN

DR THE HONOURABLE LEUNG KA-LAU

THE HONOURABLE CHEUNG KWOK-CHE

THE HONOURABLE WONG SING-CHI

THE HONOURABLE WONG KWOK-KIN, B.B.S.

THE HONOURABLE IP WAI-MING, M.H.

THE HONOURABLE IP KWOK-HIM, G.B.S., J.P.

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

DR THE HONOURABLE PAN PEY-CHYOU

THE HONOURABLE PAUL TSE WAI-CHUN

DR THE HONOURABLE SAMSON TAM WAI-HO, J.P.

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

THE HONOURABLE LEUNG KWOK-HUNG

THE HONOURABLE TANYA CHAN

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE WONG YUK-MAN

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE JOHN TSANG CHUN-WAH, G.B.M., J.P.

THE FINANCIAL SECRETARY

THE HONOURABLE STEPHEN LAM SUI-LUNG, G.B.S., J.P.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS

THE HONOURABLE MATTHEW CHEUNG KIN-CHUNG, G.B.S., J.P.

SECRETARY FOR LABOUR AND WELFARE

PROF THE HONOURABLE K C CHAN, S.B.S., J.P.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

THE HONOURABLE EDWARD YAU TANG-WAH, J.P.

SECRETARY FOR THE ENVIRONMENT

THE HONOURABLE EVA CHENG, J.P.

SECRETARY FOR TRANSPORT AND HOUSING

MR YAU SHING-MU, J.P.

UNDER SECRETARY FOR TRANSPORT AND HOUSING

CLERKS IN ATTENDANCE:

MS PAULINE NG MAN-WAH, SECRETARY GENERAL

MRS CONSTANCE LI TSOI YEUK-LIN, ASSISTANT SECRETARY
GENERAL

MRS VIVIAN KAM NG LAI-MAN, ASSISTANT SECRETARY GENERAL

TABLING OF PAPERS

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

Subsidiary Legislation/Instruments	<i>L.N. No.</i>
Census and Statistics (2011 Population Census) Order.....	152/2010
Hong Kong Airport (Control of Obstructions) (Exemption) (Amendment) Order 2010.....	153/2010
Certification for Employee Benefits (Chinese Medicine) (Miscellaneous Amendments) Ordinance 2006 (Commencement) Notice 2010.....	154/2010

Other Papers

- No. 34 — Estate Agents Authority Annual Report 2009/10
- No. 35 — Annual Report 2009 to the Chief Executive by The Commissioner on Interception of Communications and Surveillance (together with a statement under section 49(4) of the Interception of Communications and Surveillance Ordinance)
- No. 36 — Ocean Park Corporation Annual Report 2009-2010
- Report No. 5/10-11 of the House Committee on Consideration of Subsidiary Legislation and Other Instruments
- Report of the Bills Committee on Buildings Energy Efficiency Bill

ADDRESSES

PRESIDENT (in Cantonese): Address. Prof Patrick LAU will address this Council on the "Ocean Park Corporation Annual Report 2009-2010".

Ocean Park Corporation Annual Report 2009-2010

PROF PATRICK LAU (in Cantonese): President, I am pleased to table before the Legislative Council today the 2009-2010 Annual Report of the Ocean Park Corporation.

Ocean Park had completed yet another extraordinary year, having set a new attendance record for the sixth time in seven years by welcoming 5.1 million guests, which in turn delivered \$986.6 million in total revenue, \$235.8 million in EBITDA, and a net surplus of \$82 million. Maintaining a healthy financial status, Ocean Park will continue to prepare for loan repayment to commercial lenders, which will commence in 2011. Facing last year's challenges with a prudent and positive attitude, it was able to accomplish gratifying results on the strength of ever-creative seasonal events and the performance of new attractions under its \$5.55 billion Master Redevelopment Plan (MRP). Ocean Park remains committed to offering exceptional value in its recreational and conservation education presentations to reciprocate local guests and overseas visitors for their continued support.

While the new Ocean Park is developing itself into a world leader among ocean-themed attractions, they always take pride in being the one and only Hong Kong's People's Park, serving and representing the people of Hong Kong. The Park continues to offer all residents of Hong Kong free access to the Park on their birthday and a variety of programmes that benefit members of the community with free or generously-discounted admission. Last year, Ocean Park further expanded what was already one of the largest portfolios of Corporate Social Responsibility programmes among comparable theme parks in the world by providing recipients of Comprehensive Social Security Assistance (CSSA) with entry to the Park at a nominal cost. In total, Ocean Park maintained 13 community care programmes, with over 350 000 beneficiaries and a total benefit to the community worth \$85 million in the fiscal year 2009-2010. Moreover, Ocean Park supports a number of programmes that offer training and employment opportunities to disadvantaged young people, thus encouraging them to contribute to society now and in the future.

The past fiscal year was marked by the significant progress and performance of the \$5.55 billion MRP. Amazing Asian Animals, which opened in April 2009, promptly became the third most popular attraction zone. And in September 2009, Ocean Park celebrated the launch of Ocean Express, a new

in-park transportation infrastructure system that dramatically transformed guest access to their favourite rides, attractions, restaurants and shops. It also enables the iconic Cable Car system to become more of an attraction for enjoying the scenic views of the south side of Hong Kong. The MRP has already expanded the Park's full-time staff size by more than 60% and will continue to contribute employment and economic benefits to the local economy well beyond its eventual completion.

Ocean Park's Hotel Development Project also proceeded smoothly as the tender process for the Ocean Hotel and Fisherman's Wharf Hotel began in May as planned. The tenders received are under review and details will be shared with the public once an award has been made.

As a major pillar of tourism in Hong Kong, Ocean Park played a leadership role in promoting the global theme park and edutainment industry this past fiscal year by launching the Park's World Attraction Fun Deal — the world's first ever reciprocal admission discount programme for theme parks, zoos and aquariums.

Park guests benefit through discounted admission to a growing list of major attractions in Asia and North America; and Hong Kong benefits from increased tourist traffic. With visitors from Mainland China accounting for nearly 53% of overall attendance, Ocean Park further strengthened its presence in the Mainland by opening an office in Beijing, its third representative office in the Mainland, and by conducting trade and media visits to key cities, such as Shenzhen, Guangzhou, Shanghai and Changsha. Other major source markets that the Park visited last year include Korea, Taiwan, Malaysia, Singapore, the Philippines and India.

To ensure that a day at the Park remains as fresh as ever for tourists and local guests, Ocean Park again brought in world-class performers, leading-edge technology and rare animal species for its "Big 5" seasonal presentations. The Park also continued to work with major international film studios and local film directors to present engaging attractions that allowed guests to experience the fantastic adventures portrayed in the latest blockbusters. For this past year's record-breaking Animal Month presentation, the Park brought in rare lizard species from all over the world to deliver important conservation messages to its guests.

As ardent advocates of nature conservation that aims to instil awareness and inspire action, Ocean Park further expanded its conservation education platform this year with the June opening of the new Chinese Sturgeon Aquarium — Yangtze Exploration, which conveys the importance of conserving Chinese sturgeons, Yangtze River habitats as well as critical freshwater resources. It also introduced the Emperors of the Sky presentation of various birds of prey.

Ocean Park continues to inspire millions of guests to do their part for conservation and support conservation initiatives through its conservation arm, Ocean Park Conservation Foundation, Hong Kong. In the past fiscal year, the Foundation received \$8.23 million from Ocean Park and supported 25 conservation projects worldwide on 17 species, including a project to plant 160 000 bamboo seedlings in Sichuan to rehabilitate nearly 5 000 hectares of bamboo plantation for Giant Pandas. As a technical advisor to the Government of the Hong Kong Special Administrative Region on Wolong Rebuilding efforts, Ocean Park previously assisted in designing the rebuilding of the Wolong Panda Centre and the World's first giant panda disease control centre in Dujiangyan.

Ocean Park's exemplary work on animal care and conservation received a most wonderful recognition this year in the form of a generous gift of two koalas from the Government of Southern Australia to the Government and the people of Hong Kong. The koalas will eventually be displayed under the care of Ocean Park.

The Park's education arm, Ocean Park Academy, continues to play an important and unique role in nurturing the development of young minds in the community with interactive courses that complement their regular school curriculum. In the 2009-2010 school year alone, over 46 000 students took part in the interactive and engaging courses offered by the Academy, bringing the total of students who have benefited from Ocean Park's educational programmes since 1992 to well over half a million. Among the new offerings they introduced this past year is a course on Sustainable Seafood, which teaches students about the relative sustainability of various seafood items and how local seafood eating culture and fishing methods affect the marine ecosystem.

Looking ahead, the 2010-2011 fiscal year will witness the unveiling of new exhibits and attractions in different zones under the MRP. Thrill Mountain, the Park's new theme zone of exhilarating rides, will launch its first attraction in

December 2010 with The Flash. In early 2011, the much anticipated Aqua City theme zone will present Park guests with not only the new flagship Grand Aquarium, but also the spectacular night-time water and fire effects *Symbio!* show. Slated to open in the coming fiscal year as well is The Rainforest, a brand new tropical theme zone. As the Park continues to launch new attractions, it remains committed to offering its guests the best value-for-dollar theme park experience in Hong Kong, if not in the entire world.

In closing, as a member of the Board of Ocean Park Corporation, I would like to extend the gratitude of the Park to the people of Hong Kong for their unwavering support; guests from the Mainland and around the world; business and conservation partners; and the dedicated staff for helping the Park deliver enduring value to every guest and for making 2009-2010 such a success.

Thank you.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. Apart from the six oral questions for this meeting, I have permitted Mr LEUNG Kwok-hung to ask, under Rule 24(4) of the Rules of Procedure, an additional urgent question which is of an urgent character and relates to a matter of public importance.

PRESIDENT (in Cantonese): Urgent question.

Resumption of Land by Government at Choi Yuen Tsuen

MR LEUNG KWOK-HUNG (in Cantonese): *On 19 November this year, the Government once again sent officials to carry out land resumption at Choi Yuen Tsuen (CYT), causing a certain degree of nuisance; the operation was also obstructed by petitioners (and I was one of them) and could not be carried out. On the same day, the Government immediately issued a press release saying that it had decided to suspend that day's operation so as to prevent accidents which might cause injuries to the protesters and site workers, and it would extend the grace period to the end of November. The villagers have indicated that if the*

Government carries out land resumption by force, they will "defend their village with their lives" and fight till the end. The Government has also stated repeatedly that the clearance of CYT would be "handled in a humane manner". In this connection, will the Government inform this Council:

- (a) given that the residents of CYT have vowed to "defend their village with their lives" and fight against land resumption by the Government till the end, what measures the Government will put in place to avoid confrontation with the residents so as to prevent accidents and avoid people from being injured when it resumes land resumption after the expiry of the grace period; of the specific meaning of "handled in a humane manner", given that the Government has undertaken that the clearance of CYT would be "handled in a humane manner";*
- (b) given that the Government has stated that land resumption and clearance operation at the village will be carried out in phases, and such work is expected to continue over a period of time, how the Government will meet with the residents as soon as possible to discuss the timetable of the clearance operation, so as to alleviate their concerns and worries, and of the timetable for the Government's meeting with the residents as well as details of the clearance operation; and*
- (c) given that at present, the Government has not finished calculating the amount of crop ex gratia allowances for the residents of the village and the specific arrangements for relocation, whether it can postpone land resumption by six months to give the residents sufficient time for preparation; if not, of the reasons for that?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese):
President, throughout the land resumption exercise at CYT from the formulation of the special *ex gratia* rehousing package, vetting of applications for various allowances and agricultural resite to the current site clearance and land resumption, we have been handling the issue in a humane manner. We have done our best in helping the villagers and catering for their needs, so that the construction of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong

Express Rail Link (XRL) will proceed and the CYT villagers will have resources and opportunities to choose rehousing options that meet their individual needs and wishes.

My reply to the three parts of the question is as follows:

- (a) The Government has stated repeatedly that it will handle the clearance of CYT in a humane manner, that is, phased land resumption. The Administration will firstly take over structures and land for various purposes vacated or handed over voluntarily by the villagers, and commence site formation and preparation for other works. This is a win-win solution as we can buy time to reduce the impact on the progress of the works of the XRL project, while villagers who are not yet prepared may have more time to carry out their moving plans.

The villagers have started to move out and hand over their land and structures voluntarily since mid-October when land resumption commenced. On 4 November, our colleagues visited all households, to find out the progress of their moving plans. For villagers who had moved out, we would take over the structures immediately. If the villagers indicated at that time that they needed more time for preparation, we offered a grace period and assistance, taking into account their situation and needs. This experience has demonstrated that such a pragmatic and humane approach can cater for the moving plans of individual villagers as far as possible and avoid unnecessary conflicts.

We have kept in view the moving plans and progress of different villagers since 4 November. For example, for villagers who opt for the collective agricultural resite plan, we learnt that the negotiation over the land transaction had reached its final stage. Many villagers have carried out their moving plans and were ready to hand over their land and structures. However, when our colleagues were about to take possession of such land and structures and to understand the progress of the moving plans of other villagers on 19 November, they met resistance from protesters.

In fact, among the 230-odd registered households with a total population of over 400, only some 50 households opt for the collective agricultural resite plan, while the remaining 100 or so households have other plans. Handling the land resumption in a humane manner means allowing as far as possible the villagers to move out from CYT in batches and phases according to their needs without affecting the progress of the works of the XRL project. It does not involve any acts of "intimidating and forcing the villagers to leave".

Actually, apart from the current land resumption exercise, we have adopted a humane approach in processing compensation and rehousing cases. Where discretion was permitted under the law and policies, we appropriately exercised such discretion in a humane and sympathetic manner to cater for the needs and circumstances of the villagers as far as possible. Of course, where discretion was not so permitted, the Government has to, naturally, abide by the regulations.

For example, we approved more than 140 applications for special *ex gratia* rehousing allowances, of which about 60 were from fully eligible villagers. In addition, I exercised my discretion in approving over 80 applications from villagers who were not fully eligible. As a result, many villagers who lived in converted pigsties or chicken sheds also benefitted. Likewise, we were sympathetic to the needs of the affected villagers and handled these applications in a humane manner as far as possible, such as taking a compassionate approach in handling cases involving the elderly, singleton elders, the chronically ill, single-parent families and those suffering from domestic calamity.

We have adopted the same compassionate approach in processing applications for public rental housing (PRH) from families with special needs. For example, they have been allocated with PRH flats in urban areas to facilitate mutual care with their relatives.

In dealing with applications for agricultural resite, we have tried to help villagers recover evidence through various channels to prove

their eligibility. Some villagers stated that they had lost their farming records due to flooding and other reasons. The Agriculture, Fisheries and Conservation Department (AFCD) and Environmental Protection Department rendered assistance by checking files of the past decade or so and visiting vegetable stations and the Kadoorie Farm in search of relevant records. Some villagers stated that they did not keep any record of crop sale. The AFCD inspected the sale outlets with them to collect relevant evidence.

Therefore, it can be seen that every aspect of the entire land resumption exercise at CYT reflects our humane way of handling the clearance exercise. This owes much to the concerted and dedicated efforts of the front-line staff of the relevant departments and organizations including the Lands Department, the AFCD, the Housing Department and the MTR Corporation Limited (MTRCL). They processed applications for compensation and rehousing in a fair, square and patient manner, taking into account the needs of villagers.

- (b) We have communicated and liaised with every household to better understand their specific needs and the progress of their moving plans, and to provide assistance as far as possible. Since more than a hundred households in CYT do not opt for the collective agricultural resite plan, we consider that this is the best way to understand and meet the needs of individual households, and to protect the privacy of individual villagers.

As for the 50-odd households who opt for the collective agricultural resite plan, we have met with them on many occasions and provided technical support. We, together with Heung Yee Kuk, discussed and co-ordinated with other villagers on issues related to land and access road rights. We have repeatedly indicated to their representatives that if they complete the land transaction shortly, we will explore feasible arrangements that will facilitate their house building plans in the coming months as far as possible while at the same time will not affect the progress of the XRL project.

- (c) A total of \$250 million including land compensation (\$160 million) and various types of *ex gratia* cash allowances (\$72 million) has been offered to the CYT villagers. Most villagers have collected the payments.

The above compensation was granted to the villagers and farmers of CYT while excluding landowners who did not live in CYT. With a registered population of some 400 villagers, on average over \$500,000 has been granted to each CYT villager — and I stress each person, not each household. Some larger families even received total compensation more than \$10 million. In addition, more than 30 households have purchased Home Ownership Scheme (HOS) flats with the comprehensive means test waived.

There are still some villagers who are dissatisfied with the amount of crop *ex gratia* allowances. In fact, about \$13 million of crop *ex gratia* allowances have been approved, involving some 160 applicants with more than \$80,000 granted for each case on average. Most cases involved small-scale planting in front of the villagers' structures for self-use. The crops grown were mainly for private consumption. More than 30 farmers, who were still actively engaged in agricultural activities, were offered hundreds of thousand dollars of crops allowances each, with the highest offer amounting to over \$1 million. Apart from the allowances, the farmers may sell their harvested crops before land resumption so as to earn additional income.

The crop allowance rates are applicable to all land resumption exercises in the territory. At the request of the villagers, the AFCD has reviewed all the crop allowance rates and applications of all the farmers. The AFCD is of the view that apart from edible aloe vera and organic crops, the allowance rates for all the crops have already reflected the market values and hence no adjustments will be made. The allowance rates for edible aloe vera and organic crops have been adjusted. The new rates will be applicable to all farmers growing these two types of crops.

As such, the mechanism of crop *ex gratia* allowance as a whole has provided the farmers with reasonable compensation. We believe that the AFCD has handled the crop allowances in a fair and reasonable manner. They reviewed the crop allowances and adjusted the allowance rates for certain crops, taking into consideration the villagers' views. If individual farmers can prove that the losses they suffer exceed the crop *ex gratia* allowances, they may claim further compensation in accordance with the law.

Even if a farmer intends to claim further compensation, it is not necessary to retain the crops on the land. It is because the crop *ex gratia* allowance is calculated on the basis of the species, quantity and quality of the crops on the date of assessment, not land resumption or clearance. The AFCD has kept a complete record of the crops on the date of assessment for all the applications. It can serve as the basis of claims for further compensation in future. Therefore, farmers who are dissatisfied with the amount of *ex gratia* compensation may move out before claiming further compensation. They should not use this as an excuse to defer moving out.

The construction works at CYT is a key part of the XRL project and involves the diversion of the rivercourse. The schedule is very tight as some of the works has to be completed in the dry season. Therefore, we have to carry out the clearance operation and land resumption on time. The land resumption cannot be delayed.

To conclude, we have devoted much effort to the land resumption exercise at CYT. We hope to achieve a win-win situation for the XRL project and the rehousing arrangements for the affected villagers. On land compensation, we have upgraded the compensation rate from zone C to zone A so as to provide villagers with additional resources to find new homes. We have developed the special *ex gratia* rehousing package which provides cash allowance to villagers who have lived in temporary structures on government or agricultural land for a long time. Eligible villagers are allowed to purchase an HOS flat without being subject to the comprehensive means test. This provides them with more rehousing options. We considered agricultural resite applications on the basis of family farms. This allows more members of a farming household to live together and share the farming work. We hope that the public and villagers will

appreciate our goodwill and efforts. That said, as a responsible government, we must ensure that the XRL project will be completed on time and within budget, so that it will fulfil its strategic role.

MR LEUNG KWOK-HUNG (in Cantonese): *President, the Secretary said that as a responsible government, they had to ensure that the XRL project would be completed on time and within budget, so that it would fulfil its strategic role. I have no disagreement with this. However, I wish to remind the Secretary that in December last year, that is, at about the same time last year, the Legislative Council had a very lengthy debate and a record crowd of over 10 000 people besieged the Legislative Council*

PRESIDENT (in Cantonese): Mr LEUNG, have you clipped your microphone on?

MR LEUNG KWOK-HUNG (in Cantonese): *Sorry. Thank you, President.*

I wish to remind the Secretary that at about the same time last year, the application for funding for the XRL project was made. Many Members wanted to monitor the Government, so as to enable this incident to be resolved satisfactorily. There were also some 10 000 people besieging the Legislative Council outside. At one point, you said you wanted to leave because you were afraid of those people, that is, you dared not face them. Today, in asking this urgent question, I am actually fulfilling the duties of a Member on that day.

I wish to point out one thing to the Secretary. You have said so much but now there is still a group of residents of CYT who do not agree with what you said. I am not one of them, so I cannot speak on their behalf here today. However, I wish to point out that the village has lost its site and farmers, their land. Even if just one villager cannot get reasonable compensation in the course of building the XRL and as a result, social conflicts arise, this is not right. May I ask the Secretary if she can have an open dialogue with them? Can you read out in front of them the reply you have given here today? This is a crucial issue. I will not lobby you on their behalf here. I hope the Secretary can respond to the demands made by Members, including me, who approved the

funding for the Government to build the XRL on that day, by having an open, fair and equal dialogue with the villagers. I hope the Secretary can do this. I wonder if you would come down from your high horse, go into this group of residents, read this reply out and have discussions with them. This is what a humane way of handling is about, that is, to get down to an interpersonal level and meet them face to face

PRESIDENT (in Cantonese): Mr LEUNG, if you have already put your supplementary question, please let the Secretary reply.

MR LEUNG KWOK-HUNG (in Cantonese): *No, I wish to explain that there are many sides to human nature, including cunning, slander, breach of trust and betrayal*

PRESIDENT (in Cantonese): I believe you have already put your supplementary question.

MR LEUNG KWOK-HUNG (in Cantonese): *So, which aspect of human nature do you want to espouse?*

PRESIDENT (in Cantonese): Will the Secretary please answer?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, the information in this regard, the account on the progress or the explanation on the progress or our approach in land resumption given by us here today is given in an open manner and can be heard by all people. This is also an open pledge that was not made only today. We have talked about it with the villagers a number of times previously.

What I wish to say is that our present ways of communication and liaison are actually effective and humane because each family and each household has different circumstances. Of course, 50 households have opted for collective agricultural resite but many households — over 100 — have other plans. Some

of them have moved out while others are in the process of making arrangements for moving. We will continue to communicate and liaise with each household and villager. We believe the communication or liaison now is appropriate as well as humane. Moreover, it can also cater to their individual needs. In some cases, there are concerns about privacy and it is also possible to address them. My colleagues and I will continue to do our utmost patiently, in the hope that we can fulfil the pledge that we have all along abided by — and I stress "all along" — that is, to provide resources and opportunities and offer the most suitable rehousing plans according to the wishes and needs of CYT villagers and those of each family and each household as far as possible.

MR LEUNG KWOK-HUNG (in Cantonese): *President, she has not answered my supplementary question. May I ask her to enlighten me on whether or not employing police officers, excavators, bulldozers and*

PRESIDENT (in Cantonese): Mr LEUNG, you can only repeat the part of your supplementary question that has not been answered.

MR LEUNG KWOK-HUNG (in Cantonese): *May I ask her what is meant by "handling in a humane manner"? In fact, the drift of my entire supplementary question is to ask her if she would come down from her high horse to have an equal, open and fair dialogue with villagers. This is the drift of my supplementary question*

PRESIDENT (in Cantonese): There is nothing wrong with what you said.

MR LEUNG KWOK-HUNG (in Cantonese): *..... she said she did not answer whether she would or not.*

PRESIDENT (in Cantonese): I have already heard this very clearly. Please sit down.

MR LEUNG KWOK-HUNG (in Cantonese): *If this is effective now, it may be even more effective in the future*

PRESIDENT (in Cantonese): Mr LEUNG, please sit down.

MR LEUNG KWOK-HUNG (in Cantonese): *Thank you.*

PRESIDENT (in Cantonese): I have heard it very clearly and your supplementary question asks the Secretary if she would have a direct dialogue with the villagers and deliver this speech to them. I think the Secretary has already answered your supplementary question. Of course, you can be dissatisfied with it, but we cannot open a discussion here.

MR ABRAHAM SHEK (in Cantonese): *President, first, I declare that I am a Director of the MTRCL and that this is a project of the MTRCL. President, just now, I heard the reply given by the Secretary to the question and I agree very much with her that this time, she has indeed offered land resumption compensations that exceed the normal amount. I fully support the adoption of a humane approach. I know that the Secretary has paid a visit to CYT. In past land resumptions, never has any senior official or directorate grade officer made any visit to the sites concerned. Since this project has been delayed by six months, may I ask the Secretary if the time of completion of the XRL will be affected? If yes, how great will the impact be? Second, can*

PRESIDENT (in Cantonese): Mr Abraham SHEK, you can ask only one question.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, at present, we must keep a good control on the time. The reason for handling this matter in periods and phases is to enable us to carry out some preparatory work first after villagers have handed over their land voluntarily. We must follow the schedule of the project in handling this matter. As regards a

group of villagers who opted for collective agricultural resite, we have actually made it clear a number of times that we will first take possession of — not their land but the land of other villagers who have moved out voluntarily. For this reason, in the next few months, arrangements for them to build houses will be made. We will discuss a proposal with them. We will definitely sit down and discuss together with them how their house building arrangements can be catered to as far as possible without affecting the schedule of the entire XRL project.

MR LEE WING-TAT (in Cantonese): *President, two months ago, I paid a visit to those farming households in CYT. In fact, some of them had not been rehoused, mainly because they do not own any land, nor do they have any licence. Actually, these people only want to move into PRH and I have already referred these cases to the Secretary. Many of these tenants really deserve our sympathy. However, from time to time, the Secretary would say to me that perhaps they should be asked to move into interim housing before moving into rental units eventually. I do not think that under this so-called humane approach, it is that difficult to provide rental units to these 20 to 30 farming households. They do not want to receive compensation, nor are they asking anything much, so why can this problem not be solved despite the passage of two months and as a result, these people are still being tormented by anxiety?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, we are talking about here 40 or so households that are tenants in CYT and have applied for PRH or interim housing. In fact, some 20 households have already moved out or are in the process of doing so. Most of them have moved into PRH or interim housing, while some have rented other places on their own. In addition, some 10 households are considering the PRH or interim housing units allocated by the Housing Department.

As far as I know, many of them have demanded that they be allocated larger units but they do not meet the relevant requirements. Concerning the allocation of large or small units in PRH or interim housing, we have laid down clear requirements, so it is very difficult to accede to their demand of moving into larger units. If we do, it will be unfair to other residents in PRH and interim housing. There are also about 10 households that wish to move into PRH but do not meet the relevant requirements, for example, they do not meet the

requirements of the comprehensive means test. We think that it is difficult to accede to the demands of these villagers as it will be unfair to members of the public who are waiting for PRH. They can consider moving into interim housing or accepting a removal allowance.

If there are compassionate cases — I have also told Mr LEE that when necessary, we can make a compassionate arrangements and we are very willing to follow up those cases. However, we must follow up together with the Social Welfare Department whether or not there are compassionate cases among them before we can process their applications. Otherwise, we will still handle them in accordance with the existing mechanism.

MR LEE WING-TAT (in Cantonese): *President, my supplementary question is: When talking about a humane approach, why must those 10 households with incomes slightly higher than the ceiling be required to live several months in interim housing in Tuen Mun before they can move into PRH? Is it really that difficult? President, is it that difficult to let these 10 households move into PRH?*

PRESIDENT (in Cantonese): Mr LEE, I think the Secretary has already given a very clear reply and this is the way the authorities handle this matter. Obviously, you do not agree with the comments made by the Secretary, but I believe you also understand that we cannot conduct a debate here. The Secretary has already answered your supplementary question.

MR ALBERT CHAN (in Cantonese): *President, just now, the Secretary said that the schedule was tight. Each time, when the schedules of such public works projects were tight, the general public would certainly be victimized. They would often be sacrificed. Back then, the Wah Kai Industrial Centre was also resumed due to the construction of the West Rail. For more than a decade, some tenants of the Wah Kai Industrial Centre have had to see psychiatrists due to the land resumption and even now, a family of four is still receiving treatment. Some tenants went bankrupt and one of them even ended up killing himself. All these arose due to the land resumption. Back then, in the land resumption on Chek Lap Kok*

PRESIDENT (in Cantonese): Mr CHAN, please ask your supplementary question.

MR ALBERT CHAN (in Cantonese): *President, I will ask my supplementary question shortly. An old farmer was forced to move to Yuen Long and he languished and died within the short span of a year. President, after his dog was moved to Yuen Long, because of failed adaptation to the surroundings, it stopped eating and drinking and starved to death. Therefore, each relocation exercise has an impact on the residents and their family members. How can the Secretary ensure that the mechanism, administrative arrangements and policies for land resumption for the XRL project this time around will not lead to tragedies in CYT, as happened a number of times in the past?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, in fact, I have already pointed out in my main reply that be it in principle or the approach, we are resuming the land in phases. We will take possession of villagers' land only when they have moved out or handed back the land voluntarily. Regarding those who are still making plans for moving, we will also continue to monitor their situation. For example, if they have opted for collective agricultural resite and if they have bought the land, they will have a timetable and if it is convenient for all parties, we are prepared to sit down and discuss with them. We have also conveyed this message to them a number of times. If there are households with special needs, for example, in cases involving elderly people, in fact, we have social workers to follow up the relevant cases.

Generally speaking, I hope Members can see from my main reply that we are sincere and striving to do a good job in various areas. On compensation, be it for the land or as allowance, we have offered a total of \$250 million in compensation, so on average, each person can receive \$500,000 in compensation. They can even buy HOS flats. If they opt for collective agricultural resite, we are also prepared to take complementary measures in licensing and the overall arrangements for moving. I think all these measures show that we hope the approach on land resumption can be humane and generally speaking, this is a

win-win proposal that can give the villagers the greatest flexibility, as it can cater to their needs and also let them choose the most suitable rehousing option.

MR ALBERT CHAN (in Cantonese): *President, I asked the Secretary how she could ensure that this kind of tragedies would not happen again because the pledge made by the Secretary just now was also made by the officials concerned in a number of land resumption exercises in the past. How actually is this promise different from those in the past? How can it be ensured that such tragedies as bankruptcies and suicides will not happen again?*

PRESIDENT (in Cantonese): Mr CHAN, as in the case of the supplementary questions raised by the two Members just now, I believe the Secretary has already replied to you. The Government believes that those measures are adequate, but Members think otherwise. I think Members can only follow this up on other occasions.

I understand that a number of Members are concerned about this subject and there are still five Members waiting to ask questions. However, just like oral questions in general, urgent questions are also subject to the Rules of Procedure. Since we have already spent over 26 minutes on this urgent question, the asking of questions has to stop here. If necessary, Members have to follow this up through other channels.

PRESIDENT (in Cantonese): First question.

Review of Implementation of Section 39E of Inland Revenue Ordinance by Joint Liaison Committee on Taxation

1. **DR LAM TAI-FAI** (in Cantonese): *President, the Secretary for Financial Services and the Treasury indicated in February this year that a review of the implementation of section 39E of the Inland Revenue Ordinance (section 39E) would be conducted through the Joint Liaison Committee on Taxation (JLCT). It has been learnt that the JLCT had completed the review months ago and submitted its review report and recommendations to the Bureau, but time and*

again in his replies to the questions raised by Members of this Council, the Secretary for Financial Services and the Treasury only indicated that the authorities would complete the study as soon as practicable. In this connection, will the Government inform this Council:

- (a) of the exact date of receipt of the aforesaid JLCT report by the authorities, the reasons for not disclosing the receipt of the report and not publicizing its contents all along, and when they will publicize the contents of the report to the public;
- (b) of the meaning of the word "practicable" used by the Secretary for Financial Services and the Treasury as referred above; and
- (c) whether it has assessed the negative impact on the commerce and industry sector if there is delay in or mishandling of the review of section 39E, and how the Secretary for Financial Services and the Treasury, as a principal official under the accountability system, should be held responsible; if it has, of the details; if it has not, the reasons for that?

PRESIDENT (in Cantonese): I believe other Members have gained a much better understanding of section 39E as I do now. *(Laughter)*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President,

- (a), (b) and (c)

Over the past year, Dr LAM Tai-fai proposed on a number of occasions at the Legislative Council to relax section 39E of the Inland Revenue Ordinance (IRO) in order to allow Hong Kong enterprises engaging in "import processing" arrangements to claim depreciation allowances for machinery and plant made available for use by the Mainland enterprises rent-free. We have repeatedly reiterated that since section 39E is an anti-avoidance provision, relaxing the relevant restriction would affect the completeness of the

anti-avoidance provisions in the IRO. There are also practical difficulties in implementation and the provision could easily be abused.

Nevertheless, we are pleased to explore further whether there is room to relax section 39E of the IRO. Hence, in March this year, we invited the JLCT to study the relevant issue so as to see if at the technical level, there are practical and feasible options that could comply with the taxation principles while relaxing section 39E. Subsequently, in June this year, the JLCT submitted its advice on the matter to the Administration. We are grateful for the JLCT's views.

After due consideration, we find that the JLCT's proposal in respect of some of the traders' request for relaxing section 39E is not in line with Hong Kong's established taxation principles of "territorial source" and "tax symmetry". Besides, the JLCT has not proposed effective measures to plug possible tax avoidance loopholes. The JLCT also recommends that when there is an adjustment to the rental charge of the machinery and plant involved in a rent-free leasing arrangement of a Hong Kong enterprise, the Inland Revenue Department (IRD) of Hong Kong should not claw back the proposed depreciation allowances as a result of such adjustment. We have grave concerns about this. I shall now explain in detail why we could not accept the proposal.

All along, Hong Kong enterprises point out that there is no fundamental change in operation after they have upgraded and restructured their processing trade in the Mainland from "contract processing" to "import processing". From the taxation perspective, we do not agree to such a view. Under "contract processing", Hong Kong enterprises have to participate in the production activities in the Mainland in various ways, and are responsible for supplying all necessary raw materials and production equipment. The "contract processing factories" of the Mainland are basically responsible for processing the raw materials according to the instructions and requirements of the Hong Kong enterprises. The finished products so produced belong to the Hong Kong enterprises. The Mainland authorities strictly require that the finished products under "contract

processing" should all be exported. The expenses incurred by the Hong Kong enterprises in conducting the production activities under "contract processing" in the Mainland, and the profits derived from such production activities are all reflected in the accounts of the Hong Kong enterprises. Based on the "territorial source" and "tax symmetry" principles, we allow the Hong Kong enterprises engaging in "contract processing" to apportion their profits on a 50:50 basis for assessment of Hong Kong profits tax. Accordingly, we allow 50% deduction of expenses incurred by these Hong Kong enterprises, including depreciation for machinery and plant used in the Mainland, for generating the above taxable profits.

However, under "import processing", the Mainland enterprises, which are responsible for the Mainland production activities, are independent legal entities. These Mainland enterprises have to pay for importing raw materials and to install production equipment as needed. The finished products belong to the Mainland enterprises and it is their responsibility to arrange for domestic sale or export of their finished products. The Hong Kong enterprises maintain the buyer/seller relationship with their Mainland counterparts. The taxable profits of the Hong Kong enterprises in Hong Kong are derived from their trading transactions. Since the profits derived from the production activities in the Mainland do not belong to the Hong Kong enterprises, such profits would not be reflected in the accounts of the Hong Kong enterprises. As a result, the IRD would not charge profits tax on the Hong Kong enterprises in relation to the Mainland production activities. Based on the "tax symmetry" principle, depreciation allowances for the machinery and plant solely used in the production activities would not be granted. According to the "territorial source" principle, we could not apportion part of the profits of the Mainland enterprises derived from the production activities and transfer such to the Hong Kong enterprises for assessment of Hong Kong profits tax.

According to our understanding, in the course of upgrading and restructuring the processing trade in the Mainland, considerable Hong Kong enterprises have opted to transfer the title of their machinery and plant to the newly established Mainland enterprises

as capital injection. For some Hong Kong enterprises which have provided machinery and plant to the newly established Mainland enterprises at a rent, they have to pay business tax and income tax in the Mainland as their rental income is taxable profits in the Mainland.

As for machinery and plant provided for use by the Mainland enterprises rent-free under "import processing", we are worried that if we accede to the request of some enterprises and provide depreciation allowances in Hong Kong for such machinery and plant, we may be perceived as encouraging transfer pricing which would affect the taxing rights of Hong Kong and other tax jurisdictions (including the Mainland). This would violate the international principles and guidelines for handling transfer pricing and Hong Kong would be regarded as a harmful tax competitor. The so-called transfer pricing refers to the arrangement where Party A provides Party B with raw materials or equipment at a price lower than the market level and in return Party A procures finished products from Party B at a price below market level. Such arrangement would transfer Party B's profits to Party A, thereby reducing the taxable profits of Party B. In other words, the tax authorities of Party B would suffer tax loss as a result of such arrangement.

On this score, I have to point out that with the globalization of world economy in recent years, cross-border economic activities have increased significantly. The Organisation for Economic Co-operation and Development and the tax authorities around the world are all increasingly concerned about the transfer pricing issue arising from cross-border trading activities between associated enterprises. These transactions, which do not reflect market price, would affect the taxing rights of the tax authorities. There is consensus among the tax authorities to prevent transfer pricing arrangements as far as possible in order to protect their respective tax revenue.

Given that the Hong Kong enterprises and the Mainland enterprises are associated parties in many cases, we have to be extremely careful

in considering the request for relaxing section 39E so as to avoid any perception that we are acting in violation of the "arm's length principle", and that we are in a way encouraging transfer pricing arrangements disapproved by the tax authorities around the world.

In fact, for transfer pricing arrangements between associated enterprises of the Mainland and Hong Kong, according to the comprehensive avoidance of double taxation agreement (CDTA) between Hong Kong and the Mainland, the Mainland tax authorities can make adjustments to the amount of tax payable according to the "arm's length principle" and the IRD has an obligation to make corresponding adjustments to the amount of tax charged in Hong Kong.

If the Administration were to relax section 39E to allow the Hong Kong enterprises to claim depreciation allowances for machinery and plant provided to the Mainland enterprises rent-free, once the Mainland tax authorities detect transfer pricing arrangements and make adjustments to the tax payable by the Mainland enterprises according to the "arm's length principle" as it is considered that the Mainland enterprises should pay rent for such machinery and plant to the relevant Hong Kong enterprises, Hong Kong would end up suffer tax loss in two ways: on the one hand, as suggested by the JLCT, the IRD should not claw back the proposed depreciation allowances because of any rent deemed by the Mainland tax authorities; whereas under the CDTA between Hong Kong and the Mainland, the IRD has an obligation to make adjustments to the tax amount of the Hong Kong enterprises correspondingly.

President, as officials responsible for Hong Kong tax policy, we have to take into account the overall interests of all the taxpayers in making each and every policy decision. Based on the above considerations (particularly our long-held taxation principles), our review has come to a conclusion that there are no justifiable grounds to relax the existing restriction in section 39E.

DR LAM TAI-FAI (in Cantonese): *President, as you said earlier, colleagues in this Council have gained a fuller understanding of section 39E. However,*

Secretary Prof K C CHAN is still ignorant of the legislative intent of this provision. The Government still insists that relaxing the restriction in this provision will affect Hong Kong's tax revenue and there are also practical difficulties in implementation and the provision could easily be abused. As a result, the restriction will not be relaxed.

It is most saddening and unfair that the Secretary has taken the lead in looking upon business with hatred, perceiving all members of the commercial and industrial sector as harbouring the intentions of smuggling, avoiding tax and deliberately engaging in transfer pricing. This is extremely unfair to us. Moreover, without announcing the contents of the JLCT report, the authorities have dismissed the opinion of the JLCT experts, saying that they have failed to proposed measures to plug possible tax avoidance loopholes. In fact, the Secretary, not the JLCT, should be responsible for studying ways to plug these loopholes. I think the Secretary's repeated emphasis that relaxing the relevant restriction would give rise to tax avoidance loopholes is completely a superficial assumption of his. He has all along failed to present any justifications and data to explain why there will be tax avoidance loopholes. I would like to request the Secretary to present his justifications and data here to prove that his assumption is not imaginative and superficial and that relaxing the relevant restriction will give rise to serious tax avoidance loopholes.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I have already explained in detail my justifications in the main reply. Usually, my main reply would not be that long. I have provided a relatively comprehensive reply this time around because I hope to let Members know my considerations overall. I do not agree to Dr LAM Tai-fai's interpretation. I think that the majority of Hong Kong businessmen are law-abiding, and this is why a lot of places welcome them to make investments there. In studying section 39E, we cannot but address the issue of transfer pricing squarely. We do not hope to impress other tax jurisdictions as acting in violation of the "arm's length principle" and in a way giving rise to tax avoidance loopholes, thus making it possible for other tax jurisdictions to suffer tax loss. In handling this issue, we have taken into account the taxation principles of Hong Kong and other tax jurisdictions, the "arm's length principle" and our practice.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

DR LAM TAI-FAI (in Cantonese): *The Secretary has failed completely to present justifications and data to support his assumption. His assumption is based on his personal judgment, made behind closed doors.*

PRESIDENT (in Cantonese): Dr LAM, I agree with the Secretary's comment that he has already presented his justifications in the main reply. As for the data requested by you, the Secretary has not provided specific figures in the main reply. Secretary, the Member is requesting some supporting data. In this connection, are there any data you can provide?

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I am not clear about the data requested by the Honourable Member. If he is requesting hypothetical data, I am afraid I cannot provide any.

MR PAUL CHAN (in Cantonese): *President, insofar as the Secretary's main reply is concerned, I think the contents of certain parts are specious, showing that the Government does not actually understand commercial operation and has even magnified the issue infinitely to scare people. For instance, it is stated in the fourth paragraph of the main reply that the Administration allows the Hong Kong enterprises engaging in "contract processing" to apportion their profits on a 50:50 basis for assessment of Hong Kong profits tax. However, I wish to point out that Hong Kong businesses are not required to pay tax in the Mainland for the 50% profits.*

Furthermore, in the fifth paragraph of the main reply, the Secretary mentioned the profits derived from the relevant production activities and trading transactions. In my opinion, such a simple bisection reflects that the Government does not understand the actual situation. As regards why I think that the issue has been magnified infinitely in certain parts of the main reply, let us examine the ninth paragraph of the main reply. According to that paragraph,

if the relevant restriction is relaxed, the Administration would give people the perception that it is acting in violation of the "arm's length principle", and that it is in a way encouraging transfer pricing arrangements disapproved by the tax authorities of various places — I looked up the English version of the reply and found that it is referring to tax authorities around the world. I think that we must note one point, that is, this involves the arrangement between Hong Kong and the Mainland, not other places in the world. Nevertheless, President, I do not think it is appropriate for us to discuss these technical issues here. On the contrary, I wish to ask the Secretary these questions — the same questions were also raised by Dr LAM Tai-fai in the main question — When did the Administration receive the JLCT report? When did the authorities give the JLCT a reply in relation to the report? What was the JLCT's response after receiving the reply? President, if the authorities made the above response when a reply has yet to be given to the JLCT, is it not in line with procedural justice?

PRESIDENT (in Cantonese): Although Mr CHAN has raised several questions, they are related to the communication between the JLCT and the Government. I would like to remind Members that if they mention the contents of the main reply in raising their questions, they should treat the contents of the main reply only as the background or basis of the questions raised by them. If Members refute the Government's replies point by point, I can hardly disallow government officials from responding to Members' criticism. In that case, the question time will become a debate. I hope Members can refrain from doing by all means.

Secretary, please answer Mr Paul CHAN's supplementary question.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): I respect the President's remark, and so I will not debate the issues raised by Mr Paul CHAN. I think a clear explanation has already been given in the main reply. Mr Paul CHAN is well versed in taxation matters, which can be studied and discussed on other occasions. As for the proposal put forward by the JLCT, we received it in June this year, and we have studied and analysed it subsequently. We will inform the JLCT today of our decision on the relevant proposal, that is the decision of not accepting the JLCT's proposal, as stated in the main reply.

MR PAUL CHAN (in Cantonese): *The JLCT has yet to be given the opportunity to read and respond to your arguments.*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, the JLCT has analysed the relevant issue for us and advised us on the issue. As stated in the main reply, after studying the JLCT's advice, we considered that some loopholes could not be plugged and that section 39E could not be relaxed because of some new viewpoints put forward by the JLCT.

MR LEUNG YIU-CHUNG (in Cantonese): *President, the main reply given by the Secretary today is indeed very detailed. However, I find that he was not answering the question. I think Dr LAM mainly asked about whether the authorities had had any in-depth communication with the sectors. But unfortunately, it transpired that communication was poor. May I ask whether the Secretary has conducted any face-to-face discussions, rather than written dialogues, with the sectors? It is stated in the main reply that the JLCT has not proposed effective measures to plug possible tax avoidance loopholes. In this connection, have the authorities conducted any face-to-face communication and exchanges with the sectors to discuss in an in-depth manner ways to resolve the relevant issues?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I believe Mr LEUNG may not understand the situation. Not only have we had correspondences with this Council, we have also made a lot of efforts on other fronts. Both the colleagues in the IRD and I have conducted a lot of communication in great detail with the sectors through different opportunities, whereas the sectors have also presented very detailed submissions to us. I hope Mr LEUNG can understand that tax changes are not made solely at the request of the sectors. We will address the sectors' request squarely and analyse it in detail. As stated by me in the main reply, in studying the sectors' request, we must carefully consider the principles of the entire tax system and the international obligations among different tax jurisdictions. I have clearly explained in detail our justifications in the main reply. I hope Honourable Members can understand them.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR LEUNG YIU-CHUNG (in Cantonese): *President, the Secretary has not answered my supplementary question. Just now, Dr LAM thought or criticized that the Secretary did not understand the situation. My question is: Has the Secretary personally conducted any face-to-face communication with the sectors?*

PRESIDENT (in Cantonese): Mr LEUNG, your question is very clear.

MR LEUNG YIU-CHUNG (in Cantonese): *Has he conducted any face-to-face communication with the sectors?*

PRESIDENT (in Cantonese): It seems to me that I heard the Secretary answer this question just now. Perhaps the Secretary may answer this question again: Have you personally conducted any face-to-face communication with the sectors?

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): I have actually conducted face-to-face communication with the sectors not just once, but numerous times.

MS EMILY LAU (in Cantonese): *President, we have no idea whether the Secretary has rejected all of the JLCT's proposals or accepted some of them. In view of this, will the Secretary consider publicizing the JLCT report? Furthermore, I also agree that tax changes are not made solely at the request of the sectors. What I wish to ask is: During the entire process, have the sectors or the JLCT mentioned whether amending section 39E is in line with the public interest of, for instance, creating more job opportunities or bringing more benefits to Hong Kong?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I would like to thank Ms LAU for raising this question. I am grateful to the JLCT for its submission of the report which carried its proposals to the Government. We must obtain its consent before publicizing the report. In studying whether taxation amendments can be made, we will definitely consider economic benefits and the request of the sectors. Of course, policies must be formulated according to taxation principles. The complexity of amending section 39E is attributed to the fact that cross-border activities between the Mainland and Hong Kong are involved. As to the question of whether the relevant activities should be regarded as trading transactions or production activities, we have some principles to follow. After consideration and in accordance with an internationally recognized principle and Hong Kong's established taxation principle of "territorial source", we consider that section 39E should not be amended, as a relatively fundamental issue is involved.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MS EMILY LAU (in Cantonese): *President, my question is: Has the JLCT studied or suggested in what way the overall public interest can be benefited by amending section 39E?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Thanks to Ms LAU for her question. As far as I remember, it seems that the JLCT has not conducted any analysis on the issue of public interest in particular. However, in considering whether amendments should be made, we have taken into account public interest in relation to the overall tax revenue in addition to the aspirations and interest of the sectors.

PRESIDENT (in Cantonese): We have spent 23 minutes 30 seconds on this question. Although the Secretary spent relatively more time on the main reply earlier, I think we may have to stop here. Second question.

Permissible Limit of Absence from Hong Kong for Old Age Allowance Recipients

2. **MR WONG KWOK-KIN** (in Cantonese): *President, over the past few years, the various sectors in the community have all along been concerned about the permissible limit of absence from Hong Kong (absence limit) for Old Age Allowance (OAA). Meanwhile, the Chief Executive announced in his Policy Address delivered on 13 October 2010 that the absence limit for OAA recipients under the Social Security Allowance (SSA) Scheme would be relaxed so that the minimum residence period in Hong Kong would be reduced from 90 to 60 days. In this connection, will the Government inform this Council:*

- (a) *whether the authorities have statistics on how many, on average, of those elderly who move from Hong Kong to reside on the Mainland each year at present are eligible for the OAA and, among them, how many of them have applied for the OAA;*
- (b) *given that the authorities have indicated that as a judicial review of the existing policy is underway, they will consider whether to remove the absence limit for OAA recipients when the situation becomes clearer, whether the authorities have planned when they will announce whether or not to remove the absence limit after the judicial review case is closed; and*
- (c) *whether the Social Welfare Department (SWD) had received requests for assistance in the past three years from Hong Kong residents residing on the Mainland that they had no place to live when they returned to Hong Kong to apply for the OAA, and how the SWD will help the elderly persons who encounter such difficulties in the coming year?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): *President, the SSA Scheme comprises OAA and Disability Allowance (DA). As it is a non-contributory and largely non-means-tested social security scheme funded entirely by general revenue, the current policy requires, as a matter of principle, that recipients must regard Hong Kong as their place of residence and be subject to an absence limit, which is 240 days in a payment year at present.*

There are calls in the community for relaxing the absence limit for OAA recipients. In response to these calls, and given the projection that Hong Kong's population will become more mobile in future, the Administration has, after a thorough review, proposed to substantially increase the absence limit to 305 days, and correspondingly reduce the minimum residence period for entitlement to the absence limit from 90 to 60 days. The minimum residence period of 60 days is set having regard to the definition of "Mobile Resident" captured in the "Hong Kong Resident Population" compiled by the Census and Statistics Department (C&SD). The new arrangement will also apply to DA recipients.

We briefed the Panel on Welfare Services on the new arrangement earlier this month. The new arrangement is expected to take effect from February next year if it is approved by the Finance Committee next month.

My reply to the different parts of Mr WONG Kwok-kin's question is set out below:

- (a) The Government does not keep statistics of elders having moved from Hong Kong to reside on the Mainland each year. However, according to a survey conducted by the C&SD in 2007, about 88 000 Hong Kong residents then aged 65 or above resided or stayed substantially on the Mainland, that is, residing on the Mainland for at least one month during the six months before the reference time-point of the survey.

Of the 88 000 residents mentioned above, 26 000 and 62 000 had reached the eligible age of Normal OAA and Higher OAA respectively. Of these, 40 000 were OAA recipients and 18 000 were Comprehensive Social Security Assistance (CSSA) recipients. The latter included 3 000 recipients who had joined the Portable CSSA Scheme.

Since the C&SD did not collect in the survey information on the asset levels of respondents, and we do not have any information on the respondents' duration of stay in Hong Kong each year now and then, we are unable to estimate how many of the remaining 30 000 elders are eligible for the OAA.

- (b) As pointed out by Mr WONG Kwok-kin, the existing policy on absence limits under the social security schemes is being challenged by way of judicial review. We will consider the way forward when the situation becomes clearer. Given the many uncertainties, at this stage we can only promise to complete the related work as soon as possible. That said, we have already embarked on a feasibility study to examine the merit of introducing a maintenance allowance for elders who choose to retire on the Mainland, and the legal, financial and technical issues involved.
- (c) The SWD does not keep statistics of Hong Kong residents residing on the Mainland who have sought assistance because they have no place to live when returning to Hong Kong to apply for the OAA. In fact, in order to be eligible for the OAA, OAA applicants must have resided in Hong Kong continuously for at least one year immediately before the date of application. Applicants therefore should have a place to live in Hong Kong.

Generally speaking, for a Hong Kong resident who has lost his residence owing to natural disaster, financial hardship, family crisis, and so on, and requires immediate government assistance, the SWD will consider the actual circumstances of the assistance seeker (including whether he can stay with his family, whether he has an appropriate carer, his supporting network and disposable resources, and so on), and provide him with appropriate assistance such as short-term financial assistance for the purposes of meeting rental payments and expenses of moving homes, arranging for admission to urban hostels for single persons and temporary shelters, and so on.

MR WONG KWOK-KIN (in Cantonese): *President, the Government should have a service mentality and help these elderly persons in need of help so that they can enjoy their due rights, instead of invoking a large number of laws in a cold-blooded manner, saying that they can only get it when they have met the requirements. So I hope that the Secretary can say whether the Government has ever thought about how these elderly persons who cannot get the OAA can be helped under the present circumstances so that they can obtain the OAA?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Thanks Mr WONG for his efforts on this issue. As a matter of fact, we are both standing on the same front, for we all want to help the elderly persons as much as possible. The Policy Address this year has sketched a blueprint of work by the Government in this regard, highlighting how this problem should be addressed.

First, with respect to the judicial review, as I said just now, once the proceedings are over, we would think about the way ahead. Although we are facing the challenge of a judicial review, we are still acting in a pragmatic and resolute manner. After taking into account the three factors of the law, the justifications and the compassionate grounds, we have relaxed the absence limit and recipients need only stay in the territory for a period of 60 days before they are eligible for full payment of the OAA for the year. This shows our sincerity and our commitment. We appreciate the aspirations of the elders and we also know perfectly well that Mr WONG, the Hong Kong Federation of Trade Unions (FTU) and the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) have all fought a long time on this issue. We are dealing with the issue in a pragmatic manner.

Apart from relaxing the absence limit — this can well be said to be a stop-gap and pragmatic measure — we will see what should be done over the long run. So the second point is that we are studying whether or not elderly persons can be given an allowance if they so choose to retire on the Mainland. Would this solve the problem of the restrictions of the OAA and the limitations of that policy? This is a new idea, and it really proves that we have new thinking in serving the public.

Third, the Steering Committee on Population Policy chaired by the Chief Secretary for Administration has pledged to study how elders who have returned to retire on the Mainland can be helped by a package of government initiatives including those in healthcare. In tandem with the integration between Hong Kong and Guangdong, more and more people are returning to retire in Guangdong Province. Can we not think along this line to see how these elders can be helped? As a matter of fact, we are exploring ways of helping elderly persons in a comprehensive and multi-faceted manner. So please give us some room and time, for we are really thinking in the same way as you do, for we also hope that some breakthrough measures can be devised.

MR WONG SING-CHI (in Cantonese): *President, the Secretary said in his main reply that the C&SD did not collect in the survey any information on the asset levels of respondents and that certain statistics were not kept. Despite these, the Secretary said that a feasibility study has already launched "to examine the merit of introducing a maintenance allowance for elders who choose to retire on the Mainland". President, the question is that the Government has not done any collection of information and there are no relevant data, but it said that a study has been launched. Secretary, may I ask you how do you embark on your study? You have not begun any collection of information and there was no such information in the past. Although there is no information, you are saying that a study is being undertaken. Are you lying? You have not the least bit of sincerity to consider the issue at all and what you are doing now is to put up the reason of a judicial review and talk about some policy direction casually. Would you really carry out this study on the policy on elderly persons returning to the Mainland for retirement? You are saying that a study has begun, but where have you got the information?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, thank you, Mr WONG. We are definitely not procrastinating, no, not at all. You can see our sincerity, and our starting point is most pragmatic.

The first thing we do is to handle this question of the OAA. We have relaxed the absence limit to 305 days, that is, provided that an elderly person has resided in Hong Kong for 60 days, he or she is eligible for payment of the OAA for that year. As for the second step, which is work being carried out in parallel, given the integration between Hong Kong and Guangdong, we will examine whether or not this proposal of paying out a maintenance allowance to elders who have returned to the Mainland can be finalized. Third, the Steering Committee on Population Policy headed by the Chief Secretary for Administration will study how matching measures can be devised in concert with the Mainland. This is our plan in the overall and macro perspectives.

As for data, we have to look at this question from three aspects. First, we have to make sure whether it would work under the law because the laws are very important. If we want to roll out a new initiative, we have to see if it is justified in law. So we have already begun work regarding legal issues. Second, you are right in saying that in terms of the data, the Committee led by the Chief Secretary will go in line with the way forward and work on it, and it has begun to

collect data. So we are walking on three legs, so to speak. The first is about the OAA and we have made a practical move by relaxing the absence limit and that has already been put into practice. The second is a long-term examination of the issue, carrying with it a vision. The third is a macro initiative and it includes matching healthcare measures. This is because for elders living on the Mainland, the most important thing besides finance is healthcare. It is in the area of healthcare that we will face the greatest challenge. We are presently studying the matching healthcare measures.

So, in reply to the question raised by the Member, we have actually started working.

MR IP WAI-MING (in Cantonese): *On the reply given by the Secretary, I agree very much that we are standing on the same front, but I would think that the Secretary was not really answering the question raised by Mr WONG Kwok-kin. We were talking about the OAA and we also agreed that studies should be undertaken on the issue of elderly persons returning to their hometowns for retirement. But we think that this is a different issue from the OAA.*

The Secretary said in the main reply that the existing policy is being challenged by way of a judicial review. Actually, if the Government can do it right away, it needs not care about the result of the judicial review. Therefore, I wish to ask the Government this question. If the result of the judicial review is that the Government wins the case, will the Government not intend to undertake any further review of the absence limit in response to our demand, that is, abolishing the absence limit? We think that this is an entirely different issue from returning to one's hometown for retirement.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I think they are cognate, being different ways to achieve the same end. They are related. Their aim is to benefit the elders. Regardless of the means, the most important thing is that the end is achieved, that the elders can benefit. The aim of the OAA and the maintenance allowance is to help the elders in a practical way. So you can see that we are walking on a number of legs, all meant to do something concrete. We are not doing anything abstract and impractical. We

hope that some practical means can be devised. However, we would need time for the study.

Why can we not make more comments at a time when there is a judicial review underway? That is because some judicial proceedings are underway and it is not proper for us to make too many comments and talk about our views on the matter. But we are sincere and we hope that once the matter is settled, we can explore the way forward. So we have not waited for the result of the judicial review and relaxed the required period of residence in Hong Kong to 60 days. We understand what the elderly persons want and so the move is made right away. We will do something at once as far as possible. We have therefore employed the greatest degree of flexibility to answer the aspirations of the elderly.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR IP WAI-MING (in Cantonese): *I did not hear actually, what I asked was President, I know that the requirement has been relaxed to 60 days, but I was asking The Secretary said that since a judicial review was underway, it was not proper to make any comments. But I was asking him*

PRESIDENT (in Cantonese): Please repeat your question.

MR IP WAI-MING (in Cantonese): *My question is, after the Government has won the lawsuit — suppose the result of the judicial review is that the Government wins — will the Secretary engage in such explorations at once or continue with them, that is, abolishing the 60-day requirement, that is, completely abolishing the absence limit for the OAA?*

PRESIDENT (in Cantonese): Secretary, the Member's question is clear enough.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I have replied clearly in the main reply that once the situation becomes clearer, we will consider the way forward as soon as possible. This is our position.

PRESIDENT (in Cantonese): I feel a bit baffled. If it is said "walking on two legs", that I can understand. But if it is said "walking on three legs" or "walking on a number of legs", that could be a challenge for human beings. *(Laughter)*

MR FREDERICK FUNG (in Cantonese): *I would like to ask the Secretary President, you really do have a sense of humour. All the Members are laughing. Retiring on the Mainland is a policy of another kind and that does not exist now. But the OAA is a policy that exists. Even if the Government says that the requirement has been reduced from 90 days to 60 days, I would like to ask the Government — of course, the result of the judicial review is not yet known, but if the other party wins, then it will be no more. Before the result comes out, can the Government consider revising this requirement of 60 days to any period between one and 30 days?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Thanks to Mr FUNG for the question. Sometime ago, I had explained on various occasions and in this Chamber why it had to be 60 days. Our rationale is to follow the definition of "Mobile Resident" as set by the C&SD. By "Mobile Resident", it means a person who has resided in Hong Kong for at least one month before the reference time-point of the survey or during the six months after it. The payment of the OAA which I have just talked about is calculated on a yearly basis. So the approach we take is flexible and it applies to all people who have resided in Hong Kong for a period of 60 days. They are eligible for payment for the whole year. This is a more flexible approach. And it is in line with the definition of "Mobile Resident" laid down by the C&SD.

PRESIDENT (in Cantonese): Is your supplementary question not answered?

MR FREDERICK FUNG (in Cantonese): *No. I was asking him whether it can be reduced to any period between one and 30 days, but he only said*

PRESIDENT (in Cantonese): Secretary, that is simple. The Member asks whether it can be reduced to any period from one to 30 days.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): We have thought over this question carefully and formed the view that at this point a period of 60 days would be a reasonable requirement. This is because we require them to take Hong Kong as a place of residence and it also complies with the definition of "Mobile Resident" laid down by the C&SD.

DR PAN PEY-CHYOU (in Cantonese): *President, I think this so-called 60-day rule as the Secretary has said is meant to peg with the definition of "Mobile Resident" of the C&SD. But these two things are totally unrelated. May I ask if there is any other justification for this 60-day rule? As we all know, Hong Kong people all have an ID card and it shows that they are permanent residents of Hong Kong. Would that be a stronger rationale in law? If these elderly persons have a Hong Kong ID card, are they not more justifiably entitled to the OAA?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I wish to thank Dr PAN for his question. This is a question of a profound nature. If all elderly persons holding an ID card are entitled to the OAA, then those who live in overseas places, like Australia, the United States or Canada, can come back to Hong Kong at any time. Should we pay out the allowance to them? We mean those who have links with Hong Kong, that is, those who take Hong Kong as their place of residence. Since we have this requirement, so our policy is so positioned that there should be a 60-day residence requirement. Holding an ID card is not the point here. This is because an ID card holder can come back to Hong Kong irrespective of their place of residence. Hence, we only stipulate that it should be the Mainland. I think Members should understand this.

With respect to this, I have given an explanation before. Since 1987, 660 000 Hong Kong residents have emigrated overseas — to a foreign country, not the Mainland. These 660 000 people can use their ID card and enter or depart from Hong Kong and we do not know about it. If this is cited as the justification and they are included in the net, then we have to take care of them. In view of this, we had better consider it carefully.

MS LI FUNG-YING (in Cantonese): *President, I agree with the Secretary who said that both the maintenance allowance and the OAA seek to help the elders. May I ask the Secretary whether he would study the issue of universal retirement protection at the same time?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): *President, this question has, I am afraid, deviated from the main question. But I would try to give a brief reply. The Central Policy Unit is presently studying this issue. With respect to universal retirement protection, we have three pillars and they are very familiar to Members, so I would not repeat them. One of the pillars is the existing social security system. At present, more than half of the around 470 000 SSA cases are related to elderly recipients. The second pillar is the Mandatory Provident Fund, and the third one is personal savings and family support. The Central Policy Unit is looking into the sustainability and long-term situation of these three pillars. Once a report on that is released, we will follow up as appropriate.*

MR CHEUNG KWOK-CHE (in Cantonese): *The Secretary mentioned just now the judicial review proceedings underway. But I think this is not related to the residence limit in question today. As far as I know, the judicial review is about the eligibility for application. But the people we are talking about have already made applications, only that the Government imposes a requirement on them to stay in Hong Kong for 60 days. This is the first point I wish clarified.*

Second, the Secretary said if the Hong Kong ID card were used as a justification, then the scope might be very wide. But we are talking about the ID cards of residents of Hong Kong, China; if they are Hong Kong residents living

in Australia, they are not residents of Hong Kong, China. As a matter of fact, abolishing this 60-day rule at once will not give rise to any problem at all. May I ask the Secretary if he is imposing this requirement to make the elderly persons ineligible and so save money for the Government?

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Thanks to Mr CHEUNG for the question. Two issues are involved here. First, I have to make a clarification on the point raised by Mr CHEUNG earlier, that a complete abolition of the 60-day rule would not give rise to any problems. My answer is: yes, there will be problems instead of no problems. Our policy is so positioned that the recipients should have ties with Hong Kong and take Hong Kong as a place of residence. If they are not required to come back to Hong Kong, then Hong Kong cannot be their place of residence. This is the first point. One of the two legs, so to speak, would be broken. The policy itself would be crippled.

Second, Mr CHEUNG talked about ID cards. I think Dr PAN only referred to Hong Kong ID cards, not ID cards of Australia, the United Kingdom or Singapore. Hong Kong is a place of free access and people now can go through customs through the e-channels, on verification of their finger-prints. We cannot ask people who return to Hong Kong whether or not they have lived on the Mainland. That is impossible. So Mr CHEUNG should understand that we are not doing this for the sake of saving money. As I have just said, we have to make things clear in law. About the judicial review that is ongoing, what we have to face may be a challenge to the residence period. But we should not forget that a number of elderly persons have obtained legal aid and we cannot rule out the possibility that they will lodge a complaint in other aspects. This is because we require them to reside in Hong Kong for a year before they make the application. And they should be in Hong Kong when they make the application and after their application is approved. So there are two points of control. With respect to the residence period, we have reduced it to 60 days. There are the residence period and absence limit. So we have to wait until the situation gets clearer before we make a decision.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR CHEUNG KWOK-CHE (in Cantonese): *President, I think he has got that mixed up. I hope*

PRESIDENT (in Cantonese): Please repeat your question.

MR CHEUNG KWOK-CHE (in Cantonese): *I was just saying that if the requirement was reduced to 60 days only, that is actually a contravention of the judicial review*

PRESIDENT (in Cantonese): Please repeat your question.

MR CHEUNG KWOK-CHE (in Cantonese): *He should not have cited the judicial review in reply to this question, for that confuses the matter*

PRESIDENT (in Cantonese): Mr CHEUNG, please repeat clearly the part which you think the Secretary has not answered.

MR CHEUNG KWOK-CHE (in Cantonese): *He has not replied whether it is intended to save money. (Laughter)*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, instead of saying that I want to save money, I had better say that reducing the absence limit to 305 days is a bold move, taking into account the demands of the elderly. Mr CHEUNG is right. Since a judicial review is underway, the normal practice for the Government is to wait and see how things would develop, instead of taking any action. But we are not doing that. We want to be

practical and we really want to help the elders. Like Members from the FTU, the DAB and other Members, we hope to do the best we can. We are doing this with all our heart, step by step. We hope to help them. So Mr CHEUNG, you can see that we have taken a pragmatic move. But I also agree completely with Members that we should do more. And we will certainly take action when the situation becomes clearer.

PRESIDENT (in Cantonese): We have spent more than 22 minutes and 30 seconds on this question. Questions from Members will have to stop here. Third Question.

Barrier-free Facilities Provided in Properties Under The Link Real Estate Investment Trust

3. **MR LAU KONG-WAH** (in Cantonese): *President, it has been learnt that The Link Real Estate Investment Trust (The Link REIT), after taking over the 180 properties (including shopping centres, fresh markets and car park facilities) from the Hong Kong Housing Authority (HA) in 2005, has vigorously renovated its facilities to increase their rental value, but has not actively dealt with the problem of insufficient barrier-free facilities in its properties for the convenience of people with disabilities and the elderly. In this connection, will the Government inform this Council:*

- (a) *whether it has compiled statistics on the number of properties of The Link REIT (including shopping centres, fresh markets and car park facilities, and so on) which do not have up-to-standard barrier-free facilities; if it has, whether it knows the percentage of the number of such properties in the total number of properties under The Link REIT and where such properties are mainly located;*
- (b) *whether it knows, among the properties in part (a) which have substandard barrier-free facilities, the number of properties for which The Link REIT has completed or commenced improvement works; whether improvement will also be made to the remaining properties; the specific plan, timetable and latest progress of such improvement works; and whether The Link REIT will reduce rents*

for those properties for which it has no plan for implementing improvement works; and

- (c) *whether it knows that there are barriers for people with disabilities in the barrier-free facilities in some of The Link REIT's properties, for instance, some toilets for the wheelchair-bound can only be accessed via staircases, and to use elevators, users must first push open smoke doors, and so on; whether the authorities will urge The Link REIT to re-examine and improve all the facilities in its properties from the perspective of users and create a genuine barrier-free environment so as to fulfill its corporate social responsibility?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese):

President, after the HA divested its 180 commercial and car-parking facilities through the listing of The Link REIT in November 2005, The Link REIT has become a private organization which is entirely independent of the Government and the HA, and the management of its properties is currently taken up by The Link Management Limited (LML). The Government and the HA will not and cannot intervene in the day-to-day operation and business management of the LML. Just like any other private organization, the LML must ensure that the operation of The Link REIT and its properties are in compliance with the statutory requirements under relevant ordinances, including the Disability Discrimination Ordinance (DDO) (Cap. 487) and the Buildings Ordinance (BO) (Cap. 123).

As regards the compliance with the DDO, the Equal Opportunities Commission (EOC), being the independent statutory body for the enforcement of the DDO, will accept, process and follow up complaints about barrier-free facilities. This is to ensure that the premises which will be used and accessed by the people with disabilities in general can provide accessible facilities for the people with disabilities in a non-discriminatory manner, enabling them to access the premises and obtain the services therein on equal grounds. Any proposed new structures and proposed alterations or additions to the existing structures must comply with the prevailing requirements under the BO, its subsidiary legislation, and other codes of practice issued by the Building Authority (BA) pursuant to the BO including the "Design Manual: Barrier Free Access 2008"

(Design Manual 2008) which set out the requirements for the provision of barrier-free access and facilities.

The first two parts of Mr LAU's question involve the private properties of The Link REIT managed by the LML. As mentioned above, The Link REIT has become a private organization upon listing, and it is entirely independent of the Government and the HA. The Government and the HA have no involvement in the day-to-day operation and management of the properties of The Link REIT which is taken up by the LML. As such, the Administration has not kept any relevant information. However, in view of Mr LAU's concerns, we have enquired with the LML in this respect. Having consolidated the information provided by the LML and the reply from the Labour and Welfare Bureau in respect of its policy purview, my responses to the three parts of the question are as follows.

- (a) According to the LML, the 180 commercial properties (including shopping centres, markets and car parks) under The Link REIT were built in different years. At the time of construction, these properties all complied with the relevant prevailing requirements for the provision of barrier-free facilities. As things have progressed over the years and people's needs have changed, the LML has carried out a number of repairs and minor improvement works for the properties since 2005 when it took up the management work. Furthermore, in carrying out the renovation works for the shopping centres, the LML will make reference to the latest codes of practice and standards for the provision of barrier-free access and facilities, including the Design Manual 2008 issued by the BA, so that comprehensive, large-scale improvement works can be implemented for the provision of additional barrier-free facilities in its shopping centres to enable those in need to use its commercial facilities.
- (b) According to the LML, renovations have been completed in 17 shopping centres so far. For commercial facilities which have not been included in the renovation programmes, the LML has recently finished a preliminary review. After taking into account the latest standards and requirements for the provision of barrier-free access and facilities as well as the views of the EOC, the LML will

formulate a comprehensive overall improvement works programme in collaboration with experts in barrier-free facilities by end of 2010.

The overall improvement works programme will cover all the commercial properties of The Link REIT. According to the LML, the barrier-free facilities in the commercial properties of The Link REIT will be upgraded to the latest standards as far as reasonable and practicable. Moreover, the LML will continue to keep in close contact with the EOC and organizations for the people with disabilities and listen to their views to ensure that the improvement measures meet their needs.

- (c) As mentioned above, the LML has to ensure that the properties under The Link REIT are conformed to the statutory requirements under relevant ordinances, including the DDO. As the independent statutory body for the enforcement of the DDO, the EOC will follow up complaints about barrier-free facilities to make sure that the premises which will be used and accessed by the people with disabilities in general can provide accessible facilities for the people with disabilities in a non-discriminatory manner, enabling them to access the premises and obtain the services therein on equal grounds. We understand that the LML is now actively following up the recommendations and views on the eight shopping centres and car parks previously surveyed by the EOC, and the LML has started the improvement works for the barrier-free access and facilities in the eight shopping centres and car parks concerned. According to the LML, the company has informed the EOC of the progress of the improvement works concerned, and will maintain contact with the EOC in this respect. Also, according to the LML, the company has informed the EOC of its direction and policy on improvement and provision of barrier-free access and facilities in future, and has taken the initiative to invite the EOC to assist in training its staff members, in order to improve their understanding and implementation on the DDO.

We understand that the EOC will continue to maintain contact with the LML and keep a close watch on the enhancement for barrier-free

facilities in the commercial properties of The Link REIT so that those facilities can meet the users' needs.

Indeed, it has all along been the policy objective of the Government to provide a barrier-free environment for the people with disabilities and those in need with a view to enabling them to live independently and integrate into the community. To this end, the Labour and Welfare Bureau will continue to promote, through various channels, the importance of a barrier-free environment to the community at large.

As most of the commercial facilities under The Link REIT are located in public rental housing (PRH) estates, PRH tenants do predominantly use such facilities. In this connection, the Housing Department (HD) will continue to convey tenants' views on The Link REIT's facilities, including their aspirations on the provision and use of barrier-free access and facilities, to the LML through regular working meetings. The HD will also continue to encourage and urge the LML to fulfil its corporate social responsibilities to provide barrier-free access in the commercial facilities of The Link REIT for the people with disabilities and those in need, thus facilitating the use of the facilities by these people in a barrier-free manner.

I would like to reiterate that The Link REIT being a private organization, is entirely independent of the Government and the HA. The Government and the HA are not involved in its day-to-day operation and management. As such, the Administration only obtained the above information on the improvement works for The Link REIT's properties from the LML in response to Mr LAU's question. The Administration does not keep such information.

MR LAU KONG-WAH (in Cantonese): *President, more than 1 million PRH tenants are living near the shopping centres of The Link REIT, and these tenants will use the shopping centres. So, I think it is necessary for the Government to duly pay attention to this issue. In part (b) of her main reply, the Secretary pointed out that the LML will formulate a comprehensive overall improvement*

works programme by the end of this year and this, of course, means that certain progress has been made. But I would like to know more about this. With regard to the 17 renovation projects completed by the LML, do they all include barrier-free facilities? Or, will these facilities be provided in the renovation of commercial facilities in future? If the LML will not carry out renovation works at commercial properties with lower patronage, is it still possible to provide barrier-free facilities there?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, those 17 renovation projects are required to conform to the prevailing requirements of the BO, and they are required to comply with the Design Manual 2008 which I have just mentioned. Certainly, the new facilities to be provided in future must be up to the prevailing standards for barrier-free facilities at the time. Their compliance with the prevailing requirements is a must.

MR TAM YIU-CHUNG (in Cantonese): *President, in the beginning and at the end of her main reply, Secretary Eva CHENG strongly emphasized that the LML is a private organization and that the Government has no involvement in its day-to-day operation and management. But the point is, as stated in the main reply, the relevant ordinances of the Government, such as the BO and DDO, as well as the Design Manual 2008 have set out various requirements, and the relevant government departments must enforce the requirements and exercise monitoring on the organization and the shopping centres to ascertain whether they have met the requirements. This is the responsibility of the Government. Furthermore, as the Secretary also mentioned in the main reply, the HD will continue to convey the views of PRH tenants to the LML through regular work meetings. Why did the Secretary, in her reply, say on the one hand that the Government has nothing to do with it but mention on the other the responsibility that the Government has actually taken up, though it may not be the responsibility of Secretary Eva CHENG, but the responsibility of other Directors of Bureaux? I would like to know why the main reply is contradictory in such a way.*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, although the LML is an organization which operates independently, we

are actually like neighbours, as PRH and shopping centres managed by the LML are indeed closely related. For this reason, when renovations and alterations are carried out for the integrated barrier-free access and facilities connecting the two kinds of buildings, we always work very closely with each other. For instance, we will have communication and discussion with them regularly and we will jointly conduct site inspections of such works. Another example is that there must be connectivity in the tactile guide paths from the housing estate to the shopping centre. We will work with them to effectively carry out work in this respect.

The HD is aware that the LML has maintained contact with organizations of people with disabilities and consulted their views on such works. After selecting a certain shopping centre for renovation, the LML has to submit applications. For example, they are required to obtain the approval of the regulatory body for structural works. The BA has already transferred its power to vet and approve the relevant plans of HA properties to the Independent Checking Unit of the HD. This is the vetting and approval process. With regard to the selection of properties for inclusion in the renovation programmes, according to the information provided to us by the LML, they will, after listening to the views of the EOC, draw up an overall improvement works programme by end of 2010 with the assistance of experts in this field. This step is taken on their own initiative, not at the instruction of the HA.

MR FRED LI (in Cantonese): *President, the Secretary should be aware that of these 180 properties, shopping centres are part of the life of PRH tenants, and there are many elderly people, people with disabilities and recipients of Comprehensive Social Security Assistance living in PRH estates. The views that I have received are mainly about wheelchair-bound tenants or tenants who need walking aids encountering great difficulties in accessing the shopping centres, because the two door panels made of glass in LML's shopping centres are designed to be pulled open manually, not automatically. It is downright impossible for the wheelchair-bound to pull the door open by themselves to enter the shopping centre and as their wheelchairs are mostly manually operated, not electrically operated, it is all the more difficult for them to enter the shopping centres. This problem has existed for a long time but the LML has all along neglected it. The Administration is duty-bound to take care of the PRH tenants. Can the Secretary discuss with the LML the problems encountered by the tenants*

in accessing the shopping centres (I do not mean the tactile guide paths) and urge the LML to make improvement?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, we have all along maintained communication with the LML in this respect. If Members have found such cases in any shopping centre, they can specifically bring them to our attention. I also understand that the LML has communicated with Members individually, but if Members would like us to reflect such cases, we would be glad to do so.

From what the LML has told us, they will formulate a comprehensive overall improvement works programme in collaboration with experts in barrier-free access by end of 2010. Moreover, they have also listened to the views of the EOC and will step up efforts in training their staff members and meeting the relevant requirements. I think we all wish to do more in concert in respect of barrier-free access for the convenience of PRH tenants and users of the shopping centres managed by the LML.

MR FREDERICK FUNG (in Cantonese): *President, let me first declare that I am a member of the EOC. I am, of course, aware of how the discussion with the LML is going on. But in the course of the discussion, I think some points have been omitted and I would like to convey views to the LML through the official channel.*

Firstly, some toilets have very limited space, and while a user can enter it, he cannot leave, especially when the wheelchair-bound want to leave the toilet, the very limited space in the toilet makes it difficult for the wheelchair to turn and so, they simply cannot open the door and leave.

Secondly, the EOC no longer uses the Chinese term "無障礙通道" for barrier-free access. Instead, it uses "無障礙通達". The reason is that the people with disabilities refer not only to people with disabilities involving the four limbs, but also people with visual impairment, hearing impairment and mental disabilities, and we have found that people with these types of disabilities are not taken care of in many government buildings. Let me cite an example. Some emergency exits or fire escapes are fitted with flashing signals but the visually

impaired just cannot see them, so I hope that audible devices can also be retrofitted. Another example is the signs used to show the locations of toilets. Their design has become more and more beautiful, and also more and more creative, which is originally a good thing, but it is difficult for people with intellectual disabilities to understand them. It is because when voluntary organizations have taught them how to distinguish between toilets for males and those for females, these signs have nevertheless been changed to be showing a pipe or a dress, and it is impossible for them to understand that a pipe is equivalent to a men's toilet. I hope the Administration can have an overall guideline for works relating to barrier-free access, and this may have to supersede the 2008

PRESIDENT (in Cantonese): Please state your supplementary question direct.

MR FREDERICK FUNG (in Cantonese): *My question is: Has the Administration thought about this?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, in respect of barrier-free access, I think the Labour and Welfare Bureau will formulate an overall policy and measures in response. As for the points raised by the Member just now concerning audible signals, the size of toilet, or signs which can be understood by people with intellectual disabilities, we are glad to reflect them to the LML.

DR PAN PEY-CHYOU (in Cantonese): *President, many people are concerned about the LML. They think that its shopping centres have not only failed to facilitate use by the people with disabilities, but also kept out the poor.*

The Secretary's reply has time and again stressed that the Government is in no position to monitor the LML. But in view of so many criticisms and calls asking them to improve their barrier-free access, may I ask the Government whether it will come up with other ways to put pressure on the LML and see to it that they take steps to meet our expectations?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I think the report of the EOC carries weight. It is also convincing, because we can see that the LML has responded positively. For instance, the EOC has put forward views on the eight car parks and shopping centres of the LML, and the LML has started the improvement works for barrier-free access in these eight shopping centres and car parks, and it will also formulate an overall improvement works programme in consultation with experts. Hardware aside, for software such as staff training, the LML has invited the EOC to assist in training its staff members, so as to improve their understanding of how the various stipulations for the assistance of people with disabilities in the DDO can be implemented effectively. We can see that the LML has responded positively in many aspects.

PRESIDENT (in Cantonese): Dr PAN, has your supplementary not been answered?

DR PAN PEY-CHYOU (in Cantonese): *President, the Secretary's reply seems to suggest great satisfaction with the present situation. I would like to know whether there will be new initiatives and new practices to put a bit more pressure on the LML.*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, as we already mentioned in the main reply, the HD will continue to encourage and urge the LML to fulfil its corporate social responsibilities, particularly in relation to the provision of barrier-free access and facilities for people with disabilities and those in need, both being users of their facilities. We will continue to follow up the work of the LML.

PRESIDENT (in Cantonese): We have spent almost 21 minutes on this question. Fourth question.

Counting of Meal Breaks as Paid Time

4. **MR FRED LI** (in Cantonese): *President, recently, it has been widely reported by the media that a large fast-food chain restaurant in Hong Kong*

cancelled paid meal break for its staff using the reason that it was gearing up for the Minimum Wage Ordinance (MWO) that uses the actual hours worked as a basis for calculating wages, which in the end might result in a reduction of wages for its staff. This incident was subsequently settled when the employer was willing to make concessions. However, it has been learnt that the contracts signed between the service contractors of the Government and their employees have also stipulated that meal breaks are not included in calculating wages. In this connection, will the Government inform this Council:

- (a) whether the Government has assessed if its practice of allowing its service contractors to stipulate in their employment contracts the exclusion of meal breaks in calculating wages will set an example for other employers in Hong Kong; if it has, of the results of the assessment; if not, the reasons for that;*
- (b) whether the Government will consider requesting its service contractors to include employees' meal breaks as paid time so as to safeguard labour interests; if it will, of the details; if not, the reasons for that; and*
- (c) given that it has been reported that the incident of the cancellation of staff's paid meal breaks by the aforesaid fast-food chain restaurant has led to serious repercussions in the community, whether the Government will reconsider stipulating in the Employment Ordinance and the MWO that employees' meal breaks be included as paid time; if so, of the details; if not, the reasons for that?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, the Government has all along been committed to protecting the rights and benefits of non-skilled workers employed by government service contractors, and has implemented a series of mandatory requirements for tender assessment and measures to strengthen the monitoring of contractors to safeguard the wages and benefits of these workers.

Since May 2004, in respect of government service contracts (excluding construction service contracts) relying heavily on the deployment of non-skilled workers, all procurement departments and Trading Funds should ensure that the

monthly wages paid by contractors to their non-skilled workers are not less than the average monthly wages for the relevant industries/occupations as published in the latest Census and Statistics Department's Quarterly Report of Wage and Payroll Statistics.

In April 2005, the Government introduced the Standard Employment Contract (SEC). Since then, it is a mandatory requirement for government service contractors to sign the SEC with their non-skilled workers. The SEC sets out clearly the monthly wages, working hours and method of wage payment, and so on, with a view to enhancing protection to employees.

My reply to the three parts of the question raised by Mr Fred LI is set out below:

- (a) The SEC for government service contractors is silent, I stress silent, on whether meal breaks should be paid. In fact, like enterprises in the private sector, at the time of signing the SEC, contractors and their workers can negotiate and agree on the terms of employment such as working hours, including arrangements and any payment for meal breaks having regard to the nature of work, characteristics of the industries and operational needs of the company. After a contractor and his employees have entered into employment terms specifying that meal breaks are part of the working hours, the employer shall not unilaterally vary or remove such employment terms without the consent of employees.
- (b) According to the MWO, if an employee is, during his meal breaks, in attendance at a place of employment in accordance with the contract of employment or with the agreement or at the direction of the employer, such time shall be included in the hours worked by the employee for computing statutory minimum wage, irrespective of whether he is provided with work or not. At present, the SEC sets out clearly the monthly wages and working hours, and so on, of outsourced workers. As statutory minimum wage would be computed on an hourly basis, to ensure that wages received by the outsourced workers comply with the requirements of the MWO, we are reviewing the terms of the SEC to see if any corresponding revisions are required.

- (c) All along, employers and employees can agree on their employment terms having regard to the circumstances of individual enterprises and personal needs of employees, including whether meal breaks constitute hours worked by employees, and whether they are remunerated or not.

Although the Employment Ordinance does not regulate meal breaks, as mentioned in part (a) of this reply, after an employer and his employees have included meal breaks as hours worked by the employees in accordance with their employment contracts or agreements, the employer shall not unilaterally vary or remove such contractual terms or agreements concerning working hours.

In the course of scrutinizing the Minimum Wage Bill in the last Legislative Session, the Bills Committee of the Legislative Council had thoroughly deliberated whether meal breaks should be counted in computing statutory minimum wage. After rounds of deliberation, the MWO as ultimately passed has stipulated the circumstances under which meal breaks should constitute hours worked for the purpose of computing statutory minimum wage, as explained in part (b) of this reply. Moreover, if meal breaks are regarded as working hours of the employee according to his employment contract or agreement with his employer, such hours should also be taken into account in computing statutory minimum wage.

With the divergent circumstances of individual industries and enterprises, as well as the different personal needs of employees, and given that whether or not meal breaks should constitute hours worked and be remunerated are employment terms to be agreed between employers and employees, it would be inappropriate to regulate the matter across the board by law. In fact, quite a number of economies with statutory minimum wage in place (for example, the United States, the United Kingdom, Australia, Japan, South Korea, Mainland China and Taiwan) neither require employers to pay statutory minimum wage during their employees' meal breaks nor stipulate that meal breaks should be remunerated under their minimum wage legislation.

MR FRED LI (in Cantonese): *President, following the row over the Café de Coral incident, has the Government made any preliminary assessment on whether similar incidents or a spate of such incidents will occur during the period of time before and after the full implementation of the minimum wage, and how will the authorities deal with such problems?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, thanks to Mr LI for his question. Actually, we are keenly concerned about the incident and we have paid close attention to its development. First of all, I wish to stress that minimum wage is a novelty we have never dealt with before, and so we need a period of time for adaptation. In this regard, I think a few things need to be done: First, we have to remind employers — I have already explained this clearly in the main reply — if arrangements for lunch breaks or meal breaks have already been stipulated in the employment contract, the employer shall not make any variation to the relevant terms without adequate consultation with and obtaining a consensus from his employees. This is very important. Any unilateral variation of contract terms by the employer will constitute a breach of the Employment Ordinance. This is vitally important.

Second, if employees consider that their rights and interests have been undermined, they should seek help from the Labour Department (LD) without hesitation. We will definitely provide co-ordination and intervene in the case to ensure that their rights and interests under the labour legislation will not be undermined. Besides, we consider education, publicity and promotion vitally important because it is something new and many people do not have a thorough understanding of it. At present, many people are paid at a monthly rate, but the statutory minimum wage will be computed on an hourly basis in the future because statutory minimum wage is computed on an hourly basis. Therefore, during the transitional period, there are bound to be matters which require clarification. We will strive to provide guidelines for different circumstances at the meeting of the Legislative Council Panel on Manpower to be held in the middle of next month to facilitate understanding by employers and employees. Furthermore, as the practice adopted by different industries may vary, we will also discuss industry-specific guidelines with various industries through the relevant tripartite committees, and such guidelines will be introduced later. However, I think the employer still plays the most important role. We urge employers to give full regard to the feelings and morale of their employees, which

is vitally important. They should adequately consult their employees and give regard to their sense of belonging as a whole before introducing any changes. Therefore, in the days to come, apart from conducting education and publicity programmes, we will also enhance enforcement. The legislation will come into operation on 1 May next year, and we will increase the number of inspectors accordingly to carry out enforcement duties. We have already made preparation for situations that may arise before and after the implementation of the legislation, yet we still hope Members will help spread this message to the community.

MR IP WAI-MING (in Cantonese): *In his main reply, the Secretary has evaded Mr Fred LI's question, that is, whether the Government will introduce amendments to the Employment Ordinance to enable employees to enjoy paid meal breaks. I have this question for the Secretary. Many government services, not only outsourced services as far as I know, there are still some Model Scale 1 staff in the Government who are also not entitled to paid meal breaks. Before introducing the relevant legislation, that is, before introducing legislation to require the provision of paid meal breaks, will the Government set an example by specifying in the future contracts granted to service contractors and revising the SEC to the effect that bidding contractors shall provide employees with paid meal breaks?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I have already explained clearly in part (a) of the main reply that regarding the existing arrangement on employees of government service contractors, our practice is completely modelled on the practice of the open market. Under the existing practice, if the service contractor considers it necessary to, for instance, deploy an employee to work in a remote place where he cannot possibly dine out, and thus has to take his meal at the place of employment, the employer and the employee may negotiate on the relevant arrangement. No regulation is imposed in this regard. In other words, the employer is allowed to do so. Therefore, Members have to understand that, and as I have already explained in the main reply, at the time of signing the contract, contractors and their employees can negotiate and agree on whether meal breaks constitute hours worked by employees and whether they are remunerated or not having regard to the nature of work, characteristics of the industries and operational needs of the company —

operational needs of the company are very important. However, it should be noted that there is a very important requirement under the MWO, that if it is clearly stipulated in the contract, whether it be offered by a government service contractor or an enterprise in the private sector, that the employee shall not leave his workplace during his meal breaks, or the employer also agrees or directs that the employee shall be in attendance at his workplace during that period of time, such time should still be counted in computing minimum wage, irrespective of whether he has to work or not, because it constitutes hours worked by the employee. We have already taken a big step forward. Members may recall that there was lengthy discussion on this point at meetings of the relevant Bills Committee. This is already a significant improvement and employees' basic rights and interests will be protected. In the situation mentioned just now, meal breaks must be remunerated, that is, they must be included in computing minimum wage. Members have to appreciate that it is not a matter of whether the Government will set an example, but a matter of the general atmosphere. We must ensure that contractors have room to deal with this issue with their employees having regard to the actual circumstances.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR IP WAI-MING (in Cantonese): *He has not given any answer.*

PRESIDENT (in Cantonese): Mr IP, please repeat the part of your supplementary question that you think the Secretary has not answered.

MR IP WAI-MING (in Cantonese): *Will the Government specify in the tender document that contractors must provide employees with paid meal breaks? Certainly, I know that both sides are now*

PRESIDENT (in Cantonese): You have already repeated the part of your supplementary question that has not been answered. Actually, I think the Secretary has already given an answer just now. Secretary, the Member's

question is whether this requirement will be prescribed tender documents in the future.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): I have already made it very clear just now that room is now available for employers and employees to deal with this issue having regard to the actual circumstances and characteristics of the industries. I have already explained it clearly.

MR WONG SING-CHI (in Cantonese): *President, in his reply just now, the Secretary has actually not answered Mr IP Wai-ming's question. He just said there is room for employers and employees to deal with this issue. However, from the Café de Coral incident, the Secretary may note that members of the community are very concerned about the issue of meal breaks during working hours. Now, the question is whether the Secretary will encourage more employers to allow their employees to enjoy paid meal breaks during working hours. Therefore, may I ask the Secretary whether he will promote the use of scrupulous approaches among employers? In particular, will the Government adopt approaches of a scrupulous employer and examine ways to ascertain the occupations, with regard to its outsourced services, in which employees should be entitled to paid meal breaks? Will he conduct studies in this regard and help contractors clearly define their employees' right to paid meal breaks?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): At present, some government service contractors have already counted meal breaks as hours worked by employees having regard to the actual operation of the companies, as I said just now. However, Members must understand that as circumstances of different contractors may vary, we must make allowance and give them flexibility. This is vitally important.

MR IP KWOK-HIM (in Cantonese): *Actually, President, I am also very concerned about part (c), that is, the issue of meal breaks. In the vast majority of existing employment contracts, wages are calculated on a monthly basis. However, with the implementation of the minimum wage legislation, wages shall be calculated on an hourly basis instead. Under this circumstance, will the*

Government consider consulting more organizations of different sectors to draw up a standard employment contract so as to gear up for the MWO and reduce cases similar to the Café de Coral incident, that is, problems caused by the lack of clear definitions in the past and revealed as a result of the changes brought about by the minimum wage legislation?

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Mr IP Wai-ming's idea is very good, and we are actually also working in this direction. As I said in the reply just now, we will introduce a series of guidelines, including some broad ones for general reference, to be followed by industry-specific ones. We will provide a document for Members' reference at the meeting of the Legislative Council Panel on Manpower on 16 December, and I hope Members will express their views on it. The proposed guideline will deal with more general issues such as the calculation of meal breaks. If employers have all along been providing their employees with paid meal breaks, they must carefully consider the feelings and morale of their employees and reach a consensus with them before making any changes. If financially capable, they should try to maintain the *status quo*. We encourage employers not to make any changes because changes in this regard will have a great impact on employees' morale.

Besides, we have also cautioned employers against the cost-effectiveness of cancelling paid meal breaks. Why? Because if the total working hours in the past were nine hours, for instance, they will become eight hours now, and so the average hourly wage will be increased, right? When the average hourly wage has been increased, the overtime pay may also be increased, which is tantamount to spoiling the ship for a halfpenny-worth of tar. Employers have to understand this. We will provide employers with a clear analysis of a host of information to show that this move will bring them more losses than gains. Actually, we should aim at caring for employees and treating them well. Therefore, Members were right in saying that we should definitely step up publicity, education and promotion, in particular, promotion on exemplary employers. This is the first point.

Secondly, apart from the guidelines, as I said just now, employees who think that their rights and interests are undermined may immediately seek help from the LD. We can intervene in the relevant cases, make clarifications and

assist in their liaison with the employer. Most importantly, however, we hope that employers and employees will enhance their communication and understanding during the six-month transitional period before the implementation of minimum wage. More importantly, when this new law is implemented, there are bound to be people who do not understand it clearly. Therefore, the LD will provide a wide spectrum of support and telephone hotline services or even place newspaper advertisements and issue press releases on it. For some time in the future, extensive publicity and education efforts will be made.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR IP KWOK-HIM (in Cantonese): *The Secretary has not answered whether a sample of the standard employment contract will be prepared.*

PRESIDENT (in Cantonese): Secretary, the Member asked whether a standard employment contract will be prepared.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, we will do so. Actually, our guideline will not simply be a guideline. We will include real examples to enable employers and employees to know what to do when similar situations arise, which aspects of the legislation require particular attention, which parts of the legislation set out employees' rights and interests and that assistance should be sought from the LD in case of doubt. We will explain different scenarios using real examples and cases to facilitate the public's understanding. The Honourable Member asked just now whether a standard employment contract will be drawn up. We would not say that there would be a standard employment contract. Rather, we will set out different scenarios for the easy reference of employers and employees because this is after all a novelty that has never been implemented before. We will introduce comprehensive complementary measures to facilitate adaptation to this new measure.

MR LEUNG YIU-CHUNG (in Cantonese): *President, the Café de Coral incident has reflected that members of the general public are very much concerned about this inhumane, unscrupulous practice. However, no one would have expected that the Government is also involved in such an unscrupulous, inhumane practice. Meal breaks of all public servants undertaking outdoor work and menial work and workers employed by service contractors are not counted as hours worked by employees. Does the Government also intend to be an unscrupulous, inhumane employer? May I ask the Secretary a question? Just now, he pointed out that the authorities have to provide continual encouragement, education and publicity targeted at employers, in the hope that they will refrain from adopting this practice. However, will the Secretary require the Civil Service Bureau or other relevant departments to refrain from adopting this inhumane, unscrupulous practice on civil servants and outsourced workers and provide them with paid meal breaks?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): I have given a clear explanation on the arrangements for meal breaks and whether they should be remunerated in the main reply. Actually, I have already given a clear account on them. I have explained in the main reply that meal breaks are not included in computing minimum wage not only in Hong Kong but also in a vast majority of countries in which minimum wage is in place. As a matter of fact, this is also the practice adopted in these countries. The Member's supplementary question is whether we should handle any special case that may arise. It is clearly stipulated in the MWO that if an employee is not allowed to leave his workplace during his meal break because the employer may require him to perform certain duties at any time during this period, such time must not be excluded in calculating the hours worked by the employee. Regarding the Government's practice, I have already explained it when I mentioned outsourced workers. As for civil servants, regarding the working hours required for different grades and the methods of calculation, the Government is currently adopting two different methods to calculate their total working hours and net working hours. According to information provided by the Civil Service Bureau, the Government has already taken into account a host of factors, including the nature of work and requirements of the relevant grades, the remuneration of comparable positions in the private sector and views of advisory bodies in the Government, before determining the remuneration of civil servants of different grades.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR LEUNG YIU-CHUNG (in Cantonese): *Because I have already pointed out that this practice is inhumane, unfair and unscrupulous.*

PRESIDENT (in Cantonese): Please repeat your supplementary question.

MR LEUNG YIU-CHUNG (in Cantonese): *I asked the Secretary whether he would relay to the Civil Service Bureau that this practice is unscrupulous and inhumane.*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I am certainly more than willing to relay the Member's view.

PRESIDENT (in Cantonese): We have spent almost 21 minutes on this question. Fifth question.

Protection of Privacy

5. **MR IP KWOK-HIM** (in Cantonese): *President, it has been reported that a video clip and some photos of a female member of the national diving team taken clandestinely with an infrared night-vision mode camcorder have recently been circulated on the Internet, which was a serious affront to the individual concerned and gave rise to the community's concern about the invasion of privacy by using camcorders and cameras with infrared recording function as well as other high-technology devices. In this connection, will the Government inform this Council:*

- (a) *whether it has imposed effective control of the sale, adaptation and use of high-technology devices such as infrared camcorders and*

cameras with "see-through" function; if so, of the details; if not, the reasons for that;

- (b) whether it has considered introducing legislation to combat the use of high-technology devices such as camcorders and cameras with infrared recording function to film images of another individual's body clandestinely and invade other people's privacy; if so, of the details; if not, the reasons for that; and*
- (c) given that major incidents involving invasion of other people's privacy occurred time and again on the Internet, whether the Government had assessed in the past three years if the measures in place to monitor the unlawful acts of privacy invasion on the Internet were sufficient to deter similar offences?*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President,

- (a) At present, there is no specific legislation or control on the sale, adaptation and use of infrared recording devices. The sale of such devices, like other commodities, is subject to regulatory control under ordinances such as the Trade Descriptions Ordinance and the Consumer Goods Safety Ordinance. These ordinances impose control for consumer protection (such as prohibiting traders from applying false trade descriptions to goods) and product safety.
- (b) According to the Data Protection Principle (DPP) 1 of the Personal Data (Privacy) Ordinance (PDPO), the data subject should be informed of whether it is voluntary for him or her to supply the data when his or her personal data are being collected, and the purpose for which the data are to be used. DPP 1 also specifies that personal data shall be collected by means which are fair in the circumstances of the case. If a person deliberately uses infrared recording devices to capture any other person's body part which he or she has no intention to show, such act may constitute a breach of the DPP 1. If any data user violates the above-mentioned DPP, the Privacy Commissioner for Personal Data (Privacy Commissioner)

may issue an enforcement notice directing him or her to remedy the contravention, including deleting the personal data (including images) which are unfairly collected. Any person who considers that his or her personal data privacy has been infringed can lodge a complaint with the Privacy Commissioner or shall be entitled to compensation from the data user under section 66 of the PDPO. The personal data privacy protection offered by the PDPO is not limited to data collection by any specific technology (such as infrared devices) but is applicable to different circumstances in accordance with the relevant statutory provisions.

Whether the body images captured by infrared recording devices are indecent or obscene and contravene the law will depend on the individual circumstances of the case. The publication of indecent articles is regulated under the existing Control of Obscene and Indecent Articles Ordinance (COIAO).

- (c) Hong Kong, as a community with free flow of information, has no specific legislation or control measures in respect of the Internet. Acts which infringe personal data privacy are subject to the regulation of the PDPO irrespective of whether or not the acts are conducted on the Internet.

Publishing articles on the Internet is subject to the regulation of the COIAO. In addition, the Television and Entertainment Licensing Authority (TELA) and the Hong Kong Internet Service Providers Association jointly issued a Code of Practice in 1997 after consultation with the public and the trade. The industry is encouraged to follow the Code of Practice. According to the Code of Practice, if indecent materials are found in a website, the TELA will request the website administrators to include a warning or remove the materials. If it is found that a website contains obscene content, the TELA will refer the case to the Hong Kong Police Force for follow up actions, including prosecution.

MR IP KWOK-HIM (in Cantonese): *President, first of all I have to clarify that I was not deputed by any Member of this Council to ask this question. I have to*

state in particular here that this question primarily aims at ensuring protection of Hong Kong people's privacy. This is my consideration.

As the video clip in question lasts for nearly 10 minutes, it has indeed caused very serious harm to the victim. I have clearly raised the point in part (c) of my question and hope that the Government would answer whether the current relevant legislation is able to achieve sufficient deterrent effect on such serious acts of privacy invasion on the Internet, and whether the current legislation is sufficient. In this regard, I hope the Secretary can give a clear answer again.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, our current relevant legislation has already provided for a mechanism to ultimately deal with such acts as criminal offences. If, after investigating a complaint, the PCPD orders the data user to delete or destroy certain images and the latter does not act in accordance with the enforcement notice, it may result in criminal prosecution being instituted against him by the authorities. In cases where the images involve obscene or indecent articles, the relevant legislation has also provided for the penalties. In the case of obscene articles, the maximum penalty is a fine of \$1,000,000 and imprisonment for three years. In the case of indecent articles, the offender shall, on a first conviction, be liable to a fine of \$400,000 and to imprisonment for one year and, on a second or subsequent conviction, to a fine of \$800,000 and to imprisonment for one year. Therefore, there is deterrent effect in criminal prosecution.

MR WONG YUNG-KAN (in Cantonese): *President, with regard to the question, may I ask the Government whether the police would proactively investigate and follow up the case concerned? If the police do not follow up, will the Office of the Privacy Commissioner for Personal Data (the Privacy Commissioner Office) do so? If the Privacy Commissioner Office does not handle it either, will the public be more convinced that the Privacy Commissioner Office lacks the necessary boldness and vigour?*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, I am grateful to all of you for your great concern about this

case and to the relevant law-enforcement departments for their follow-up. According to the TELA's preliminary findings, the video clip and photos mentioned are in fact stored at a website outside Hong Kong. If information shows that these photos and the video clip were uploaded from within Hong Kong, the relevant government departments will follow up in accordance with the COIAO, and in fact the TELA has referred this case to the police for follow-up, in order to find out whether the photos and the video clip concerned were uploaded from within Hong Kong. As such, follow-up actions have been taken in this regard.

As regards the Privacy Commissioner, in the past three years the Privacy Commissioner Office has received one complaint case about the taking of infrared photos, but it was difficult to determine whether the complaint was justified because of insufficient evidence. Therefore, all parties, be they the TELA, the police or the Privacy Commissioner Office, will handle the cases and complaints on an individual basis.

MS STARRY LEE (in Cantonese): *President, if part of the body that one does not want to expose is filmed by somebody with an infrared camcorder, and the photo is even uploaded onto the Internet for publication, it will indeed cause great harm to the victim. We still remember the nude pictures saga occurring some time ago. At that time, the police were very efficient in taking proactive steps. They even arrested the person who had uploaded the photos onto the Internet, and instituted prosecution against him. My understanding of the Secretary's reply just now is that since presently there is no evidence showing that these data were uploaded onto the Internet from within Hong Kong, the Government will not take the initiative to take action. This would inevitably give the public an impression of prejudicial treatment by the authorities. May I ask the Government in what circumstances the police will proactively initiate investigations into criminal cases involving privacy, and take high-profile actions?*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): *President, the Hong Kong Police Force are a disciplined service for rigorous law enforcement. Their reputation and years of achievement in law enforcement evident to all in the international community. Regarding the case*

that occurred a few years ago as Ms Starry LEE mentioned just now, the police have indeed actively followed up and brought the case to Court.

As regards the current case, the TELA has also referred it to the police, and it is being followed up. Therefore, for all the cases, be they past, current or future, the Hong Kong Police Force will certainly adhere to strict and impartial law enforcement.

MS STARRY LEE (in Cantonese): *The Secretary has not answered my question. In fact I asked about in what circumstances the police would take the initiative to conduct investigation and enforce the law. What the Secretary said just now is only about some basic concepts.*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, of course the Hong Kong Police Force will make their judgment on each individual case. However, their most important goal is to protect Hong Kong people's lives and property, as well as their personal rights.

MS AUDREY EU (in Cantonese): *President, this kind of camera or camcorder is sold not only in the Mainland or Hong Kong, but also other places. I saw on the Internet just now that in Canada there was a court decision on this kind of camcorder or camera, which stated that such device does not infringe on privacy. I do not know the details of the case in Canada, but may I ask the Government whether it has conducted any investigation on this kind of camcorder or camera, whether it has studied if regulations have been imposed on the purpose or use of such device in different parts of the world, and whether it will impose any regulation on the purpose of this kind of camera or camcorder in Hong Kong with reference to overseas practices? I have asked this question because very often it is not merely about what happens in the Mainland or the websites in the Mainland, but because we simply have no idea whether it will happen in Hong Kong tomorrow, and even though there was no evidence yesterday, there may be evidence today or tomorrow. Therefore, may I ask the Government whether it will conduct any research on this kind of camcorder or camera? If yes, what is the research about? If not, why not?*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, according to the information provided by the Electrical and Mechanical Services Department (EMSD), the infrared filming technology is not widely used in ordinary photography. The technological product makes use of the different wavelengths of light to take the image hidden behind a particular type of clothing material. It cannot be applied to all environments and clothing materials. When mounted with some accessories and put in the suitable environment, certain types of photographic equipment may be able to see through certain clothing materials to take pictures. This is the information provided by the experts of the EMSD. Anyway, will we enact legislation to deal with such infrared devices? While the colleagues in the Commerce and Economic Development Bureau are presently working on the Trade Descriptions Ordinance and the Consumer Goods Safety Ordinance, they are not going to introduce legislation specifically for infrared devices. At present, we still rely on the COIAO and invoke the Privacy Ordinance, where appropriate, for protection in this regard.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MS AUDREY EU (in Cantonese): *He has not answered two parts of my supplementary question. One part is: I asked him whether he had studied if other areas had imposed any regulatory control on the use of such items. In addition, if no study has been conducted in this regard, what is the reason? Does he think that the current legislation is already adequate? Or else, are there other reasons? I hope he can provide supplementary information. President, if he cannot give an oral supplementary reply now, he may wish to provide a written reply after the meeting.*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, what I can say is: colleagues in the Commerce and Economic Development Bureau will keep a close watch on the different products available in the market. Up to the present moment, they still have no plan to amend the Trade Descriptions Ordinance or the Consumer Goods Safety

Ordinance. However, we have taken note of Members' views and will relay them to the Commerce and Economic Development Bureau.

MR PAUL TSE (in Cantonese): *President, I believe that in the forthcoming Thanksgiving, one of the greatest controversies in the United States is that the visitors' privacy will be invaded by video-recording equipment when they clear customs and immigration checks. In addition, will there be many cases of privacy invasion and indecent assault in which visitors furiously yelled, "Don't touch my junk!", during a pat-down, like some American citizens do? Why do I say this? President, I find that the main reply has not responded to the core of the question. As we have said, taking certain eavesdropping devices as an example, the focus is of course not just on the use of such devices, invasion of privacy, or the upload onto the Internet, which results in greater harm, but rather on the issue of subjecting such equipment to control. In this regard, I share Ms Audrey EU's view. After all, have we now taken any measures or begun to adopt forward-looking ideas to do early preventive work in respect of such devices? I am not talking about the so-called Trade Descriptions Ordinance or Consumer Goods Safety Ordinance, nor the issue of quality non-compliance, but about whether such tools and devices are so sensitive in nature that it is necessary to start tackling them at source by imposing prohibition on the design of clandestine filming devices in terms of the level of complexity of the effect that a certain kind of function can achieve. Nothing but this is the solution to the problem. If the authorities dish out some legislation without consideration at all, of course that would not be the Secretary's problem, but I am afraid there is a very big loophole that needs to be immediately addressed and dealt with.*

PRESIDENT (in Cantonese): Mr TSE, I only heard you expressing your views.

MR PAUL TSE (in Cantonese): *The question is whether the Secretary will take this into consideration. The reply just now is about quality non-compliance. It was totally wide of the mark*

PRESIDENT (in Cantonese): What is your supplementary question?

MR PAUL TSE (in Cantonese): *Will he do something, or conduct some review or research in respect of the formal question?*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, I can give a reply on our principle, that is, as Hong Kong is a free market, we will not impose regulation on the sales of certain commodities without due consideration. However, if serious ills emerge in society, the SAR Government will certainly take heed and follow up. Regarding the issues raised today about infrared devices, we will address them in accordance with the existing Privacy Ordinance and the COIAO. As Members consider it necessary to continue to keep a close watch on the new changes and the emergence of new devices on the market, the SAR Government will certainly keep a close eye and also relay Members' views to the Commerce and Economic Development Bureau.

MR TAM YIU-CHUNG (in Cantonese): *President, given that the privacy invasion case has been widely reported, causing concern and worries among many women, but the Government's present reply said that it has no intention to impose any regulation on these infrared video-recording devices, how then can the authorities address the women's concern and put their minds at ease? Or else, what protective measures can be suggested to them?*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, as I said earlier on, under the COIAO, if anyone has committed such acts against women, the police and the TELA will follow up. The relevant penalties are quite severe. The current legislation has offered protection in this regard.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR TAM YIU-CHUNG (in Cantonese): *A reply is there, but it is a repetition of the previous reply. (Laughter) My question is: Women feel very worried, and*

you said that there are ordinances that offer protection, but as she has been filmed clandestinely, and the image has been uploaded onto the Internet, even the ordinances, if any, cannot help her. Then, are there any protective measures in place in this connection? This is the thrust of my question.

PRESIDENT (in Cantonese): Secretary, the Member asked whether there are protective measures in place.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, I think the penalties stipulated in existing legislation already have a deterrent effect.

PRESIDENT (in Cantonese): We have spent more than 20 minutes on this question. Last oral question now.

Measures to Combat Speculation on Residential Properties

6. **MR LEE WING-TAT** (in Cantonese): *President, with the appreciation of Renminbi, the low interest rates maintained by the Federal Reserve of the United States and its implementation of the second round of quantitative easing monetary measures, the market expects that these factors will trigger a massive inflow of hot money into Hong Kong, which will be invested in the residential property market and fuelled property speculation further. In this connection, will the Government inform this Council:*

- (a) *how the authorities will quantify the impact of the aforesaid situation on Hong Kong's residential property market;*
- (b) *whether the authorities will adopt the following measures to combat residential property speculation:*
 - (i) *requiring banks to progressively scale down the loan-to-value (LTV) ratio for the second or more residential flats purchased*

by property owners, or to progressively scale up the lending rates for these owners; and

(ii) conducting studies on measures taken by other countries to restrict non-citizens from purchasing local residential properties; and

(c) given that as at the end of last month, the authorities have already completed the examination of 3 600 suspected property speculation cases, how many of these cases involve property sales by individuals and companies respectively; and among such cases, the respective number of those which involve property sales by overseas individuals or overseas registered companies; how the authorities will levy taxes on profits generated from property speculation through overseas transactions or changes in shareholdings by these individuals or companies; and when the authorities will complete the examination of the remaining 700 suspected property speculation cases?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese):
President,

(a) The Government has been monitoring the development of the private residential property market closely and remains vigilant on the risks of a property bubble. In February, April, August and October 2010, the Government introduced various measures in four areas to ensure the healthy and stable development of the property market. These included addressing the fundamentals by increasing supply, curbing property speculation, enhancing the transparency of property transactions and preventing the over expansion of mortgage lending. The relevant measures include setting the target of ensuring that in the next 10 years there would be land made available for provision of an average of about 20 000 private residential flats and about 15 000 public rental housing flats, increasing the supply of small and medium sized flats through various means, increased the stamp duty for property transactions valued more than \$20 million from 3.75% to 4.25%, disallowed deferred payment of stamp duty for residential

property transactions valued more than \$20 million, disallowed confirmor transactions for first-hand uncompleted flats approved for pre-sale on or after 13 August 2010, introduced the "nine new measures" for enhanced transparency on sales brochures, price lists, show flats and transaction information, set up the Steering Committee to discuss specific issues on regulating the sale of first-hand private residential properties by legislation and come up with practical recommendations by October 2011, applied a maximum LTV ratio of 60% to properties valued at or above \$12 million, and standardized the limit on debt servicing ratios (DSRs) of mortgage applicants to 50% and with a stress test cap at 60% DSRs.

The above measures are taking effect, but owing to extraordinary external factors, the private residential property market is still very exuberant. Overall flat prices in September 2010 have risen by 15% over December 2009, equivalent to a hefty increase of 22% over the 2008 peak. In September 2010, overall flat prices were merely 11% below the 1997 peak, and prices for large flats (larger than 100 sq m in saleable area) were already 10% higher.

More worryingly, the exuberant state of the property market has spread to the mass market. There is a surge by 32% in the number of resale within 24 months in the first nine months of 2010 as compared with the same period in 2009. Within the total, the number of resale within 12 months surged by an even more rapid 114%, indicating a shift in speculative activities to a shorter horizon. Also, there is a higher incidence of short-term resales in the lower end market, with 84% of the short-term resale within 12 months in the first half of 2010 being transactions below \$3 million.

With the announcement by the US Federal Reserve on the launching of the second round of "quantitative easing" amounting to US\$600 billion in November 2010, more funds are expected to flow to the emerging markets, in particular Hong Kong, given the strong economic fundamentals and absence of capital control here. The abundant liquidity and ultra-low interest rates will thus continue for

an extended period, and the risk of a housing bubble has thus intensified further.

(b) Taking into account these developments, the Government considers it necessary to introduce further measures to curb speculation, manage the risk of the development of property bubble and ensure the healthy and stable operation of the property market. To this end, the Financial Secretary announced the following new measures on 19 November this year, they are:

(i) First, introduce, on top of the current *ad valorem* property transaction stamp duty, a Special Stamp Duty (SSD) on residential properties of all values at the point of resale if the properties are acquired on or after 20 November 2010 and resold within 24 months after acquisition, including confirmor transactions. The SSD will have three levels of regressive rates for different holding periods:

- (1) 15% if the property has been held for six months or less;
- (2) 10% if the property has been held for more than six months but for 12 months or less; and
- (3) 5% if the property has been held for more than 12 months but for 24 months or less;

We propose that both the seller and the buyer, be it an individual or a company (listed or unlisted, and wherever incorporated), will be held jointly and severally liable for the SSD.

We propose to grant exemptions to the following, namely nomination of a close relative (that is, spouse, parent and child) to take up the assignment of the property and resale or transfer of the property to close relatives, transfers between associated companies, transfers of the properties of deceased persons by will or by law to the beneficiaries, sale of

properties due to bankruptcy/involuntary winding up, and sale of properties to the Government.

We have to amend the Stamp Duty Ordinance (Cap. 117) to implement the SSD. Before the coming into effect of the new law, the Inland Revenue Department (IRD) will record all the residential property transactions between 20 November 2010 and the date of coming into effect of the new law to identify the cases liable for the SSD. Demand notes on the SSD will then be issued after the new legislation is enacted. We have drawn the attention of the public, the Estate Agents Authority, The Law Society of Hong Kong, and the major estate agency associations to the aforementioned arrangement.

- (ii) Second, disallow deferred payment of the current *ad valorem* property transaction stamp duty for all residential property transactions valued at \$20 million or below. We have already disallowed deferred payment of stamp duty for residential property transactions valued more than \$20 million with effect from 1 April 2010. This means that the stamp duty of all transactions cannot be deferred and has to be paid within 30 days after the signing of the Agreement for Sale and Purchase. We have to amend the Stamp Duty Ordinance (Cap. 117) to disallow deferred payment of the current *ad valorem* property transaction stamp duty for all residential property transactions valued at \$20 million or below. In the meantime, the IRD will continue to allow and approve applications for deferring stamp duty payment on agreements made in accordance with the prevailing legislation until the new law comes into effect.

The objectives of the above new measure relating to stamp duty is to target at short-term property speculators by substantially increasing the costs of speculative activities, with the aim to curb speculation. Genuine home buyers and long-term investors should not be affected by these measures.

Besides, the Hong Kong Monetary Authority (HKMA) announced on 19 November 2010 further measures to enhance risk management in mortgage lending by banks in Hong Kong. The new measures are:

- (1) Lowering the maximum LTV ratio for residential properties with a value at HK\$12 million or above from 60% to 50%;
- (2) Lowering the maximum LTV ratio for residential properties with a value at or above HK\$8 million and below HK\$12 million from 70% to 60%, but the maximum loan amount will be capped at HK\$6 million;
- (3) Maintaining the maximum LTV ratio for residential properties with a value below HK\$8 million at 70%, but the maximum loan amount will be capped at HK\$4.8 million; and
- (4) Lowering the maximum LTV ratio for all non-owner-occupied residential properties, properties held by a company and industrial and commercial properties to 50%, regardless of property values.

Moreover, in the guidelines issued on 13 August 2010, the HKMA reminded authorized institutions (AIs) that in cases where information provided by an applicant reveals that he or she already has existing mortgages or is applying for other mortgages, the AI concerned should take into account the borrower's total debt repayment obligation in computing his or her debt servicing ratio.

The Government has considered the proposal of banning non-Hong Kong residents from buying flats in Hong Kong. However, such proposal will bring about a very fundamental change to our system, and will affect the status of Hong Kong as one of the freest market economies in the world, and undermine the confidence of overseas companies or investors' in Hong Kong as a global financial centre and preferred place for doing business with its so far consistent policies in

enabling free flow of capital and barrier-free environment for investment. This will have read-across implications on the overall economy of Hong Kong.

We believe that the expectation on the property market will be changed because of the newly introduced measures. With diminished prospect for quick profits from speculating in the property market, there will be less speculation in different forms.

To ensure the healthy and stable development of the property market, the Government will continue to closely monitor the development in the property market, and will introduce further measures when necessary.

- (c) Hong Kong adopts a territorial source principle of taxation, and strives to maintain a fair taxation system. On the whole, Hong Kong residents and non-residents are treated alike.

Under the Inland Revenue Ordinance (Cap. 112), a person carrying on a trade, profession or business in Hong Kong is chargeable to profits tax on his profits arising in or derived from Hong Kong, excluding profits arising from the sale of capital assets.

Property speculators are regarded as carrying on a trade and are subject to profits tax under the above-mentioned provisions. The IRD has been following up closely the property transactions entered in names of individuals or companies, or through the transfer of shares in property holding companies. The Department enforces the law and collects profits tax from these individuals and companies. As transfer of Hong Kong properties or Hong Kong company shares is subject to stamp duty regardless of where the transaction takes place, the IRD will identify property dealing transactions for follow-up actions when examining the relevant documents presented for stamping.

In 2008-2009, the IRD identified with the aid of computer programs 13 700 suspected cases of property dealing for follow-up. They include cases involving individuals, partnership businesses and corporations with no existing profits tax files. After an initial

review by IRD officers, 4 300 cases were found to require further follow-up actions.

Up to the end of October 2010, the IRD completed 3 600 cases, including 2 600 cases of individuals, and 1 000 cases of corporations and partnership businesses. The remaining 700 cases were being processed. However, the IRD has not collected or analysed how many of these cases involve overseas persons or companies.

In assessing these cases, IRD officers have to examine each suspected property dealing transaction and collect the relevant information from the taxpayer and third parties. They include the background to the transaction, the motive, the financial arrangements entered into, the mode of operation, the frequency of transactions, the length of the holding period, and so on. Based on the relevant facts, IRD officers will determine whether the transaction amounts to a speculative activity in the nature of a trade.

The procedures and time required to collect the relevant information and to verify the facts could vary considerably from case to case. Hence, while the Department will closely follow up all cases, it is not possible to estimate precisely the amount of time needed to complete the remaining 700 cases.

MR LEE WING-TAT (in Cantonese): *President, I wish to raise a point of order. In the reply read out by the Secretary just now, one paragraph was missing when compared with the reply in my hands. She thinks that by not reading it out, it will be taken as*

PRESIDENT (in Cantonese): Mr LEE, the definitive reply is the version delivered by the Secretary orally in the meeting.

MR LEE WING-TAT (in Cantonese): *President, in fact, I know this but I wish to tell everyone that she did not read out one paragraph, that is, "the IRD has not*

collected or analysed how many of these cases involve overseas persons or companies."

President, in fact, it is this part that I wish to follow up. Since the Panel on Housing held a special meeting on Monday and I know that last week, a Member also asked in Hong Kong, there are a certain number of cases where properties are purchased through offshore shell companies. Moreover, most of them are big-ticket properties and what we are concerned about is that if at present, property transactions in Hong Kong, be it in the name of an individual or a company, entail the payment of stamp duty, will this group of speculators be encouraged or prompted to seek the services of accountants or lawyers to establish offshore companies for them to speculate on local luxury properties? However, since the Secretary has not collected any information in this regard, I wonder how the Secretary and the IRD can monitor this trend. Half a year later, I may ask the Secretary again, "Do you think that this kind of speculations using shell companies is on the rise?" By then, the Secretary would say, "I have not collected such information, so I cannot give you a reply." In that event, I could only stand here feeling totally at a loss.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese):
President, perhaps allow me to make a clarification. The line "the IRD has not collected or analysed how many of these cases involve overseas persons or companies" can be found in the fifth paragraph of part (c). However, in the interest of coherence, we made a small change and perhaps Mr LEE did not pay attention to the reply read out by me just now. As regards the issues relating to offshore companies raised by him, we have noticed them but we believe that the major effect of the host of measures, in particular, the introduction of the SSD, adopted by us on this occasion is to make the market change its expectation of the property market. When the market expects that property speculation can no longer bring profits within a short time, all kinds of speculations on properties, be it in the name of individuals or offshore companies, will all decrease. Of course, we will continue to monitor the overall development of the property market closely and if there is any new development, we will surely adopt appropriate measures to ensure that the property market will continue to develop in a stable and healthy manner.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR LEE WING-TAT (in Cantonese): *The Secretary did not answer the simple question asked by me. If the authorities do not collect information on the property transactions made by overseas persons or companies, how do they know if there has been an increase in the transactions of that kind of properties? President, I am only asking about this point and I have put it very clearly.*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, properties transactions can be classified into many types and I think the Member's concern is property transactions through the transfer of shares. In fact, these cases will be followed up by the Commissioner of Inland Revenue, only that the Commissioner has not specifically analysed how many cases among those requiring further action involve overseas persons or overseas registered companies. However, these cases are still classified as cases of profits tax recovery requiring follow-up action by the Commissioner. Just now, the number of cases cited by me already includes this kind of cases where property transactions are carried out through the transfer of shares in this kind of offshore companies.

MR TOMMY CHEUNG (in Cantonese): *President, the Secretary said just now that the new measures should be able to curb speculation, but these measures only target at residential properties. Insofar as shops are concerned, in fact, at present, small and medium enterprises (SMEs) also have a lot of grievances and discontent as they have to bear very exorbitant rents. In the past four or five years, a shop could yield 4% in return but recently, it can only yield 2%. The prices of shops are really exorbitant and many SMEs are worried that the Government's measures to clamp down on residential properties will make speculators speculate on shops instead. Secretary Prof K C CHAN said that should such a situation arise, counter-measures would be adopted. In addition, some reports also pointed out that according to the figures of the Hong Kong Monetary Authority (HKMA), the price per square foot of shops is now 38.7% higher than that at the peak in September 1997. May I ask the Secretary if she thinks that she should also launch a strike at speculation on shops? In that case,*

can the Secretary tell us what kind of measures will be taken? To how high a level must the price per square foot reach before you will take action?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, although this is not within my purview, I believe the Financial Secretary is also paying close attention to any development that may affect economic stability. In the series of measures adopted by the HKMA, one also relates to commercial properties, that is, the maximum LTV ratio of all non-owner-occupied residential properties and properties held by a company, as well as industrial and commercial properties, has been lowered to 50%, regardless of property value. Just now, I also explained why we consider it necessary to introduce the measures. This is because housing is a matter of public living and what we are most concerned about is the spread of speculative activities to the mass residential market. We can see that 84% of the short-term resales within 12 months in the first half of 2010 were transactions below \$3 million. For this reason, we consider the measures introduced to target at short-term speculations appropriate.

MR TOMMY CHEUNG (in Cantonese): *The Secretary has not replied as to how high a level the price per square foot must reach before she will take action targeted at speculations on shops.*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I have already said that the Government will pay close attention to the overall situation. However, the supply and demand and transactions of shops differ greatly from residential properties in nature.

MS MIRIAM LAU (in Cantonese): *The Government has deployed this "harsh" measure of SSD to clamp down on property speculations and I personally support it very much. I can also see that after the introduction of this measure, at least, we can see immediate results, but whether or not they can be sustained is another matter.*

I also notice that many members of the public also strongly support this measure to clamp down on property speculations but at the same time, I also heard some members of the public express great concern about Hong Kong's economic prospects. They are worried about an economic downturn occurring in the next couple of years for they are not property speculators and they only buy properties for self-occupation. For example, they may become unemployed and if they are businessmen, cash flow problems may arise or they may experience health problems that make them unable to work and as a result, they may run into financial hardships. The existing measure has not introduced any exemption, rather, an across-the-board approach has been adopted. If you sell your property within two years, one year or six months, the Government will levy different rates of stamp duty on you. If you object to the stamp duty, at present, there is only one recourse in law, that is, to make an application to the District Court and that would mean a great hassle. At present, this measure of SSD is an extraordinary measure in extraordinary times. Has the Secretary learnt that although the public support the relevant measures, they also have concerns in this regard? Will the Government establish an appeal board under the IRD and lay down rules for this board to consider cases relating to exemption from this SSD?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese):

President, if there are too many exemption provisions, it will be more difficult when it comes to actual enforcement. For this reason, we have only proposed several types of exemption and I also mentioned them in my main reply just now, for example, the transfer of the property to close relatives, transfers between associated companies, transfers of the properties of deceased persons by will or by law to the beneficiaries and sale of properties due to bankruptcy or involuntary winding up. Since we have set 20 November as the watershed, the majority of existing property owners are not affected. They do not have to pay the SSD when selling their properties and only buyers of their properties will be subject to the regulation of this new measure.

Regarding members of the public who plan to make forays into the market and hope to get their capital back within a short period of time, they must think about this carefully. That is to say, after 20 November, if members of the public plan to buy properties but also hope to get back their capital in the course of doing business, they should note that ultimately, properties are immovable and

they cannot get back their capital as easily as in other kinds of investments. Therefore, they must consider this carefully. I think the exemptions proposed by us are feasible and we have also made reference to the exemptions in regions where this kind of SSD is in place, for example, Singapore, and believe that this is a method that should be recommended. As I said just now, too many exemptions will lead to difficulties in enforcement.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MS MIRIAM LAU (in Cantonese): *President, she did not reply if she surely would not consider the establishment of an appeal mechanism to deal with some very special cases. This is the question put by me just now.*

PRESIDENT (in Cantonese): Secretary, the Member is asking about the appeal mechanism.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, we will not consider this measure. If an appeal mechanism is established, it will be very difficult to decide who needs to be treated with discretion or otherwise. For this reason, we propose that specific exemption be provided for in the legislation.

PRESIDENT (in Cantonese): We have spent 22 minutes 30 seconds on this question. Oral questions end here.

WRITTEN ANSWERS TO QUESTIONS

Selection and Training of Athletes for International Competitions

7. **MR RONNY TONG** (in Chinese): *President, I have recently received complaints one after another from parents of athletes that because a training*

system for local athletes is lacking in Hong Kong, athletes with potential can only try to achieve outstanding results in various international competitions in the capacity of amateur participants using their own financial resources and efforts, in order to obtain qualification granted by the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC) to represent Hong Kong. In addition, these parents have also indicated that although their children have met the requirements for participating in a number of international competitions, they, being locally trained athletes, are unable to represent Hong Kong to take part in international competitions because the system for selecting athletes for the Hong Kong delegation lacks transparency and criteria or due to personal connections. In this connection, will the Government inform this Council:

- (a) what mechanism and criteria are in place at present for the authorities to monitor the procedures adopted by various national sports associations (NSAs) for selecting representatives of Hong Kong for international competitions, and what appeal or review mechanism is in place to deal with complaints lodged by athletes; whether it knows the number of athletes selected by various NSAs and their affiliates to participate in international competitions and the sports items participated in each of the past five years, and of the details of the complaints or appeals the authorities received from athletes;*
- (b) given that some athletes have indicated that the Government's present policy for sports development relies on NSAs and their affiliates to identify and train local elite athletes, and the Government merely provides financial support, whether the Government will review the effectiveness of such policy; if it will, when and how it will conduct the review; if not, of the reasons for that; and*
- (c) whether the authorities will consider formulating a set of comprehensive and long-term sports development policy, under which the Government will play the role of training and selecting local athletes, so as to safeguard the status of local athletes, as well as provide financial, livelihood and health protection for elite athletes who want to devote to development in sports; if they will, of the implementation timetable; if not, the reasons for that?*

SECRETARY FOR HOME AFFAIRS (in Chinese): President, the Government has three clear strategic directions for developing sport, namely: to help elite athletes achieve excellence; to promote sport in the community; and to support the hosting of major sports events by NSAs. In promoting sports development in Hong Kong, especially in identifying and training elite athletes, the Government works with stakeholders from various sectors, including the SF&OC, the Hong Kong Sports Institute (HKSI) and NSAs. Under the existing system, the Government and sports organizations work in close partnership to provide resources to support elite athletes and those athletes with potential, helping them to receive professional training. Funding is also provided for their preparation and participation in international sports events:

- In addition to developing local sport, promoting Olympism and providing training programmes to administrative executives, coaches and technicians in the sports sector, the SF&OC is also responsible for selecting Hong Kong athletes to compete in international multi-sports competitions. According to the Olympic Charter, a National Olympic Committee should not be subject to political, religious, economic or other pressures when developing sport. The Government has never interfered in the athlete selection process.
- The HKSI provides support to elite athletes on various fronts, including direct financial support, educational and career counselling and re-employment training, so that they can receive full-time training as athletes and pursue a career in sport.
- Every NSA under the SF&OC is affiliated to its respective International Federation and Asian Federation. NSAs officially represent Hong Kong to participate in international sports competitions, and are responsible for managing local activities relating to their respective sports, such as organizing competitions and athlete training courses and selecting athletes to participate in local and international competitions. NSAs are non-profit-making bodies. Many of them are registered limited companies and the remaining associations are registered as societies under the Societies Ordinance. NSAs conduct their internal affairs with full autonomy in accordance with their Memorandum and Articles of Association.

- The Government supports the work of the SF&OC, the HKSI and NSAs through a variety of policy initiatives, allocation of resources and the provision of venues and facilities. Whilst the Government respects the autonomy and independence of the SF&OC and NSAs, we nonetheless closely monitor the use of public money by these organizations to ensure that it is deployed effectively in promoting sports development. The Government monitors the operation of the HKSI and the effectiveness of its elite athlete training programme through an annual subvention and the appointment of representatives to the HKSI Board.

The reply to the three parts of the question is as follows:

- (a) As mentioned above, the selection of athletes for international competitions is the prerogative of the SF&OC and relevant NSAs in accordance with the Olympic Charter and the selection criteria laid down for respective competitions. Any complaints or appeals are handled by the SF&OC or relevant NSAs according to their respective procedures. Figures in respect of athletes selected by NSAs for international sports events in the past five years are only available through direct enquiry to the SF&OC and the NSAs. However, as they are currently engaged with the Guangzhou Asian Games, we will inform them of the Honourable Member's concern at a suitable time. In the past five years, the Home Affairs Bureau and the Leisure and Cultural Services Department (LCSD) have received 11 complaints about the selection of athletes for international events, involving seven NSAs. As they fell within the ambit of the NSAs, we accordingly referred these complaints to the NSAs concerned.
- (b) The HKSI plays an important role in identifying and training Hong Kong elite athletes. The Government provides annual recurrent funding (of about \$160 million) to the HKSI to train elite athletes, a sum which includes direct financial support to qualified athletes.

Through its Talent Development Programme, the HKSI conducts sport-specific testing of students with the aim of identifying potential junior elite athletes. NSAs implement feeder programmes to identify youngsters with the potential for further training. Since

2009, we have allocated about \$15 million to 22 NSAs to conduct feeder programmes. Around 200 courses or training programmes have been organized, with over 6 100 young athletes taking part. These initiatives will help to nurture new elite athletes for Hong Kong.

Moreover, in collaboration with NSAs, the LCSD administers a Sports Subvention Scheme, which provides a series of structured, comprehensive and inter-connected sports training programmes to youngsters for identifying and training young athletes.

Over 90% of schools take part in the School Sports Programme, which began under this Scheme in 2001. The number of participating schools has increased from about 600 in 2001-2002 to 1 065 in 2009-2010. In addition, under the subvented Young Athletes Training Scheme, athletes with potential are identified through progressive and systematic training and regional leagues, and are recommended to join the Hong Kong youth squads for further training. They may then have the opportunity to represent Hong Kong in international competitions.

- (c) As mentioned above, the Government has put in place a set of strategic initiatives for subsidizing and training elite athletes. On 20 October 2010, we submitted a paper to the Panel on Home Affairs of the Legislative Council, setting out in detail our policy in relation to Hong Kong sport. As regards the protection of athletes, the HKSI arranges insurance cover for athletes who receive training there, which includes life, accident, travel, medical (hospitalization and out-patient service) and dental care insurance. There are also resident doctors and an in-house medical team to provide medical support to athletes.

Further, to address the needs of retired elite athletes and help them re-integrate into society, the HKSI also offers tailor-made coach training through the Elite Coaching Apprenticeship Programme to help elite athletes become coaches after retirement. In addition, in 2008 the SF&OC launched the Hong Kong Athletes Career and Education Programme, which provides educational and career

development support to athletes. To help current elite athletes to enter further education, eight tertiary institutions funded through the University Grants Committee have agreed to accept athletes nominated by the SF&OC or HKSI for admission. They will also continue to increase support for elite athletes to allow them to concentrate on preparing for sports competitions whilst pursuing higher education.

Positive Credit Information Database on Mortgage Loans

8. **MR CHAN KIN-POR** (in Chinese): *President, it has been reported that the Government and the Hong Kong Monetary Authority (HKMA) are examining the feasibility of introducing a positive credit information database on mortgage loans (the database), so as to prevent members of the public from being exposed to the risks arising from over-borrowing to purchase properties, and given that there is no sharing of such information among banks at present which is a loophole, they consider that the database should be established as a matter of urgency, hopefully by early next year. Yet, a spokesman of the Office of the Privacy Commissioner for Personal Data (PCPD) told the media earlier that if credit data on mortgage loans are to be shared among banks and financial institutions, it is necessary to revise the Code of Practice on Consumer Credit Data (the Code). In this connection, will the Government inform this Council:*

- (a) why the database which has been studied for a long time has still not yet been established, as well as what difficulties have been encountered;*
- (b) whether there is any specific timetable and proposal for establishing the database; and*
- (c) whether the introduction of the database has to be delayed for a long time because the Code has to be revised first; and whether it knows if PCPD has started revising the Code?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Chinese): President, the Administration's reply to the questions is as follows:

- (a) Sharing of positive consumer credit data was introduced in 2003 and is covered by the Code issued by the Privacy Commissioner for Personal Data (Privacy Commissioner), which specifically excludes sharing of positive mortgage data. Pursuant to section 12(9) of the Personal Data (Privacy) Ordinance, the Privacy Commissioner is required to carry out public consultation before making any amendments to the Code.

To enhance the risk management of the banks with regard to mortgage loans, the HKMA suggested that the Privacy Commissioner revisit the proposal of sharing positive mortgage data last year. Since then, the HKMA, the Hong Kong Association of Banks and the Privacy Commissioner have had detailed discussions, focusing on the scope of the positive mortgage data to be shared. Having regard to the public interest involved and the degree of privacy intrusion, parties concerned have finally come to a consensus that the data to be shared should be confined to the number of outstanding mortgages held by a data subject, and this would be the basis for the public consultation to be conducted.

- (b) and (c)

We note that the Privacy Commissioner will conduct public consultation in January 2011. Subject to the outcome of the consultation, the Code will be amended appropriately before the end of March 2011. The HKMA and the banking industry will be fully co-operative and aim to complete the relevant preparatory work in the first quarter of 2011 with a view to implementing the sharing of positive mortgage data.

Children Interest Classes Conducted in Multi-storey Commercial Buildings

9. **MR LAU WONG-FAT** (in Chinese): *President, it has been learnt that there is a growing number of organizations which are offering children interest classes in multi-storey commercial buildings. In this connection, will the Government inform this Council:*

- (a) *given that children, especially young ones, have to be assisted or even be carried by adults when escaping from a fire, whether the Government will review the existing legislation to tighten the regulation of fire services installations and means of escape for the venues of children interest classes in multi-storey commercial buildings; and*
- (b) *whether the Government will consider restricting children interest classes to be held only in units on or below a particular floor of a building to avoid heavy casualties in case of a fire because many young children cannot escape in time?*

SECRETARY FOR EDUCATION (in Chinese): President, pursuant to the Buildings Ordinance (Cap. 123), every building shall be provided with such safety measures including fire service installations and equipment, means of escape in case of emergency, means of access for firefighting and rescue and fire resisting construction as may be required by the intended use of the building. In addition, the Fire Services Department would also inspect specified commercial buildings and issue Fire Safety Improvement Directions under the Fire Safety (Commercial Premises) Ordinance (Cap. 502). As commercial buildings have a wide variety of uses and heavy flow of people, the existing legislation has prescribed standards of fire safety measures for this type of buildings to protect the buildings and safeguard the safety of occupiers, users and visitors in case of fire or other emergency.

Furthermore, schools registered or provisionally registered under the Education Ordinance (the Ordinance) (Cap. 279), irrespective of their modes of operation or whether they are located in commercial buildings, must comply with the requirements in respect of fire service installations and equipment and sanitation under the Ordinance. Schools located in commercial buildings are required to obtain as prerequisites from the relevant authorities (for example, the Fire Services Department and the Buildings Department) certificates or notices stating that the premises concerned are structurally safe and suitable for the purposes of a school. No part of any school premises, except the parapet wall round a roof playground, shall be situated at a height of more than 24 m above ground level unless the Permanent Secretary for Education, with the advice of the Director of Fire Services, has issued written approval. As regards those interest

classes for children not offering educational activities (for example, singing and ballet), they do not fall within the regulatory ambit of the Ordinance since they are not schools as defined in the Ordinance.

Development of Six Priority Industries

10. **MR IP WAI-MING** (in Chinese): *President, in his policy address delivered in October 2009, the Chief Executive announced the development of six industries where Hong Kong enjoys clear advantages, including testing and certification, medical services, innovation and technology, cultural and creative industries, environmental industries and education services, in order to create more quality jobs. In this connection, will the Government inform this Council:*

- (a) *of the respective percentages of the value of production of the private enterprises in the six priority industries in the overall Gross Domestic Product (GDP) as at the end of 2009;*
- (b) *whether it knows the overall number of persons currently employed in each of the priority industries, and the distribution of education levels, age groups as well as the number of posts involved of such persons;*
- (c) *whether it knows if the current number of employees in each of the priority industries has increased, compared with relevant figures as at the end of 2008; if so, of the number of newly created jobs in each of the priority industries; of the changes in the age groups, education levels and salaries of the employees taking up such jobs; whether the number of such newly created jobs and the job types meet the Government's expectations of the quality jobs to be brought by the priority industries; if the number of employees has not increased, of the reasons for that; and*
- (d) *whether the Government has assessed the effectiveness of promoting the development of the six priority industries last year and public reaction to the implementation of the policy; if an assessment has been conducted, of the outcome; whether the Government has any specific new measure to step up promotion of the various priority*

industries in the coming year; if so, of the content and implementation timetable of such new measures; if not, the reasons for that?

FINANCIAL SECRETARY (in Chinese): President,

(a) to (c)

When the Economic Analysis and Business Facilitation Unit, in collaboration with the Census and Statistics Department, released the crude estimates of the six industries for 2008 early this year, it was announced at the same time that the statistics for 2009 would be released in early 2011. The six industries are not traditional industries, and some of them (for example, innovation and technology) comprise economic activities that straddle different industries. We do not have statistics in respect of the six industries. We are seeking to enhance relevant economic surveys and increase the sample sizes of the targeted industries in order to collect more comprehensive data. The following table presents the contributions of the private sector component of the six industries to the GDP and total employment in 2008.

Direct contribution of the private sector component
of the six industries to GDP and total employment in 2008

	<i>Valued added (HK\$Billion)</i>	<i>Contribution to GDP</i>	<i>Number of persons engaged</i>	<i>Contribution to employment</i>
Cultural and creative industries	around 60	around 3.9%	around 176 000	around 5.0%
Medical services	around 25	around 1.6%	around 69 000	around 1.9%
Education services	around 21	around 1.3%	around 69 000	around 2.0%
Innovation and technology [#]	around 10	around 0.6%	around 22 000	around 0.6%
Testing and certification services	around 4-5	around 0.3%	around 13 000	around 0.4%
Environmental industries	around 3	around 0.2%	around 35 000	around 1.0%
Total	around 120	around 8%	around 380 000	around 11%

Note:

[#] For innovation and technology, persons engaged refer to the number of research and development (R&D) personnel in full-time equivalent terms.

The data for compiling statistics on employment in the six industries mainly come from surveys of establishments. Taking into account the data reporting burden of the establishments, we have not asked for a breakdown of employees by education level, age group and post.

- (d) The Government is gradually implementing various measures in pressing ahead with the development of the six industries where Hong Kong enjoys clear advantages. This is a long-term industrial development plan which can put Hong Kong on a path towards a more diversified and higher value-added economy. The measures implemented and to be implemented in promoting these six industries and the effectiveness of the measures are briefly listed below:

Testing and Certification Services

The Hong Kong Council for Testing and Certification (HKCTC) was established in September 2009. The HKCTC announced in March 2010 its three-year market-oriented development plan for the industry.

The HKCTC recommends a dual approach — making general improvements to the accreditation service and strengthening the competitiveness of the industry as a whole, and exploring new business opportunities in four selected trades, namely, Chinese medicine, construction materials, food and jewellery.

The Government is working closely with the HKCTC in implementing its three-year market-oriented development plan for the industry. Major measures to be implemented in the coming year include the following:

- (i) Organizing career talks for students and liaising with the industry on the provision of more internship opportunities for students in the field of testing and certification to help attract talent to the industry;

- (ii) Arranging a series of talks, technical seminars and workshops to provide the industry with the latest information, publicizing the Government's support services, and enhancing the practitioners' professional skills;
- (iii) Setting up working groups on four selected trades, namely Chinese medicine, construction materials, food and jewellery, for focused promotion of testing and certification services;
- (iv) Working with the Hong Kong Trade Development Council (HKTDC) and trade associations in the industry to enhance the awareness of the "Tested in Hong Kong, Certified in Hong Kong" branding, and connecting the industry to potential customers through the HKTDC's platforms (such as publications and major trade fairs); and
- (v) Implementing relevant measures in connection with Supplement VII to CEPA signed in May 2010, under which eligible testing laboratories in Hong Kong are allowed to undertake testing of products for the China Compulsory Certification System on a pilot basis for selected products processed in Hong Kong.

We will closely monitor the implementation and effectiveness of these measures and continue to support the development of the industry.

Medical Services

We have reserved four sites at Wong Chuk Hang, Tseung Kwan O, Tai Po and Lantau for the development of private hospitals. From December 2009 to March 2010, we invited expressions of interest from local and overseas parties in developing private hospitals at the four sites. We are now formulating the land disposal arrangements for the sites, including the means and timing of land disposal, the detailed requirements for development and the land premium. We plan to dispose of the sites in phases starting from late 2011/early 2012.

Innovation and Technology

The Government is committed to promoting the development of our innovation and technology sector. After identifying innovation and technology as one of the six industries in 2009, the Government has introduced a number of new initiatives to enhance the hardware and software support for the industry.

On hardware, the Government obtained funding approval from the Legislative Council in April 2010 for the construction of Science Park Phase 3, which will cost \$4.9 billion. The project will commence in the second half of 2011, and will be completed in phases between 2013 and 2016, eventually providing an additional floor area of 105 000 sq m and creating 4 000 R&D-related jobs.

To improve software for local scientific research, the following measures have been implemented:

- (i) In April 2010, the Government launched the \$200 million "R&D Cash Rebate Scheme" to encourage business enterprises to establish stronger partnership with research institutions. Under the Scheme, enterprises enjoy a cash rebate equivalent to 10% of their R&D investments. So far, 116 applications have been approved, with cash rebates totalling some \$2.5 million; and
- (ii) To foster close collaboration among the Government, industry, academic and research sectors, the Innovation and Technology Commission is actively promoting the application of local R&D outputs in the public sector. For example, in collaboration with the industry, the Hong Kong Applied Science and Technology Research Institute has successfully enhanced the quality of LED lamps and widened the scope of their application, and has reached an agreement with the Highways Department to use LED lighting on a pilot basis in public car parks and minor roads.

In the year ahead, we will continue to improve the operation of the Innovation and Technology Fund and the R&D Centres. We will

also explore ways to enhance Hong Kong's role in supporting our nation's development in science and technology, and endeavour to create a more favourable environment for the development of innovation and technology in Hong Kong.

Cultural and Creative Industries

To complement the development of the West Kowloon Cultural District and develop local and overseas cultural markets, we have earmarked an additional recurrent expenditure of \$486 million for the period from 2010-2011 to 2014-2015 to strengthen the cultural software of Hong Kong through arts programme development, manpower training, promotion of arts education, audience building and cultural exchanges. In July 2010, we also injected \$1.5 billion into the arts portion of the Arts and Sport Development Fund, the investment returns of which will be used to support more projects that are conducive to building a vibrant local arts scene, and to step up our support for small and medium arts groups with good potential.

We will continue to promote cultural exchanges with the Mainland and the rest of the world, and support our arts groups in staging performances, organizing exhibitions and participating in exchange activities in different economies, thus showcasing Hong Kong's creativity and building our cultural brand. Specific tasks include setting up cultural co-operation frameworks with various economies to provide a conducive environment for exchanges; deepening and broadening the collaboration between Hong Kong and Taiwan, using the Hong Kong-Taiwan Cultural Co-operation Committee as a platform; and developing brand-building arts programmes and major cultural exhibitions jointly with partners in the Pearl River Delta Region through the mechanism of the Greater Pearl River Delta Cultural Co-operation Meeting.

In June 2009, the Commerce and Economic Development Bureau set up Create Hong Kong (CreateHK), a dedicated office responsible for liaising with different creative sectors, providing one-stop service for

local creative industries, and working with them to boost their development.

To provide financial support for creative industries, we have also launched the \$300 million CreateSmart Initiative, which has been well received by the industries. A total of \$68 million has been granted to 38 projects. The aims of these projects include supporting the participation of local creative talent in international competitions; providing paid internship opportunities for young people aspiring to a career in creative industries; and assisting the sector in organizing promotion activities in the Mainland and overseas to demonstrate the abilities of our creative talent and establishing a platform for their business and marketing activities. In addition, CreateHK is committed to assisting trade groups in organizing major local creative events that attract enterprises, talented people and academics related to creative industries from around the world, thereby consolidating Hong Kong's status as Asia's creative capital.

Riding on the opportunity presented by the Expo 2010 Shanghai, we worked with our creative industries in organizing a series of activities in Shanghai during the event to promote Hong Kong's creativity. These included exhibitions such as the "Hong Kong: Creative Ecologies — Business, Living, Creativity", "Hong Kong Ani-Com Carnival" and "Fashion Visionaries — Hong Kong", which were all very successful, leaving the residents and tourists in Shanghai deeply impressed by our creative industries. Meanwhile, the HKTDC also staged the "Style Hong Kong" Show in Shanghai to promote both our culture and creativity. The activity not only showcased our creative products, but also promoted the Hong Kong brand in general.

An abundant supply of quality people is essential to the continuous development of creative industries. The Academy of Film of the Hong Kong Baptist University and the Hong Kong branch of the United States-based Savannah College of Art and Design were established in June 2009 and October 2010 respectively with the support of CreateHK. The two establishments together provide

more than 1 900 students places at various levels, further enhancing Hong Kong's ability to nurture creative talent for the local creative industries.

Since its establishment, CreateHK has rendered assistance and support to some 60 promotion events, which have attracted more than 380 000 participants from more than 30 countries and regions and from the local community. Overall, the work of CreateHK over the past year or so has yielded initial results in promoting our creative industries overseas, nurturing local talent, fostering a creative environment in the community and consolidating Hong Kong's status as Asia's creative capital.

In the coming year, the Government will continue to maintain close contact with the creative sectors, adopting an accommodating and innovative mindset in understanding their respective needs. Further initiatives will be implemented to collaborate with our creative industries to boost their development. Some of the finalized initiatives and their implementation schedules are as follows:

- (i) Sponsoring a one-year full-time technical training programme to provide skilled workforce at front-line level for the local film industry. The programme commenced in September 2010;
- (ii) Supporting local creative talent in a wider range of creative industries, such as design and digital entertainment, in participating in overseas competitions, thus showcasing Hong Kong's creativity and elevating the standing of local creative industries in the international arena;
- (iii) Working closely with our creative industries to develop signature events (including the Hong Kong Asian-pop Musical Festival to be held in March 2011 during the Hong Kong Entertainment Expo and the Special Interest Group on Graphics and Interactive Technologies Asia 2011 to be held in Hong Kong in December next year), with a view to enriching

Hong Kong's creative events calendar, and establishing the city as the prime location for holding creativity events in the region;

- (iv) Supporting our creative industries in using the new media to explore new markets and promote themselves worldwide. This includes supporting the local comics sector in introducing a mobile distribution platform in late November 2010, and assisting in the establishment of a 3D online platform by the architectural sector in the first half of 2011 to showcase local architectural works; and
- (v) Revitalizing the former Police Married Quarters on Hollywood Road. To realize the full potential of the site in promoting the development of creative industries, we will work closely with the Musketeers Education and Culture Charitable Foundation Limited, that is, the selected operator, and the local creative industries to implement the transformation project and establish the site as a regional centre for creative industries.

Environmental Industries

We have been promoting the development of various new businesses relating to environmental protection, including electric vehicles, new energy technology, and products to enhance building energy efficiency. We are taking the lead in enhancing environmental protection initiatives in government departments with a view to creating new business opportunities for environmental industries. We have also been encouraging the private sector, through various policies and financial incentives, to support the development of environmental industries. For example, we have been actively expanding the list of products with green specifications for government procurement (the number of items has increased from some 60 in 2009 to more than 100 at present), and we are extending green procurement to cover government service contracts. We are also gradually increasing the use of recycled materials in public works contracts. The Buildings Energy Efficiency Bill which will

be passed soon, together with the Mandatory Energy Efficiency Labelling Scheme that is already in place, will create more business opportunities for energy services companies and the electrical and mechanical industry. In the coming year, we will continue to promote green practice within the Government, and further enhance the implementation of relevant policy initiatives to support the development of environmental industries.

Education Services

On the development of education services, our objective is to reinforce the position of Hong Kong as a regional education hub, nurture talent for other industries, attract quality students and enhance our competitive edge, in order to facilitate the long-term development of Hong Kong, the Pearl River Delta and the whole nation. To achieve this objective, we strive to promote the internationalization and diversification of the local higher education sector.

The Education Commission set up the Working Group on the Development of Education Services in Hong Kong in early 2010. In the past few months, the Working Group has been soliciting views from various stakeholders in the education and other sectors. After analysing their views, the Working Group will make recommendations to the Education Bureau.

In 2008, the Government implemented a series of measures to develop Hong Kong into a regional education hub. These include doubling the non-local student quota for publicly-funded programmes to 20%, establishing the \$1 billion HKSAR Government Scholarship Fund, relaxing the restrictions imposed on non-local students regarding employment during their study and stay in Hong Kong after graduation. These initiatives have been effective.

In the past year, the Education Bureau worked closely with the local higher education institutions to step up exchanges and promotion activities in the region. We will keep up our efforts in this respect.

We will continue to implement a series of measures to support the self-financing post-secondary education sector. These include the Land Grant Scheme, Start-up Loan Scheme and Quality Enhancement Grant Scheme. As announced in the 2010-2011 Policy Address, we will establish a \$2.5 billion Self-financing Post-secondary Education Fund. With its investment income, the Fund will provide stable and sustainable resources to support the sector's long-term development.

We plan to launch an Expression of Interest exercise in late 2010 to invite development proposals from institutions for the site of the former Queen's Hill Camp. Depending on the needs of the sector, we will consider making available two more sites at Tai Wai and Tseung Kwan O in due course.

Management of HOS Courts

11. **MRS REGINA IP** (in Chinese): *President, I have received complaints from a flat owner in a Home Ownership Scheme (HOS) court that his flat has been plagued by problems such as water seepage through ceilings and backflow of water from water pipes in the bathroom, and so on, over an extended period of time. Yet, the Structural Safety Guarantee currently provided by the Housing Department (HD) to owners of HOS flats does not cover defects that are not related to the structural stability and integrity of the building. The flat owner in question has repeatedly requested the Owners' Corporation (OC) of his building and the property management company (PMC) appointed by the OC to follow up the problems, but to no avail. This flat owner can only stoically put up with the situation because he cannot afford to move and there is no avenue to lodge complaint. He criticized that the property management of and the complaints mechanism for HOS courts have failed to fully take into account the needs of HOS households and need to be improved. In this connection, will the Government inform this Council:*

- (a) *of the number of complaints received by the authorities in the past five years from HOS flat owners concerning property management and problems about the interior and exterior structures of the flats which are not covered by the Structural Safety Guarantee; and*

among them, the number of complaints involving HOS flats not being up to the handover standards; of the specific long-term measures the authorities have to deal with these complaints and to rectify the problems;

- (b) given that the HD encourages HOS flat owners to form OCs within the first year of occupation, in respect of HOS courts which are fully qualified to form OCs (for example, most units in the courts have been occupied), of the HD's specific measures in place at present to encourage owners to form OCs;*
- (c) given that before the formal formation of OCs, the HD would appoint qualified PMCs to manage HOS courts on behalf of the owners and assist them in monitoring the performance of the PMCs, of the criteria adopted by the HD for selecting PMCs and the details of its mechanism for monitoring the performance of the PMCs concerned, and how the HD handles complaints from owners concerning property management;*
- (d) given that the OCs of HOS courts, upon their formation, will replace the HD in appointing their PMCs, whether the HD had dealt with complaints in the past five years from individual owners of these HOS courts that their reasonable complaints about property management and suggestions for improvement had not been handled by the OCs concerned, and whether the HD had assumed a supervisory role over the OCs and/or PMCs concerned; if not, of the reasons for that; and*
- (e) given that some HOS flat owners have relayed to me that HOS flat owners, who are generally not well-off, may not have the ability to resort to legal means when their disputes over property management with the PMCs or OCs concerned have not been dealt with by the OCs or HD, whether the authorities had, in the past five years, provided assistance to HOS flat owners who had lodged reasonable complaints in respect of such situation; if they had, of the details; if not, the reasons for that?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President,

- (a) The numbers of complaints regarding the property management and maintenance works not covered by the Structural Safety Guarantee of the HOS courts lodged by flat owners to the HD over the recent five years (for the period of 2006 to October 2010) are 56 and 17 respectively.

All HOS flats are subject to a rigorous inspection by the HD according to the established standards under the prevailing arrangements before being put on sale in the market. In general, HOS flat owners may put up some minor requests for rectifications or repairs at the time of handover, which will be handled by the HD promptly. The HD does not keep any statistics on requests for rectifications or repairs.

The HD has an established mechanism to deal with complaints. The HD will handle the complaints promptly upon receipt of complaints and aim at giving a reply within 10 days. If the case is more complicated and the HD is unable to render a reply within 10 days, an interim reply will be issued, to be followed by a substantive reply within 21 days, or a letter to inform the complainant of the latest progress on their case. This mechanism ensures every complaint case will be followed up promptly and properly. Of course, the HD will review the operation of the mechanism concerned from time to time to see if improvements are possible.

- (b) The Government has been encouraging and rendering support to owners of private buildings in the formation of OCs to manage their own properties effectively. As far as HOS court management is concerned, the HD has been adopting positive supporting measures to assist flat owners of HOS courts in establishing OCs. The measures include:
- (i) The HD, being the Deed of Mutual Covenant Manager of HOS courts before the formation of OC, will require and supervise property management agents (PMAs) through daily contact with flat owners to encourage interested owners to set

up OCs; and through liaison with respective local District Offices for arrangement of talks and distribution of publicity leaflets for dissemination of information on the formation of OCs and building management; and

- (ii) The HD will meet regularly with owner representatives to explain the functions and establishment procedures of an OC. If the owners decide to form an OC, the HD will assist them to convene owners' meetings and with the appointment of a Management Committee (MC).
- (c) To ensure the engaged PMAs are competent to provide quality property management services, the HD maintains a list of PMAs. All PMAs applying for listing will be required to undergo a stringent eligibility vetting process, including the assessment of the companies' experience; financial capability; adequacy and qualification of full-time staff, and so on. When it is necessary to commission PMAs, the HD will invite PMAs on the list to submit their tenders in accordance with the tendering procedures.

In monitoring PMAs in their court management works, the HD will request the PMAs to provide services in accordance with the stipulated terms of the contract signed between the PMAs and the HD. The HD will meet with the flat owners regularly, and invite the flat owners to complete household surveys and give assessments to gauge the satisfaction levels of owners on the performance of PMAs concerned. The assessment results will then serve as reference for future tender arrangements and acceptance of tender.

If complaints lodged by flat owners are routine in nature, they will usually be handled by PMAs direct. PMAs have to make a record and report to the HD regularly in respect of the complaints received. For complaints relating to PMAs, they will be handled by the HD direct.

- (d) Each OC is an independent body corporate. The OC takes over of the management authority and responsibility of an HOS court from the Housing Authority, as such each OC engages its own PMA to

undertake the court management work. The HD has no authority to supervise the work of the OC or the PMA engaged by OCs for the management of an HOS court. If the HD receives complaints or improvement proposals from individual flat owner of relevant HOS courts, they will be referred to the OCs concerned for follow-up.

- (e) The Government renamed the Multi-storey (Owners Incorporation) Ordinance as the Building Management Ordinance in 1993. It provides a legal framework for the formation and operation of OCs, and stipulates a number of building management requirements to facilitate owners' participation in managing and handling the daily affairs of their courts.

In case of any dispute over the management of HOS courts, flat owners should approach the MC of OCs for resolution through communication and consultation, or request the Chairman of MC concerned to convene an owners' meeting to discuss and vote on the issue. Apart from seeking assistance in resolving disputes from respective local District Offices, flat owners may also apply to the Lands Tribunal for its adjudication on building management issues.

Land (Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice

12. **MR JAMES TO** (in Chinese): *President, the Land (Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice (the Notice) came into effect on 1 April 2010. At the briefing on the 2010-2011 Policy Address, the Secretary for Development said that Hong Kong Housing Society (HKHS) was currently providing free information service on the compulsory sale process under the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545) (the Ordinance), while the Government would engage on a pilot basis a social welfare agency to provide outreach services for elderly owners of old buildings and later this year launch a video documentary on the Ordinance. In this connection, will the Government inform this Council:*

- (a) *whether it knows, when members of the public ask HKHS if the buildings they are residing in fall within the scope of the Notice,*

whether HKHS would assist the enquirers in understanding the specific situations of their buildings (including the building's specific distribution of property ownership), and inform them if the buildings they are residing in fall within the scope of the Notice; if HKHS will not do so, of the reasons for that;

- (b) whether it knows the respective numbers of requests for assistance and enquiries received by HKHS to date (with a breakdown by District Council district), the contents and types of such cases, and the number of cases referred by HKHS to the Hong Kong Institute of Surveyors (HKIS) as well as the contents and types of these cases;*
- (c) of the progress of the engagement of a social welfare agency by the Government to provide outreach services for elderly owners of old buildings, when the services will commence, whether the scope of such services will include assisting the clients to ascertain if the buildings they are residing in (particularly those old buildings that have no owners' incorporations) fall within the scope of the Notice;*
- (d) in launching the video documentary on the Ordinance, whether the Government will step up public education to help the public distinguish if the buildings they are residing in fall within the scope of the Notice, and understand which government departments they can approach for assistance on this matter; and*
- (e) whether it knows, after the Notice has come into effect, if there are cases in which the developers or the companies concerned, having acquired almost 80% of individual old buildings' property ownerships, have delayed the maintenance and repair works for such buildings; whether HKHS and the authorities have measures targeted to assist the maintenance and repair works of these buildings to avoid the living environment and safety of the residents of these buildings being affected as a result of water leakage or dilapidation of the buildings?*

SECRETARY FOR DEVELOPMENT (in Chinese): President, my reply to the five-part question is as follows:

- (a) When members of the public inquire if the buildings in which they are residing fall within the scope of the Notice which took effect recently, the HKHS would explain to them what the three classes of land lot specified under the Notice are and how to ascertain if their buildings are situated in lots which belong to either of the three classes of lot. Whether the subject lot belongs to the first class of lot (that is, a lot with units each of which accounts for more than 10% of the undivided shares in the lot) can be ascertained through the registration records of the Land Registry (LR). Whether the subject lot belongs to the second class of lot (that is, a lot with all buildings aged 50 years or above) can be ascertained through the records of occupation permits kept by the Buildings Department (BD). As for the third class of lot (that is, a lot that is not located within an industrial zone and with all the buildings on the lot being industrial buildings aged 30 years or above), it can be ascertained through the outline zoning plans available at the Planning Department (PlanD).

For inquiries on the specific circumstances of individual buildings, as the HKHS is not an organization to offer legal or other professional advice, it will suggest the inquirers to seek independent legal or other professional advice.

- (b) As at the end of October this year, the HKHS has received 183 inquiries about the Ordinance and the Notice. A breakdown of the number of cases by district under the District Council demarcation and by content is as follows:

Breakdown of inquiries by district

<i>District</i>	<i>Number of Cases</i>
Central and Western District	26
Eastern District	23
Southern District	2
Wan Chai District	15
Kowloon City District	39
Kwun Tong District	0
Sham Shui Po District	14
Wong Tai Sin District	0

<i>District</i>	<i>Number of Cases</i>
Yau Tsim Mong District	13
Islands District	0
Kwai Tsing District	0
North District	0
Sai Kung District	0
Sha Tin District	0
Tai Po District	0
Tsuen Wan District	1
Tuen Mun District	0
Yuen Long District	0
unspecified	50
Total	183

Breakdown of inquiries by content

<i>Subject of Inquiry</i>	<i>Number of Inquiry</i>
Eligibility for application	80
Application procedures	28
Rights and protection	48
Assessment of sale price and compensation	62
Others	28
Total number of inquiries	246

Note:

One inquiry may straddle more than one subject.

The HKHS has so far referred one inquiry case to the HKIS. The inquiry was mainly about the valuation criteria adopted by the majority owner when making an acquisition offer for the properties of the minority owners, how minority owners could protect their own rights and interests, and discussion on the main points of the major judgments handed down by the Lands Tribunal, and so on. The HKIS has contacted the inquirer and taken appropriate follow-up action.

- (c) We plan to engage a social welfare agency by the end of this year to provide outreach service for the elderly owners of old buildings to

proactively explain to them the general practice of property acquisition and the procedures of compulsory sale under the Ordinance. The social welfare agency will also refer the cases of the elderly owners to the professionals, such as surveyors, for advice and assistance according to their wish. It is expected that the social welfare agency will launch such service in early 2011.

Given that elderly owners may find it difficult to conduct the necessary checking with the LR, the BD and the PlanD whether the buildings in which they are residing fall within any of the three classes of lot specified under the Notice, the social welfare agency to be engaged will also assist elderly owners in making the verification.

- (d) The Development Bureau plans to launch a video explaining the Ordinance by the end of this year. The video will explain the scope of the Ordinance and the procedures of compulsory sale of land and properties in a simple and straightforward manner so as to help the affected owners understand their rights and the protection for them under the Ordinance. The video will also briefly explain what the three classes of lot specified under the Notice which took effect early this year are, and how to obtain further relevant information from the 10 Property Management Advisory Centres of the HKHS. The video will also explain to the public the support and assistance available, including explaining the role of the Estate Agents Authority (EAA) in regulating the estate agents' role when acquiring old buildings and the possible assistance that EAA can provide to the owners. The video will also introduce the pilot mediation scheme soon to be launched by the Development Bureau to let the public know that apart from applying to the Lands Tribunal for compulsory sale of a lot, the majority owners and the minority owners of the lot may reach agreement through mediation and thus avoid going through the hearing procedures of the Lands Tribunal.
- (e) Building dilapidation is a common and serious problem in Hong Kong. We cannot confirm how many of such dilapidation cases are related to property acquisition. In any event, the BD will, having regard to the prevailing policy and its existing manpower, closely monitor building conditions, conduct regular building inspections, as

well as handle complaints against dilapidated buildings in all districts across the territory. If problems concerning building safety are identified, enforcement action will be taken promptly, and where necessary, contractors will be engaged to carry out the required works on behalf of the owners, with the cost of the works recovered from the owners concerned afterwards in accordance with the Buildings Ordinance. Apart from government enforcement actions, the Urban Renewal Authority and the HKHS have put in place various schemes to assist owners of dilapidated buildings in carrying out maintenance works.

Pneumococcal Vaccination Provided for Children

13. **MS AUDREY EU** (in Chinese): *President, it has been reported that the Government has been administering free 7-valent Pneumococcal Conjugate Vaccine (PCV7) to eligible children since September 2009, yet PCV7 cannot confer protection against 49% of the serotypes of bacteria infecting children, including 3, 6A, 19A, 7F, 1 and 5, and the 10-valent Pneumococcal Conjugate Vaccine (PCV10) introduced as replacement since October this year merely confers protection against three more serotypes of bacteria (including 1, 5 and 7F). Given that there has been a five-fold surge in the number of cases of serotype 19A pneumococcal infections in the neighbouring regions such as Taiwan, will the Government inform this Council:*

- (a) *of the types and doses of pneumococcal vaccines procured by the Government and the expenditure involved in the past three years;*
- (b) *given that there have been comments that the monitoring of pneumococcal infectious diseases in Hong Kong mainly relies on voluntary reporting by family doctors, and it is difficult for the Government to monitor the situation of serotype 19A pneumococcal infections effectively, whether the Government will consider following the practice of Taiwan by classifying pneumococcal infections as notifiable infectious diseases and requiring various healthcare institutions to notify the Government of such cases; if so, of the details; if not, the reasons for that; and*

- (c) *given that it has been reported that the PCV10 introduced by the Government this year cannot provide protection against all types of pneumococci effectively, especially against the more life-threatening serotype 19A pneumococcus, and that the Government has switched to PCV10 because it is cheaper than PCV7, whether the Government will consider making better use of public money by abandoning the use of PCV10, which is used in Canada only, and procuring the more immunogenic 13-valent Pneumococcal Conjugate Vaccine instead, which is extensively used in the United Kingdom, the United States, Australia and various countries in Europe, so as to make up for the inadequacy in the monitoring system; if it will, of the details; if not, the reasons for that?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, pneumococcus may cause invasive pneumococcal diseases (IPD) such as bacteraemic pneumonia, meningitis and septicaemia. Between 2007 and 2009, 116 to 137 cases of IPD were recorded each year in Hong Kong. More than 90 serotypes of pneumococcus have been identified so far. Three types of pneumococcal conjugate vaccine (PCV) are available on the market for infant vaccination which respectively confer protection against 7 serotypes (7-valent PCV), 10 serotypes (10-valent PCV) and 13 serotypes (13-valent PCV) of pneumococcus. Currently, neither the World Health Organization nor the Scientific Committee on Vaccine Preventable Diseases (SCVPD) under the Centre for Health Protection (CHP) has made any recommendation on which PCV is to be used as a priority.

- (a) The Department of Health (DH) has started to provide free vaccination of 7-valent PCV to newborns born on or after 1 July 2009 since September 2009. At the same time, the Government has launched a one-off catch-up programme for children under the age of two and born between 1 September 2007 and 30 June 2009 to receive free pneumococcal vaccination. The DH procured a total of 287 000 doses of 7-valent PCV by the end of October 2010 with an estimated expenditure of some HK\$127 million. The DH also intends to procure a total of 280 000 doses of 10-valent PCV between August 2010 and July 2011 at a total cost of about HK\$54.6 million. Between August 2010 and 10 November 2010,

23 970 doses of 10-valent PCV were already procured by the DH at an expenditure of some HK\$4.6 million.

- (b) The Government needs to consider a number of factors in determining whether a particular infectious disease should become statutorily notifiable. These factors include the prevalence and severity of the disease or condition, outbreak potential, existence of a reliable diagnostic method, availability of effective personal or public health intervention, existence of better alternative surveillance methods, World Health Organization's reporting requirements, potential as a biological weapon, and so on. Since the above factors vary from place to place for a given disease, different regions prescribe different lists of statutorily notifiable diseases.

At present, the DH has set up a laboratory surveillance system targeted at IPD for comprehensive surveillance of the local trend of IPD and changes in serotype replacement and antibiotic resistance, and so on. This surveillance system covers all the microbiology laboratories in public and private hospitals in Hong Kong and therefore can provide comprehensive and detailed epidemiological data of IPD in Hong Kong. Currently, we have no plan to make pneumococcal diseases a statutory notifiable disease.

- (c) According to the data from the laboratory surveillance system of CHP under the DH, the number of IPD cases caused by serotype 19A pneumococcus only accounted for less than 5% of the total number of IPD cases during the period from 2007 to 2009. At present, there is no sign of a potential outbreak of serotype 19A pneumococcus in Hong Kong. Antibiotic sensitivity tests also indicate that serotype 19A pneumococcus is sensitive to antibiotics such as Vancomycin.

13-valent PCV was registered in Hong Kong after the commencement of this year's Government tender exercise to procure PCVs whereas 7-valent PCV and 10-valent PCV were registered in Hong Kong in 2002 and 2009 respectively. Given that the SCVPD under CHP has not made any recommendation on which PCV is to be used as a priority, it was stated in the tender document that the

vaccine to be supplied must be a multi-valent PCV suitable for administering to infants aged six weeks to two years and covering at least the pneumococcal serotypes that are contained in 7-valent PCV.

The DH has replaced 7-valent PCV by 10-valent PCV since October 2010 through the Government's established tendering procedures after taking into account the cost-effectiveness and the need to provide better protection for the public.

The DH will continue to take account of the recommendations of the SCVPD and the cost-effectiveness of PCV for procurement of a suitable vaccine to safeguard public health.

Government Offices Outside HKSAR

14. **MR ALBERT CHAN** (in Chinese): *President, I understand that at present, the Hong Kong Special Administrative Region (HKSAR) Government has set up a number of offices on the Mainland and in various places in the world, and that, by virtue of agreements signed with some of these countries or places or orders promulgated by the governments of the countries or places concerned, these overseas offices set up by the HKSAR Government enjoy certain privileges or immunities. In this connection, will the Government inform this Council:*

- (a) at present, which countries or places have signed agreements with the HKSAR Government or promulgated orders to grant certain privileges or immunities to the HKSAR offices set up in those countries or places; of the contents of such agreements or orders;*
- (b) whether the authorities had exercised the aforesaid privileges or immunities in the past five years; if so, of the details; if not, the reasons for that;*
- (c) whether the aforesaid privileges or immunities have any impact on the rights and interests of the local residents who work in these offices outside HKSAR; if so, of the details; if not, the reasons for that; and*

- (d) of the decision-making procedure for exercising the aforesaid privileges or immunities, and who makes the final decision?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Chinese): President, with regard to part (a) to (d) of the question, our reply is as follows:

- (a) The privileges and immunities granted to the Hong Kong Overseas Economic and Trade Offices (ETOs) are the result of negotiations with the host governments and these vary from one office to another. In some cases, the host governments (such as the United Kingdom, Australia and Germany) had granted certain privileges and immunities to the ETOs through dedicated domestic legislations. At present, all 11 overseas ETOs (London, Brussels, Geneva, Washington, New York, San Francisco, Tokyo, Toronto, Singapore, Sydney, and Berlin) have been granted certain privileges and immunities by respective host governments to facilitate the ETOs to discharge their duties without intervention. Broadly speaking, the privileges and immunities enjoyed by the ETOs mainly include the inviolability of premises, official correspondence, archives and documents as well as the exemption of premises and representatives from taxation.
- (b) During the past five years, the overseas ETOs did not assert any claims of immunities from civil and administrative jurisdiction.
- (c) The privileges and immunities granted by the host governments aim to facilitate the overseas ETOs to discharge their duties without intervention. When dealing with the benefits and rights related to the employment of local residents, the ETOs would observe the relevant laws of the respective host countries.
- (d) Before making a decision on the exercise of privileges and immunities, the HKSAR Government will seek legal advice in the respective host countries on issues relating to the abovementioned privileges and immunities which are granted under the laws or

administrative arrangements of the host countries concerned. The advice sought will be considered by concerned Policy Bureaux.

- (e) In addition to the overseas ETOs, the HKSAR Government has also established four offices in the Mainland, namely the Beijing Office, and three ETOs in Guangdong, Shanghai and Chengdu respectively. The relevant Mainland authorities had agreed to put in place a number of facilitation arrangements to these offices, so as to ensure their smooth operation. These include, for example, exemption from customs duty of official goods and equipment, and exemption of Hong Kong based staff from local income tax. These facilitation arrangements have been implemented smoothly with the support and co-operation of the relevant Mainland authorities over the years.

Adopting Same Criteria for Both Genders in Testing Physical Fitness of Applicants by Disciplined Services

15. **MS EMILY LAU** (in Chinese): *President, according to the recruitment procedures of the disciplined services concerned (Fire Services Department (FSD), Hong Kong Police Force (HKPF), Customs and Excise Department (C&ED), Immigration Department (ImmD) and Correctional Services Department (CSD)), applicants need to pass a physical fitness test but the requirements of different disciplined services are not quite the same. Some of the disciplined services require applicants of both genders to pass physical fitness tests with the same criteria for both genders, regardless of the fact that both genders are born with different physical conditions. In this connection, will the executive authorities inform this Council:*

- (a) *given that information indicates that different standards are prescribed for male and female candidates in the physical fitness tests of the HKPF and CSD, of the respective numbers of male and female candidates who failed such physical fitness tests in each of the past three years, as well as their respective percentages in the total number of candidates taking the tests concerned;*
- (b) *given that information indicates that candidates of both genders are required to attain the same physical fitness levels in the physical*

fitness tests of the FSD, C&ED and ImmD, of the respective numbers of male and female candidates who failed such tests in each of the past three years, as well as their respective percentages in the total number of candidates taking the tests concerned; and

- (c) *given that the information provided by the authorities in response to my question in 2005 indicates that under the circumstances that candidates of both genders need to pass physical fitness tests with the same criteria, there was an extremely serious imbalance between the respective passing rates of the male and female candidates of the disciplined services concerned, whether the authorities will review and revamp the requirements of physical fitness tests, so as to strike a balance between meeting the requirements according to job nature and promoting fair competition between male and female candidates?*

SECRETARY FOR SECURITY (in Chinese): President,

- (a) and (b)

The statistics on candidates who applied in the recruitment exercises of the five disciplined services and attended the physical fitness tests in the past three years are set out below:

Candidates who failed the physical fitness tests in the recruitment exercises of disciplined services from 2007 to 2009

		2007		2008		2009	
		<i>Candidates who failed the test</i>		<i>Candidates who failed the test</i>		<i>Candidates who failed the test</i>	
		<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
HKPF	male	1 245	32.1%	1 264	29.7%	1 378	27.8%
	female	423	41.4%	530	46.6%	482	41.8%
CSD	male	944	51%	721	48%	2 656	50%
	female	N.A.	N.A.	N.A.	N.A.	417	28%
FSD	male	1 632	83.7%	2 547	61.3%	6 651	60.2%
	female	54	100%	102	91.9%	154	99.4%

		2007		2008		2009	
		<i>Candidates who failed the test</i>		<i>Candidates who failed the test</i>		<i>Candidates who failed the test</i>	
		<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
C&ED	male	59	4.4%	N.A.	N.A.	297	9.6%
	female	213	63.8%	N.A.	N.A.	501	62.5%
ImmD	male	1 103	24%	2 619	35%	N.A.	N.A.
	female	1 514	64%	1 568	53%	N.A.	N.A.

Note:

"N.A." denotes that no relevant recruitment exercise was conducted by the relevant disciplined service during the year.

- (c) The physical fitness tests conducted by the disciplined services in their recruitment exercises aim to assess whether the applicants can fulfil the minimum requirements in physical fitness for the posts concerned. The current fitness test standards prescribed by the disciplined services are set by experts based on the actual operational needs of the relevant disciplined service.

Given the different job nature of male and female officers of the HKPF and CSD, the two disciplined services have currently prescribed different physical fitness requirements for male and female applicants. As regards the CSD, the Prisons Ordinance (Cap. 234) requires prisoners be supervised by correctional services personnel of the same gender. As managing male and female prisoners does not demand the same physical fitness from correctional services personnel, the CSD has prescribed relevant physical fitness test standards for male and female applicants respectively, based on the actual job requirements. As for the HKPF, since there is a generally higher demand for physical fitness on male officers owing to the nature of their job duties, the HKPF has adopted different physical fitness test standards for male and female applicants. The HKPF will review the physical fitness test standards from time to time in the light of their job requirements.

The FSD, C&ED and ImmD do not set different standards of physical fitness tests for different gender because there is no need for them to assign duties based on physical fitness or gender. The

departments have therefore adopted the principle of "same physical fitness requirement for the same job" to assess whether applicants fulfil the minimum physical fitness requirements of the posts concerned.

On the whole, the standards of the physical fitness tests of various disciplined services are set in accordance with the actual job nature and the respective physical fitness requirements of individual disciplined service.

Noise Problem Caused by Helicopter Rescue Service

16. **MR LEUNG KWOK-HUNG** (in Chinese): *President, I have received complaints from some Eastern District residents that the residents in the district suffer from noise nuisance because the helicopter rescue service is mainly carried out at Pamela Youde Nethersole Eastern Hospital (PYNEH). They have pointed out that helipads are at present provided at PYNEH and Tuen Mun Hospital (TMH) for emergency casualty evacuation. According to the view of the Government Flying Service (GFS), landing at TMH is restricted due to safety considerations, hence under normal circumstances, emergency patients and casualties are mainly transferred to PYNEH which provides 24-hour emergency services; yet, the noise generated by such rescue helicopters is not subject to regulation, and while the residents understand the importance of rescue operations and have no intention of raising objection, they hope that the authorities will help them solve the noise problem. In this connection, will the Government inform this Council:*

- (a) *of the number of landings made by rescue helicopters at various public hospitals in the past five years;*
- (b) *apart from the measures mentioned by the GFS and the Civil Aviation Department (CAD) to members of the Eastern District Council on 18 March this year, what other specific measures the authorities have to mitigate the aforesaid noise problem in Eastern District, and whether they will allocate additional resources to assist residents in installing noise mitigation facilities; and whether they*

know if the Hospital Authority (HA) will divert such service to other hospitals in the long run; and

- (c) *given that there are over 20 days in a year on which helicopter operations at PYNEH are precluded by adverse weather conditions, making it impossible to carry out emergency casualty evacuation within the shortest possible time, whether it knows if the HA will consider constructing additional helipads at suitable public hospitals throughout Hong Kong; if the HA will, when the helipads will be constructed; if not, of the reasons for that?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, among all public hospitals under the HA, the PYNEH and TMH are provided with helipad facilities. The GFS will adopt various means to transfer casualties to hospitals according to their medical conditions. Under the Emergency Casualty Evacuation and Rescue Service Arrangement drawn up by the GFS and HA, "Type A+" casualties (that is, patients with life-threatening conditions) will be transferred to hospital by helicopter to ensure that they could be sent to the Accident and Emergency Department for treatment as soon as possible. "Type A" casualties (that is, patients with emergency medical conditions other than life-threatening conditions) and "Type B" casualties (patients with lesser emergency) will be first conveyed to GFS's Wan Chai heliport, or depending on weather conditions, to its Headquarters at the Hong Kong International Airport, before being transferred by ambulance to a hospital nearby for treatment.

- (a) The number of landings made by rescue helicopters at the two public hospitals with helipad in the past five years is set out in the table below:

	2006	2007	2008	2009	2010 (up to September)
PYNEH	249	273	210	219	156
TMH	22	15	14	9	10

- (b) and (c)

To reduce the noise impact caused by helicopter landing at hospital to residents in the vicinity, the GFS, having consulted the CAD, has

adopted flight paths away from residential areas as far as possible, and taken noise mitigation measures including the use of low noise helicopters as well as slowing down the rotor speed of helicopters to reduce the noise level during the transfer of casualties at helipad.

In providing a helipad, apart from compliance of design standards and safety requirements, the safety of the flight paths would also need to be taken into consideration. At present, since there are many high-rise buildings in the vicinity of most public hospitals with Accident and Emergency Departments, suitable and safe flight paths for helicopters may not be available. In addition, the existing hospital blocks have not been designed to cater for the landing by helicopters. Therefore the structure of the buildings is not capable of supporting the load of a helicopter and a helipad. There exist difficulties in providing a helipad on the roofs of these existing hospital blocks. Also, landing of helicopters may cause vibration to the hospital blocks and affect the medical equipment in the building.

In planning for new acute hospital, we will consider providing helipad facilities at the hospital depending on the need and circumstances. The provision of helipad facilities needs to be technically feasible and meets the relevant safety standards and statutory requirements. For instance, we may need to conduct environmental study or Environmental Impact Assessment (EIA) in accordance with the EIA Ordinance, in order to minimize the environmental impact of the facilities to nearby residential dwellings. The HA will maintain communication with the relevant departments, including the GFS and CAD, in considering the provision of helipad facilities.

Impact of Quantitative Easing Monetary Policy Implemented by Federal Reserve on Hong Kong's Economy

17. **MR FREDERICK FUNG** (in Chinese): *President, given that in early November this year, the Federal Reserve of the United States (the Federal Reserve) implemented the second-round quantitative easing monetary policy*

(QE2) by buying US\$900 billion Treasury bonds to support the sluggish economy of the United States and alleviate the high unemployment rate. The Chairman of the Federal Reserve even said that where appropriate, policy instruments could be used to support economic recovery, suggesting that there is a possibility of further extending the scale of the aforesaid policy. Various sectors have anticipated that hot money will continue to flow into Hong Kong, and will further push up asset prices. In this connection, will the Government inform this Council:

- (a) whether it has assessed the latest impact of the Federal Reserve's QE2 on Hong Kong's economy, including the overall economic conditions, capital flows, asset prices and inflation, and so on; if an assessment has been made, of the results;*
- (b) apart from continuing to make verbal appeals to alert the public that as they are making investments at their own risks, they should do so according to their abilities and should not engage in too much speculative buying, what concrete and effective new measures the authorities have to prevent the inflow of hot money from forming asset-price bubbles that may lead to enormous market fluctuations; and*
- (c) whether the authorities have new measures to address the serious impact of the aforesaid surge in asset prices on people's livelihood; in respect of housing, whether they will yield to the wish of the public and consider afresh relaunching the Home Ownership Scheme, so as to prevent high property prices and property market fluctuations from creating housing problems and people's basic housing needs cannot be satisfied; regarding inflation, with the devaluation of Hong Kong dollar along with the US dollar and the continuous rise in inflation on the Mainland, the livelihood of the middle and lower classes has been affected as they rely mainly on cheaper food and daily necessities imported from the Mainland to maintain their quality of life, whether the authorities will implement new alleviating measures to help them face the pressure of rising prices; if they will, of the details; if not, the reasons for that?*

FINANCIAL SECRETARY (in Chinese): President,

- (a) The Government is concerned about the second round of quantitative easing by the Federal Reserve in the United States. Whether this round of quantitative easing (known as QE2 in the financial markets) will help to provide impetus to the United States economy, thereby propelling global economic growth, remains to be seen. But the Government is mindful of the side-effects of QE2 on the global economy. QE2 will increase the liquidity in the global banking system further and prolong the exceptionally-low interest rate environment for an extended period. Given Asia's brighter economic prospects, more fund flows into the region can be expected. Asia is thus faced with increasing risks in inflation, asset bubble formation, as well as gyrations of financial and currency markets. Hong Kong is no exception and likewise faced with similar challenges. In particular, the abundant liquidity and low interest rates in Hong Kong will persist for an extended period. This may further raise asset price inflation expectation, thereby intensifying the risk of an asset price bubble. The Government is therefore mindful of the risks to macroeconomic stability stemming from QE2, and will monitor the situation closely.
- (b) The Government has been monitoring the development of the private residential property market closely and remains vigilant to the risks of a property bubble. In the Budget in February, we have set out four strategies to stabilize the property market and reduce the risks of a property bubble. They are:
- (i) increasing supply;
 - (ii) enhancing transparency;
 - (iii) preventing excessive leverage in mortgage lending; and
 - (iv) curbing speculation.

In pursuit of these four strategies, we announced in April and August further measures. In his Policy Address in October, the Chief

Executive announced a basket of short-, medium- and long-term measures. These measures have been taking effects in stabilizing the property market. However, owing to extraordinary external factors, the private residential property market remains volatile. More worrying is the exuberant state of the property market spreading to the mass market. In addition, with the recent announcement by the United States Federal Reserve on the launching of the second round of quantitative easing amounting to US\$600 billion, more funds are expected to flow to Asia, including Hong Kong.

Taking into account these developments, the Government considered it necessary to introduce further measures targeted at speculators to curb speculative activities, reduce the risk of the development of an asset bubble and ensure the healthy and stable operation of the property market. For these purposes, the Government announced on 19 November 2010 the following new measures:

- (i) A Special Stamp Duty (SSD) on top of the current *ad valorem* property transaction stamp duty. The SSD is applicable to residential properties of all values at the point of resale if the properties are acquired on or after 20 November 2010 and resold within 24 months after acquisition. The SSD will have three levels of regressive rates for different holding periods:
 - (1) 15% if the property has been held for six months or less;
 - (2) 10% if the property has been held for more than six months but for 12 months or less; and
 - (3) 5% if the property has been held for more than 12 months but for 24 months or less.
- (ii) Deferred payment of the current *ad valorem* property transaction stamp duty for all residential property transactions valued at \$20 million or below will not be allowed.

Coupling with the disallowance of deferred payment of stamp duty for all residential property transactions valued at more than \$20 million which is currently in force, no deferred payment of the current *ad valorem* property transaction stamp duty for any residential property transaction will be allowed.

The Hong Kong Monetary Authority also issued on 19 November 2010 a set of new guidelines to banks requiring them to further strengthen their risk management standards for mortgage lending business by adopting the following measures:

- (i) for residential properties valued at \$12 million or above, the maximum Loan to Value Ratio (LTV) for mortgage loans should be lowered from 60% to 50%;
 - (ii) for residential properties valued at or above \$8 million and below \$12 million, the maximum LTV ratio should be lowered from 70% to 60%, but the maximum loan amount should be capped at \$6 million;
 - (iii) for residential properties valued below \$8 million, the maximum LTV ratio should be maintained at 70%, but the maximum loan amount should be capped at \$4.8 million; and
 - (iv) for all non-owner-occupied residential properties, all properties held by companies and all industrial/commercial properties, the maximum LTV ratio should be lowered to 50%, regardless of property values.
- (c) To ensure the healthy and sustainable development of the property market, the Chief Executive in his Policy Address announced a basket of short-, medium- and long-term measures. From a macro perspective, the Government needs a strategy on land development to address the root cause of the housing problem. In the medium term, the Government will help the sandwich class purchase homes by launching the "My Home Purchase Plan" and make available land for small- and medium-sized flats to respond to the shortage of such units in the private residential market. In the short term, the

Government will take appropriate measures to ensure the healthy and stable development of the private residential market, including controlling "inflated buildings", revising the Capital Investment Entrant Scheme, and examining the issues on regulating the sale of first-hand residential properties by legislation.

With regard to land supply, the Government has set a target for land supply in the next decade to provide land for the construction of about 20 000 private residential units annually. In addition, public rental housing (PRH) is the cornerstone in maintaining Hong Kong's social stability. The Government will continue to provide PRH to low-income families who cannot afford private rental accommodation, and maintain the target of an average waiting time of around three years. We have set up a "Steering Committee on Housing Land Supply" to co-ordinate the efforts of the departments concerned. This will ensure that issues relating to housing land will be dealt with as a matter of priority to guarantee a stable and adequate supply of land for PRH and private residential flats, including small- and medium-sized flats.

The Government has all along been providing financial support through the Comprehensive Social Security Assistance (CSSA) Scheme to help families in need meet basic living expenses. Through the Social Security Allowance (SSA) Scheme (which is made up of Old Age Allowance and Disability Allowance), we also help elders aged 65 or above and persons with severe disability meet special needs arising from their old age or severe disability.

Standard payment rates under the CSSA Scheme and rates of allowances under the SSA Scheme are adjusted annually in accordance with the movement of the Social Security Assistance Index of Prices (SSAIP) to maintain their purchasing power. We informed the Panel on Welfare Services at its meeting on 8 November 2010 of the latest position of the SSAIP. We expect that the payment rates will need to be adjusted upwards accordingly as from February 2011. We will closely monitor the movements of the SSAIP and other economic indicators. If necessary, we will

make further adjustment ahead of the next adjustment cycle. In addition, the Government has introduced a number of one-off measures in recent years in response to changes in the economic situation, sharing with Hong Kong people the fruits of economic prosperity and providing relief in difficult times. The Government will continue to monitor the effect of inflation on low-income households.

Taxis for People with Disabilities

18. **MR WONG SING-CHI** (in Chinese): *President, it has been reported that a motor trading company wishes to introduce a type of taxi called "London taxis" to Hong Kong; such type of vehicle features a spacious body which is wheelchair accessible, and thus facilitates the use by people with disabilities. Yet, the motor trading company has criticized that even though it has applied to the Transport Department (TD) to introduce "London taxis" for several months, the TD has not yet given any positive response with regard to relevant formalities and field testing procedures, and so on, hence, "London taxis" can only be used as private cars in Hong Kong at the moment and cannot become a legitimate type of taxi in Hong Kong. In this connection, will the Government inform this Council:*

- (a) *whether it knows in the past three years the concessions and facilities provided by the various public transport operators in Hong Kong for people with disabilities, the resources injected, as well as the utilization by people with disabilities, together with a breakdown by name of the operator;*
- (b) *of the current application procedures for a certain type of vehicles to be the legitimate type of taxis in Hong Kong; the time usually taken by the TD to process applications from motor trading companies for introducing new types of taxis and conducting field testing procedures, and so on; the progress of the TD in processing the aforesaid application for the introduction of "London taxis";*
- (c) *given that the Government has indicated that it supports the introduction of wheelchair accessible taxis, and that it will liaise*

with the taxi trade to help the trade find suitable types of vehicles and understand the established standards and procedures, of the details of the Government's liaison with the taxi trade regarding the introduction of wheelchair accessible taxis in the past three years, as well as details of the Government's work in assisting the trade in finding suitable types of vehicles and understand the established standards and procedures; and

- (d) *whether there is any plan at present for the Government to introduce "London taxis" to assist people with disabilities in using taxi service; if so, of the details and timetable; if not, the reasons for that?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President,

- (a) The Government has been working closely with the public transport operators to study and introduce enhanced facilities for people with disabilities to facilitate their access to public transport services. Relevant measures of major public transport operators are summarized as follows:
- (i) Currently, all stations (including Light Rail stops) of the MTR Corporation Limited (MTRCL) provide barrier-free access⁽¹⁾ (with facilities such as lifts, ramps, wide gates, tactile guide paths, and so on). According to the information provided by the MTRCL, the Corporation has spent over \$600 million in the past 10 years to improve barrier-free transport facilities. Over the past three years, the MTRCL has been continuously retrofitting lifts and stair lifts at its stations, and has plans to install lifts at seven stations.
- (ii) The franchised bus companies are gradually replacing the old buses with low-floor buses, and have installed bus stop announcement systems and other facilities to support people with disabilities, such as textured handrail with sharp colour

(1) Except Racecourse Station of East Rail Line.

contrast, anti-skid floors, electronic information display, and so on. In the past three years, the number of wheelchair accessible buses has increased by more than 400 to nearly 3 200 (accounting for about 55% of the entire bus fleet), whereas the number of buses equipped with bus stop announcement systems has increased to nearly 4 300 (accounting for about 75% of the entire bus fleet).

- (iii) As regards public light buses, as at August 2010, 1 056 (or about 35% of) green minibuses have been installed with call bells.
- (iv) All the 18 136 liquefied petroleum gas (LPG) taxis have been installed with Braille and tactile vehicle registration number plates on the rear left door. About 9 700 LPG taxis have been installed with talking taxi meters which can announce simple messages (including the vehicle registration number and the fare for the trip) in Cantonese, Putonghua and English.
- (v) Tactile guide paths and call bells are installed at the gate entrances of most ferry piers. Landing ramps with vertical grooves are provided at the piers to facilitate smooth movement of wheelchairs. Besides, some ferries have been equipped with facilities such as wheelchair spaces and Braille plates, and the gangplanks on the ferries are coated with anti-skid surfacing.

Since July 2008, the Government has been providing a monthly transport supplement to recipients of Comprehensive Social Security Assistance (CSSA) aged between 12 and 64 with 100% disability and to recipients of Disability Allowance in the same age group with a view to enhancing their full integration into the society. To reduce the travelling expenses of the general public (including people with disabilities), the Government has been encouraging public transport operators to introduce fare concessions as far as possible, having regard to factors such as the overall economic environment, market situation, operating conditions of the operators

and the demands of passengers. At present, major public transport operators are offering different types of fare concessions, including those for people with disabilities.

Since 22 December 2009, the MTRCL has offered fare concessions to recipients of CSSA aged between 12 and 64 with 100% disability and to recipients of Disability Allowance in the same age group. People with disabilities can also enjoy fare concessions on some ferry routes and green minibus routes.

Besides, the major public transport operators, including the MTRCL, franchised bus operators, major ferry operators, tram and peak tram companies as well as some public light bus operators, support the annual International Day of Disabled Persons, offering people with disabilities a free-ride day. This year's free-ride day took place on 21 November.

As regards people with disabilities' utilization of such public transport services, the Government does not have the related information.

- (b) In order to have a vehicle type registered for use as taxis in Hong Kong, the statutory requirements on vehicle safety and environmental protection have to be met. On vehicle safety, the vehicle concerned must comply with the provisions on the construction of vehicles stipulated in the Road Traffic Ordinance (Cap. 374) and its subsidiary legislation. On environmental protection, the vehicle concerned must comply with the provisions on noise control stipulated in the Noise Control (Motor Vehicles) Regulation (Cap. 400I), and on emission stipulated in the Air Pollution Control (Vehicle Design Standards) (Emission) Regulations (Cap. 311J). If the vehicle under application is fuelled with LPG, the LPG system of that vehicle must comply with the gas safety standards stipulated in the Gas Safety Ordinance (Cap. 51) and its subsidiary legislation. The TD, Electrical and Mechanical Services Department (EMSD) and Environmental Protection Department (EPD) will process the applications separately to assess

whether the specifications of the vehicle concerned comply with the respective statutory requirements.

Prior to the introduction of the vehicle to Hong Kong (for use as taxis), the taxi company may apply to EMSD and EPD direct, or via the TD, for approval of the LPG system, and the emission and noise standards respectively. The TD will examine the technical submission relating to vehicle safety. Upon the issue of approval documents by the EMSD and EPD, TD will arrange for examination of the concerned vehicle at its vehicle examination centre. Generally speaking, if all the required documents are in order and the vehicle passes the examination, the abovementioned approval process will take about six to eight weeks in total.

The TD has not received any application for the introduction of the "London taxi" model as taxi under reference in the question.

- (c) Over the past few years, the TD has been assisting the taxi trade in introducing wheelchair accessible taxi types. In 2007, two new vehicles which allow convenient use by wheelchair users were approved by the TD for registration as taxis. Besides, with the assistance of the TD and EMSD, a vehicle supplier has recently succeeded in altering a petrol model of wheelchair accessible light goods vehicle into a LPG model. That model passed the emission test of the EPD in December 2009 and obtained approval from the EMSD on its LPG system. In March 2010, the vehicle supplier arranged for a vehicle examination of the vehicle type, and subsequently obtained the TD's approval of vehicle construction. That vehicle supplier has promoted the model for use as taxis to the major taxi groups.

Separately, in view of the fact that early this year, a taxi company expressed interest to introduce another petrol-powered wheelchair accessible vehicle model from Japan for use as taxis, the TD has been liaising with the vehicle supplier concerned, explaining the technical requirements for granting approval to the vehicle type. The TD is now processing the application in respect of vehicle safety to ensure that the model can meet the vehicle construction requirements.

- (d) Introducing which model of wheelchair accessible taxi is a commercial decision for the taxi trade. Nonetheless, the Government is in support of the introduction of wheelchair accessible taxis. The TD has therefore been liaising with the taxi trade and the vehicle suppliers, assisting the trade to identify suitable models and helping the vehicle suppliers to better understand the relevant standards and approval procedures for introduction of the concerned vehicle types.

Regulation of Fund-raising Activities on Streets

19. **MR ABRAHAM SHEK** (in Chinese): *President, it has been learnt that there is an increasing number of charitable fund-raising activities on the streets in Hong Kong in recent years, particularly in commercial areas such as Central, and this has caused inconvenience and nuisance to members of the public. In this connection, will the Government inform this Council:*

- (a) *of the number of applications received by the authorities for organizing charitable fund-raising activities on the streets, the number of such applications approved and the details (including the types and purposes of such fund-raising activities, the names of the organizations which submitted the applications, and the locations permitted for such fund-raising activities), with a breakdown by District Council district, in each of the past five years;*
- (b) *whether the authorities had uncovered any unauthorized charitable fund-raising activities on the streets in the past five years; if they had, of the number of such cases and the details (including the types and purposes of such fund-raising activities, the amount of money involved and the numbers of prosecutions and convictions);*
- (c) *whether the authorities had received any complaint in the past five years on charitable fund-raising activities on the streets; if they had, of the number of such complaints and the details (including the nature of the complaints, the number of substantiated cases, the follow-up actions taken by the authorities and the locations concerned), with a breakdown by District Council district;*

- (d) *given that the Government had indicated at the Legislative Council meeting on 12 May 2010 that the sub-committee of the Law Reform Commission (tasked to review the legal and regulatory framework relating to charities in Hong Kong) was expected to release a public consultation paper on its findings within this year, whether the review conducted by this sub-committee covers the regulation of charitable fund-raising activities on the streets; if so, of the progress of such work; and*
- (e) *whether the authorities will consider stepping up the regulation of charitable fund-raising activities on the streets before the review and consultation in part (d) have been completed; if they will, of the details; if not, the reasons for that?*

SECRETARY FOR LABOUR AND WELFARE (in Chinese): President, legitimate fund-raising activities are one of the major income sources to support the services and projects of charitable organizations. While the Administration facilitates the conduct of charitable fund-raising activities, we also have to safeguard the interests of the donors and ensure that these activities do not cause nuisance or inconvenience to the public. The regulation of charitable fund-raising activities straddles the programme areas of a number of government bureaux and departments. They have put in place various regulatory and administrative measures.

Under section 88 of the Inland Revenue Ordinance (Cap. 112), a charitable institution or trust of a public character is exempt from tax chargeable under the Ordinance. Relevant government departments take this tax-exempt status into account when considering applications involving fund-raising activities.

At present, the Commissioner for Television and Entertainment Licensing is empowered by the Gambling Ordinance (Cap. 148) and the Gambling Regulations (Cap. 148A) to grant lottery licences. The Director of Social Welfare may issue Public Subscription Permits (PSPs) under the Summary Offences Ordinance (Cap. 228) for any collection of money or sale or exchange for donation of badges, tokens or similar articles for charitable purposes in public places. For the sale of goods in public places for raising funds, temporary

hawker licences (THLs) may be issued by the Director of Food and Environmental Hygiene under the Public Health and Municipal Services Ordinance (Cap. 132).

The Administration's co-ordinated reply to the five parts of Mr Abraham SHEK's question is set out below:

- (a) In the past five years, the number of applications for lotteries licences, PSPs and THLs received and approved by the Television and Entertainment Licensing Authority (TELA), the Social Welfare Department (SWD) and the Food and Environmental Hygiene Department (FEHD) respectively are listed below:

<i>Calendar year</i>	<i>Approving authority</i>	<i>Number of applications received</i>	<i>Number of applications approved</i>
2005	TELA	34	34
	SWD	781	688
	FEHD	127	81
2006	TELA	29	29
	SWD	763	666
	FEHD	220	134
2007	TELA	29	29
	SWD	716	622
	FEHD	430	291
2008	TELA	20	20
	SWD	1 004	911
	FEHD	533	365
2009	TELA	26	26
	SWD	813	703
	FEHD	1 353	909

Details of the applications approved by the SWD and TELA are at Annex A. The FEHD issues THLs to organizations for raising funds in public places in form of sale of goods for non-profit-making purpose. As THLs are issued under many other circumstances as

well, the FEHD has not compiled specific statistics on the THLs issued for fund-raising activities in public places in accordance with their types and purposes as well as the names of the applying organizations and locations permitted for the activities.

- (b) In the five years between 2005 and 2009, the TELA had not received any complaint about the conduct of unauthorized charitable lottery.

During the same period, the SWD received 247 complaints about alleged unauthorized charitable fund-raising activities in public places. The SWD referred these complaints to the police for follow-up action since the activities involved could have breached the law. Investigation by the police resulted in four convictions. The SWD does not have details of the unauthorized charitable fund-raising activities in public places.

While the FEHD keeps statistics on its law-enforcement actions against unlicensed hawking activities, it does not have separate statistics specifically on those against the sale of goods on the streets for charitable fund-raising purpose.

- (c) In the five years between 2005 and 2009, the TELA received 16 complaints about charitable fund-raising activities on the streets, of which a total of nine cases were substantiated. Details of the complaints received by the TELA are at Annex B.

As mentioned in part (b) of the reply, the SWD referred the 247 cases of allegedly unauthorized charitable fund-raising activities in public places in the past five years to the police for follow-up action. The SWD referred other general enquiries or complaints about fund-raising activities (such as impoliteness or disorderly conduct of the fund-raisers) to the relevant organizations for follow-up action. It does not keep statistics on the general enquiries and complaints about fund-raising activities.

While the FEHD keeps statistics on complaints about hawking activities on the streets, it does not have separate statistics

specifically on those concerning the sale of goods on the streets for charitable fund-raising purpose. The FEHD's main responsibility for THLs is to monitor the relevant hawking activities and environmental hygiene issues. Its district Hawker Control Teams conduct sector patrols on the streets every day and inspect the charitable fund-raising hawking stalls with THLs to ensure that the licensees are conducting the relevant activities in accordance with the Hawker Regulation (Cap. 132AI) and the licensing conditions. If issues under the purview of other government departments are identified, the Hawker Control Teams will refer the cases to the relevant departments for follow-up action.

(d) and (e)

Hong Kong is a caring society and the community is supportive of charitable causes. The Administration strives to provide a friendly environment with administrative procedures kept to a minimum in order to facilitate charitable organizations to mobilize community resources for their fund-raising activities. At the same time, the Administration needs to ensure that such activities do not cause nuisance or inconvenience to the public, and that the interests of the donors are safeguarded. We also combat fraudulent fund-raising activities vigorously.

We are stepping up our efforts to educate the public to be smart donors. The Administration will continue to keep the regulatory regime and administrative measures under review. In this regard, the Law Reform Commission of Hong Kong (the Commission) is conducting a review on the law and regulatory framework relating to charities in Hong Kong, including the regulation of charitable fund-raising on the streets. The Commission is now studying the draft public consultation document on the subject prepared by its sub-committee and plans to issue it in the first half of 2011. The Administration will keep in view the progress of the review and its recommendations.

Annex A

**Details of Approved Applications for Fund-raising Activities in Public Places
between 2005 and 2009**

(1) Flag selling activities approved by the Social Welfare Department (SWD)

The flag selling activities approved by SWD must be charitable in nature. The statistics of flag selling activities between 2005 and 2009 are as follows –

Calendar year	Number of territory-wide flag days	Number of flag days by location		
		Hong Kong Island	Kowloon	New Territories
2005	32	31	31	31
2006	32	31	31	31
2007	31	30	30	30
2008	31	31	31	31
2009	31	30	30	30

The names of the organisations which were approved for conducting flag selling activities and the locations permitted for such activities are set out as follows –

2005

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
1	Aberdeen Kai-Fong Welfare Association Limited		✓		
2	Action for Vision Eye Foundation Limited				✓
3	ActionLove (China) Limited				✓
4	Against Child Abuse Limited				✓
5	Asbury Methodist Social Service				✓
6	Asia Women's League Limited			✓	
7	Association for the Rights of Industrial Accident Victims Limited	✓			
8	Baptist Oi Kwan Social Service	✓			
9	Barnabas Charitable Service Association Limited			✓	

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
10	Boys' and Girls' Clubs Association of Hong Kong, The	✓			
11	Boys' Brigade, Hong Kong Limited, The			✓	
12	Breakthrough, Limited	✓			
13	Centre for Restoration of Human Relationships Limited		✓		
14	Chai Wan Area Kai-Fong Welfare Association Limited		✓		
15	Chai Wan Baptist Church	✓			
16	Cheung Chau Rural Committee Integrated Youth Centre		✓		
17	Children's Thalassaemia Foundation			✓	
18	China Education Association, HKUSU		✓		
19	Chinese Evangelical Zion Church Limited		✓		
20	Chinese Rhenish Church Hong Kong Synod, The				✓
21	Christian & Missionary Alliance Church Union Hong Kong Limited	✓			
22	Christian Action			✓	
23	Christian Prison Pastoral Association Limited		✓		
24	Chung Sing Church Limited				✓
25	Church of United Brethren in Christ, Social Service Division, The				✓
26	Community Chest of Hong Kong, The	✓			
27	Conservancy Association, The				✓
28	CTU Education Foundation Limited		✓		
29	Cyber Senior Network Development Association Limited		✓		
30	Echo Valley Evangelistic Association for the Handicaps Limited				✓
31	Employees' Safety, Training & Rehabilitation Services Limited				✓
32	End Child Sexual Abuse Foundation				✓
33	Eternal Flame Action			✓	
34	Evangelical Lutheran Church Social Service - Hong Kong				✓

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
35	Fanling Assembly of God Church, Limited				✓
36	Finnish Evangelical Lutheran Mission, The			✓	
37	Girls' Brigade Hong Kong, The				✓
38	Hans Andersen Club Limited			✓	
39	Haven of Hope Christian Service	✓			
40	Heep Hong Society		✓		
41	Heung Hoi Ching Kok Lin Association	✓			
42	Hok Yau Club			✓	
43	Hong Chi Association				✓
44	Hong Kong Adventure Corps Limited			✓	
45	Hong Kong Aged Concern Limited		✓		
46	Hong Kong AIDS Foundation Limited, The		✓		
47	Hong Kong Air Cadet Corps			✓	
48	Hong Kong Alzheimer's Disease Association			✓	
49	Hong Kong Arthritis & Rheumatism Foundation Limited		✓		
50	Hong Kong Association for Cleft Lip and Palate		✓		
51	Hong Kong Award for Young People, The				✓
52	Hong Kong Blind Union	✓			
53	Hong Kong Christian Institute			✓	
54	Hong Kong Down Syndrome Association, The	✓			
55	Hong Kong Employment Development Service Limited			✓	
56	Hong Kong Family Welfare Society	✓			
57	Hong Kong Federation of Trade Unions Hong Ling Society for the Well-being of the Elderly, The	✓			
58	Hong Kong Federation of Youth Groups, The		✓		
59	Hong Kong Health Education and Health Promotion Foundation Limited, The	✓			
60	Hong Kong International Institute of Music	✓			
61	Hong Kong Movie Star Sports Association Charities Limited			✓	
62	Hong Kong Outlying Islands Women's Association Limited				✓

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
63	Hong Kong PHAB Association	✓			
64	Hong Kong Rehabilitation Power			✓	
65	Hong Kong Road Safety Association, The				✓
66	Hong Kong Sea Cadet Corps			✓	
67	Hong Kong Society for the Aged, The	✓			
68	Hong Kong Society for the Blind, The	✓			
69	Hong Kong Society for the Deaf, The		✓		
70	Hong Kong Society for the Protection of Children			✓	
71	Hope Worldwide, Limited			✓	
72	Industrial Evangelistic Fellowship Limited, The			✓	
73	International Buddhist Progress Society (Hong Kong) Limited			✓	
74	International Church of the Foursquare Gospel - Hong Kong District Limited			✓	
75	Kely Support Group Limited				✓
76	Kwun Tong Methodist Social Service			✓	
77	Kwun Tong Resident Association			✓	
78	L L C S (Hong Kong) Limited		✓		
79	Lifeline Express Hong Kong Foundation	✓			
80	Light and Love Home Limited	✓			
81	Lions Kidney Educational Centre and Research Foundation	✓			
82	Lutheran Church - Hong Kong Synod Limited, The	✓			
83	Mental Health Association of Hong Kong, The			✓	
84	Methodist Centre		✓		
85	Methodist Church, Hong Kong, The Methodist Epworth Village Community Centre		✓		
86	Mission to New Arrivals Limited	✓			
87	Mongkok Kai-Fong Association Limited, The			✓	
88	Neighbourhood & Worker's Education Centre Limited				✓
89	New Territories Women & Juveniles Welfare Association Limited				✓
90	Open Door Ministries Limited		✓		

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
91	Operation Dawn Limited		✓		
92	Pentecostal Holiness Church Hong Kong Conference, The Gilead Social Service Centre		✓		
93	Playright Children's Play Association		✓		
94	Po Leung Kuk	✓			
95	Pok Oi Hospital		✓		
96	Regeneration Society Limited			✓	
97	Rehabilitation Alliance Hong Kong				✓
98	Retina Hong Kong		✓		
99	Riding for the Disabled Association Limited		✓		
100	Rotary Club of Hong Kong City North Community Service Fund Limited				✓
101	Royal British Legion (Hong Kong & China Branch), The		✓		
102	Saint Barnabas' Society and Home		✓		
103	Salvation Army, The	✓			
104	Senior Citizen Home Safety Association	✓			
105	Shamshuipo Kaifong Welfare Advancement Association			✓	
106	Silver Power Intergeneration Volunteer Alliances Limited				✓
107	Society for Community Organization Limited, The			✓	
108	Society for the Promotion of Hospice Care, The		✓		
109	Society for the Welfare of the Autistic Persons				✓
110	Society of Rehabilitation and Crime Prevention, Hong Kong, The	✓			
111	South Asian Lutheran Evangelical Mission Limited		✓		
112	Suicide Prevention Services				✓
113	Tien Dao Worldwide Christian Media Association Limited & Worldwide Bible Society Limited, The			✓	
114	Touch the Bugs Hotline		✓		
115	TREATS				✓

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
116	Tsung Tsin Mission of Hong Kong Social Service Company Limited, The	✓			
117	Tuen Mun District Women's Association Limited				✓
118	Tung Wah Group of Hospitals	✓			
119	Wai Ji Christian Service				✓
120	Wu Oi Christian Centre	✓			
121	Yan Chai Hospital	✓			
122	Yan Oi Tong Limited				✓
123	Yuen Long Town Hall Management Committee Limited	✓			
124	Yuen Yuen Institute, The				✓
125	Zion Social Service Limited			✓	

2006

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
1	Aberdeen Kai-Fong Welfare Association Limited		✓		
2	Against Child Abuse Limited				✓
3	Alliance for Patients' Mutual Help Organisations		✓		
4	Amity Mutual - Support Society		✓		
5	Arts with the Disabled Association Hong Kong				✓
6	Asia Women's League Limited			✓	
7	Association for the Rights of Industrial Accident Victims Limited	✓			
8	Association of Baptists for World Evangelism (HK) Limited	✓			
9	Barnabas Charitable Service Association Limited		✓		
10	Bethune House Migrant Women's Refuge Limited, The			✓	
11	Boys' Brigade, Hong Kong Limited, The	✓			
12	Chai Wan Area Kai-Fong Welfare Association Limited		✓		
13	Chaplain & Recreation Ministry Limited			✓	
14	Children Education Fund Limited				✓
15	China Care Fund Limited		✓		
16	Chinese Rhenish Church Hong Kong Synod, The			✓	
17	Christian & Missionary Alliance Church Union Hong Kong Limited			✓	
18	Christian Action			✓	
19	Church of United Brethren in Christ, Social Service Division, The			✓	
20	Comfort Care Concern Group, The		✓		
21	Community Chest of Hong Kong, The	✓			
22	CTU Education Foundation Limited			✓	
23	Echo Valley Evangelistic Association for the Handicaps Limited				✓
24	End Child Sexual Abuse Foundation		✓		
25	Eternal Flame Action		✓		

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
26	Evangelical Gospel Lutheran Church Limited, The	✓			
27	Evangelical Lutheran Church Social Service - Hong Kong				✓
28	Fanling Assembly of God Church, Limited				✓
29	Finnish Evangelical Lutheran Mission, The				✓
30	Girls' Brigade Hong Kong, The			✓	
31	Green Power Limited				✓
32	H.K.S.K.H. Lady MacLehose Centre	✓			
33	Hans Andersen Club Limited				✓
34	Heep Hong Society		✓		
35	Heung Hoi Ching Kok Lin Association	✓			
36	Hok Yau Club			✓	
37	Hong Chi Association				✓
38	Hong Kong Adventure Corps Limited			✓	
39	Hong Kong Aged Concern Limited		✓		
40	Hong Kong Air Cadet Corps		✓		
41	Hong Kong Alzheimer's Disease Association				✓
42	Hong Kong and Macau Lutheran Church Limited	✓			
43	Hong Kong Association for Cleft Lip and Palate				✓
44	Hong Kong Association for Specific Learning Disabilities				✓
45	Hong Kong Association of Senior Citizens, The			✓	
46	Hong Kong Asthma Society Limited, The			✓	
47	Hong Kong Award for Young People, The				✓
48	Hong Kong Baptist Hospital Au Shue Hung Health Centre	✓			
49	Hong Kong Catholic Marriage Advisory Council, The			✓	
50	Hong Kong Children and Youth Services	✓			
51	Hong Kong Christian Kun Sun Association Limited, The	✓			
52	Hong Kong Christian Service	✓			
53	Hong Kong Down Syndrome Association, The	✓			

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
54	Hong Kong Employment Development Service Limited				✓
55	Hong Kong Federation of Handicapped Youth	✓			
56	Hong Kong Federation of the Blind			✓	
57	Hong Kong Federation of Youth Groups, The	✓			
58	Hong Kong Girl Guides Association, The	✓			
59	Hong Kong Health Education and Health Promotion Foundation Limited, The	✓			
60	Hong Kong Joint Council of Parents of the Mentally Handicapped, The		✓		
61	Hong Kong Kidney Foundation Limited			✓	
62	Hong Kong Liver Foundation, The		✓		
63	Hong Kong Movie Star Sports Association Charities Limited				✓
64	Hong Kong Neuro-Muscular Disease Association		✓		
65	Hong Kong Outlying Islands Women's Association Limited				✓
66	Hong Kong Rehabilitation Power			✓	
67	Hong Kong Road Safety Association, The				✓
68	Hong Kong Society for Rehabilitation, The				✓
69	Hong Kong Society for the Blind, The	✓			
70	Hong Kong Society for the Deaf, The			✓	
71	Hong Kong Society for the Protection of Children			✓	
72	Industrial Evangelistic Fellowship Limited, The			✓	
73	International Buddhist Progress Society (Hong Kong) Limited			✓	
74	International Social Service (Hong Kong Branch)	✓			
75	Joyful (Mental Health) Foundation Limited			✓	
76	Junior Achievement (Hong Kong) Limited		✓		
77	Kwun Tong Methodist Social Service			✓	
78	Life Education Activity Programme				✓
79	Lions Kidney Educational Centre and Research Foundation	✓			
80	Lok Sin Tong Benevolent Society, Kowloon, The	✓			

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
81	Lutheran Church - Hong Kong Synod Limited, The	✓			
82	Mental Health Association of Hong Kong, The			✓	
83	Methodist Centre		✓		
84	Methodist Church, Hong Kong, The Methodist Epworth Village Community Centre		✓		
85	MFMW Limited		✓		
86	Mission Ark Limited			✓	
87	Mission to New Arrivals Limited	✓			
88	Mongkok Kai-Fong Association Limited, The			✓	
89	Neighbourhood & Worker's Education Centre Limited		✓		
90	Neighbourhood Advice-Action Council, The	✓			
91	New Territories Association of Societies (Community Services) Foundation				✓
92	Open Door Ministries Limited			✓	
93	Pentecostal Holiness Church Hong Kong Conference, The Gilead Social Service Centre		✓		
94	Playright Children's Play Association		✓		
95	Po Leung Kuk	✓			
96	Pok Oi Hospital				✓
97	Raleigh International (Hong Kong) Limited, The		✓		
98	Rehabilitation Alliance Hong Kong				✓
99	Retina Hong Kong		✓		
100	Richmond Fellowship of Hong Kong	✓			
101	Riding for the Disabled Association Limited		✓		
102	Royal British Legion (Hong Kong & China Branch), The		✓		
103	SAHK		✓		
104	Saint Barnabas' Society and Home		✓		
105	Shamshuipo Kaifong Welfare Advancement Association			✓	
106	Shatin Women's Association Limited				✓
107	Society for Community Organization Limited, The		✓		

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
108	Society for the Aid and Rehabilitation of Drug Abusers, The			✓	
109	Society for the Promotion of Hospice Care, The		✓		
110	Society for the Welfare of the Autistic Persons				✓
111	Society for Truth and Light, The				✓
112	South Asian Lutheran Evangelical Mission Limited			✓	
113	Stewards Limited	✓			
114	Suicide Prevention Services				✓
115	Taishan Charitable Association Limited				✓
116	Tsz Kwong Community Service Link			✓	
117	Tuen Mun District Women's Association Limited				✓
118	Tung Wah Group of Hospitals	✓			
119	Welfare Fund Limited, The		✓		
120	Wu Oi Christian Centre	✓			
121	Yan Chai Hospital	✓			
122	Yan Oi Tong Limited				✓
123	Yang Memorial Methodist Social Service	✓			
124	Yuen Long Town Hall Management Committee Limited	✓			
125	Yuen Yuen Institute, The				✓

2007

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
1	1st Step Association Limited			✓	
2	Aberdeen Kai-Fong Welfare Association Limited		✓		
3	Against Child Abuse Limited				✓
4	Amity Mutual - Support Society		✓		
5	Asbury Methodist Social Service			✓	
6	Asia Women's League Limited			✓	
7	Asian Outreach Hong Kong Limited			✓	
8	Association of Evangelical Free Churches of Hong Kong, The	✓			
9	Barnabas Charitable Service Association Limited			✓	
10	Boys' and Girls' Clubs Association of Hong Kong, The	✓			
11	Breakthrough, Limited	✓			
12	Caritas - Hong Kong	✓			
13	Centre for Restoration of Human Relationships Limited		✓		
14	Chai Wan Baptist Church	✓			
15	Cheung Chau Island Women's Association Limited				✓
16	Children Education Fund Limited				✓
17	Chinese Evangelical Zion Church Limited			✓	
18	Chinese Rhenish Church Hong Kong Synod, The			✓	
19	Christian Action		✓		
20	Christian Prison Pastoral Association Limited		✓		
21	Church of United Brethren in Christ, Social Service Division, The				✓
22	Community Chest of Hong Kong, The	✓			
23	CTU Education Foundation Limited			✓	
24	Echo Valley Evangelistic Association for the Handicaps Limited				✓
25	Employees' Safety, Training & Rehabilitation Services Limited				✓
26	End Child Sexual Abuse Foundation		✓		

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
27	Eternal Flame Action		✓		
28	Evangelical Lutheran Church Social Service - Hong Kong				✓
29	Fanling Assembly of God Church, Limited				✓
30	Federation of New Territories Youth Foundation Limited, The				✓
31	Fu Hong Society				✓
32	Girls' Brigade Hong Kong, The			✓	
33	Green Power Limited	✓			
34	Heep Hong Society		✓		
35	Heung Hoi Ching Kok Lin Association	✓			
36	Hong Kong Adventure Corps Limited			✓	
37	Hong Kong Aged Concern Limited		✓		
38	Hong Kong Air Cadet Corps		✓		
39	Hong Kong Association for Cleft Lip and Palate				✓
40	Hong Kong Association of Senior Citizens, The			✓	
41	Hong Kong Award for Young People, The			✓	
42	Hong Kong Blind Union		✓		
43	Hong Kong Brain Foundation Limited, The		✓		
44	Hong Kong Buddhist Association, The			✓	
45	Hong Kong Christian Kun Sun Association Limited, The	✓			
46	Hong Kong Committee for UNICEF	✓			
47	Hong Kong Council of the Church of Christ in China, The	✓			
48	Hong Kong Employment Development Service Limited				✓
49	Hong Kong Family Welfare Society	✓			
50	Hong Kong Federation of Trade Unions Hong Ling Society for the Well-being of the Elderly, The	✓			
51	Hong Kong Federation of Youth Groups, The	✓			
52	Hong Kong Joint Council of Parents of the Mentally Handicapped, The			✓	
53	Hong Kong Kidney Foundation Limited				✓

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
54	Hong Kong Liver Foundation, The		✓		
55	Hong Kong Outlying Islands Women's Association Limited				✓
56	Hong Kong Playground Association	✓			
57	Hong Kong Red Cross	✓			
58	Hong Kong Rehabilitation Power			✓	
59	Hong Kong Sea Cadet Corps			✓	
60	Hong Kong Society for Rehabilitation, The		✓		
61	Hong Kong Society for the Aged, The	✓			
62	Hong Kong Society for the Blind, The	✓			
63	Hong Kong Society for the Protection of Children			✓	
64	Hong Kong Tin Shui Wai Women Association				✓
65	Hong Kong Yan Kwong Bethel Church Limited			✓	
66	Hope Worldwide, Limited			✓	
67	Industrial Evangelistic Fellowship Limited, The			✓	
68	Institute for Integrated Rural Development, Hong Kong		✓		
69	Kwun Tong Resident Association			✓	
70	Life Education Activity Programme				✓
71	Lifeline Express Hong Kong Foundation	✓			
72	Lok Kwan Social Service	✓			
73	Media Evangelism Limited, The	✓			
74	Mental Health Association of Hong Kong, The			✓	
75	Methodist Centre		✓		
76	Methodist Church, Hong Kong, The Methodist Epworth Village Community Centre		✓		
77	Mongkok Kai-Fong Association Limited, The			✓	
78	Neighbourhood Advice-Action Council, The		✓		
79	New Life Psychiatric Rehabilitation Association	✓			
80	New Territories Association of Societies (Community Services) Foundation				✓
81	Open Door Ministries Limited			✓	
82	Operation Dawn Limited		✓		
83	Parents' Association of Pre-School Handicapped Children, The				✓

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
84	Pentecostal Church of Hong Kong	✓			
85	Playright Children's Play Association		✓		
86	Po Leung Kuk	✓			
87	Pok Oi Hospital				✓
88	Regeneration Society Limited		✓		
89	Rehabilitation Alliance Hong Kong				✓
90	Retina Hong Kong		✓		
91	Richmond Fellowship of Hong Kong				✓
92	Riding for the Disabled Association Limited		✓		
93	Rotary Club of Hong Kong City North Community Service Fund Limited			✓	
94	Royal British Legion (Hong Kong & China Branch), The		✓		
95	Sai Kung and Tseung Kwan O Women's Association Limited				✓
96	Saint Barnabas' Society and Home		✓		
97	Senior Citizen Home Safety Association	✓			
98	Sheng Kung Hui St. Christopher's Home Limited	✓			
99	Sik Sik Yuen			✓	
100	Silver Power Intergeneration Volunteer Alliances Limited				✓
101	Society for Abandoned Animals Limited			✓	
102	Society for the Aid and Rehabilitation of Drug Abusers, The				✓
103	Society for the Promotion of Hospice Care, The		✓		
104	Society for the Relief of Disabled Children, The		✓		
105	Society for the Welfare of the Autistic Persons				✓
106	Society of Rehabilitation and Crime Prevention, Hong Kong, The	✓			
107	St. James' Settlement		✓		
108	Suicide Prevention Services			✓	
109	Taishan Charitable Association Limited		✓		
110	TREATS				✓
111	Tsung Tsin Mission of Hong Kong Social Service Company Limited, The	✓			

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
112	Tsz Kwong Community Service Link			✓	
113	Tung Wah Group of Hospitals	✓			
114	United Hearts Youth Foundation Limited		✓		
115	Wai Ji Christian Service				✓
116	Windshield Charitable Foundation			✓	
117	Wu Oi Christian Centre	✓			
118	Yan Chai Hospital	✓			
119	Yan Oi Tong Limited				✓
120	Yuen Yuen Institute, The				✓
121	Zion Social Service Limited				✓

2008

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
1	ADPL Social Service Centre Limited			✓	
2	Agency for Volunteer Service	✓			
3	Asbury Methodist Social Service				✓
4	Asia Women's League Limited			✓	
5	Asian Outreach Hong Kong Limited			✓	
6	Association for the Rights of Industrial Accident Victims Limited	✓			
7	Association of Baptists for World Evangelism (HK) Limited	✓			
8	Baptist Oi Kwan Social Service	✓			
9	Boys' and Girls' Clubs Association of Hong Kong, The	✓			
10	Breakthrough, Limited	✓			
11	Carnation Women's Association		✓		
12	Castle Peak Hospital				✓
13	Chai Wan Baptist Church	✓			
14	Cheung Chau Rural Committee Integrated Youth Centre		✓		
15	Children's Thalassaemia Foundation			✓	
16	China Care Fund Limited		✓		
17	Chinese Evangelical Zion Church Limited			✓	
18	Chinese Rhenish Church Hong Kong Synod, The			✓	
19	Christian & Missionary Alliance Church Union Hong Kong Limited	✓			
20	Christian Action			✓	
21	Christian Prison Pastoral Association Limited		✓		
22	Chung Sing Church Limited			✓	
23	Church of United Brethren in Christ, Social Service Division, The		✓		
24	Community Chest of Hong Kong, The	✓			
25	Conservancy Association, The				✓
26	CSDCU Education Fund	✓			
27	CTU Education Foundation Limited			✓	

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
28	Dharmasthiti Buddhist Institute Limited, The	✓			
29	Employees' Safety, Training & Rehabilitation Services Limited				✓
30	End Child Sexual Abuse Foundation		✓		
31	Evangelical Gospel Lutheran Church Limited, The				✓
32	Evangelical Lutheran Church Social Service - Hong Kong				✓
33	Fanling Assembly of God Church, Limited				✓
34	Federation of New Territories Youth Foundation Limited, The				✓
35	Fu Hong Society		✓		
36	Fung Kai Public School				✓
37	Green Power Limited	✓			
38	Heep Hong Society		✓		
39	Hok Yau Club			✓	
40	Hong Chi Association				✓
41	Hong Kong Adventure Corps Limited			✓	
42	Hong Kong Aged Concern Limited		✓		
43	Hong Kong AIDS Foundation Limited, The		✓		
44	Hong Kong Air Cadet Corps		✓		
45	Hong Kong Alzheimer's Disease Association			✓	
46	Hong Kong Arthritis & Rheumatism Foundation Limited		✓		
47	Hong Kong Association for Specific Learning Disabilities				✓
48	Hong Kong Asthma Society Limited, The			✓	
49	Hong Kong Award for Young People, The			✓	
50	Hong Kong Blind Union		✓		
51	Hong Kong Buddhist Association, The			✓	
52	Hong Kong Committee for UNICEF	✓			
53	Hong Kong Down Syndrome Association, The	✓			
54	Hong Kong Federation of Handicapped Youth	✓			
55	Hong Kong Federation of Youth Groups, The	✓			
56	Hong Kong Joint Council of Parents of the Mentally Handicapped, The		✓		

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
57	Hong Kong Kidney Foundation Limited				✓
58	Hong Kong Liver Foundation, The		✓		
59	Hong Kong Outlying Islands Women's Association Limited				✓
60	Hong Kong PHAB Association	✓			
61	Hong Kong Playground Association	✓			
62	Hong Kong Red Cross	✓			
63	Hong Kong Rehabilitation Power			✓	
64	Hong Kong Society for Rehabilitation, The		✓		
65	Hong Kong Society for the Deaf, The		✓		
66	Hong Kong Society for the Protection of Children			✓	
67	Hong Kong Student Aid Society	✓			
68	Hong Kong Tin Shui Wai Women Association				✓
69	Hong Kong Yan Kwong Bethel Church Limited			✓	
70	Hong Kong Young Women's Christian Association			✓	
71	Hope Worldwide, Limited		✓		
72	Industrial Evangelistic Fellowship Limited, The			✓	
73	Institute of Social Service Development			✓	
74	International Buddhist Progress Society (Hong Kong) Limited			✓	
75	International Social Service (Hong Kong Branch)	✓			
76	Kwun Tong Resident Association			✓	
77	Life Education Activity Programme				✓
78	Lifeline Express Hong Kong Foundation	✓			
79	Light and Love Home Limited			✓	
80	Lok Kwan Social Service	✓			
81	Lutheran Church - Hong Kong Synod Limited, The	✓			
82	Media Evangelism Limited, The			✓	
83	Mental Health Association of Hong Kong, The			✓	
84	Methodist Centre		✓		
85	Neighbourhood Advice-Action Council, The			✓	
86	New Territories Association of Societies (Community Services) Foundation				✓

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
87	New Territories Women & Juveniles Welfare Association Limited				✓
88	North District Hospital Charitable Foundation				✓
89	Open Door Ministries Limited		✓		
90	Operation Dawn Limited		✓		
91	Parents' Association of Pre-School Handicapped Children, The				✓
92	Pentecostal Holiness Church Hong Kong Conference, The Gilead Social Service Centre		✓		
93	Playright Children's Play Association		✓		
94	Po Leung Kuk	✓			
95	Pok Oi Hospital				✓
96	Power of Love Limited				✓
97	Regeneration Society Limited			✓	
98	Rehabilitation Alliance Hong Kong				✓
99	Retina Hong Kong		✓		
100	Richmond Fellowship of Hong Kong				✓
101	Royal British Legion (Hong Kong & China Branch), The		✓		
102	Senior Citizen Home Safety Association	✓			
103	Shatin Women's Association Limited				✓
104	Silver Power Intergeneration Volunteer Alliances Limited				✓
105	Society for Abandoned Animals Limited			✓	
106	Society for AIDS Care Limited, The		✓		
107	Society for Community Organization Limited, The		✓		
108	Society for the Promotion of Hospice Care, The		✓		
109	Society for the Welfare of the Autistic Persons				✓
110	Society for Truth and Light, The		✓		
111	Society of Rehabilitation and Crime Prevention, Hong Kong, The	✓			
112	Spring Blossom Project Foundation		✓		
113	Stewards Limited	✓			
114	Suicide Prevention Services				✓

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
115	Taishan Charitable Association Limited		✓		
116	TREATS			✓	
117	Tsz Kwong Community Service Link			✓	
118	Tuen Mun District Women's Association Limited				✓
119	Tung Wah Group of Hospitals	✓			
120	Yan Oi Tong Limited				✓
121	Yang Memorial Methodist Social Service	✓			
122	Youth for Christ (HK) Limited	✓			
123	Yuen Yuen Institute, The				✓
124	Zion Social Service Limited				✓

2009

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
1	1st Step Association Limited		✓		
2	Aberdeen Kai-Fong Welfare Association Limited		✓		
3	Against Child Abuse Limited				✓
4	Agency for Volunteer Service	✓			
5	Amnesty International Hong Kong Section Human Rights Education Charitable Trust			✓	
6	Asbury Methodist Social Service				✓
7	Asia Women's League Limited			✓	
8	Asian Outreach Hong Kong Limited			✓	
9	Association of Baptists for World Evangelism (HK) Limited	✓			
10	Baptist Oi Kwan Social Service	✓			
11	Barnabas Charitable Service Association Limited		✓		
12	Boys' and Girls' Clubs Association of Hong Kong, The	✓			
13	Boys' Brigade, Hong Kong Limited, The	✓			
14	Breakthrough, Limited	✓			
15	Carnation Women's Association		✓		
16	Cheung Chau Rural Committee Integrated Youth Centre				✓
17	Child Welfare Scheme Limited				✓
18	Children Education Fund Limited				✓
19	Children's Thalassaemia Foundation			✓	
20	Chinese Rhenish Church Hong Kong Synod, The			✓	
21	Christian Action		✓		
22	Christian Family Service Centre	✓			
23	Christian Prison Pastoral Association Limited		✓		
24	Chung Sing Church Limited			✓	
25	Church of United Brethren in Christ, Social Service Division, The			✓	
26	Community Chest of Hong Kong, The	✓			
27	Echo Valley Evangelistic Association for the Handicaps Limited				✓

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
28	Employees' Safety, Training & Rehabilitation Services Limited				✓
29	End Child Sexual Abuse Foundation		✓		
30	Evangelical Lutheran Church Social Service - Hong Kong				✓
31	Fanling Assembly of God Church, Limited				✓
32	Federation of New Territories Youth Foundation Limited, The				✓
33	Finnish Evangelical Lutheran Mission, The				✓
34	Fu Hong Society	✓			
35	Girls' Brigade Hong Kong, The				✓
36	H.K.S.K.H. Lady MacLehose Centre	✓			
37	Hans Andersen Club Limited				✓
38	Haven of Hope Christian Service	✓			
39	Heep Hong Society		✓		
40	Hong Chi Association				✓
41	Hong Kong Adventure Corps Limited			✓	
42	Hong Kong Aged Concern Limited		✓		
43	Hong Kong AIDS Foundation Limited, The		✓		
44	Hong Kong Air Cadet Corps		✓		
45	Hong Kong and Macau Lutheran Church Limited			✓	
46	Hong Kong Association of Senior Citizens, The			✓	
47	Hong Kong Association of the Deaf	✓			
48	Hong Kong Asthma Society Limited, The			✓	
49	Hong Kong Blind Union		✓		
50	Hong Kong Catholic Marriage Advisory Council, The			✓	
51	Hong Kong Chinese Church of Christ, The			✓	
52	Hong Kong Employment Development Service Limited				✓
53	Hong Kong Federation of the Blind			✓	
54	Hong Kong Federation of Youth Groups, The	✓			
55	Hong Kong Joint Council of Parents of the Mentally Handicapped, The		✓		
56	Hong Kong Kidney Foundation Limited				✓

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
57	Hong Kong Movie Star Sports Association Charities Limited		✓		
58	Hong Kong Outlying Islands Women's Association Limited				✓
59	Hong Kong Playground Association	✓			
60	Hong Kong Sea Cadet Corps			✓	
61	Hong Kong Single Parents Association			✓	
62	Hong Kong Society for the Aged, The	✓			
63	Hong Kong Society for the Protection of Children			✓	
64	Hong Kong Southern District Women's Association Limited		✓		
65	Hong Kong Women Development Association Limited				✓
66	Hong Kong Young Women's Christian Association			✓	
67	Hong Kong Youth Hostels Association			✓	
68	Hong Kong Youth Power Association Limited	✓			
69	Hope Worldwide, Limited			✓	
70	Industrial Evangelistic Fellowship Limited, The		✓		
71	International Church of the Foursquare Gospel - Hong Kong District Limited				✓
72	International Social Service (Hong Kong Branch)	✓			
73	Joyful (Mental Health) Foundation Limited			✓	
74	Kwai Tsing Safe Community and Healthy City Association				✓
75	Kwun Tong Methodist Social Service			✓	
76	L L C S (Hong Kong) Limited		✓		
77	Life Education Activity Programme				✓
78	Life Workshop				✓
79	Lifeline Express Hong Kong Foundation			✓	
80	Lok Sin Tong Benevolent Society, Kowloon, The	✓			
81	Media Evangelism Limited, The	✓			
82	Mental Health Association of Hong Kong, The			✓	
83	Methodist Centre		✓		
84	Methodist Church, Hong Kong, The Methodist Epworth Village Community Centre		✓		

	Name of organisation	Location			
		All	Hong Kong Island	Kowloon	New Territories
85	Mongkok Kai-Fong Association Limited, The			✓	
86	Neighbourhood & Worker's Education Centre Limited				✓
87	Neighbourhood Advice-Action Council, The			✓	
88	New Territories Association of Societies (Community Services) Foundation				✓
89	Open Door Ministries Limited			✓	
90	Pentecostal Holiness Church Hong Kong Conference, The Gilead Social Service Centre		✓		
91	Playright Children's Play Association		✓		
92	Po Leung Kuk	✓			
93	Pok Oi Hospital				✓
94	Rehabaid Society	✓			
95	Rehabilitation Alliance Hong Kong				✓
96	Richmond Fellowship of Hong Kong		✓		
97	Rotary Club of Hong Kong City North Community Service Fund Limited		✓		
98	Royal British Legion (Hong Kong & China Branch), The		✓		
99	Saint Barnabas' Society and Home		✓		
100	Salvation Army, The	✓			
101	Senior Citizen Home Safety Association	✓			
102	Sheng Kung Hui St. Christopher's Home Limited	✓			
103	Society for Community Organization Limited, The		✓		
104	Society for the Prevention of Cruelty to Animals (Hong Kong) Trustees Incorporated	✓			
105	Society of Rehabilitation and Crime Prevention, Hong Kong, The	✓			
106	Spring Blossom Project Foundation		✓		
107	Stewards Limited	✓			
108	Suen Mei Speech & Hearing Centre	✓			
109	Suicide Prevention Services		✓		
110	Taishan Charitable Association Limited		✓		
111	TREATS				✓

Name of organisation		Location			
		All	Hong Kong Island	Kowloon	New Territories
112	Tsz Kwong Community Service Link			✓	
113	Tuen Mun District Women's Association Limited				✓
114	Tung Wah Group of Hospitals	✓			
115	Urban Peacemaker Evangelistic Fellowship Limited, The				✓
116	Wai Ji Christian Service			✓	
117	Windshield Charitable Foundation			✓	
118	World Wide Fund for Nature Hong Kong		✓		
119	Wu Oi Christian Centre	✓			
120	Yan Chai Hospital	✓			
121	Yan Oi Tong Limited				✓

(2) Other charitable fund-raising activities approved by SWD

Fund-raising activities approved by SWD must be charitable in nature. SWD also issues permits for fund-raising activities specifically for disasters such as South Asian Tsunami in 2005, Sichuan earthquake in 2008 and Taiwan typhoon in 2009. Since the computer database of SWD has not captured the purposes and locations of the fund-raising activities on the streets, we are unable to provide details of individual fund-raising activities. Between 2005 and 2009, the names of organisations which have conducted charitable fund-raising activities approved by SWD are as follows –

(Remarks: Some organisations have submitted applications for more than once in a year; Only registered Chinese names are available for some organisations)

2005

1A Group Limited	Hang Seng School of Commerce	MacLehose Medical Rehabilitation Centre
1st Step Association	Hanison Estate Services Limited	Macro Communication (Hong Kong) Limited
30S Group Limited, The	Harmonevergreen Service Association Limited	Make-A-Wish Foundation of Hong Kong Limited
Aberdeen Kai-fong Welfare Association Limited	Haven of Hope Hospital	Matilda Child Development Centre, The
Aberdeen, Tin Wan Estate, Wah Fu Estate, Wah Kwai Estate, Chiu Kiu Resident Yu Lan Shing Wui Limited	Heifer International Hong Kong Limited	Medecins Sans Frontieres (Hong Kong) Limited
ACCA Charitable Foundation Limited	Helping Hand	Media Evangelism Limited
Action for Vision Eye Foundation Limited	Her Fund Limited	Mei Sun General Commercial Association Limited
ADPL Social Service Centre Limited	HKSKH Wong Tai Sin District Elderly Community Centre	Mental Health Association of Hong Kong, The
Airport Authority Hong Kong	Hon Wah Educational Organization	Mission to New Arrivals Limited
Alice Ho Miu Ling Nethersole Hospital	Hong Chi Association	Nanotechnology Limited
Alliance Bible Seminary	Hong Kong Adventure Corps Limited, The	Neighbourhood Advice-Action Council, The
Amity Mutual Support Society	Hong Kong AIDS Foundation Limited, The	Network J International Limited
Animals Asia Foundation Limited	Hong Kong AIDS Memorial Quilt Project Limited	New Century Society Limited
Arts for Charity Foundation	Hong Kong Air Cargo Terminals Limited	North District Hospital

Arts with the Disabled Association Hong Kong	Hong Kong Alliance Mission	Northcote College of Education Past Students' Association
Association of Chinese Evangelical Ministry Limited, The	Hong Kong Arts Centre, The	Office of Kowloon City District Council Member, Miss Rosanda MOK Ka Han
Association of the Hong Kong Central and Western District Limited	Hong Kong Association for Democracy and People's Livelihood	Office of Legislative Councillor, Frederick FUNG Kin-kee
Bond	Hong Kong Association for Specific Learning Disabilities	Office of Luk & Or, Sai Kung District Councilor
Boys' and Girls' Clubs Association of Hong Kong, The	Hong Kong Association of Christian Music Ministry Limited	Office of NG Kam-chun, Wanchai District Councilor
Buddha's Light International Association of Hong Kong Limited	Hong Kong Ballet Limited, The	Office of Raymond HO Man-kit
Buddhist Compassion Relief Tzu-chi Foundation Hong Kong Limited	Hong Kong Blind Union	Office of YAU Tai-tai District Councilor
Buddhist Navigation Vihara Limited	Hong Kong Blood Cancer Foundation	Operation Smile - China Medical Mission Limited
Business Management Society of Hong Kong Baptist University	Hong Kong Buddhist Association, The	Oxfam Hong Kong
Cantonese Opera Academy of Hong Kong Limited	Hong Kong Buddhist Chi Sau Garden Limited	Parents' Association of Pre-school Handicapped Children, The
Care for Children (Hong Kong) Limited	Hong Kong Buddhist Hospital	Peninsula Junior Chamber
Care For Your Heart	Hong Kong Campus Crusade for Christ Limited	Pillar Education Foundation Limited
Caring Centre Foundation Limited	Hong Kong Cancer Fund, Friends of the Eortc Foundation, The	Playright Children's Play Association
Caring for Children Foundation Limited	Hong Kong Cat Salvation Army Limited	Po Leung Kuk
Caritas Medical Centre	Hong Kong Chai Wan Residents Association Limited	Po Tat Estate M.A.C. Association
Castle Peak Hospital	Hong Kong Cheshire Home Foundation	Pok Oi Hospital
Causeway Bay Association Limited	Hong Kong Chinese Martial Arts Association Limited	Pop Art Group Limited
Centre for Restoration of Human Relationships Limited	Hong Kong Committee for UNICEF	Power of Love Limited
Chelsea Social Service Association	Hong Kong Community Development Network	Prince of Wales Hospital
Cheng Si Yuan (China-International) Hepatitis Research Foundation	Hong Kong Familylink Mental Health Advocacy Association	Princess Margaret Hospital Charitable Trust

Chi Lin Nunnery	Hong Kong Federation of Handicapped Youth	Produce Green Foundation
Chi Tak Sha Association Limited	Hong Kong Girl Guides Association	Project Orbis International, Inc
Child Welfare Scheme Limited	Hong Kong Gurkhas Association	Queen Elizabeth Hospital
Children Education Fund Limited	Hong Kong Hockey Association	Raleigh International (Hong Kong) Limited, The
Children Life Stimulation Organisation Limited	Hong Kong Hymn Society Limited	Regeneration Society Limited
Children's Cancer Foundation	Hong Kong Kidney Foundation Limited	Rehabaid Society
Children's Heart Foundation	Hong Kong Life Saving Society, The	Ronald McDonald House Charities Hong Kong Limited
Children's Thalassaemia Foundation	Hong Kong Liver Foundation, The	Ruttonjee & Tang Shiu Kin Hospitals
China Care Fund Limited	Hong Kong Marrow Match Foundation	Salvation Army Hong Kong & Macau Command, The
China Education Association, Hong Kong USU	Hong Kong Occupational Deafness Association	Samaritan Befrienders Hong Kong, The
China Literacy Foundation Limited	Hong Kong Old Age Nursing Association	Senior Citizen Home Safety Association
Chinese Young Men's Christian Association of Hong Kong	Hong Kong Red Cross	Shaheen Sports Club
Chit Fai Motors Co Limited	Hong Kong Rehabilitation Power	Shambhala Foundation Limited
Choi Hung Estate Social Service Association	Hong Kong Repertory Theatre Limited	Shatin Hospital
Christian Action	Hong Kong Shatin Industries and Commerce Association Limited	Shauiwan Baptist Church
Christina Noble Children's Foudnation (Hong Kong) Limited, The	Hong Kong Society for Rehabilitation, The	Shek Wu Hui Merchants Association Limited
Chuan Yan Association Limited	Hong Kong Society for the Aged, The	Society for Abandoned Animals Limited
Citywide Renewal Limited	Hong Kong Southern District Community Association Limited	Society for Community Organisation Limited, The
Comfort Care Concern Group	Hong Kong Southern District Women's Association Limited	Society for Protection of the Harbour Limited
Community Chest of Hong Kong, The	Hong Kong Table Tennis Association Limited	Society for the Prevention of Cruelty to Animals (Hong Kong)
Concern Group for Pets	Hong Kong Tackwondo Association	Society for the Relief of Disabled Children
Conservancy Association, The	Hong Kong Tennis Patrons' Association Limited	Society of Rehabilitation and Crime Prevention, Hong Kong, The

Council of St. Paul's Co-educational College Charitable Trust, The	Hong Kong Tin Shui Wai Women Association	South China Morning Post Charities Limited
Crossing Borders Fund Raising Show	Hong Kong Truth Church Limited	Sowers Action
Democratic Alliance for Betterment of Hong Kong	Hong Kong Tsuen Wan People's Association	St. Christopher's Home
Democratic Party	Hong Kong Wheelchair Aid Service	St. James' Settlement
Diabetes Hong Kong	Hong Kong Workers' Health Centre Limited	Standard Chartered Bank (Hong Kong) Limited
Discovery Bay Services Management Limited	Hong Kong Young Women's Christian Association	Stanley Women Association Limited
Dragon Junior Chamber Limited	Hong Kong Youth Arts Festival Association Limited	Suicide Prevention Services
Duchess of Kent Children's Hospital at Sandy Bay	Hong Kong, China Rowing Association	Sunglow Industrial & Commerce Association
DWXI (EL SHADDAI) Prayer Partners Foundation International Limited	Hospital Authority Charitable Foundation, The	SU-RU Buddhist Retreat Limited
Dynasty Opera Association	Hui Wan Memorial Hall Limited	Tai Hang Resident Welfare Association
ECO Association Limited	Image Factory Limited	Tai Po Youths Association
Elderly Health Care Service Centre Limited	International Boundless Dreams Come True Foundation Limited	Theatre Ensemble Limited
End Child Sexual Abuse Foundation	International Buddhist Progress Society (Hong Kong) Limited	Tseung Kwan O Hospital
English Excel School	International Christian Assembly of God Limited	Tuen Mun Hospital
English Schools Foundation, The	International Christian Concern Limited	Tung Wah Group of Hospitals
Enjoymentelderly charitable Limited	International Social Service, (Hong Kong Branch)	United Christian Hospital
Enlighten Hong Kong Limited	Jaderware Trader's Industry & Commerce Association Limited	United Christian Medical Service
Esselte Limited	Jesus is Lord School of Ministry (Hong Kong) Limited	United Hearts Youth Foundation Limited
Eternal Flame Action	Jireh Fund Limited	Universal Hiking Hope (UHH) Association Limited
Evangelical Free Church of China - Tung Fook Church	Joyful (Mental Health) Foundation	University of Hong Kong, The
Everbright Concern Action Limited	Kadoorie Farm & Botanic Garden Corporation	Urban Compassion
Families of SMA Charitable Trust	King Mei House Mutual Aid Committee	Vajradhara Buddhist Meditation Centre Limited

Family Relationship Development Network of Hong Kong, The	King Wah Company Limited	Volunteer Space
Fans of Dance Club	Kingdom Ministries Limited	Wah Fu Swatow Christian Church Limited
Federation of New Territories Youth Foundation Limited, The	Kowloon City District Council	We Love Hong Kong
Fei Ngan Charity Fund	Kwun Tong Methodist Social Service	Wong Chuk Hang Hospital
Free Methodist Church of Hong Kong, The	LEO District 303	World Vision Hong Kong
Friends of Mount Davis Association Limited	Liberal Party	World Wide Fund for Nature Hong Kong
Friends of the Earth (Hong Kong) Charity Limited	Lions Club of Tuen Mun Limited	Yan Chai Hospital
Friends of the Youth	Living Faith Society Limited	Yan Oi Tong Limited
Genes Charity Foundation Limited	Lo Yau Fong Computer Club	Yang Memorial Methodist Social Service
Glorious Praise Fellowship (Hong Kong) Limited	Lok Chi Association Limited	Yin Shes Limited
Goodnews Communication International Limited	Lok Hong Social Service Association	Yu Chi Shing of the North District Council
Grace Community Church Limited	Lok Sin Tong Benevolent Society, Kowloon, The	Yuan Fu Guan (Hong Kong) Taoism
Grantham Hospital	Long Fai Bus Company	Yuen Long Town Hall Management Committee Limited
Green Council Limited	Lotus Light Charity Society (Hong Kong) Limited	

Total: 275

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1st Step Association	Harbour Junior Chamber Limited	Network J International Limited
Aberdeen Kai-fong Welfare Association Limited	Harmony House Limited	New Life Psychiatric Rehabilitation Association
Aberdeen, Tin Wan Estate, Wah Fu Estate, Wah Kwai Estate, Chiu Kiu Resident Yu Lan Shing Wui Limited	Haven of Hope Christian Service	New Territories Association of Societies (Community Services) Foundation Limited
ACCA Charitable Foundation Limited	Haven of Hope Hospital	Non-Profit Making Veterinary Services Society Limited
Action for Reach Out	Heep Hong Society	North District Hospital
ADPL Social Service Centre Limited	Heifer International Hong Kong Limited	Otic Foundation Limited
Against Child Abuse Limited	Helping Hand	Oxfam Hong Kong
Against Elderly Abuse of Hong Kong, The	Hiu Lai Court Owner's Association	Parents' Association of Pre-school Handicapped Children, The
Alice Ho Miu Ling Nethersole Hospital	Home Care For Girls Limited	Peninsula Junior Chamber
Alliance Bible Seminary	Hong Chi Association	Pentecostal Church of Hong Kong
Art in Hospital	Hong Kong Adventure Corps Limited, The	Perfect Fellowship Limited
Arts with Disabled Association Limited	Hong Kong AIDS Memorial Quilt Project Limited	Pillar Education Foundation Limited
Association of Chinese Evangelical Ministry Limited, The	Hong Kong Alzheimer's Disease Association	Playground Music Limited
Association of Indonesian Migrant Workers in Hong Kong	Hong Kong Association for Specific Learning Disabilities	Playright Children's Play Association
Bairoling Foundation Limited	Hong Kong Association of Christian Music Ministry Limited	Po Leung Kuk
Benefit and Welfare Association of Christianity For Children and Elders Limited	Hong Kong Association of the Deaf	Pok Oi Hospital
Boys' and Girls' Clubs Association of Hong Kong, The	Hong Kong Asthma Society Limited, The	Prince of Peace Charity Foundation Limited
Bradbury Hospice	Hong Kong Blood Cancer Foundation	Prince of Wales Hospital - Hospital Authority
Buddha's Light International Association of Hong Kong Limited	Hong Kong Breast Cancer Foundation Limited	Princess Margaret Hospital Charitable Trust, The
Buddhist Compassion Relief Tzu-chi Foundation Hong Kong Limited	Hong Kong Buddhist Association, The	Produce Green Foundation

Buddhist Navigation Vihara Limited	Hong Kong Buddhist Hospital	Project Orbis International, Inc
Buddhist Youth Association Limited	Hong Kong Campus Crusade for Christ Limited	Queen Elizabeth Hospital
Calvary Full Gospel Church Limited	Hong Kong Cat Salvation Army Limited	Queen Mary Hospital
Care for Children (HK) Limited	Hong Kong Chai Wan Residents Association Limited, The	Raleigh International (Hong Kong) Limited, The
Caring Centre Foundation Limited	Hong Kong Cheshire Home Foundation	Red Mission
Caring for Children Foundation Limited	Hong Kong Christian Council	Rehabaid Society
Caritas Bianchi College of Careers	Hong Kong Christian Service	Robert H.N. HO Family Foundation Limited, The
Caritas Medical Centre	Hong Kong Committee for UNICEF	Ronald McDonald House Charities Hong Kong Limited
Castle Peak Hospital	Hong Kong Community Development Network	Rotary Club of Hong Kong Northeast Community Service Fund Limited
Cathay Pacific Airways Limited	Hong Kong Community Services Association	Ruttonjee & Tang Shiu Kin Hospitals
Cherish The Elderly Welfare Centre Limited	Hong Kong Digestive Foundation, The	Salvation Army, The
Chi Lin Nunnery	Hong Kong Environmental Protection Foundation Limited	Self Help Group for the Brain Damaged
Child Welfare Scheme Limited	Hong Kong Federation of Handicapped Youth	Senior Citizen Home Safety Association
Children Education Fund Limited	Hong Kong Federation of Women's Centres	Shatin Baptist Church
Children Life Stimulation Organisation Limited	Hong Kong Kidney Foundation Limited	Shatin Hospital
Children's Cancer Foundation, The	Hong Kong Life Saving Society, The	Shaukiwan Baptist Church
Children's Heart Foundation	Hong Kong Liver Foundation, The	Shaukiwan Swatow Christian Church Limited
Children's Thalassaemia Foundation	Hong Kong Movie Star Sports Association Charities Limited	Sheng Kung Hui St. Christopher's Home Limited
China Literacy Foundation Limited	Hong Kong Philharmonic Society Limited, The	Shiseido Dah Chong Hong Cosmetics Limited
Chinese Christian Herald Crusades Limited	Hong Kong Playground Association	Small Red Boat Cantonese Operatic Song Association (Kwai Tsing)
Chinese YMCA of Hong Kong - Jordan Centre (Integrated Children and Youth Services Centre)	Hong Kong Red Cross	Social Service Centre for Personality Development Limited

Chinese Young Men's Christian Association of Hong Kong	Hong Kong Rehabilitation Power	Society for Abandoned Animals Limited
Choi Hung Estate, Social Service Association	Hong Kong Repertory Theatre Limited	Society for Community Organization Limited, The
Christian & Missionary Alliance Parent-Child Service Centre, The	Hong Kong Sacred Music Society Limited	Society for Protection of the Harbour Limited
Christian New Being Fellowship Limited, The	Hong Kong Society for Rehabilitation, The	Society for the Prevention of Cruelty to Animals (Hong Kong)
Christian Philadelphia Church (Hong Kong) Limited	Hong Kong Society for the Aged, The	Society for Truth and Light, The
Christian Solidarity Worldwide (Hong Kong) Limited	Hong Kong Society for the Blind, The	Society of Boys' Centres
Citywide Renewal Limited	Hong Kong Taoist Association, The	Society of Rehabilitation and Crime Prevention, Hong Kong, The
Comfort Care Concern Group, The	Hong Kong United Youth Association	Sowers Action
Community Chest of Hong Kong, The	Hong Kong Wheelchair Aid Service Limited	St. Christopher's Home
Concern Group for Pets	Hong Kong Young Sprout Environmental Protection Association Limited	St. James' Settlement
Conservancy Association, The	Hong Kong Young Women's Christian Association	St. Peter's Revival Association
Council of St. Paul's Co-Educational College Charitable Trust, The	Hong Kong, China Rowing Association	Stanley Women Association Limited
Dance With Depression Support Group	Hospital Authority Charitable Foundation, The	Stemi Limited
Diabetes Hong Kong	International Christian Assembly of God, Limited	Stewards Limited
Duchess of Kent Children's Hospital	International Christian Concern Limited	Suicide Prevention Services
ECO Association Limited	Jesus Is Lord Church Limited	Sun Power
EL SHADDAI DWXI Prayer Partners Foundation International Limited	Jesus is Lord School of Ministry (Hong Kong) Limited	Swire Properties Ltd
Elderly Health Care Service Centre	Jireh Fund Limited	TREATS
Elite Athlete Charitable Trust	Joyful (Mental Health) Foundation Limited	Tseung Kwan O Hospital
End Child Sexual Abuse Foundation	Kingdom Ministries Limited	Tuen Mun Hospital
Enjoymentelderly Charitable Limited	Kowloon Tong Church of the Chinese Christian & Missionary Alliance, The	Tung Wah Group of Hospitals

Evangelical Free Church of China Tung Fook Church	Ku Kui Kei Children Medical Fund Limited	United Christian Hospital
Evangelical Lutheran Church Social Service - Hong Kong	Lion Rock Junior Chamber Limited	United Christian Medical Service
Everbright Concern Action Limited	Lo Yau Fong Computer Club	United Hearts Youth Foundation Limited
Families of S.M.A. Charitable Trust	Lok Hong Social Service Association	University of Hong Kong
Fei Ngan Charity Fund	Lok Sin Tong Benevolent Society, Kowloon, The	Vajradhara Buddhist Meditation Centre Limited
Free Methodist Church Bradbury Tak Tin Social Centre for the Senior	MacLehose Medical Rehabilitation Centre	Wah Fu Swatow Christian Church Limited
Free Methodist Church of Hong Kong, The	Make-A-Wish Foundation of Hong Kong Limited	Wong Chuk Hang Hospital
Friends of the Earth (HK) Charity Limited	Matilda Child Development Centre, The	World Emergency Relief Hong Kong Limited
Fu Hong Society	Medecins Sans Frontieres (Hong Kong) Limited	World Vision Hong Kong
Grace Community Church Limited	Media Evangelism Limited, The	World Wide Fund for Nature Hong Kong
Green Council Limited	Mental Health Association of Hong Kong, The	Yan Chai Hospital
Greenpeace China	Mercy Corps Limited	Yan Oi Tong Limited
Guideposts Kindergarten	Modern Beauty Salon (HK) Limited	Yang Memorial Methodist Social Service
H.K.S.K.H. Lady MacLehose Centre	Momentum Academy Limited, The	Yuen Yuen Institute, The
H.K.S.K.H. Wong Tai Sin District Elderly Community Centre	Multi-media Oasis Limited	Zuni Icosahedron Limited
Hans Andersen Club Limited	Neighbourhood Advice-Action Council, The	

Total: 233

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1st Step Association	Friends of the Harp Limited	Make-A-Wish Foundation of Hong Kong Limited
A Better Tomorrow Limited	Giving Love Elderly Charitable Limited	Medecins Sans Frontieres (HK) Limited
Aberdeen Kai-fong Welfare Association Limited	Grantham Hospital	Media Evangelism Limited, The
Aberdeen Tin Wan Estate Wah Fu Estate And Wah Kwai Estate Chiu Kiu Residents Yu Lan Shing Wui Limited	Grantham Hospital, Hospital Authority	Mental Health Association of Hong Kong, The
ACCA Charitable Foundation Limited	Greenpeace China	Mercy Corps Limited
Action for Reach Out	Hans Andersen Club Limited	Methodist Church, Hong Kong, The
Against Elderly Abuse of Hong Kong, The	Happy Charity For Public Foundation	Multi-media Oasis Limited
Aids Concern Foundation Limited	Haven of Hope Christian Service	My Home Limited
Airport Authority	Haven of Hope Hospital	Neighbourhood & Worker's Education Centre Limited
Alice Ho Miu Ling Nethersole Hospital	Heep Hong Society	New Century Forum Limited
Alliance Bible Seminary	Heifer International Hong Kong Limited	New Life Psychiatric Rehabilitation Association
Amity Mutual - Support Society	Helping Hand	Non-Profit Making Veterinary Services Society Limited
Animals Asia Foundation Limited	HER Fund Limited	North District Hospital Charitable Foundation
Arts For Charity Foundation	Hong Chi Association	OSJ Hong Kong Children Amblyopia Foundation Limited
Association of Chinese Evangelical Ministry Limited, The	Hong Kong Adventure Corps Limited	Otic Foundation Limited
Association of Evangelical Free Churches of Hong Kong, The	Hong Kong Association of Christian Music Ministry Limited	Our Lady of Maryknoll Hospital
Association of Hong Kong Hospital Christian Chaplaincy Ministry Limited	Hong Kong Blind Union	Oxfam Hong Kong
Benefit and Welfare Association of Christianity For Children and Elders Limited	Hong Kong Breast Cancer Foundation Limited	Pamela Youde Nethersole Eastern Hospital
Bethany Fellowship Limited	Hong Kong Breastfeeding Mothers' Association Limited	Parents' Association of Pre-school Handicapped Children, The
Boys' and Girls' Clubs Association of Hong Kong, The	Hong Kong Buddhist Association, The	Pentecostal Church of Hong Kong

Buddha's Light International Association of Hong Kong Limited	Hong Kong Buddhist Hospital	People of Fortitude. International Mutual-Aid Association for the Disabled Limited
Buddhist Compassion Relief Tzu-chi Foundation Hong Kong Limited	Hong Kong Campus Crusade For Christ Limited	Playright Children's Play Association
Buddhist Navigation Vihara Limited	Hong Kong Chai Wan Residents Association Limited, The	Po Leung Kuk
Buddhist Youth Association Limited	Hong Kong Cheshire Home Foundation	Pok Oi Hospital
Care for the Elderly Association Limited	Hong Kong Christian Service	Power of Love Limited
Caring for Children Foundation Limited	Hong Kong Committee for UNICEF	Prince of Wales Hospital Charitable Foundation
Caritas Medical Centre	Hong Kong Community Services Association	Princess Margaret Hospital Charitable Trust, The
Castle Peak Hospital	Hong Kong Council of Social Service, The	Produce Green Foundation
Catkin Elderly Welfare Centre Limited	Hong Kong Environmental Protection Foundation Limited	Professional Resources Centre (Services) Limited
Chelsea Social Service Association	Hong Kong Federation of Handicapped Youth	Project Orbis International, Inc
Cheng Si Yuan (China-International) Hepatitis Research Foundation	Hong Kong Federation of Women's Centre	Queen Elizabeth Hospital
Cherish The Elderly Welfare Centre Limited	Hong Kong Franklin Graham Festival Limited	Queen Mary Hospital
Chi Heng Foundation Limited	Hong Kong Girl Guides Association, The	Rehabaid Society
Chi Lin Nunnery	Hong Kong Health Education and Health Promotion Foundation Limited, The	Rehabilitation Alliance Hong Kong Limited, The
Child Psychoecology Foundation Limited	Hong Kong Hymn Society Limited	Robert H.N. Ho Family Foundation Limited, The
Child Welfare Scheme Limited	Hong Kong Joint Council of Parents of the Mentally Handicapped, The	Ruttonjee & Tang Shiu Kin Hospitals
Children Life Stimulation Organisation Limited	Hong Kong Life Saving Society, The	S.K.H. Holy Spirit Church
Children's Cancer Foundation	Hong Kong Liver Foundation, The	Salvation Army, The
Children's Thalassaemia Foundation	Hong Kong Movie Star Sports Association Charities Limited	Samaritan Befrienders Hong Kong, The
China Care Fund Limited	Hong Kong Neuro-Muscular Disease Association	Senior Citizen Home Safety Association

China Education Association, HKUSU	Hong Kong New Life Family Services Association Limited	Shatin Hospital
Chinese Temples Committee, The	Hong Kong Professor Association of the American Floral Art School	Shauiwan Swatow Christian Church Limited
Chinese Young Men's Christian Association of Hong Kong	Hong Kong Rabbit Society Limited	Sheng Kung Hui St. Christopher's Home Limited
Choi Hung Estate, Social Service Association	Hong Kong Red Cross	Shiseido Dah Chong Hong Cosmetics Limited
Christian & Missionary Alliance Church Union Hong Kong Limited	Hong Kong Society for Rehabilitation, The	Society for Community Organization Limited, The
Christian Action	Hong Kong Society for the Aged, The	Society for the Prevention of Cruelty to Animals (Hong Kong)
Christian Concern for the Homeless Association	Hong Kong Tin Shui Wai Women Association	Society for the Prevention of Cruelty to Animals (Hong Kong) Trustees Incorporated
Christian Family Service Centre	Hong Kong Women Christian Council	Sowers Action
City of David Cultural Centre, The	Hong Kong Women Workers' Association	St. James' Settlement
Citywide Renewal Limited	Hong Kong Young Women's Christian Association	Suicide Prevention Services
Comfort House of The Elderly Limited	Hong Kong, China Rowing Association	Tai Po Hospital
Community Chest of Hong Kong, The	Hospital Authority - Bradbury Hospice	TREATS
Council of St. Paul's Co-educational College Charitable Trust, The	Hospital Authority Charitable Foundation, The	Tseung Kwan O Hospital
Cyber Senior Network Development Association Limited	Hua Xia Foundation	Tsung Tsin Mission of Hong Kong
Democratic Alliance for the Betterment and Progress of Hong Kong	Incorporated Owners of Tin Fu Court, The	Tuen Mun Hospital
Democratic Party, The	Institute for Integrated Rural Development, Hong Kong	Tung Wah Group of Hospitals
Diabetes HongKong	Intellactually Disabled Education & Advocary League Limited, The	United Christian Hospital
Doctor Pet Limited	International Christian Concern Limited	United Christian Medical Service
Duchess of Kent Children's Hospital at Sandy Bay, The	Island Junior Chamber Limited	United Hearts Youth Foundation Limited
Dudal Dechen Ling Monastery Centre Limited	Jesus is Lord Church Limited	Wah Yan Cultural Foundation Limited
ECO Association Limited	Jesus is Lord School of Ministry (Hong Kong) Limited	Wong Chuk Hang Hospital

EL SHADDAI DWXI Prayer Partners Foundation International Limited	Joyful (Mental Health) Foundation Limited	World Vision Hong Kong
Elite Athlete Charitabletrust	Kingdom Ministries Limited	World Wide Fund for Nature Hong Kong
Employees' Safety, Training & Rehabilitation Services Limited	Kowloon Federation of Associations	World's Salt and Light Charitable Foundation
EQ Ambassador Society Limited	Liberal Party Charity Fund for the Poor	Yan Chai Hospital
Evangelical Gospel Lutheran Church Limited, The	Lo Yau Fong Computer Club	Yan Oi Tong Limited
Evangelical Lutheran Church Social Service - Hong Kong	Lok Hong Social Sevice Association	Yang Memorial Methodist Social Service
Everbright Concern Action Limited	Lok Sin Tong Benevolent Society, Kowloon, The	Yuen Yuen Institute, The
Families of S.M.A. Charitable Trust	LUA Foundation Limited	Zuni Icosahedron Limited
Friends of the Earth (HK) Charity Limited		

Total: 208

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南溪之友 - 葵青地區服務協會	Greeners Action	Lok Sin Tong Benevolent Society, Kowloon, The
好友金曲研習社	Hang Hau District Rural Committee	Long Fai Bus Limited
麗韻歌詠社	Happy Together Association	Lotus Light Charity Society (Hong Kong) Limited
1st Step Association Limited	Haven of Hope Christian Service	Loving Elderly Services Centre Limited
Aberdeen Kai-fong Welfare Association Limited	Haven of Hope Hospital	Lung Kwong House Mutual Aid Committee
Aberdeen, Tin Wan Estate, Wah Fu Estate and Wah Kwai Estate Chiu Kiu Residents Yu Lan Shing Wui Limited	Hear Talk Foundation Limited	Make-A-Wish Foundation of Hong Kong Limited
Abundant Life Christian Church	Heifer International Hong Kong Limited	Medecins Sans Frontieres (HK) Limited
ACCA Charitable Foundation Limited	Helping Hand	Mei Foo Lai Wan Kai Fong Association Limited
Activist Association Limited	HER Fund Limited	Mental Health Association of Hong Kong, The
Adidas Hong Kong Limited	HK & Macau Taiwanese Charity Fund Limited	Methodist Church, Hong Kong, The
Adnovator Communications Limited	HKCT Group Limited	Mission of Love
Against Child Abuse Limited	HKFTU Disasters Relief Charity Fund, The	Mui Wo Rural Committee
Against Elderly Abuse of Hong Kong, The	HKZQ Performing Art Work Shop	My Home Limited
AIDS Concern Foundation Limited	HOCC Charity Fund Limited	Neighbourhood & Worker's Education Centre Limited
Airport Authority	Hoe Hin Pak Fah Yeow Manufactory Limited	Neighbourhood Advice-Action Council, The
Alice Ho Miu Ling Nethersole Hospital	Hok Yau Club	Nepalese Artists Association HK
Alliance Bible Seminary	Hong Chi Association	New Century Forum Limited
American International Assurance Company Limited	Hong Kong Adventure Corps Limited	New Territories Association of Societies (Community Services) Foundation Limited
Amity Foundation Hong Kong Limited, The	Hong Kong AIDS Memorial Quilt Project Limited	New Territories North District Culture & Recreation Promotion Association Limited
Amity Mutual - Support Society	Hong Kong Air Cargo Terminals Limited	North District Hospital Charitable Foundation
Artistes 512 Fund Raising Campaign	Hong Kong Alzheimer's Disease Association	Ocean Park Conservation Foundation, Hong Kong

Arts with the Disabled Association Hong Kong	Hong Kong Amateur Orchestra	Operation Blessing Hong Kong Limited
Asian Academy For Sports and Fitness Professionals Limited	Hong Kong Association for Democracy and People's Livelihood	OSJ Radiant Foundation Limited
Asian Outreach Hong Kong Limited	Hong Kong Association for Specific Learning Disabilities	Our Lady of Maryknoll Hospital
Association Concerning Sexual Violence Against Women	Hong Kong Association of Christian Music Ministry Limited	Oxfam Hong Kong
Association for the Promotion of Mutual Assistance of Housewives	Hong Kong Association of The Deaf	Pak Tin Estate Residential Association
Association of Auto Batteries and Tyres Industry	Hong Kong Breast Cancer Foundation Limited	Pamela Youde Nethersole Eastern Hospital
Association of Chinese Evangelical Ministry Limited, The	Hong Kong Buddhist Association, The	Playright Children's Play Association
Association of Engineering Professionals in Society Limited	Hong Kong Buddhist Hospital	PMA Music Foundation Limited
Association of Hong Kong Dance Organisations	Hong Kong Buddhist Tri Virtues Advocate Centre Limited	Po Leung Kuk
Bethune House Migrant Women's Refuge Limited, The	Hong Kong Cat Fanciers' Club	Pok Oi Hospital
BMA Marketing & Advertising Limited	Hong Kong Celebrations Association Limited	Polar Museum Foundation Limited
Boundless Music Club	Hong Kong Chai Wan Residents Association Limited, The	Power of Love Limited
Boys' and Girls' Clubs Association of Hong Kong, The	Hong Kong Chaoren Shamshupo Chans Association Limited	Prince of Wales Hospital Charitable Foundation
Boys' Brigade, Hong Kong, The	Hong Kong China Rowing Association	Princess Margaret Hospital Charitable Trust, The
Bradbury Hospice	Hong Kong Chinese Church of Christ, The	Project Orbis International, Inc
Buddha's Light International Association of Hong Kong Limited	Hong Kong Christian Service	Qualified College Parents - Teachers Association
Buddhist Compassion Relief Tsz-Chi Foundation Hong Kong Limited	Hong Kong Committee for UNICEF	Queen Elizabeth Hospital
Buddhist Youth Association Limited	Hong Kong Confederation of Trade Unions	Queen Mary Hospital
Care for the Elderly Association Limited	Hong Kong Council of the Church of Christ in China Shum Oi Church, The	Raleigh International (Hong Kong) Limited
Caring for Children Foundation Limited	Hong Kong Environmental Protection Foundation Limited	Ratified Governing Charity Association

Caritas Medical Centre	Hong Kong Federation of Handicapped Youth	Red Mission Limited
Castle Peak Hospital	Hong Kong Federation of the Blind	Rehabaid Society
Catkin Elderly Welfare Center Limited	Hong Kong Federation of Youth Groups, The	Residents Welfare Advancement Association (H.K.) Limited
Chamber of Hong Kong Computer Industry Company Limited, The	Hong Kong Fishery Alliance	Revival City International Church Alliance
Chaplain & Recreation Ministry Limited	Hong Kong Football Association Limited, The	Ruttonjee & Tang Shiu Kin Hospital
Chelsea Social Service Association	Hong Kong Girl Guides Association, The	Sai Kung District Community Centre of Sai Kung Rural Committee
Cherish the Elderly Welfare Center Limited	Hong Kong Guangdong Shanswei Qilin Golden Lion Culture & Martial Art Association	Salvation Army, The
Cheung Chau Rural Committee	Hong Kong Handicapped Persons Foundation	Sam Shing Residents Association
Cheung Chau Wei Hoi Luk Clansmen Limited	Hong Kong Health Education and Health Promotion Foundation Limited, The	Samaritan Befrienders Hong Kong, The
Cheungshawan Kaifong Welfare Association Limited	Hong Kong Institute of Confucianism, Buddhism and Taoism Limited, The	San Qing Gong Organizing Committee
Chi Lin Nunnery	Hong Kong Island Federation Limited, The	Senior Citizen Home Safety Association
Child Welfare Scheme Limited	Hong Kong Jade Association Limited	Shaheen Sports Club
Children Chiropractic Foundation Limited	Hong Kong Joint Council of Parents of the Mentally Handicapped, The	Shatin Hospital
Children's Heart Foundation	Hong Kong Life Saving Society, The	Shatin Market General Association
Children's Thalassaemia Foundation	Hong Kong Mucopolysaccharidoses & Rare Genetic Diseases Mutual Aid Group	Shaukiwan Baptist Church
Chili Advertising and Promotions Limited	Hong Kong New Generation Cultural Association Limited	Shek Wu Hui Market Merchant Association
China Education Association, HKUSU	Hong Kong New Life Family Services Association Limited	Shek Wu Hui Merchants' Association Limited, The
China Game Publishers Association of Hong Kong	Hong Kong Organic Resource Centre Certification Limited	Sheng Kung Hui St. Christopher's Home Limited
Chinese Artists Association of Hong Kong	Hong Kong Overseas Chinese General Association, The	Shiseido Dah Chong Hong Cosmetics Limited

Chinese Arts Performing Ensemble of Hong Kong	Hong Kong Playground Association	Shui On Properties Management Limited
Chinese Motorboat Association (Hong Kong)	Hong Kong Red Cross	Siddhartha's Intent Limited
Chinese Temples Committee	Hong Kong Repertory Theatre Limited	Sino Estates Management Limited
Chinese Young Men's Christian Association of Hong Kong	Hong Kong Sheng Kung Hui Welfare Council	Social Workers Across Borders Limited
Chit Fai Motors Co. Limited	Hong Kong Single Parents Association	Society for Abandoned Animals Limited
Chiu Yang Industrial and Commerce Association Limited	Hong Kong Society for Rehabilitation, The	Society for AIDS Care Limited, The
Choi Hung Estate Social Service Association	Hong Kong Society for the Aged, The	Society for Community Organization Limited, The
Christian Action	Hong Kong Southern District Community Association Limited	Society for the Prevention of Cruelty to Animals (Hong Kong)
Christian Family Service Centre	Hong Kong Student Aid Society	Society for the Prevention of Cruelty to Animals (Hong Kong) Trustees Incorporated
Christian Joyful Spirit Development Centre Limited	Hong Kong Taoist Association, The	South Lantau Rural Committee
Christian Spiritual Rock Church Limited	Hong Kong Tin Shui Wai Women Association	Sowers Action
Chung Ying Theatre Company (HK) Limited	Hong Kong Tsuen Wan's Sichuan Disaster Relief Committee	Spring Blossom Project Foundation
Church of Christ in China, Lamma Church Limited, The	Hong Kong Wedding Management Association, The	Springboard Project Limited, The
City of David Cultural Centre, The	Hong Kong Wen Wei Po Foundation for Relieving Distress Among Disaster Victims	St. James' Settlement
City One Shatin Ladies' Association	Hong Kong Young Women's Christian Association	STEMI Limited
City Super Limited	Hong Kong Youth Arts Foundation	Suicide Prevention Services
Citywide Renewal Limited	Hong Kong Youth Arts Foundation Limited	Sun Hung Kai Real Estate Agency Limited
Civic Party Limited, The	Hong Kong Youth Association	Sunshine City Residents Association
Comfort Care Concern Group, The	Hong Kong Youth Care Association	Su-Ru Buddhist Retreat Limited
Comfort House of the Elderly Limited	Hope House Organization	Swire Properties Management Limited

Community Chest of Hong Kong, The	Hopewell Holdings Limited	Tai Hang Resident's Welfare Association
Concern Animal Heart Limited	Hospital Authority Charitable Foundation, The	Tai O Rural Committee
Concerto da Camera	Incorporated Management Committee of the Church of Christ in China Fung Leung Kit Memorial Secondary School, The	Tai Po Hospital
Council of St. Paul's Co-educational College Charitable Trust, The	Incorporated Owners of Allway Gardens	Tai Po Power
CSDCU Education Fund Limited	Incorporated Owners of Ching Lai Court	Tai Po Societies Fraternal Association
CUHK Social Work Alumni Association	Incorporated Owners of Chun Man Court	Tak Fuk Respect for the Aged Association
Democratic Alliance for the Betterment and Progress of Hong Kong	Incorporated Owners of Golden Building, The	Television Broadcasts Limited
Democratic Party, The	Incorporated Owners of Nam Cheong Estate, The	Tin Shui Wai Kai Fong Society
Dharma Drum Mountain Foundation (Hong Kong Branch) Limited	Incorporated Owners of Tin Ma Court	Tin Shui Wai Women Army for Community Improvement
Diabetes Hongkong	Incorporated Owners of Tseung Kwan O, Kwong Ming Court, The	TKS Exhibition Services Limited
Discovery Bay Services Management Limited	Incorporated Owners of Tuen Mun Tai Hing Gardens, Phase II, The	Tokwawan Kai Fong Welfare Association Limited
Duchess of Kent Children's Hospital	Industrial Evangelistic Fellowship Limited, The	Tony Music House Limited
Dudal Dechen Ling Monastery Centre Limited	Institute for Integrated Rural Development, Hong Kong	Top Group Limited
DWXI (El Shaddai) Prayer Partners Foundation International Limited	Intellectually Disabled Education and Advocacy League Limited, The	Treats
EADS Secure Networks Limited	International Buddhist Progress Society (Hong Kong) Limited	Tseung Kwan O Hospital
East Kowloon District Residents' Committee	International Christian Assembly of God, Limited	Tsuen Wan Festival Lights Organizing Committee
Eastern Association Limited	International Christian Concern Limited	Tsuen Wan Preparatory Committee of National Day Celebration
Eco Assisociation Limited	Jesus is Lord School of Ministry (Hong Kong) Limited	Tsuen Wan Trade Association Education Foundation Limited
Eco-Environment Conservation & Education Association	Jireh Fund Limited	Tuen Mun Area 4 Association for Peoples's Livelihood

Elderly Health Care Service Centre Limited	Joyful (Mental Health) Foundation Limited	Tuen Mun District Women's Association Limited
Employees' Safety, Training & Rehabilitation Services Limited	Kadoorie Farm and Botanic Garden Corporation	Tuen Mun Hospital
Engineers Without Borders	Kar Man House Mutual Aid Committee	Tuen Mun Youths Association
EQ Ambassador Society Limited	Katterwall Limited	Tung Cheng Yuen Buddhist Association Limited
Evangelical Free Church of China – Evangel Children's Home	Kely Support Group Limited	Tung Chung Trade Association Limited
Evangelical Free Churches of China Tung Fook Church Limited	Kindness Relieving Limited	Tung Tau Estate Block 22 Mutual Aid Committee
Evangelical Gospel Lutheran Church Limited, The	Kingdom Ministries Limited	Tung Wah Group of Hospitals
Evangelical Lutheran Church Social Service - Hong Kong	Kowloon Federation of Associations	United Christian Hospital
Fairview Park Management Advisory Committee	Kowloon Miniature Football Association Limited	United Christian Medical Service
Families of S.M.A. Charitable Trust	Ku Kui Kei Children Medical Fund Limited	United Labour Chi Hong Association Limited
Far East Consortium International Limited	Kwai Chung and Tsing Yi District Culture And Arts Co-Ordinating Association Limited	Victoria Harbour Association
Federation of Hong Kong Kowloon New Territories Hawker Associations	Kwai Tsing Community Force	Volleyball Association of Hong Kong, China
Federation of New Territories Youth	Kwun Tong District Culture & Recreation Promotion Association	Volunteer Space
Federation of Yau Tsim Mong District Affairs, The	Kwun Tong Elderly Welfare Association	Wah Fu swatow Christian Church Limited, The
Friendly Doggie	Kwun Tong Resident Association	Word for the World Hong Kong Limited
Friends of Caring Hearts China Education (Charity) Foundation	Lamma Animal Welfare Centre Limited	World Emergency Relief Hong Kong Limited
Friends of Girls' Brigade Hong Kong Limited, The	League of Social Democrats	World Vision Hong Kong
Friends of the Harp Limited	Lei Yue Mun Kai Fong Welfare Association	Wu Zhi Qiao (Bride to China) Charitable Foundation
Frontier, The	Leisure Joyous Music	Yan Chai Hospital
Full Gospel Business Men's Fellowship International (Hong Kong) Limited	Leo Club of Tsing Ma	Yan Oi Tong Limited
Giving Love Elderly Charitable Limited	Liberal Party Charity Fund for the Floor	Yang Memorial Methodist Social Service

Grace Charity Foundation Limited	Liberal Party Relief Fund for the Sichuan Earthquake	Yau Tong Estate Wing Tong House Mutual Aid Committee
Grace Community Church Limited	Lifestyle Group Limited, The	Yellow House
Grace Link Charity Limited	Link Management Limited, The	Youth Outreach
Grantham Hospital	Lions Clubs International District 303 Hong Kong & Macau, China	Yue Hwa Chinese Products Emporium Limited
Grateful Heart Charitable Foundation Limited	Lo Yau Fong Computer Club	Zuni icosahedron Limited
Great Energy Investments Limited	Lok Hong Social Service Association	

Total: 377

2009

1st Step Association Limited	Happymen Foundation Limited	League of Social Democrats
A Better Tomorrow Limited	Haven of Hope Christian Service	Link Management Limited, The
A Plus Social Service Group	Haven of Hope Hospital	Lions Club of Tuen Mun Limited
Abandoned Animal Fund of Hong Kong, The	Heifer International Hong Kong Limited	Lions Kidney Educational Centre and Research Foundation
Aberdeen Kai-fong Welfare Association Limited	Helping Hand	Lo Yau Fong Computer Club
Aberdeen, Tin Wan Estate, Wah Fu Estate and Wah Kwai Estate Chiu Kiu Resident Yu Lan Shing Wui Limited	HER Fund Limited	Lok Hong Social Service Association
ACCA Charitable Foundation Limited	HK & Macau Taiwanese Charity Fund Limited	Lok Sin Tong Benevolent Society, Kowloon, The
Action for Reach Out	Hong Chi Association	Loving Elderly Services Centre Limited
Against Child Abuse Limited	Hong Kong & Kowloon Trades Union Council	Make-A-Wish Foundation of Hong Kong Limited
AIDS Concern Foundation Limited	Hong Kong Adventure Corps Limited	Medecins Sans Frontieres (HK) Limited
Airport Authority	Hong Kong AIDS Foundation Limited, The	Media Evangelism Limited, The
Alice Ho Miu Ling Nethersole Hospital	Hong Kong AIDS Memorial Quilt Project Limited	Mental Health Association of Hong Kong, The
Amazing Grace Worship Music Ministry Limited	Hong Kong Alzheimer's Disease Association	Mission of Love
Amnesty International Hong Kong Section Human Rights Education Charitable Trust	Hong Kong Animal Adoption Centre Limited	Multi-Media Oasis Limited
Angel of Diabetic Limited	Hong Kong Association for Democracy and People's Livelihood	Neighbourhood & Worker's Education Centre Limited
Art with the Disabled Association Hong Kong	Hong Kong Association of Christian Music Ministry Limited	Non-Profit Making Veterinary Services Society Limited
Association Concerning Sexual Violence Against Women	Hong Kong Association of Senior Citizens, The	North District Hospital Charitable Foundation
Association of Chinese Evangelical Ministry Limited, The	Hong Kong Association of the Deaf	Ocean Park Conservation Foundation, Hong Kong
Association of Evangelical Free Churches of Hong Kong, The	Hong Kong Ballet Limited, The	One Circle Limited
Baptist Oi Kwan Social Service	Hong Kong Blind Union	Operation Blessing Hong Kong Limited

Bethune House Migrant Women's Refuge Limited, The	Hong Kong Breast Cancer Foundation Limited	Operation Smile - China Medical Mission Limited
Boys' and Girls' Clubs Association of Hong Kong, The	Hong Kong Breastfeeding Mothers' Association Limited	OSJ Radiant Foundation
Boys' Brigade, Hong Kong Limited, The	Hong Kong Buddhist Association, The	Otic Foundation Limited
Bradbury Hospice	Hong Kong Buddhist Hospital	Our Lady of Maryknoll Hospital
Buddha's Light International Association of Hong Kong Limited	Hong Kong Cat Refuge	Oxfam Hong Kong
Buddhist Compassion Relief Tzu-chi Foundation Hong Kong Limited	Hong Kong Chai Wan Residents Association Limited, The	Playright Children's Play Association
Care for the Elderly Association Limited	Hong Kong Cheshire Home Foundation	Po Leung Kuk
Caring for Children Foundation Limited	Hong Kong Chinese Church of Christ, The	Pok Oi Hospital
Caritas - Hong Kong	Hong Kong Christian Service	Power of Love Limited
Caritas Medical Centre	Hong Kong Civic Education Foundation Limited	Prince of Wales Hospital Charitable Foundation
Castle Peak Hospital	Hong Kong Committee for UNICEF	Princess Margaret Hospital Charitable Trust, The
Catkin Elderly Welfare Center Limited	Hong Kong Dog Rescue (HKDR)	Project Orbis International, Inc
Centre for Community Cultural Development Limited	Hong Kong Early Psychosis Intervention Society Limited	Queen Elizabeth Hospital
Cherish The Elderly Welfare Center Limited	Hong Kong Family Welfare Society	Queen Mary Hospital
Chi Lin Nunnery	Hong Kong Federation of Handicapped Youth	Redford Charitable Foundation Limited
Child Welfare Scheme Limited	Hong Kong Federation of Women's Centres	Rehabaid Society
Children Chiropractic Foundation Limited	Hong Kong Federation of Youth Groups, The	Ruttonjee & Tang Shiu Kin Hospitals
Children Life Stimulation Organisation Limited	Hong Kong Girl Guides Association, The	Salvation Army, The
Children's Cancer Foundation	Hong Kong Joint Council of Parents of the Mentally Handicapped, The	Save the Children Hong Kong Limited
Children's Heart Foundation	Hong Kong Life Saving Society, The	Seedland Educational Charitable Foundation Limited
Children's Thalassaemia Foundation	Hong Kong New Immigrant Service Association	Senior Citizen Home Safety Association
China Education Association, HKUSU	Hong Kong New Life Family Services Association Limited	Sha Tin Junior Chamber Limited

China Star Light Charity Fund Association	Hong Kong Organic Resource Centre Certification Limited	Shatin Hospital
Chinese Christian Herald Crusades Limited	Hong Kong Outlying Islands Women's Association Limited	Shauiwan Baptist Church
Christian Family Service Centre	Hong Kong Paediatric Rheumatism Association Limited	Sheng Kung Hui St. Christopher's Home Limited
Christian Ministry to Visually Impaired Persons	Hong Kong Performing Artistes Guild Limited	Showers of Blessing Evangelistic Ministry (Hong Kong) Limited
Chung Shak Hei (Cheung Chau) Home for the Aged Limited	Hong Kong Playground Association	Social Workers Across Borders Limited
Church of United Brethren in Christ, Social Service Division, The	Hong Kong Rabbit Society Limited	Society for AIDS Care Limited, The
City Gospel Church Limited	Hong Kong Red Cross	Society for Community Organization Limited, The
City of David Cultural Centre, The	Hong Kong Rehabilitation Power	Society for the Prevention of Cruelty to Animals (Hong Kong) Trustees Incorporated
Citywide Renewal Limited	Hong Kong Society for Rehabilitation, The	Society for the Relief of Disabled Children, The
Civic Party Limited, The	Hong Kong Society for the Aged, The	South Asian Lutheran Evangelical Mission Limited
Civil Force	Hong Kong Society for the Deaf, The	Sowers Action
Comfort Care Concern Group, The	Hong Kong Society of Medical Professionals Charitable Foundation Limited	Springboard Project Limited, The
Comfort House of the Elderly Limited	Hong Kong Student Aid Society	St. James' Settlement
Community Chest of Hong Kong, The	Hong Kong Women Development Association Limited	Stand TALL Limited
Cyber Senior Network Development Association Limited	Hong Kong Women's Choir, The	STEMI Limited
Democratic Alliance for the Betterment and Progress of Hong Kong	Hong Kong Young Women's Christian Association	Stewards Limited
Democratic Party, The	Hong Kong Youth Hostels Association	Suicide Prevention Services
Diabetes Hongkong	Hong Kong, China Rowing Association	Tai Po Hospital
Duchess of Kent Children's Hospital	Hope House Organization	Taishan Charitable Association Limited
Dudal Dechen Ling Monastery Centre Limited	Hospital Authority Charitable Foundation, The	TREATS

DWXI (EL SHADDAI) Prayer Partners Foundation International Limited	Hyacinth Services Center for the Elderly Limited	Tseung Kwan O Hospital
Eco Association Limited	Incorporated Management Committee of Shamshuipo Kaifong Welfare Association Primary School, The	Tuen Mun Hospital
Education Development Foundation Association	Incubator Ministries Limited	Tuen Mun Youths Association
Elderly Health Care Service Center Limited	Institute for Integrated Rural Development, Hong Kong	Tung Wah Group of Hospitals
Elite Athlete Charitable Trust	Intellectually Disabled Education and Advocacy League Limited, The	U-Hearts
Employees' Safety, Training & Rehabilitation Services Limited	Interglow Association Limited	Unison Hope Charitable Foundation Limited
Ernst & Young China Foundation Limited	International Christian Concern Limited	United Christian Hospital
Evangelical Free Churches of China Tung Fook Church Limited	International General Chinese Medicated Meal of Self Recovery Association Limited	United Christian Medical Service
Evangelical Lutheran Church Social Service - Hong Kong	International Nature Loving Association Limited, The	United Hearts Youth Foundation Limited
Families of S.M.A. Charitable Trust	International Tin Lang Ministry Limited	United Labour Chi Hong Association Limited
Federation of All Sectors of Tsuen Wan Community Limited, The	James Lung International Arts and Cultural Exchange Association	Wai Yin Association
FM Theatre Power Limited	Joyful (Mental Health) Foundation Limited	Watchdog Limited
Forerunner Mission Ministry Limited	Kadoorie Farm and Botanic Garden Corporation	World Emergency Relief Hong Kong Limited
Free Methodist Church of Hong Kong - Social Service Division, The	Katterwall Limited	World Vision Hong Kong
Friends of Girls' Brigade Hong Kong Limited, The	Kindness Relieving Limited	World Wide Fund for Nature Hong Kong
Giving Love Elderly Charitable Limited	Kingdom Ministries Limited	Wu Zhi Qiao (Bridge to China) Charitable Foundation Limited
Grace Community Church Limited	Kittiwake Social Service Association Limited	Yan Chai Hospital
Grace Link Charity Limited	Kowloon Federation of Associations	Yan Oi Tong Limited
Greenpeace China	Kwun Tong District Culture & Recreation Promotion Association	Young Men's Christian Association of Hong Kong, The

Hans Andersen Club Limited

Kwun Tong Methodist Social
Service

Yuen Yuen Institute, The

Happy Tree Social Services
Limited

Total: 247

(3) Charitable lottery activities approved by the Television and Entertainment Licensing Authority (TELA)

Details of the lottery activities approved by TELA between 2005 and 2009 are as follows –

2005

Name of applying organisation (Excluding non-charitable lottery activities)	Purpose of the fund-raising activity	Locations permitted for the fund-raising activity (by District Council districts)																
		Hong Kong Island				Kowloon				New Territories								
		Central & Western	Eastern	Southern	Wanchai	Kowloon City	Kwun Tong	Sham Shui Po	Wong Tai Sin	Yau Tsim Mong	Islands	Kwai Chung	North	Sai Kung	Sai Tin	Tai Po	Tsuen Wan	Tuen Mun
Yuen Long Town Hall Management Committee Limited	Raise funds for social services				✓				✓		✓					✓	✓	✓
Old People and Handicapped's Association	Provide services for the elderly and the handicapped	✓	✓	✓	✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓
International Buddhist Progress Society (Hong Kong) Limited	Foster the spirit of life-long learning among senior citizens		✓	✓	✓		✓	✓	✓		✓		✓			✓		
Chelsea Social Service Association	Promote the enjoyment of old age														✓			
Pillar Education Foundation Limited	Promote education development in Hong Kong	✓	✓		✓	✓	✓	✓			✓		✓	✓	✓	✓		✓
Senior Citizen Home Safety Association	Raise funds for the Personal Emergency Link Charitable Fund and the Elder Ring Hotline Service	✓	✓		✓			✓		✓			✓	✓	✓			
Enjoymentelderly Charitable Limited	Set up a learning centre for senior citizens to hold various activities and provide regular supporting services	✓	✓			✓		✓	✓		✓	✓					✓	✓
The Conservancy Association	Tree protection	✓	✓	✓	✓			✓	✓				✓	✓		✓	✓	
Po Leung Kuk	Raise funds for social services		✓	✓		✓	✓				✓		✓	✓				

Name of applying organisation (Excluding non-charitable lottery activities)	Purpose of the fund-raising activity	Locations permitted for the fund-raising activity (by District Council districts)																
		Hong Kong Island				Kowloon					New Territories							
		Central & Western	Eastern	Southern	Wanchai	Kowloon City	Kwun Tong	Sham Shui Po	Wong Tai Sin	Yau Tsim Mong	Islands	Kwai Chung	North	Sai Kung	Sai Tin	Tai Po	Tsuen Wan	Tuen Mun
Society for Abandoned Animals Limited	Promote the protection of stray animals	✓	✓	✓	✓								✓	✓			✓	
Amity Mutual-Support Society	Raise funds for the self-help and mutual help services for the discharged mental patients		✓	✓	✓		✓		✓		✓			✓		✓		
The Hong Kong Girl Guides Association	Raise funds for its girl guide services		✓		✓				✓				✓	✓		✓		✓
The Boys' and Girls' Clubs Association of Hong Kong	Raise funds for social services	✓		✓	✓		✓					✓	✓					✓
The Mental Health Association of Hong Kong	Provide services for the mentally handicapped and discharged mental patients	✓					✓		✓				✓	✓		✓		
The Foreign Correspondents' Club, Hong Kong	Raise funds for the Po Leung Kuk's scholarship fund and children language training programmes	✓																
The Society for Community Organization Limited	Provide support for the underprivileged people in Hong Kong	✓			✓			✓	✓		✓							
The Hong Kong Federation of Youth Groups	Develop youth services	✓	✓			✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hong Kong Family Welfare Society	Raise funds for social services												✓					
The Society for the Relief of Disabled Children	Medical equipment	✓		✓														
Hong Kong Young Women's Christian Association	Service development and reconstruction of campsites	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Hong Kong Rehabilitation Power	Raise funds for the training of the physically challenged		✓		✓		✓	✓	✓		✓				✓			
Hong Kong PHAB Association	Provide services for the physically challenged	✓	✓		✓			✓	✓		✓							

Name of applying organisation (Excluding non-charitable lottery activities)	Purpose of the fund-raising activity	Locations permitted for the fund-raising activity (by District Council districts)																
		Hong Kong Island				Kowloon				New Territories								
		Central & Western	Eastern	Southern	Wanchai	Kowloon City	Kwun Tong	Sham Shui Po	Wong Tai Sin	Yau Tsim Mong	Islands	Kwai Chung	North	Sai Kung	Sai Tin	Tai Po	Tsuen Wan	Tuen Mun
Giving Love Elderly Charitable Limited	Provide more social and recreational activities for the elderly so that they can make good use of their leisure time to join social activities and study; help them keep social contact and build up their positive attitude and confidence		✓		✓		✓	✓	✓		✓		✓	✓	✓	✓	✓	✓

2006

Name of applying organisation (Excluding non-charitable lottery activities)	Purpose of the fund-raising activity	Locations permitted for the fund-raising activity (by District Council districts)																
		Hong Kong Island				Kowloon				New Territories								
		Central & Western	Eastern	Southern	Wanchai	Kowloon City	Kwun Tong	Sham Shui Po	Wong Tai Sin	Yau Tsim Mong	Islands	Kwai Chung	North	Sai Kung	Sai Tin	Tai Po	Tsuen Wan	Tuen Mun
Yan Oi Tong Limited	Raise funds for the Elderly Care Fund				✓				✓		✓		✓	✓	✓	✓	✓	✓
Joyful (Mental Health) Foundation Limited	Raise funds for running expenses				✓						✓							
Regeneration Society Limited	Raise funds for supporting its operation and projects in relation to cancer and chronic patients; provide rehabilitation services and other health-related programmes	✓	✓		✓	✓	✓	✓	✓								✓	
Old People and Handicapped's Association	Provide services for the elderly and the handicapped	✓	✓	✓	✓													
Children Life Stimulation Organisation Limited	Provide assistance to children in need	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pillar Education Foundation Limited	Organise various educational and charity events; raise funds for running expenses		✓	✓		✓	✓	✓	✓		✓	✓			✓	✓		✓
Enjoymentelderly Charitable Limited	Set up a learning centre for senior citizens to hold different activities and provide regular supporting services	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Po Leung Kuk	Raise funds for social services	✓		✓	✓	✓	✓	✓		✓		✓			✓			
Society for Abandoned Animals Limited	Promote the protection of stray animals	✓	✓	✓	✓			✓	✓			✓	✓	✓				✓
The Hong Kong Girl Guides Association	Raise funds for its girl guide services		✓	✓	✓				✓	✓	✓							

Name of applying organisation (Excluding non-charitable lottery activities)	Purpose of the fund-raising activity	Locations permitted for the fund-raising activity (by District Council districts)																	
		Hong Kong Island				Kowloon				New Territories									
		Central & Western	Eastern	Southern	Wanchai	Kowloon City	Kwun Tong	Sham Shui Po	Wong Tai Sin	Yau Tsim Mong	Islands	Kwai Chung	North	Sai Kung	Sai Tin	Tai Po	Tsuen Wan	Tuen Mun	Yuen Long
The Foreign Correspondents' Club, Hong Kong	Raise funds for the Po Leung Kuk's scholarship fund and children language training programmes	✓																	
Hong Kong Blind Union	Raise funds for the services provided for the visually impaired					✓			✓										
The Hong Kong Buddhist Association	Support services for the elderly, adolescent and child care		✓		✓	✓	✓		✓							✓			
The Society for Community Organization Limited	Provide support for the underprivileged people in Hong Kong	✓			✓														
Hong Kong Rehabilitation Power	Raise funds for its training services to the physically challenged	✓	✓		✓				✓		✓			✓	✓		✓		
Hong Kong PHAB Association	Provide services for senior citizens and the physically challenged	✓	✓		✓				✓	✓									
Society for the Prevention of Cruelty to Animals (Hong Kong)	Promote the welfare of animals	✓			✓				✓		✓								
Hong Kong Playground Association	Raise funds for social services		✓					✓	✓		✓								
Catkin Elderly Welfare Center Limited	Provide funds for various services and activities for the elderly	✓	✓	✓	✓	✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓
Families of S.M.A. Charitable Trust	Render help to children suffering from spinal muscular atrophy (S.M.A.)	✓											✓						
Lifeline Express Hong Kong Foundation	Provide free surgical treatment for poor cataract patients living in remote villages in the Mainland		✓	✓		✓	✓		✓		✓	✓		✓	✓	✓			✓
Pok Oi Hospital	Raise funds for extending its social services	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Project ORBIS International, Inc	Raise funds for sight-saving work worldwide	✓	✓		✓	✓			✓		✓			✓		✓			

Name of applying organisation (Excluding non-charitable lottery activities)	Purpose of the fund-raising activity	Locations permitted for the fund-raising activity (by District Council districts)																
		Hong Kong Island				Kowloon				New Territories								
		Central & Western	Eastern	Southern	Wanchai	Kowloon City	Kwun Tong	Sham Shui Po	Wong Tai Sin	Yau Tsim Mong	Islands	Kwai Chung	North	Sai Kung	Sai Tin	Tai Po	Tsuen Wan	Tuen Mun
The Society for Community Organization Limited	Provide support for the underprivileged people in Hong Kong	✓			✓				✓					✓		✓	✓	
Hong Kong Women Workers' Association	Provide consultation services, social and recreational activities as well as educational and training services for woman workers; propose policies relating to the rights of woman workers	✓		✓	✓													
Hong Kong PHAB Association	Provide services for senior citizens and the physically challenged	✓		✓	✓			✓	✓									
Society for the Prevention of Cruelty to Animals (Hong Kong)	Promote the welfare of animals	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Neighbourhood & Worker's Education Centre Limited	Develop charity services for the poor and the needy, including the establishment of a mutual nursery										✓					✓		
Project ORBIS International, Inc	Raise funds for sight-saving work worldwide	✓	✓		✓	✓	✓	✓	✓		✓			✓		✓		
Comfort House of the Elderly Limited	Provide various interest classes and recreational activities for the elderly, as well as services improving the life of the elderly	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Hong Kong Committee for UNICEF	UNICEF Emergency Relief Plan	✓																
Giving Love Elderly Charitable Limited	Provide social and recreational activities to senior citizens and cover running expenses of the centre	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓

Annex B

**Details of Complaints about Charitable Fund-raising Activities
Received by TELA between 2005 and 2009**

Calendar year	District	Nature of complaint	Number of substantiated complaints	Follow-up action
2005	Tai Po	<ul style="list-style-type: none"> ● Selling lottery tickets in an intrusive manner ● Unable to respond to enquiries made by passers-by 	1	A verbal warning was issued to the Organisation by the Department.
	Wan Chai	<ul style="list-style-type: none"> ● Selling lottery tickets at unauthorised locations 	1	A warning letter was issued to the Organisation by the Department.
	Southern District and Central & Western District	<ul style="list-style-type: none"> ● Selling lottery tickets at unauthorised locations 	1	A warning letter was issued to the Organisation by the Department.
	Wan Chai	<ul style="list-style-type: none"> ● Selling lottery tickets at unauthorised locations 	1	A warning letter was issued to the Organisation by the Department.
2006	Yau Tsim Mong	<ul style="list-style-type: none"> ● Roadside fund-raising activities were too frequent, causing nuisance 	0	The Department would take the opinion into consideration when handling applications in future.
	Kwai Chung	<ul style="list-style-type: none"> ● Suspected unauthorised fund-raising activity 	0	The Organisation replied that the activity was not a lottery activity and that a Public Subscription Permit had been obtained.
	Tsuen Wan and Wan Chai	<ul style="list-style-type: none"> ● Unauthorised selling of lottery tickets on public streets 	1	A warning letter was issued to the Organisation by the Department.

Calendar year	District	Nature of complaint	Number of substantiated complaints	Follow-up action
2007	Sha Tin	● Selling lottery tickets in a coercing manner	1	A warning letter was issued to the Organisation by the Department.
2008	Sha Tin	● Unauthorised selling of lottery tickets in a private place	0	The place was a public street, and the Organisation was authorised to conduct the selling.
	Not applicable	● Recruiting staff to conduct roadside lottery sale	0	The complaint involved a violation of licence condition of the lottery licence and was referred to the Police for investigation. Police investigation concluded that there was no offence.
	Central & Western District	● Occupying too much area of the pavement	0	The Department would take the opinion into consideration when handling applications in future and remind applicants not to cause nuisance to the passers-by when selling lottery tickets.
2009	Eastern District	● Selling lottery tickets in an intrusive manner ● Selling lottery tickets in a loud voice	1	A warning letter was issued to the Organisation by the Department.

Calendar year	District	Nature of complaint	Number of substantiated complaints	Follow-up action
	Yau Tsim Mong	<ul style="list-style-type: none"> ● Suspected defalcation by the volunteers ● Selling lottery tickets at unauthorised locations ● Selling lottery tickets in an intrusive manner 	1	The first complaint involved criminal act; however, follow-up actions could not be taken as the complainant refused to provide further information to the Police. As regards the second and third complaints, a warning letter was issued to the Organisation by the Department.
	Not provided by the complainant	<ul style="list-style-type: none"> ● Suspected unauthorised fund-raising activity 	0	The Organisation replied that no lottery activity was involved in the charity sale activity and that the activity had been approved by the Food and Environmental Hygiene Department.
	Eastern District	<ul style="list-style-type: none"> ● Unauthorised selling of lottery tickets on public streets 	1	No charge was made after police investigation.
	Southern District	<ul style="list-style-type: none"> ● Roadside fund-raising activities were too frequent, causing nuisance 	0	The Department would take the opinion into consideration when handling applications in future.

Project Yi Jin

20. **MR CHEUNG KWOK-CHE** (in Chinese): *President, since its inception in 2000, Project Yi Jin (PYJ) has been providing Secondary Five school leavers and adult learners with opportunities for continuing education. In this connection, will the Government inform this Council:*

- (a) *of the number of PYJ graduates each year since 2001;*
- (b) *of the respective numbers and ratios of PYJ graduates who took up employment and those who pursued further studies each year since 2001; and*

- (c) *of the respective numbers of PYJ graduates who were employed by the Government to fill civil service posts and non-civil service posts each year since 2001, with a breakdown by government department?*

SECRETARY FOR EDUCATION (in Chinese): President,

- (a) The total number of full certificates awarded by the institutions offering PYJ from 2000-2001 to 2009-2010 is 38 006. The number of full certificates awarded in each academic year is at Annex I.
- (b) The Programme Management Committee of PYJ has been conducting annual tracking surveys by telephone since 2008 to better understand the employment situation and articulation pathways for PYJ graduates. Two surveys were conducted during the periods from October to December 2008 and from January to March 2010 with the full-time graduates of the 2007-2008 and 2008-2009 academic years as the target respondents. The results of the telephone surveys are summarized in the following table:

<i>Academic Year</i>	<i>Number of respondents successfully interviewed</i>	<i>Number of Respondents employed (percentage)</i>	<i>Number of respondents pursuing further study (percentage)</i>	<i>Number of respondents neither employed nor pursuing further study (percentage)</i>
2007-2008	4 147	2 168 (52%)*	1 434 (35%)*	559 (13%)
2008-2009	5 368	2 660 (49%)*	2 036 (38%)*	692 (13%)

Note:

- * Some respondents were taking up employment and pursuing further studies at the same time.

- (c) According to the information provided by some government departments, a total of 1 925 holders of the PYJ full certificate have been appointed to civil service posts from the year 2001 till 30 September 2010. Relevant information is at Annex II. We do not have information on the number of PYJ graduates on non-civil service engagement in the Government.

Annex I

Project Yi Jin
Number of Full Certificates Awarded starting from the
2000-2001 Academic Year

<i>Academic Year</i>	<i>Number of Certificates Awarded</i>
2000-2001	1 915
2001-2002	1 319
2002-2003	1 979
2003-2004	2 108
2004-2005	2 669
2005-2006	2 666
2006-2007	4 540
2007-2008	6 088
2008-2009	7 432
2009-2010	7 290 ⁽¹⁾
Total	38 006

Note:

(1) Provisional figure

Annex II

Number of PYJ Graduates Employed by
Government Departments to Take Up Civil Service Posts

<i>Department⁽¹⁾</i>	<i>Financial Year</i>										<i>Total</i>
	<i>2001-2002</i>	<i>2002-2003</i>	<i>2003-2004</i>	<i>2004-2005</i>	<i>2005-2006</i>	<i>2006-2007</i>	<i>2007-2008</i>	<i>2008-2009</i>	<i>2009-2010</i>	<i>2010-2011 (as at 30 September 2010)</i>	
Hong Kong Police Force	5	9	2	8	81	252	262	285	166	102	1 172
Fire Services Department		1		7	28	90	74	150	162	30	542
Electrical and Mechanical Services Department				3	3		26	38	28		98

<i>Department⁽¹⁾</i>	<i>Financial Year</i>										<i>Total</i>
	<i>2001-2002</i>	<i>2002-2003</i>	<i>2003-2004</i>	<i>2004-2005</i>	<i>2005-2006</i>	<i>2006-2007</i>	<i>2007-2008</i>	<i>2008-2009</i>	<i>2009-2010</i>	<i>2010-2011 (as at 30 September 2010)</i>	
Architectural Services Department					1	2	8	2	11	11	35
Water Supplies Department						1	2	22	29		54
Customs and Excise Department					1	1	4	2			8
Correctional Services Department		1					7				8
Lands Department							1				1
Agriculture, Fisheries and Conservation Department	2					2		1			5
Marine Department									2		2
Total	7	11	2	18	114	348	384	500	398	143	1 925

Note:

(1) According to the information provided by some government departments.

BILLS

Second Reading of Bills

Resumption of Second Reading Debate on Bills

PRESIDENT (in Cantonese): Bills. This Council will now resume the Second Reading debate on the Buildings Energy Efficiency Bill.

BUILDINGS ENERGY EFFICIENCY BILL**Resumption of debate on Second Reading which was moved on 9 December 2009**

PRESIDENT (in Cantonese): Ms Audrey EU, Chairman of the Bills Committee to study the above Bill will now address this Council on the Report of the Bills Committee.

MS AUDREY EU (in Cantonese): President, in my capacity as Chairman of the Bills Committee on the Buildings Energy Efficiency Bill, I wish to report on the deliberations of the Bills Committee.

The main objects of the Buildings Energy Efficiency Bill seeks to require compliance with codes of practice promulgated by the Electrical and Mechanical Services Department (EMSD) concerning four types of building services installations, including air-conditioning, electrical, lift and escalator as well as lighting installations for the enhancement of energy efficiency.

(THE PRESIDENT'S DEPUTY, MS MIRIAM LAU, took the Chair)

The Bills Committee generally supports improvements made to energy efficiency to reduce the emission of greenhouse gases. In the course of deliberation, members were concerned particularly about the definition of "lighting installation" and exemptions. Under the Bill, "lighting installation" means a fixed electrical lighting system in the building. Bills Committee members enquired how to determine whether a lighting installation is a fixed electrical system in the building or out of the building, in particular lighting installations mounted external to the building but connected to the lighting system inside the building. Some members disagreed that lighting installations solely used for decoration should be exempted as these usually produce excessive glare. Exempting decorative lighting may run contrary to the policy intent of the Bill to enhance energy efficiency. Therefore, two other members and I will move Committee stage amendments (CSAs) to the definition and exemption of "lighting installation".

The Bills Committee notes The Law Society of Hong Kong (Law Society)'s concern that non-compliance with the requirements for Certificates of Compliance Registration (COCR), Forms of Compliance (FOC) and Improvement Notices (IN) may not only give rise to disputes and litigation in conveyance transactions, but also entitles the Government to re-entering the premises under the land grant. Members therefore ask the Administration to introduce a CSA to make it clear that a contravention of any provision of the Bill in relation to any premises does not itself subject the title of the premises to any encumbrance. With respect to the proposed CSA, Law Society remains of the view that the proposed CSA is not able to fully address the problem. It has proposed to add the phrase, and I quote, "any provision in the Land Grant notwithstanding" at the end of the proposed CSA. However, Law Society subsequently reached a consensus with the relevant government department regarding the issue of the Government's right of re-entry. The Bills Committee held a special meeting on the matter and it was agreed that there was no need for the Administration to introduce a CSA.

The Bill provides that if anyone feels aggrieved by the decision of the Director, he can lodge an appeal with the Appeal Board. All the members of the Appeal Board are appointed from the engineering profession. In view of the fact that there are few female members in the engineering profession, members think that when appointing members to the Appeal Board, the number of female members in it should be increased to bring it in line with the policy on gender mainstreaming. In this connection, the Secretary for the Environment will make an undertaking in his speech at the resumption of Second Reading debate on the Bill that the 6-6 Rules as well as the policy on gender mainstreaming will be observed as far as practicable when appointing members to the Appeal Board.

With respect to other concerns of Bills Committee members, the Administration has proposed relevant CSAs. Therefore, the Bills Committee supports in principle the CSAs to be introduced by the Administration.

Deputy President, the following part of the speech carries my personal comments on the Bill as well as comments made on behalf of the Civic Party.

Deputy President, often times we would hear members of the public say that Hong Kong supports environmental protection. It seems that the Government is also in great support of environmental protection. Everyone is

talking about environmental protection. But why does our environmental protection policy seem to be going at a snail's pace and there is much room for improvement in many areas? If anyone has any doubts about this, I would suggest that he look at the entire process of this Bill and the background to the issue of buildings energy efficiency, or any law on environmental protection, then he will know the reasons.

Deputy President, on the issue of buildings energy efficiency, looking back at 1998, that is, not long after the reunification, the Government issued five manuals and formulated the Building Energy Codes (BEC) to require compliance by the sector and all the people. The areas covered include electrical installations, lifts and elevators, air-conditioning and lighting installations, and so on. But, Deputy President, after a lapse of 10 years, that is, from 1998 to 2009, only 1 061 building venues in total have applied for registration certificates. Such certificates are proof of voluntary compliance with the BEC. Moreover, of these 1 061 building venues, 72% are government premises. Obviously, such practices of voluntary compliance or encouraging compliance by the sector do not work. Deputy President, I know that other Honourable colleagues have repeatedly demanded in this Council that as buildings are most wasteful in terms of energy efficiency and electricity, therefore, laws on buildings energy efficiency should be enacted. After pursuing the matter for a long time, the Government has finally agreed to introduce this Bill to the Council. But, Deputy President, often people would think that the job is done after the law is enacted. There would be a rosy future lying ahead now that the law will be implemented. But I would like to tell Members that this is not the reality. Sorry, the passage of a law is only a skeleton and it is only something written on paper. A long road still lies ahead towards the eventual true implementation of the Law.

Deputy President, as for the timetable of implementation, according to this Bill, the Government will still have to enact the subsidiary legislation. The subsidiary legislation will be on matters like charges, requirements, and so on. After the subsidiary legislation is enacted, a period of 18 months will have to be spent to allow for the registration of energy assessors. This is because an audit has to be conducted if a building is to comply with the requirements on energy efficiency. These assessors can only do their work after registration. So Deputy President, you can see that it would be a few years from now that the law can really be implemented. And Deputy President, when we talk about implementation, we only refer to those new buildings completed after this law

becomes effective. But when will this law be applied to existing buildings? That is to say, there are some provisions providing for what should be done for the sake of compliance if buildings are to undergo major renovations. Deputy President, this means certain provisions in the law are applicable to some new buildings but not all new buildings. Then what kinds of buildings are included? Commercial buildings are included. If it is a residential building, then only the common area is included. As for industrial buildings, only the common area is included. Of course, other composite buildings or buildings like guesthouses, schools, and so on, are also included. But we should never think that once this law is enacted, it would cover all kinds of buildings, even ordinary residential buildings. What is included in residential buildings is only the common area. We had asked the Government how much electricity can be saved once this law is implemented. We were informed that the implementation of this law would result in a reduction of 1.96 million tonnes of CO₂ emissions in the first decade of implementation, that is, over the next 10 years.

Deputy President, I would like to recap some history in particular. This is because it bears a certain relationship with the CSA that I hope to introduce later on. The Government always says that we have not consulted the sector and so we should not suggest that the scope of application should be expanded in many aspects. I would like to tell Members that as a matter of fact, after the enactment of this law, there would still be a long time before it can be implemented. Therefore, there is still much time to conduct consultations.

Deputy President, I would like to stress one point and that is, even if this law is enacted, it does not provide for any details on how standards of buildings energy efficiency can be met. Such work will be left to the EMSD to formulate some codes. Of course, the sectors or the people concerned will be consulted before any codes or standards are formulated. I have also just said that since 1998, most of these standards have been included in the codes for voluntary compliance. I would also like to point out that I have not mentioned a very important part in my report of the Bills Committee. We all know that the developers are responsible for the construction of new buildings. What would happen if after the completion of a building, it was found that the requirements on energy efficiency had not been complied with? Many people suggest that the developer should not be allowed to sell the building, for if it is sold, what should be done with it? The developer has not done what it should do and it has not got a certificate. But, as we may imagine, the Government is not willing to accept

this suggestion. It will say that developers want to make money and they should be allowed to sell the completed buildings. So they should not be forbidden from selling the buildings. But, Deputy President, we demand that the Government should at least do one thing, and that is, the penalty. At last, the Government made a pledge on that. The original proposal was a one-off fine that would not produce any deterrent effect at all. We often see developers talk in terms of hundreds of million dollars or tens of billion dollars. If the fine is only \$500,000 or \$1 million at most, how can it carry any deterrent effect? The Government finally acceded to our demand and provided for a daily fine. But even if there is a daily fine, it may well be having no deterrent effect either. If after the completion of a building, the developer concerned does not make a declaration or get a certificate in accordance with the requirements, the small owners do not have an obligation to do this for the developer concerned. If these small owners want to undertake any retrofitting or decoration works in the common area and if such works fall in the scope of regulation in the law, then the IO, that is, incorporated owners, or owners' corporation, should of course comply with the requirements. As for individual owners, if they want to carry out any decoration works in, for example, the shopping mall or other parts of the common area, they must comply with the relevant requirements. During the discussion of the Bill, members expressed concern about which party would be made responsible for compliance with the statutory requirements during the process of property transaction. With respect to this, the Government has taken our views into consideration and a CSA will be introduced later to clarify matters.

I have mentioned earlier in my speech that Law Society has expressed its concern for many areas, such as whether non-compliance will affect the title. Will non-compliance constitute a cause for cancellation of property transactions? The effect of this is that the Government made an undertaking to amend to the effect that non-compliance will not subject the title of the premises to any encumbrance. But Law Society does not think that this is enough because the Government has the right of re-entry under the Conditions of Grant. But the Government was not willing to make any amendment in this respect. At last, I suggested that I would propose a CSA based on Law Society's demand. The Government got into contact with Law Society again on learning about that. At last the Director of the Lands Department wrote a letter to Law Society personally, stating to the effect that non-compliance with this law would not constitute a cause for the Government to exercise its right of re-entry under the land grant. As Law Society has accepted this, I do not have to introduce the

CSA and it is also because of this reason that the Government's CSA on the first encumbrance will not be introduced. In addition, there are some CSAs on the issue of transparency. Such CSAs are proposed because many members of the Bills Committee and also Law Society have expressed views on the issue. They are worried that since there are so many requirements such as those urging improvements to be made, and the relevant notices and certificates to obtain, how should a person be able to know and be aware that efforts in relation to the relevant notices or declarations are not done or should be done? The Government has proposed a number of CSAs in response to this and the Secretary will introduce them later on.

With respect to enforcement, the Bills Committee has held a lot of discussions. This is because often the Government would act very boldly in green legislation, thinking that Members will all lend their support. So many laws which permit the entry of enforcement officers into premises are very harsh. Deputy President, we demand that some correction be made. I also hope that this law can lead to greater developments in certification and energy assessors, for it would mean promotion of our green industries and the certification industry. Deputy President, I will speak on the Bill again later when I move my CSA. Thank you, Deputy President.

MR KAM NAI-WAI (in Cantonese): Deputy President, today is the Second Reading of the Buildings Energy Efficiency Bill. The Democratic Party supports this Bill. We think that

DEPUTY PRESIDENT (in Cantonese): Mr KAM, could you put on the microphone?

MR KAM NAI-WAI (in Cantonese): Sorry, Deputy President. The Democratic Party thinks that this Bill has come too late actually. On this question of buildings energy efficiency, we have been saying all along that emissions should be reduced and energy conserved. But in the course of discussion, we found that the Government had made a very late start. Ms Audrey EU, the Chairman of the Bills Committee, said earlier that the Government had said that energy audits should be conducted by owners of buildings on a voluntary basis. But only a

very small number of building owners have joined in. Ms EU cited a figure just now and that is, only 1 061 building venues have joined. Of these building venues, 72% are government buildings. That is to say, most of the owners of private buildings are not interested in taking part. In the local context, if no mandatory compliance is required, I believe people would only talk about environmental protection but they are not willing to do so in practice. This is why the Democratic Party thinks that this Bill has come too late.

Members can see that this Bill represents only a very small step forward. We know that a hot topic recently is nuclear power. Owing to the tremendous growth in the consumption of electricity, we need more energy in future, and nuclear power is an option to be considered. It was mentioned not too long ago that by 2020, we might have 50% of our electricity coming from nuclear power. After the Government had cited this figure, plus the transparency issue arising in the wake of the recent incident in the Daya Bay nuclear plant, people were all the more worried about the use of nuclear power. When the Government proposed the need to use nuclear power, I did some thinking from another perspective. Do we have any means to arrest this growth in our electricity consumption at source? Actually, building energy efficiency is one direction that we can work on more. According to the Government, if this Bill is implemented, the construction costs of buildings may increase by 3% to 5%, but the savings in annual electricity tariff may be 10% to 15%. However, the actual power consumption over the next decade may only account for 0.78% of the total consumption for a building. From these figures we can see that if only we make a small step like this, the result in energy conservation will not be marked. The Bill only prescribes a framework such as the kinds of buildings for which energy audits should be conducted. These buildings include the common area of commercial buildings and residential buildings and the common area of industrial buildings. These provisions are included in the Bill. But the Bill does not have any details on arrangements regarding energy conservation figures and the law is to be enforced by way of the BEC. I have here an English version of the draft and this BEC is to be used for the purpose of carrying out an energy audit.

However, many groups, including green groups, have told us that in the case of lighting installations, for example, the BEC mentions the maximum lighting power density of restaurants. In Hong Kong, the recommended standard is 23. But it turns out that it is only 13 on the Mainland and 15 in

Singapore. From these figures we can see that, compared to our country and Singapore, the standards of energy audits in Hong Kong are loose.

Although the Democratic Party supports the setting up of this major framework in the Bill, as for some codes of practice, we hope that the Government can make them more stringent in due course. Of course, there should be a process of adaptation, including the common area of residential buildings which I have just mentioned. Now the Bill provides that after implementation, when existing buildings are to undertake major retrofitting works, only those buildings with a common area of 500 sq m or more are required to carry out an energy audit. I know that some green groups want to lower the area requirement of 500 sq m, that is to say, when the common area of these residential buildings reaches 150 sq m or a certain figure, they will be required to carry out an energy audit. I think the most important thing is to have a transition period or a period for adaptation. This is because if the area requirement is set too low, and if it is required to be enforced at once, the owners of many residential buildings would be affected. I hope that when the Bill is implemented, the Government can undertake a review after a short period of time. Also, when the Bill is implemented, many small owners of residential buildings will be affected. Therefore, the Government should think about how they can be assisted in learning about the relevant requirements and adapting to them. For if not, the situation would be similar to the recent requirement on buildings to take out third party liability insurance and causing some owners' corporations to plan to dissolve for fear of having to assume any liability. As this Bill also provides for penalties, I hope the Government can ask the related departments, especially the Home Affairs Bureau and the Home Affairs Department, to help the small owners gain an understanding of the compliance requirements of this Bill.

In addition, as some expertise is involved, such as maximum lighting power density with which owners may not be conversant, so assistance from some registered persons may be sought to carry out the audits. According to past experience, owners of commercial buildings may be more well versed in such aspects, but it may be difficult for small owners of residential buildings to understand such matters. Hence assistance and practical support from the Government are required.

Deputy President, Ms Audrey EU pointed out earlier that the title of buildings may be affected. I feel a bit strange about this because Law Society

has met with the Bills Committee a number of times and written to it many times. At first, I was for the stand shown by Law Society, for it said that the property transactions might be affected if energy efficiency audit certificates were not available and that the conveyance of properties might be affected. At that time we thought that if the Government would not introduce a CSA on that, we would support a CSA from the Chairman of the Bills Committee to delineate this issue of title. But I do not know for what reasons Law Society changed its mind so quickly, thinking that it would be all right given the letter from the Director of the Lands Department. I am confused about this.

In any case, I hope that the Bill will not affect conveyancing transactions. I think Law Society should clarify and give an account as to why it said at first that the transfer of title would be affected but in the end it said that conveyancing transactions would not be affected given the letter from the Director of the Lands Department. Why is there such a big difference? I think Law Society should make a clarification on this point.

I said earlier that the Bill is a belated first step because many interest groups may be involved. Later on when the two other Honourable colleagues or I have proposed the CSAs, some groups will voice their opposition very soon. From this, it can be seen that we can only make minor amendments. I will talk about the contents of my amendment in detail later. For example, when I had proposed to require decorative lighting installations to undertake energy audits, some groups came forth at once and said that the matter should be discussed further because no consultation had been conducted on it.

When any law is to be amended, different stakeholders may hold different views. When the Secretary is to handle green legislation, he will have to face various stakeholders. But energy is such a vital issue and it involves a lot of topics. An example is the motion on air pollution which I will move later, and it has a close relationship with energy conservation, because issues like power stations and power generation are involved. If the Government is not determined to do a good job of this, I do not think the people will have any confidence in it. Later on, Ms Audrey EU will talk about the problem of obtaining electricity from inside a building which will affect the energy audit for installations external to a building. In this regard, we hope that this Bill will include details on how buildings should be used to achieve energy efficiency and saving electricity, instead of concepts distinguishing the internal and external

parts of a building. If the Government divides a building into the internal and external parts, this would make the people doubt the determination of the Government.

The Democratic Party supports the Bill, but it holds the following expectations for the Government. First, the codes of practice must not be too lenient. Second, a suitable review should be conducted of the legislation within two or three years. Third, concrete measures regarding energy audits should be introduced to assist the small owners. Deputy President, I so submit.

MR LEE WING-TAT (in Cantonese): Deputy President, with respect to the Bill as a whole, Mr KAM Nai-wai has expressed on behalf of the Democratic Party our support for it. As for myself, I will support it, but I will support only some parts of it and not others. I think that the effect to be brought about by the Bill will not be marked. If my memory is correct, about 60% to 70% of the electricity is used in the buildings on such services as air-conditioning, lifts, escalators and lighting in the common area. If the work by the Government in the energy conservation of buildings is done properly, power consumption and CO₂ emission can be reduced substantially. That this Bill mainly regulates new buildings gives me a feeling that developers are the most fiercest in Hong Kong. We have tens of thousands of buildings and these existing buildings are regulated by the Bill only in very special circumstances. In other words, there is "one Hong Kong, two systems" here. Only new buildings are regulated by the new regime but not the existing buildings. They can use as much electricity as they like.

Deputy President, a few years ago some green groups said that Hong Kong was an air-conditioned city. They said that it was very cold in Hong Kong for in the shopping malls and cinemas, we would certainly see people wearing sweaters, jackets, windbreakers, and so on. This is because it is very cold to wear short-sleeved clothes in these places. In recent years, as more and more people make criticisms, some shopping malls and cinemas have adjusted the indoor temperature somewhat higher. But that move is taken out of their own free will and the Government has only advised, rather than mandating, places like shopping malls and offices to set their indoor temperature at 25°C. May I ask the Secretary why this Bill does not regulate the existing buildings? Why is regulation only mandatory when the decorated floor area of the existing buildings reaches a certain threshold? Some one month ago, and that was when

deliberations on the Bill almost came to a close, I asked the Secretary to take active steps to incorporate the existing buildings into the control regime after the Bill is passed. The Secretary asked me at once to lobby for the support of all political parties. Deputy President, I would certainly try that. But if I could succeed in lobbying the political parties for their support, I would not have stood here. I think that it is not that the Secretary cannot do it, but it depends on whether he has the will to do it. These existing buildings use up a lot of energy. But under the new system, they are subject to very little regulation. I therefore hope that when the Secretary replies later, he would tell us what was in his mind that prompted him to set such a narrow scope of regulation in the Bill. This is the first point I wish to make. Mr KAM Nai-wai said that he would support the Bill. But for me, it is only half and half. I do not give it my full support.

Second, the Government has recently published a consultation paper called Hong Kong's Climate Change Strategy and Action Agenda. It is suggested that the share taken up by nuclear power in the fuel mix for power generation by 2020 should be increased to 50%. This has caused public concern, especially in the wake of the two incidents that took place in the Daya Bay nuclear plant. Some people would say that the nuclear plant to be built in the future would not be located near Hong Kong but possibly in south Guangdong, Guangxi or some other place. However, no matter where the nuclear plant is to be built, the people living near it may be harmed. Besides, the disposal of nuclear waste is another problem. Greenpeace once said to me that if energy efficiency could be enhanced in all the buildings (not just the new ones), such that the power consumption can be reduced by 25%, there would not be any need for so much nuclear power. This is really a challenging objective. But is it impossible to achieve? I asked the Secretary if that could be achieved, but he declined to give an answer.

In many shopping malls we can see many posters on energy efficiency, but their effect is doubtful. I often hear the authorities say that our education system is inclusive and children of different abilities can study together. And this applies even to those hyperactive children as well. However, the authorities do not provide any resources for that purpose. This example shows that the Government only does a small part in publicity work and it is never thorough. And such work can be done for a long time, but little progress would be made. Deputy President, may I ask the Secretary why some targets cannot be set, such as incorporating all the existing buildings into the control regime in 10 to 15

years? Can a reduction of power consumption by 25% be made as a target? If any difficulties are envisaged, then what are they? Secretary, I am on your side. But I think you are not aggressive enough. I do not want to say that you are weak. You are not aggressive enough, but still you have my support. Actually, I am in a very miserable position. Other people ask me what the use of supporting you is. We want to make you take a big step forward, but you only take a very small step. I cannot snap at you so much. For if you do not introduce any legislative proposals to this Council, then Members will be able to do nothing. So I will be kind to the Secretary when I blame him. It is because if he does nothing, that will be too bad. Deputy President, it is very difficult at times. This is the second point.

Third, may I ask the Secretary whether he has ever talked with REDA — The Real Estate Developers Association? These people are the richest people in Hong Kong. HU Jin-tao, the President of China, preferred to meet LI Ka-shing in Shenzhen instead of Donald TSANG. Which of them do you think is more powerful? Having said that, I will encourage you to try your best to persuade these developers. If some energy efficiency elements can be added in the construction process, and if this can be made a major target, then much work can be saved. Deputy President, I know of course that it is like asking for something that is almost impossible. The case is like the recent attempt made by the Government to regulate "inflated buildings". A modest lowering of the level of concession from 40% to 20% already prompted the developers to make a noisy show of opposition. The noise from the developers continues as the Government takes action to regulate the sale of uncompleted flats. However, I would encourage the Government to discuss the matters with REDA on the construction of buildings compliant with energy efficiency requirements. Though more money will be spent on these buildings, much energy can be conserved. I would think that the Government should use energy conservation as the criterion to judge these buildings. I think members of the public will pass judgment on whether or not these developers have any conscience. But the Secretary need not blame these developers. He should encourage them to construct buildings that will meet energy efficiency standards. He should select three projects from the new housing developments carried out by REDA each year as the most energy-saving projects. This is the third point I wish to make. I hope the Secretary can follow up this point.

Fourth, as I have mentioned in the Bills Committee meetings, the green groups once conducted surveys of every commercial building on their power consumption. It was found that many of these buildings had not made such information public. The Government once launched a campaign on energy conservation and appealed for voluntary participation from the buildings. But the response from many developers was tepid and they would only arrange for one or two of their shopping malls to take part in the campaign and put up some posters. Buildings that took part were mostly government buildings. The campaign ended in failure and so regulation has to be imposed by way of legislation now. I hope that the Government can discuss with REDA again and require the developers to furnish information voluntarily on the annual power consumption of each block of their commercial buildings or power consumption per square metre. If such information can be provided by REDA, the Government can put it on the Internet for reference by this Council and the green groups.

I know of course that there are some developers who will not listen despite their heads being snapped off many times. Like in the case of the "inflated buildings", people blame the developers, but they do not care, for they have made the profits already. When buildings are sold, energy saving matters will no longer be the concern of the developers. They will be the concern of the owners or the owners' corporations. I hope there can be more transparency in terms of the power consumption of buildings, especially commercial buildings, for reference by the public and this Council.

Fifth, I implore the Secretary to take the next step after this legislative work on this occasion is completed. I seldom make such a humble plea. I implore the Secretary to extend the scope of control to all existing buildings. After the passage of this Bill, it is only when the decorated floor area of an existing building exceeds a certain prescribed area that there should be an energy audit. Actually, I can imagine what trick REDA will play. For a standard of 500 sq m, if the area of a premises is 750 sq m, work will be separated into two parts, one for 350 sq m and the other for 400 sq m. Then the building will not be subject to any control. When the Government makes a funding application to the Public Works Subcommittee or the Finance Committee, if it is refused, the amount will then be parcelled into a number of smaller sums and applications are submitted again.

Sixth, when Hong Kong is so advanced and when the people here live such an affluent life, we should do our part as human beings and work together to conserve energy. Air-conditioning in schools should not be too cold and this will prevent students from wearing sweaters even in the heat of summer. Perhaps we can ask the Secretary for Education to reduce the air-conditioning charges of schools. The authorities should educate the public to fulfil their responsibility as inhabitants of planet Earth. More campaigns should be launched to encourage energy conservation by the people. I know that some groups will try to record the readings in the electricity meters every year and prizes will be given. We compare power consumption in the Government Headquarters and the Council every year — it can be said that executive-legislature relationship is not too good and there is rivalry even in this area. The Chief Executive has pointed out a number of times that energy conservation is better in Government House and the Government Headquarters than in the Legislative Council. He tells us to stop making criticisms. I think not only Government House but all government buildings should save as much power as possible and they should set a model for the public.

I hope the Government can set aside more money from the Environment and Conservation Fund to help green groups do more publicity. Actually, it is easy for us to conserve energy in our daily life, such as by taking turns to switch on air-conditioners and electric fans. That can save electricity. I ask the Secretary to respond to the six points I have just made.

Thank you, Deputy President.

MR CHAN HAK-KAN (in Cantonese): Deputy President, I will now give an overall response to the Buildings Energy Efficiency Bill on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB).

Deputy President, as you know, Hong Kong is a very modernized city with numerous buildings, and lifts, lighting systems, air-conditioning systems, and so on, all using electricity. Our demand for electricity is huge. Power consumption in the buildings is rising every year. According to the paper Hong Kong's Climate Change Strategy and Action Agenda published by the Environment Bureau, buildings now take up about 90% of power consumption in Hong Kong. Therefore, the greenhouse gases (GHG) they emit account for at least 60% of total emissions in the territory. So if the effects of climate change

are to be eased and if the GHG emission is to be reduced, action must be taken in energy efficiency.

Deputy President, the DAB supports this Bill from the Administration to effect mandatory compliance by four types of building services installations with the Building Energy Codes (BEC). For more than a decade, the authorities have only encouraged property owners to comply with the BEC on a voluntary basis, hence the effect is not marked. Some Honourable colleagues have mentioned this earlier. We can see that the number of buildings joining the voluntary scheme to comply with the BEC is on the low side. Now Hong Kong is facing the increasingly serious problem of climate change and it should bear some responsibility in emissions reduction and energy conservation. And it is thus inevitable that Hong Kong should change from voluntary compliance with the BEC to a legislative attempt to enforce compliance. When some people hear words like "mandatory" and "legislation", they may look at them in a negative light. But there are many examples which can show that enhancing building energy efficiency can mean savings on the power tariff and management fees, as well as reducing costs of operation for shops. This is definitely not a bad thing, but something good.

Deputy President, after talking about the major direction, I would like to talk about some provisions in the Bill in greater detail. The Bills Committee has held 18 meetings and the focus of members' discussion is on whether there should be higher standards in the BEC, and how energy efficiency in buildings can be enhanced. We have also spent a lot of time discussing what the impact on property transactions would be once the Bill is passed, and whether or not the buyers would need to assume any liability. Later on Mr IP Kwok-him will speak on this, so I would not go into the details.

As far as I know, when the Environment Bureau drafted the Bill, it was done from the perspective of environmental protection. But as evident in the examples concerning property transactions which I have just cited, it seems that the Government has not given sufficient consideration to other areas that the Bill may cover. We hope that the Government can be better prepared when it wants to carry out similar legislative exercises. It should effect better co-ordination with other departments.

Deputy President, I wish to point out in particular the issue of small houses. The Bill makes it clear that it covers buildings and so all buildings should be

regulated. But the authorities should know that practical circumstances should be taken into account and exemptions granted. The small houses in the New Territories are an important example of this. We all know that these small houses have three floors at most. There are no lifts, centralized air-conditioning systems, and so on. At most they have one staircase for common use and the so-called common area is small. If the owners of these small houses are mandated to comply with the provisions of the Bill, this is unnecessary and will cause nuisance to them.

During the deliberations on the Bill, many residents of the New Territories have told me their worries. At first, the Bill invokes the Buildings Ordinance (Application to the New Territories) (Cap. 121) to draw up a definition of buildings. We can see that although Cap. 121 exempts many buildings in the rural areas of the New Territories, in recent years, the Government has been citing many Ordinances to regulate these small houses in the New Territories. So if a single definition is used, we are afraid that there may be some omissions and people will have to bear a heavy burden and experience all the inconvenience unnecessarily. Therefore, Mr CHEUNG Hok-ming and I conveyed our concern and the demands of the residents to the Environment Bureau. The Bureau advised that it understood and agreed to propose an amendment to clause 4 of the Bill to lay down a clearer definition of buildings in the New Territories. This has responded to the demands of the indigenous inhabitants of the New Territories and avoids causing inconvenience to the residents.

Deputy President, with respect to urging property owners to improve building energy efficiency, there should be incentives besides the Bill. I support the setting up of a \$450 million buildings energy efficiency funding scheme by the Environment Bureau under the Environment and Conservation Fund. As at this April, the funding scheme has approved of 346 applications, with a total amount of \$200 million in funding approved. As evident in the figures, the response seems to be very good. However, some green groups have told us that as far as they know, the applications for funding mainly come from buildings completed not too long ago or from those large private housing estates. It is because they have estate management companies to take care of the application formalities and follow-up work. But do these buildings have such a great need to apply for funding? We know that these new buildings have embodied energy efficiency considerations into their design and so the funding is no more some assistance given to them. On the contrary, in some smaller housing estates or

single-block buildings of an older age, the response to the scheme has been rather lukewarm. We notice that, compared with the new and large estates I mentioned just now, these small estates and single-block buildings have poorer performance in energy efficiency. Hence they should be encouraged to apply for funding and carry out works to enhance energy efficiency.

Deputy President, I also notice that once the Bill is passed into law, I believe more owners will make applications under the scheme. I hope very much that the authorities can speed up the processing and vetting of these applications. Application procedures should be streamlined and processing time shortened. This would help more owners achieve the objectives of energy conservation and emissions reduction.

Deputy President, it follows that we cannot depend on laws alone in energy conservation and emissions reduction. There should be other matching measures in place. We know that it is very hot in Hong Kong and the power consumption of air-conditioning systems is very high. The DAB has all along advocated the greening of rooftops. It is because apart from improving the appearance, a more significant merit is that there will be less direct sunlight on the rooftops and this will help lower the temperature inside the buildings concerned. However, I can see that the Government has not been too enthusiastic about work in this aspect and there is no greening on the rooftops of many government buildings. Earlier on, I paid a visit to the Shatin Town Hall and the Shatin Central Library together with representatives from the Leisure and Cultural Services Department and other departments to see how rooftop greening can be done. But the response from the departments was that the cost per square foot of rooftop greening projects would be quite high and that was beyond their budget. So they had reservations about our proposal. This made me feel a bit disappointed. If we can carry out rooftop greening, and when this is added to the promotion of green buildings by the Government and this Bill, I am sure energy efficiency in the buildings will be greatly enhanced.

Deputy President, the two examples of rooftop greening and the funding scheme which I have just mentioned are proof that we cannot rely on laws alone. There should also be other matching policies and measures before we can hope to raise energy efficiency in buildings substantially.

Deputy President, I will stop here for the moment. I will speak later on the amendments by the three Members respectively. Thank you, Deputy President.

MS CYD HO (in Cantonese): Deputy President, I support the resumption of the Second Reading of this Bill. The main reason is that irrespective of the small step forward it may take, one unit of electricity saved is one unit, and one tone of carbon emission reduced is one tonne, and we should never think that a good thing should not be done because it is considered trivial. This is the principle I go by in supporting this Bill.

As a matter of fact, the Public Works Subcommittee of this Council has recently scrutinized many funding applications from the Government for the construction of new government buildings or improvement works. We notice there is a new item of expenditure and, that is energy saving installations. It is said that these energy saving installations account for 3% to 5% of the construction costs. I recall the paper states that costs can be recovered in seven years at most. Because of the addition of these energy saving installations, an annual reduction of electricity tariff by 10% to 15% can be achieved. Therefore, financial incentives alone can in theory induce owners of commercial buildings to make such energy saving arrangements. As far as I am aware, the Government has some funds in place for them to apply so that they can undertake some energy audits for their buildings. They can get someone to do the energy audit to see if the installations in the estates or buildings are efficient and good enough. I think the authorities can exert more efforts to promote these funds for application by more commercial buildings or owners' corporations of private residential buildings.

The recommendations made by these consultancy reports can sometimes be very simple, such as turning off the computer when you leave. The Secretary always cites an example and that is, a media company managed to save some half a million dollars in less than a year after it has adopted this recommendation of the consultants. So even with some very minor measures such as reminders for the staff, they can achieve the purpose of energy conservation and emission reduction provided that they are systematically carried out. However, as we see from the Building Energy Codes (BEC), though they were issued back in 1998, the result is not that satisfactory because they are voluntary in nature and are not

mandatorily enforced. So we agree that mandatory enforcement should be implemented with the enactment of this law.

Why do Honourable colleagues say that this Bill is only a small step forward? This is because although Schedule 1 lists many buildings and they comprise of many different types of buildings, the scope only covers the interior of these buildings but not their exterior. Therefore, I will support the amendment to be moved by Ms Audrey EU later. The reason is that, as we have seen over these some 10 years, there has been a great change in the modes of marketing in this commercial city of Hong Kong which are unprecedented. For example, there are more and more advertising lighting decorations and fixtures and the streets are lit up at night like the daytime. Such places include the areas in Windsor House, Causeway Bay, the section of Lockhart Road behind the Sogo department store or some billboards on housing development projects put up in Central. We can see a lot of the latter in Pedder Street. The lights are so strong that it is like daytime and when one walks on the street, it is no different from daytime. And when the lights fall on your skin, it feels like burning. All these are advertisements consuming energy. Also, we can see an increasing number of buildings that put on lighting for the whole block to highlight the shape and form of the building itself. This is the so-called architectural effect. And such lights are turned on all through the night, glowing and sparkling. All these lights and lighting are not necessary and they should be regulated. It is unfortunate that this Bill has not put them under any control.

Deputy President, to see if a city is really advanced and modern, we should not just look at the outward appearance, or to see if it is sparkling with lights at night. We should not see if it is a city that never sleeps, one where action takes place around the clock 24 hours a day. We should not just see if it is such a city of vibrant night life. For actually this only shows that the distribution of the economic activities of that city may be tilted toward consumption and entertainment businesses that go on at night-time. As for the manufacturing industries or science and technology and such like economic activities which go on at daytime, there may not be so many such kinds of activities going on. So when we keep our lights turned on at night, it does not mean that we are living in an ultra-modern city.

Whether a city is advanced or modern should depend on whether or not it can sense the risks brought about by the developments in science and technology. When we have got power supply and so many lighting installations, can we realize that their indiscriminate use will only speed up climate change? Can we see proper planning for sustainable development in a modern city? As residents of a modern city, we should be able to see many victims of climate change in the disadvantaged and grass-roots classes. They are the first ones to bear the brunt, for they have a very weak ability to resist climate change. An example is that summers in Hong Kong are getting hotter and hotter, yet the impact is not marked on those living in the luxurious homes because they can afford to turn on the air-conditioners and pay more in electricity tariffs. But it is miserable for those who live in partitioned rooms and cage homes in the old urban areas. Perhaps we can talk about the students. In some of these elite schools in Island South or further away from the city centre, those direct subsidy schools that charge very high school fees can turn off the air-conditioners and turn on the electric fans. At worst the students will feel the heat, but not the noise. But for some new schools that are situated next to shopping malls or markets in the housing estates, the reason for them turning on the air-conditioners is not that the students are not afraid of the cold or because they want a cool environment. It is because it is too noisy nearby and students may not be able to hear what the teacher say in class.

Deputy President, as people living in a modern city, we should be able to foresee risks that have yet to surface. We can take preventive actions and even if we may be unable to effect any immediate change, at least we can delay the occurrence of such harms. In such a process, we should minimize the injustice done to the disadvantaged and grassroots. Only by doing so can our city be truly called a modern city. By the same token, when we examine whether a city is advanced, we should not only look at the annual GDP growth figures, we have to see whether or not a hardworking person can be rewarded reasonably in money terms.

Deputy President, it is unlikely that a policy will get 100% support from society. This applies especially to green policies. It is more so the case when the business sector is asked to give up their well-established mode of engaging in economic activities and when there is no immediate commercial benefit forthcoming. The rebound will be very great indeed. We need time to do some persuasion, arrive at compromises and balance the interests of all the parties concerned. We should try to persuade the business sector that business opportunities will arise from green efforts, instead of merely looking at the issue

from the perspective of an immediate change in the mode of business operation. I believe inside and outside this Council, and be it officials and the community, there should be greater efforts in lobbying, because the commercial consumption of electricity in Hong Kong is far greater than the domestic consumption of electricity. In the case of advertising lighting just mentioned by me, the lighting power density of a light is very high. If there is no advertising lighting, there would be no need to turn off the lights at home. Without those advertising lightings, it would be unnecessary to turn off the lights in the households. Conversely, if this kind of unwanted lighting continues and if it continues well into the night, it would be futile if families and individuals work hard on saving electricity because there is no saving on the other side. Therefore, the BEC compiled by the authorities should be updated and revised. I hope that when the authorities make such revisions, they can notice the changes in the mode of economic activities in our society and see how these can cope with the new developments in science and technology. These BEC should be made to keep abreast of the times and regulation which is proper and acceptable to the community should be introduced.

While the pace of this piece of legislation is very slow, the pace of some other policies appears to be going very fast. Deputy President, I am talking about the subject of energy mix. At the beginning of this September, we had a consultation paper on climate change. The consultation exercise will last for three months and it is not yet expired. However, in the Policy Address delivered on 13 October, the Chief Executive asserted that nuclear power will take up 50% of the energy supply in Hong Kong. Actually, we have asked the executive authorities many times whether some actual figures can be provided. Instead of talking about a percentage, or about the 4% annual growth in our GDP, can we say, by 2020, for example, how many units of electricity will be consumed given the existing economic model? Also, apart from regulation under the existing BEC, is there any other way to reduce coal-fired electricity and how many units of electricity will be reduced? Or can the people and business undertakings be induced to consume energy in a rational manner by resorting to means like rewards or increases in electricity tariff? It is because only when actual figures are available that we are able to perceive the situation? Do we really need to have 50% of our energy supply coming from nuclear power? If we can reduce power consumption by various energy-efficient and emission reduction means, nuclear power would then have to take up a smaller percentage of our power supply and that would be enough.

Therefore, I ask that apart from conducting a consultation on climate change, the authorities should provide us with independent figures on the increase in nuclear power for public consultation. More information on the existing power consumption and future energy conservation and emission reduction measures should also be provided. Then the public can make a clear and rational decision based on adequate background information provided.

We have such a great worry about nuclear power not only because spent fuel will take 240 000 years to dispel its radioactive danger, but also because of the factor of a nuclear war. Yesterday, shells were exchanged between North and South Korea. At that time, I was in an energy summit hosted by the World Wild Life Fund. In the summit, an expert of Greenpeace who had just returned from overseas gave us some figures. He said that the spent fuel of 400 nuclear reactors would be enough to make the warheads of 8 000 missiles. All along we have been asking about how our State would dispose of the spent fuel. But we have not been able to get an accurate and full answer. Actually, we are most worried that the spent fuel is not all buried under the ground at great depths or submerged under water or sealed with cement. Would it be used for military purposes? That we have no idea.

So, Deputy President, when people overseas talk about anti-nuke activities, they are not just opposing nuclear power, but also the risk of nuclear warfare. I hope the authorities can see our worries and conduct a separate consultation exercise on nuclear power so that there can be more discussion in society and greater understanding of it. Thank you, Deputy President.

MR IP KWOK-HIM (in Cantonese): Deputy President, there are reports about the whole world being under the El Nino effect and this winter being the coldest in 30 years. This is a forecast and global climate change is threatening the habitats of all creatures, humans and animals alike. This is an indisputable fact. I believe scientists and leaders of various countries are working hard to think of measures to improve air quality and ease the undesirable effects brought about by climate change. It is hoped that through concerted efforts, we can protect the living environment of our next generation.

It is with a view to improving the environment that the EMSD has since 1998 implemented the voluntary Hong Kong Energy Efficiency Registration Scheme for Buildings. The Scheme aims at encouraging construction companies and contractors to comply with the Building Energy Codes (BEC) which stipulate the basic energy efficiency standards for major types of building services facilities and installations. However, since the introduction of the BEC in 1998, the percentage of private sector companies joining the Scheme has been low so far. As at September last year, 90% of the buildings joining the Scheme are government buildings. As a matter of fact, many countries and places, such as the European Union, Mainland China, the United States, Australia and Singapore, have all enforced mandatory basic buildings energy efficiency standards. It has been more than a decade since the BEC were introduced and facts have shown that the response to voluntary compliance seems not to be enthusiastic enough. So we consider that there is a need to pass the Buildings Energy Efficiency Bill into law. We from the DAB also support it.

My colleague, Mr CHAN Hak-kan, has talked about the view held by the DAB with respect to the contents of the Bill as a whole. Now I would like to add a few points in respect of whether or not this Bill will affect land titles. I will explain the position of the DAB on this. During the deliberations on this Bill, the DAB has all along been concerned about the question of whether members of the public would incur any financial loss for non-compliance with the stipulations in the Ordinance. For ordinary members of the public, buying a property is one of the most important transactions they make in their life. If any contravention is made of the stipulations in the Bill concerning Certificates of Compliance Registration (COCR), Forms of Compliance (FOC) and Improvement Notices (IN), and so on, would this lead to cancellation of property transactions or subject the title of the premises to any encumbrance? Hence they have to pay a heavy price. Is this kind of thing what we want to see? I think Members cannot accept it, nor will they want to see it. Therefore, when the Bill was being scrutinized, irrespective of whether in the meetings or in contacts made directly with government officials, we demanded that transparency of the register of buildings issued with COCR, FOC and IN should be enhanced and the relevant information should be uploaded onto the website of the EMSD as soon as possible. After our contacts with the authorities, the Government acceded to our request and reiterated that after examining the Bill, they had formed the view that any non-compliance would not subject the title to any encumbrance. Any

contravention of the provisions due to omission or inadvertence would only lead to liabilities of a personal nature. The Government has agreed to make some amendments to make it clear that a contravention of any provision of the Bill will not by itself subject the title of the premises concerned to any encumbrance.

The Administration also emphasized that at the initial stage of the enforcement of the Ordinance, it would undertake extensive publicity and brief the sectors concerned, especially the lawyers and estate agents. It also pledged to provide the contents of the FOC and IN on the Internet. Despite this, we are still very worried that after the law has come into effect, its enforcement may inevitably become lax over time. So the DAB holds that the authorities should require The Law Society of Hong Kong and the Estate Agents Authority to compile codes of practice for their members and mandate their reference to the relevant websites as soon as possible upon instruction when handling property transactions and leasing. This will facilitate their report to clients and take follow-up action. A close watch on the various problems and loopholes that may come to light after the law has come into force must also be kept, so as to facilitate timely rectifications.

Deputy President, I so submit and support the Second and Third Readings of the Bill, as well as the amendments introduced by the Government. Thank you, Deputy President.

MR VINCENT FANG (in Cantonese): Deputy President, it looks like today is an environmental protection day, for there are so many green issues to discuss. Many green groups think that the business sector is an enemy to the environment. So they think that as I am a representative of the business sector, I will certainly not support environmental protection. I think this view is obviously wrong. As I often say, we live under the same sky and we breathe the same air. Be it people from the business sector, the Government or the green groups, they are all humans. There is no reason for us not to care about our health and quality of living. In passing a law, we should not be looking at any single factor alone. We should consider various kinds of needs and strike a balance between legislation and the impacts or advantages it brings to society.

With respect to this Buildings Energy Efficiency Bill, an electronic medium carried a feature yesterday, in which a green group compared the lighting requirements of this Bill for office rooms with that of Singapore and pointed out that the standards of our requirements in law were lower than those in Singapore. It said that in a cosmopolitan city like Hong Kong, there was no reason why Hong Kong could not do better than Singapore!

After watching that, the impression I got is that for any comparison to be meaningful, the two things compared should stand at the same point. First, Hong Kong lies in the subtropical region and its daylight hours are shorter than those in Singapore which is in the tropical region. Second, the density of buildings in Hong Kong is greater. Hence the amount of light obtained is not as great as that in Singapore. Besides, the population density in our offices is greater and our working hours are longer than this rival of ours. So there are reasons why higher requirements in lighting are set for Hong Kong people. For if not, if the staff complain about inadequate lighting causing damage to their eyes and compensation is demanded, can employers invoke this law as a defence?

Everyone is duty-bound to promote environmental protection. Even in the industrial building I own, I have adopted some energy saving measures. These include the use of LED light bulbs and fluorescent lights, and changing the air-conditioning systems from central air-conditioning to split type air-conditioners. Lights and air-conditioning in places frequented by fewer people are turned off. Intelligent controls are installed in the lifts. However, Deputy President, there are some staff who are not happy about it. They say that the lights are not strong enough and the air-conditioning is not cold enough. And they do not like being told to turn off the power supply when they leave the office. So when the business sector wants to put into practice some green measures, it has to face some sort of pressure.

Despite this, the retail and wholesale sectors and the Liberal Party think that support should be given to promoting environmental protection. However, like the spirit of all attempts to enact laws, we must strike a balance and no party should be favoured to the detriment of other parties.

It is in this spirit that we support the enactment of this Bill to regulate the four types of building services facilities and installations including

air-conditioning, electrical and lift and escalator installations and lighting. These must meet standards of energy efficiency under the law as well as rules regarding energy audits. We support the proposal that the buildings concerned should be thoroughly checked every 10 years. We also agree that reviews should be conducted of the results of the law.

Deputy President, as I have to leave the Chamber soon, I wish to speak on the amendments proposed respectively by the three Members. This Bill will be read the Third time today. I have got many faxes, e-mails and letters from colleagues during these past few days asking Members to support the incorporation of decorative lighting and lighting installations mounted external to buildings into the scope of the law. However, there are also trade associations which oppose the proposals concerned.

After examining the amendments proposed by the Members, the retail and wholesale sectors and the Liberal Party expressed reservations, for the reason that before this present legislative attempt, the Government has launched some voluntary measures. In 1998, the EMSD launched a code of practice and the voluntary Hong Kong Energy Efficiency Registration Scheme for Buildings. Since the percentage of private buildings joining the scheme is only some 30%, the Government has to resort to legislation. There was also extensive consultation before the introduction of legislation. So it can be seen that the Government has given everyone enough chances. Hence there is almost no opposition from building owners now.

We support this progressive legislative procedure of the Government. From now on, if the Government wishes to introduce other relevant legislation, we hope that the same approach can be adopted. It should give encouragement and offer incentives, and then introduce a voluntary scheme. If a decision is made on introducing legislation, the related trades and industries should be consulted.

With respect to the proposal made by Ms Audrey EU, Chairman of the Bills Committee, to expand the definition of "lighting installation" to include lighting installations mounted external to buildings, this relates to the problem of light pollution. We agree that the problem does exist. But is it so serious that immediate legislation is required? I think that if lighting on the external walls of buildings really constitutes a serious nuisance to the residents nearby, we should issue reminders and even warnings in the hope that the situation can improve.

However, we need to discuss in greater details the need or otherwise of legislation. It is because the amendment proposal was first made in the last meeting of the Bills Committee in October, so the sectors to be affected may have no way to know about this amendment. They have no chance to assess the impact of this proposal on their business and to convey their views to the Government or Members. If legislation is enacted at this stage and in such haste, it will cause significant reactions by the sectors.

As for the proposal made by Mr KAM Nai-wai to remove the exemption granted to decorative lighting, it is also because of the above reasons that we cannot accept it at this stage. This is because if decorative lighting is placed under regulation now, the authorities should draw up energy efficiency standards for decorative lighting, in particular those concerning lighting power density. But there are no international standards on lighting power density now and time is needed to collect baseline information and consult the relevant sectors in the process of drawing up such standards. On top of this, there are numerous types of decorative lighting, hence it is hard to estimate the time required to draw up such standards. It follows that it is inappropriate to introduce this at this stage. Moreover, it is putting the cart before the horse to legislate before standards of regulation are drawn up.

As for the proposal made by Ms Cyd HO to couple lighting installations with sunset time, if this amendment is passed, in future when shops have fixed lighting installations which do not comply with the standards, they will have to turn them off during the daytime and they can only use them during the exemption hours. This will create a great impact on commercial operation.

The meaning of taking the middle-of-the-road approach is to achieve the desired effects by impartial means. Both the sectors and the Liberal Party think that the Bill and the amendments by the Government can meet this requirement. So we support the Second and Third Readings of the Bill proposed by the Government and we will show our support. I so submit. Thank you, Deputy President.

MR JEFFREY LAM (in Cantonese): Deputy President, currently buildings account for about 90% of the total power consumption in Hong Kong.

Enhancing the energy efficiency of buildings will have a positive effect on energy conservation and reducing carbon emission.

Therefore, I agree that laws should be enacted to implement the Building Energy Codes (BEC). Enhancing the energy efficiency of buildings will not only help protect the environment and alleviate air pollution. For building owners and users, switching to energy saving installations can make substantial savings in power tariffs in the long run while contributing to a greener environment.

On the other hand, legislating to promote the BEC can also create greater demands and business opportunities for energy saving products and sectors like energy audits and certification, hence helping the development of green industries.

Talking about green industries, new developments in green technology are advancing in leaps and bounds and more environmentally-friendly products will come onto the market from time to time. I therefore hope that after the enactment of the law, the Government will undertake regular reviews of and consultations on the standards and requirements prescribed in the BEC so that these standards can keep abreast of the times.

Deputy President, three Members have proposed amendments to the Buildings Energy Efficiency Bill. Put simply, these amendments aim at incorporating lighting installations mounted external to the buildings and decorative lighting into the scope of regulation of the law.

There are many types of decorative lighting in buildings and they have different functions too. Like the Christmas lights that have been lit up recently, they are most welcomed by the local people and tourists alike. Another case is the "Symphony of Lights" which is also well loved by locals and tourists. They all belong to the category of decorative lighting. Many buildings use LED lights or spotlights for decorative or promotional purposes, and they meet the business needs of various trades and sectors.

The business sector is supportive of energy conservation and emission reduction. An example is that the Christmas lights found in many buildings have switched to LED lights which are more environmentally-friendly. Many commercial buildings take part in energy conservation campaigns like "lights out"

initiated by green groups. Moreover, Hong Kong people are wise in spending money and they will not turn on lights when there is no need for them. I would like to appeal to Members of this Council here to remember turning off the lights and air-conditioner when they leave their room. And they should turn off the lights of the washroom when they have finished using it. About these matters, often times Members are not able to do them. We should not let people from outside and the students see us doing this, that we only ask other people to do something but we cannot do it ourselves. We should do our part first and we should not just engage in empty talk.

I agree that the Government and the community should express greater concern about the problem of light pollution. But the Bill under discussion today is on enhancing energy efficiency in buildings. So we should not mix today's topic with light pollution, and on the subject of decorative lighting mounted external to buildings, I do not think legislation should be enacted in haste to regulate it.

Energy efficiency standards adopted in the Bill are based on the BEC which have been in use for many years and are voluntary in nature. The sectors concerned have gained some experience and understanding of the BEC. However, there are no local and international standards on the energy efficiency of decorative lighting mounted external to buildings.

If Hong Kong is to include decorative lighting installations in the scope of regulation, some detailed studies should first be made before relevant standards are formulated. Then the sectors concerned should be consulted and efforts should be made to balance the business environments of various sectors concerned, especially that of the retail sector (as Mr Vincent FANG has said, the impact on the retail sector is great), as well as the entertainment and catering sectors. These sectors all need decorative lighting. And efforts must be made to learn about the impact of regulation, cost implications and the availability or otherwise of products which meet such standards. So the problem cannot be solved simply by resorting to legislation.

On the issue of dealing with the problem of light pollution, we should not just regulate lighting systems in the sense that they should meet energy efficiency standards, but we should also consider factors like the positions of these lighting installations, their design and the hours when they are switched on and off. I know that the Government is working on these issues and I hope that it will make

public the information concerned and organize a consultation exercise soon. By then the community, the sectors and the public will have a chance to engage a thorough discussion of the problem of light pollution, in the hope of identifying solutions to make this Pearl of the Orient not just glow with luster, but also meet green standards.

Deputy President, I so submit.

MISS TANYA CHAN (in Cantonese): Deputy President, just now, many Honourable colleagues mentioned that as early as October 1998, the EMSD had already begun to implement the Hong Kong Energy Efficiency Registration Scheme for Buildings. Concerning this Scheme, there is also some newly added information on the Internet. Up to October this year, the EMSD has issued a total of 2 757 certificates to 2 914 installations in 1 197 buildings. Compared with the figures in past papers provided to the Legislative Council, there has been an increase but I believe such increase cannot be all attributed to private residential buildings and obviously, the great majority of cases still involved installations in government buildings.

I also agree very much with the comments of many Honourable colleagues that after the implementation of this Scheme for 12 years, finally, we can see the authorities enact legislation on this, so at least we welcome this. When a consultation was conducted from December 2007 to March 2008, the Civic Party already drew up its position on the compulsory implementation of the BEC very clearly. At that time, we already hoped that the Government could enact legislation on the BEC as soon as possible. Finally, we can see it today and we greatly welcome this. However, as the leader of our party said, the pace has been even slower than a snail's crawl, that is, it only amounts to a wriggle, so I hope the Government can speed up its work.

Obviously, the effectiveness of the voluntary Scheme is limited, so today, we have to enact legislation to ensure that efforts in enhancing energy efficiency can be made in earnest, so as to attain the goal of improving the air quality in Hong Kong, as mentioned in previous Legislative Council papers, and to at least do something to cope with climate change. Many Honourable colleagues pointed out that the amount of electricity consumed by commercial or residential

buildings was shocking and that after the legislation has come into operation, the amount of electricity thus saved would be over 1 million tonnes in a decade. I think the Secretary or many members of the Hong Kong public are not satisfied with this. I hope the Government can conduct reviews more frequently and set a more stringent ceiling or goal at an appropriate time, so that each member of the public can do an even better job and save energy more effectively. At present, we are striving to make improvements at source by using electricity more sparingly and using energy more wisely and skillfully. This can also stimulate scientific research, so that various segments of the economy can also be benefited.

I wish to take this opportunity to talk about green building. Although this may not fall entirely within the policy area of the Environment Bureau, as far as I know, the Environment Bureau has also co-operated with the Development Bureau in this regard. For example, in April last year, the Development Bureau and the Environment Bureau jointly issued a technical circular to ensure that all newly-built government buildings with construction floor areas of more than 10 000 sq m comply with such internationally or locally recognized environmental performance assessment methods as the Building Environmental Assessment Method, which we call "BEAM" and has been upgraded to what is now called "HK-BEAM". If we look at the reply to a question asked by me last year, the Secretary for Development, who was responsible for answering the question at that time, said that according to the technical guidelines drawn up at that time, "All newly-built government buildings with construction floor areas of more than 10 000 sq m are required to be assessed by internationally or locally recognized environmental performance assessment methods such as the Hong Kong-Building Environmental Assessment Method (HK-BEAM) and the Leadership in Energy and Environmental Design Green Building Rating System (LEED). They must attain grades not lower than the second highest level under these assessment systems."

It can also be seen on the Internet that after the establishment of the Hong Kong Green Building Council (HKGBC), an updated set of minimum requirements for "green building" features for existing buildings and newly completed buildings has recently been introduced. This document is quite detailed and I have only copied a small part of it because the requirements for newly completed buildings alone consist of over 200 pages and there is another

document about existing buildings. It can be seen therein that the direction is very correct.

Why are green building so important? I believe the Deputy President will surely agree with my suggestion because green building is not just about such things as the greening of ordinary rooftops, horizontal greening or vertical greening, rather, consideration should also be given to such other aspects as energy efficiency, water usage and building materials and it is also hoped that even the planning stage can be greener. Of course, when it comes to planning, it may not be under the charge of the Secretary for Environment, but we can see that in the several major areas mentioned just now, both the Government and the HKGBC have made efforts. For example, it is required that greener efforts be made in building lots and construction sites as well as in respect of materials, including the disposal of waste. The focus is not just on the disposal of waste, rather, attention should also be paid to whether or not it can be recovered and reused. Next, on energy consumption, not only should it be included in the scope calling for attention, we should also increase its proportion from 25% in the past to 35% now. As I said just now, it is necessary to have regard to water consumption, but the quality of the indoor environment should not be overlooked either.

From the varied weights attached, we can see that the HKGBC attaches greater importance to certain things but at least, this overall direction can surely benefit the Hong Kong public. As I said just now, both new buildings and existing buildings are involved. Regarding new buildings, of course, we hope that the Government can make greater efforts and even take the lead. Not only should it impose the requirements on buildings with construction floor areas of over 10 000 sq m because in fact, this is a very large area. A construction floor area of 10 000 sq m is equal to 100 000 sq ft, so the authorities should lower this requirement on construction floor area a little bit and adopt what we call the green building label more often. In addition, I hope that in such places as public housing estates, the adoption of green building can also be considered and applications to use this kind of labels can also be made. Why is it necessary to do so? Because the cost of construction will be higher though, in the long run, there will be positive effects on both the surroundings and the residents living in them.

In addition, I also hope that the Policy Bureau concerned or the two Policy Bureaux concerned can join hands, so that more developers will become willing

to participate in the scheme relating to green building labels. Why do I say so? In fact, I have mentioned before in the legislature that Australia is a very successful example. I once had the opportunity to meet and talk with the Chief Executive Officer of the Green Building Council of Australia (GBCA) and look at their offices and some green buildings in Australia. As far as I know, when green building was initially introduced into Australia, various hurdles were encountered because the GBCA is not part of the government structure but a non-profit-making organization. For this reason, not only did it encounter difficulties in implementation, it also faced financial difficulties. Fortunately, with the guidance effected by the Australian Government, it attracted the participation of property developers and as a result, the overall pace of implementing green building was speeded up considerably. In the end, not only could it raise the standards of its green building labels successfully and continually, it also managed to expand their scope, so that different green building requirements were also set for such venues as hospitals and schools and clear codes and guidelines were also drawn up. Moreover, the GBCA also managed to become self-financing and win the respect of the industry, so that many members of the industry are very willing to participate in the talks and programmes hosted by it. Actually, this reflects the fact that if we want to implement green building, not only should we have discussions in the legislature, more importantly, it is necessary for the Government to be willing to assume responsibility and show leadership, then hold discussions with property developers.

In fact, in the case of Hong Kong, one certainty is that property developers have abundant resources to do a good job of green building and they can also take an important step for the sake of our environment. Therefore, I hope that in some development projects — I would not say that they are luxury properties but I believe they can be designed to target buyers with greater means in the market who accept better construction standards, architecture or environment and the Government should take the initiative to encourage developers to build this kind of buildings, then obtain grading for them. Not only can these property developers build a better company image, they can also fulfil their corporate social responsibilities.

What about the existing buildings mentioned just now? Concerning existing buildings, I remember that at that time, I also asked Secretary Carrie LAM about them. If Members pay any attention, they will also notice that some government Policy Bureaux or departments, and even quasi-government

organizations, that is, such statutory bodies as the Urban Renewal Authority (URA), have all introduced many schemes for applying for government subsidies in building renovation. Such organizations include the Hong Kong Housing Society, the URA, the Buildings Department and various others. Each organization may have two to three subsidy schemes in place for the public to choose from and may even have schemes that offer larger amounts of subsidy and designed specially for elderly people. At that time, since the Environment and Conservation Fund (ECF) had been established for the public to carry out energy efficiency assessments or finance their conversion of building facilities, so that their buildings can be more environmentally-friendly and more energy efficient, I asked Secretary Carrie LAM if joint publicity could be given to these two areas. Alternatively, the loan schemes for various kinds of projects, such as the repairs and maintenance of external walls and public areas can be combined together, and the ECF established by the authorities can be added to them, so that when members of the public plan to carry out repairs and maintenance on their buildings, they only need to make a single application without having to attend one meeting after another and go through all kinds of complicated application procedures, so that the burden borne by residents or owners' corporations can be eased. I hope that the Government can also be more active and work harder in the preparation of publicity brochures, education and even in launching advertisement drives.

In fact, energy efficiency is only a small part of green building. This is not to mention the fact that today, only the first step has been taken. However, I hope that the Government can conduct regular reviews as soon as possible to impose greater demands on itself, so that society can have a better environment and our next generation can have a more satisfactory living environment, and it can be ensured that we will have a greener environment instead of just a green rooftop. Thank you, Deputy President.

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

DR RAYMOND HO (in Cantonese): Deputy President, developing a low-carbon economy has become a priority for many countries and economies. Not only can the development of a low-carbon economy alleviate the problems triggered by climate change, it can also reduce pollution and improve the quality of life of

every individual. Competitiveness can also be enhanced by virtue of energy efficiency and waste reduction. At present, the average per capita carbon emission in Hong Kong is about 6 tonnes, slightly lower than the global average of 7 tonnes. Even so, Hong Kong still has the responsibility to reduce GHG emissions and should not become self-complacent.

Due to the development needs of Hong Kong, our energy consumption is ever increasing. Moreover, all along, we have been quite reliant on fossil fuels. The local power generation also mainly uses this kind of more polluting fuels, with coal and oil accounting for more than 60% of it. In the course of power generation, large amounts of sulphur dioxide and carbon dioxide are generated every day, thus seriously affecting air quality. In fact, 67% of the local GHG emissions originate from power plants. To improve this situation, the present fuel mix in power generation must be changed and in the Policy Address delivered in October, the Chief Executive proposed that by 2020, natural gas should account for about 40% of the fuel mix for power generation, coal and sustainable energy for not more than 10%, and the balance of about 50% will be imported nuclear energy.

Separately, we can also reduce the demand for energy by improving energy efficiency. Apart from reducing fuel consumption, fuel efficiency can also reduce the expenses on electricity and cost. In the highly competitive commercial society nowadays, reducing costs will give enterprises a greater edge. Therefore, not only does energy efficiency involve considerations of environmental protection, it also involves financial considerations.

For more than a decade, the EMSD has been striving to enhance the energy efficiency of buildings and the voluntary Hong Kong Energy Efficiency Registration Scheme for Buildings has been implemented since 1998 with the aim of encouraging compliance with the BEC. However, the participation rate of private companies has always been on the low side. In view of this, some years ago, I already proposed to the Government that it should consider enacting legislation, so as to follow the examples of other countries and regions in introducing compulsory basic energy efficiency standards for buildings. Buildings account for 89% and 56% of the electricity and energy consumptions in Hong Kong respectively and about 40% of the carbon emission in Hong Kong is related to buildings. For this reason, to enact legislation on building energy

efficiency is perhaps a practice that is conducive to more effective energy conservation and emission reduction.

In fact, it seems that Hong Kong has failed to catch up with the Motherland in its policy on energy conservation and emission reduction. As early as 1998, the State already introduced the Energy Conservation Law. Subsequently, amendments were passed and the law came into effect in 2008. In addition, the Renewable Energy Law came into effect in 2006 to promote the development and use of renewable energy sources to increase energy supply, protect the environment and carry out sustainable economic and social development. In 2007, the State also formulated "China's National Climate Change Program", which includes the guidelines, principles and objectives, as well as policies and measures of our State for addressing climate change, and different provinces and municipalities also formulated their administrative rules on energy standardization. At the same time, in recent years, there has also been a significant increase in awareness of energy conservation and energy efficiency among people on the Mainland and the goal is for all people to take part in energy conservation. In contrast, Hong Kong still needs to make greater efforts to raise public awareness in this regard.

The Buildings Energy Efficiency Bill (the Bill) only applies to new commercial buildings, guesthouses and railway stations and the common area of a residential building. Moreover, buildings that have existed before the Bill comes into operation have to enhance their energy efficiency only when major retrofitting works are carried out. Moreover, the residential parts of Pre-enactment Buildings do not fall within the scope of regulation. Given that the coverage of the Bill is limited, it is necessary for the authorities to enhance public awareness of energy efficiency and encourage the public to translate it into action, as this will help Hong Kong strive towards the goals of energy conservation and emission reduction more effectively. The passage of the Bill will enable Hong Kong to take a major step towards energy conservation and emission reduction. At the same time, it also shows that the Government attaches importance to and is determined to enhance energy efficiency, so this will be conducive to encouraging the public to make efforts and take corresponding actions in energy conservation and emission reduction.

Concerning the three amendments proposed by some Honourable colleagues, namely, (1) the proposal to remove the exemption on lighting

installations used for decoration; (2) the proposal to circumscribe the exemption for decorative lighting to a specific period of time during the day; and (3) the inclusion of external lighting installations in the definition of "lighting installation"; I do not agree with them all. My major considerations are as follows: First, not only do the foregoing amendments make the Bill impose regulation on decorative lighting installations, they may also cover lighting installations mounted external to buildings. These proposals will surely have implications on trades that need to use the relevant lighting installations. All these amendments were proposed at the final stage of scrutiny of the Bill. It is really quite unfair to the affected parties to expand the coverage or change the nature of the Bill without consulting the relevant trades, further examining the relevant details of implementation and any experience of implementation and giving the affected parties enough time to understand the requirements of the Bill, then carry out assessments, have discussions and express their views. Hence, this may arouse strong reactions from those trades. The laying down of energy efficiency standards for decorative lighting and external lighting installations is a rather complicated task and takes time. At present, there are no widely accepted international standards and it is not appropriate to enact legislation before any regulatory standard has been drawn up. This will also easily give rise to grey areas and cause misgivings in the relevant trades. Moreover, there will also be difficulties in law enforcement. I am concerned that there will be impacts on the operation of many relevant trades. The trade bodies with which I am associated with, such as the Building Services Operation and Maintenance Executives Society, the Chartered Institution of Building Services Engineers and the CIE (Hong Kong) Limited, are all strongly opposed to the amendments proposed by the three Members. For this reason, I will not support the three amendments.

With these remarks, Deputy President, I support the resumed Second Reading. Thank you.

PROF PATRICK LAU (in Cantonese): Deputy President, I think this piece of legislation is an important one in the law on environmental protection in Hong Kong, and it is also ground-breaking, a first in such legislation. Most importantly, energy efficiency can turn Hong Kong into a green city, which is a very important subject.

Recently, I attended a conference on Smart Cities. How can a city be considered smart? Nowadays, many people talk about such topics as low carbon and zero carbon and why do they do so? In fact, this is a global agenda. The environment has changed because the Earth has developed problems and as a result, carbon dioxide is building up in the atmosphere. This protective shield is getting more and more problematic and it looks as though the entire Earth was being covered by a green rooftop. All the carbon dioxide cannot escape from the Earth and as a result, the temperature of the Earth is rising. What problems would this lead to? The ice in the South Pole and the North Pole and all the mountain snow is melting gradually. As they melt, we find that the number of snowy mountains is decreasing and where does the water from the melting ice go to? It flows into the sea, so we can find the sea level rising.

If we do not deal with this problem, Hong Kong, being a coastal city, will face increasing dangers. Of course, no one knows when flooding will occur, but the water level is rising gradually now. As we all know, in a very important book called *An Inconvenient Truth*, the former Vice President of the United States told all of us a fact, that is, the Earth is sick. Therefore, as a world city, Hong Kong has to care about this matter.

The Secretary has also said many times that of the total energy consumption in Hong Kong, that of buildings is the greatest, accounting for 90% of it. Of course, there are no factories in Hong Kong now and in the past, when there were factories, more energy was used, but this is where we stand now. Therefore, I think this piece of legislation has come too late, and it should have been enacted earlier.

However, all along, the sector has been doing something in this regard actually and many building services engineers have contrived all sorts of ways to reduce the energy consumption of buildings. All of us once heard the Chief Executive talk about whether it was the Government or the Legislative Council that used less energy. We all understand this problem, but how actually can less energy be used? Today, I wish to take this opportunity to give a brief explanation.

The legislation should not be used to impose various kinds of restrictions on the overall design of buildings. Of course, in the future, we will have a code of practice setting out various standards to impose restrictions on the energy consumption permitted for various kinds of buildings. In fact, we need not do so

and the most important consideration is whether or not the design of a building can really make energy efficiency possible. I think this is even more important. I once invited the Secretary to visit the buildings designed by me. In conceptualizing and designing them, there was no need to bear in mind each and every restriction or standard under the law, rather, they were conceptualized and designed according to a core principle.

How actually can the buildings in Hong Kong be designed to facilitate energy efficiency? If Members have lived in public housing estates before, they will know that the designs of public housing estates in the past were characterized by frugality. Members can look at Wah Fu Estate. All the corridors are located outside and there is no need for air-conditioning, nor is a lot of lighting required as there is natural sunlight to meet the need. I think that in the past, the buildings in Hong Kong had one characteristic, that is, they made use of Hong Kong's climate characteristics to give us a more comfortable environment. Similarly, today, if we open the windows here, maybe we would not need any air-conditioning.

I think this is exactly where the core of the problem lies. We have to make the public understand that the most important thing is their lifestyle. Do we really have to rely on air-conditioning? Air-conditioning is one of the services consuming the greatest amount of energy and of course, other services include lighting, and so on.

I think we should look at this issue from this angle and this is even more important than imposing restrictions by way of legislation. Many people may not be aware that after the enactment of the legislation, owners of old and new buildings alike have to be responsible for carrying out audits on the energy efficiency of their buildings and if they do not do so, they are liable to heavy penalties under the law. We hope that these heavy penalties are not designed to terrorize them but that they will make people consider how actually buildings should be designed to achieve higher energy efficiency. Many Members said just now that energy efficiency would lead to savings actually. It can make one save a lot of money. Why do we replace light bulbs with environmentally-friendly ones? Because environmentally-friendly light bulbs are more durable and power efficient, so they give all parties many benefits.

What I wish to point out is that after the implementation of this piece of legislation, in fact, there is still a lot of work to do, for example, many assessors of energy efficiency will have to carry out reviews and the people concerned will need to acquire qualifications before they can launch practice. There is also a lot of work to do in this regard. However, if we can design an environmentally-friendly building, there is no cause for concern at all because the standards of environmental protection will certainly be met, as it is not conceptualized by considering each piece of legislation to see how violations of the law can be avoided. Otherwise, this is like looking at the speedometer when driving to avoid exceeding the speed limit, and this will lead to problems. Therefore, I hope the public can have one concept, that is, an entire building has to be conceived from the perspective of an environmentally-friendly design instead of looking at what the standards in the regulations are, then execute the design in accordance with each regulation. In that case, various kinds of constraints will be encountered.

Of course, the most important thing is the codes of practice. In the future, the Legislative Council will have the opportunity to scrutinize the relevant standards to see if they are set so high as to be unattainable. This is very important. Another point that we discussed in the Legislative Council yesterday was the use of cold water to cool the air. This measure is very important. In the past, due to the problems with water sources in Hong Kong, it was often necessary to introduce water rationing, so no one thought about using water cooling to cool the air. In fact, at that time, architects did express many views, asking why cool water could not be used to cool the air, so that everyone would feel more comfortable. However, back then, due to the high cost of buying Dongjiang water or for other reasons, the Water Supplies Department could do so only at a very late stage, so we are beginning to look into this issue only now.

As far as I know, the Secretary will adopt a water-cooling system in Kai Tak, so that the entire area can make use of water cooling. If this is done, in fact, half of the requirement in energy efficiency will have been met. Therefore, I think many things will complement one another, so I hope the public will not be apprehensive of this piece of legislation. This is because initially, when a piece of legislation is introduced, everyone will be afraid of violating it. I hope the Bureau can approach this matter from various angles, for example, from education, implementation, and so on. I hope the people in charge of energy efficiency will not just look at what standards there are, rather, they should look

at the overall design of a building to make it more environmentally-friendly and achieve energy efficiency. Only in this way can a building compliant with the legal requirements more closely be designed and there will not be any need to worry about violating the law.

We all understand that this task requires co-operation among many parties. Not only is the Environment Bureau involved — although this piece of legislation is proposed by it — in fact, the co-operation of many departments is also needed, for example, the Buildings Department, the Architectural Services Department, the Planning Department, the Lands Department, and so on. All of them have to take part in order to effectively monitor if buildings meet energy efficiency requirements. Therefore, I hope very much that after the enactment of this piece of legislation, the concept of environmental protection in Hong Kong will be upgraded holistically.

Thank you, Deputy President.

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

MR PAUL TSE (in Cantonese): Deputy President, I wish to voice three reservations about the relevant amendments. First, concerning a Member's comment that we have to follow other advanced cities and that it is not necessary for us to have a lot of decorations or decorative lighting, I wish to respond that this is why Hong Kong has gained the reputation of being "the Pearl of the Orient". This reputation is not gained effortlessly or is undeserved. Many tourists visiting Hong Kong would go to the Peak for sightseeing. Their first reaction is often "WOW". If we want to keep them saying "WOW", I am afraid that in large or small measure, we have to give something.

Although in principle, I agree absolutely with the implementation of an environmental protection policy and it is necessary to do something to reduce the energy consumption of buildings, at each stage, each city has its own special needs. Take Las Vegas as an example, if it is proposed that all the lights be switched off there at night, I believe this will spell the doom of that city. This is also the case for Macao. Regarding Hong Kong, of course, the situation is not that extreme but many tourists who come to Hong Kong also like the night life

here very much as it is a place that is brightly lit and full of vibrancy everywhere. In films, the sights of Hong Kong found in them are often those of its sceneries at night and places with a lot of signboards. This is Hong Kong's special characteristic. If we impose control all of a sudden, as suggested by Ms Cyd HO in her amendment, this will be too radical and is not carefully considered. Often, we would say that if we need to spend money, we should spend it. This also applies to electricity. In some areas, I think there is no problem with saving energy, but if we do so in some very important areas, I am afraid the result would not be satisfactory, nor would it be a practice that would be accepted by Hong Kong society at this stage. If we insist on doing so, this is tantamount to crippling ourselves and undermining the greatest appeal of Hong Kong.

(THE PRESIDENT resumed the Chair)

President, the second point is the issue of public consultation. Just now, Dr Raymond HO and Mr Vincent FANG also mentioned it and I also agree very much with their views. The relevant amendments were proposed at a rather late stage. During the consultation period, a total of 39 deputations and groups expressed their views but there were no deputations from the advertisement, retail, catering or tourism sectors. Had the proposal to restrict external lighting been proposed earlier, I believe many such groups would have responded to it. No such groups made any response because this matter was not raised in any way at that time, nor is the restriction on external lighting the original legislative intent of the Bill. For this reason, for the sake of fairness and insofar as the extent of the consultation is concerned, I am afraid proposing such an important amendment only at this stage is most unfair to the groups in the aforementioned sectors. I think I do not have to dwell too much on this point.

President, the third point is about gradual and orderly progress and striking a balance. Mr Vincent FANG put it very well and there is no need for me to say much. Each country, each place and each city has to develop in a balanced manner. Even in the case of the United States or countries with a lot of environmental protection facilities, when they talk about when to implement the Kyoto Protocol, they would still dilly-dally. Therefore, we cannot look at all matters purely from the viewpoint of principle or ideal. We always have to strike a balance. As I said just now, each place and each city must pay a price

for each stage of development and they should spend what ought to be spent and waste what ought to be wasted. Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I will now call upon the Secretary for Environment to give a reply.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President and Members, I move the resumption of the Second Reading of the Buildings Energy Efficiency Bill (the Bill), the aim of which is to prescribe basic building energy efficiency standards through the mandatory implementation of the Building Energy Codes (BEC) and to lay a legal basis for the same.

Before delving into the details of the provisions, I wish to respond to the issues raised by several Members earlier on. I believe that no matter what Members emphasized in their speeches, they all pointed to a major consensus just now, that is, Members all agree that the Bill itself is an important step in promoting energy efficiency and developing a low-carbon society. It also shows that in the past decade or so, it was not possible to promote the adoption of the BEC by buildings in Hong Kong simply by making government buildings set an example in compliance. For this reason, ultimately, we have to take this step of enacting legislation. After extensive consultations and discussions with the sectors concerned and various stakeholders, we succeeded in reaching a consensus. Therefore, it is possible to resume the Second Reading of the Bill in December this year, that is, one year after the introduction of the Bill in December last year, so here, I have to thank members of the Bills Committee who have taken part in the scrutiny of the Bill.

Just now, some Members mentioned some relevant situations in their speeches on the Bill. There is one point that I must clarify. The Bill does not just target at new buildings. This has been the case from the introduction of the Bill, through its scrutiny to its tabling before Members today. The Bill requires

new buildings to meet the standards and it also regulates existing buildings. In fact, regulation is imposed in a number of ways. Of course, on the regulation of existing buildings, we cannot adopt a uniform approach, for example, by designating a certain day as the date on which the legislation will come into effect and apply to all buildings. This will not meet the requirements in environmental protection because some existing installations, for example, electrical installations, lighting installations and lift installations, should be used until the next time that renovation is carried out or replacement is made, which is the best arrangement. For this reason, in respect of existing buildings, we have set down two directions and four aspects concerning how to impose regulation on existing buildings in items 1 and 2 of Schedule 3 to the Bill, so I am not going to repeat them here.

The second point is that the Bill represents one of the steps towards the overall goal of achieving greater energy efficiency in our society. When Members made their comments, they pointed out that in our discussions on climate change, when we had talked about this consultation paper on climate change in the last couple of months, many people had focused on the fuel mix. However, at the risk of being too repetitive, each time, I would always ask Members to look at chapter 5. In that chapter, five major areas are set out and they include the Bill being formulated by us right now, which represents a beginning. In paragraph 5.8(a), it is pointed out that we would continue to expand the scope of and tighten the requirements under the BEC, so that after a decade or so, a reduction of 50% can be achieved in respect of buildings in the future. This is a rather distant and high goal that agrees with the views of many Members who spoke just now.

In addition, the other four points also address Members' views just now. For example, a Member mentioned the provision of a district cooling system and energy efficiency measures for individual buildings. We have also tightened some of the criteria for buildings, for example, the overall thermal transfer value, which will have a direct bearing on the design and materials of future buildings. We have set a standard, that is, it is hoped that energy conservation will be enhanced by 50% compared with that at present and energy management for buildings will also be introduced.

Therefore, this is a starting point and these efforts are made not simply through the amendment of certain pieces of legislation or regulations. Just now, a Member mentioned and some Members also referred to our funding amounting

to \$450 million for energy efficiency projects, which has been in place for two years and that so far, projects for more than 4 000 buildings have been launched. Actually, even when we were drafting the legislation, actual improvements were already seen. I hope that in the near future, we will process and approve the applications for the other 4 000 buildings as quickly as possible because there is still some scope in using this sum of \$450 million to carry out the relevant tasks.

Apart from setting the basic standards of energy efficiency in society by way of legislation, some Members mentioned and I also agree that it is necessary to set higher standards in green building for various professions, for example, through the Hong Kong Green Building Council, so that the sectors concerned can continue to make efforts through recognition or awards.

In view of Members' comments, apart from enacting legislation, in other areas of work, not only will the Government take the lead, it will also hold discussions and continue to make efforts together with various sectors.

In the Bill, the Government also proposes that 13 types of buildings in both the private and public sectors be required to comply with the BEC. After the enactment of the new law, since developers of new buildings can include the energy efficiency requirements under the law in their designs, we propose that their major building services installations must comply with the prescribed energy efficiency standards and requirements.

However, as I said earlier on, existing buildings are also included. We propose that they must comply with the energy efficiency requirements and standards when major fitting-out works are carried out. The Administration also proposes that owners of commercial buildings and the commercial portions of composite buildings must ensure that energy audits are conducted for the common areas of these buildings once every 10 years, and the audit results must be displayed in a prominent position at the main entrance of the buildings. This also addresses Members' demand just now that the work in energy audit be stepped up.

Today, this Bill for which Second Reading is resumed today is founded on the voluntary Hong Kong Energy Efficiency Registration Scheme for Buildings implemented by us since 1998. The BEC has been proven in the course of a decade and the sectors concerned have gained a good understanding of them and

a consensus has been forged in the sector. They are also being implemented gradually and extensively. The relevant experience, coupled with the fact that we communicated adequately with the sectors concerned and listened to their views when drafting the Bill, made it possible for the Bill to be widely accepted by the sectors concerned and supported by the whole community.

After the First and Second Readings of the Bill on its initial into the Legislative Council in December last year, the Chairman and members of the Bills Committee on Buildings Energy Efficiency Bill have made enormous efforts and scrutinized of the Bill in detail, while putting forth many views over the past year. I must thank them for all this.

In addition, the Government made some appropriate improvements to the drafting or the wording of some provisions through some amendments, with the aim of making the provisions clearer and more easily comprehensible. They will not affect the original policy intent of the Bill. Later on, I will explain them in greater detail at the Committee stage.

Be it in the process of drawing up the BEC or drafting the Bill, all along, we have had discussions with the sectors concerned and stakeholders. We have also received great support and many views from them.

I know that today, three Members will propose respective amendments to the Bill. Although apparently, the amendments to be proposed by Ms Cyd HO and Mr KAM Nai-wai respectively have different ways of expression, their emphases are both on the inclusion of decorative lighting in the scope of regulation. In addition, Ms Audrey EU proposes that lighting installations mounted external to buildings be included in the definition of "lighting installation". However, after careful consideration and the initial response that we tried to obtain from the sectors concerned by all means within a short time, we believe making these amendments at this stage will present both technical and enforcement difficulties. Even though Members may be well-intentioned in proposing these amendments, without proposing any practicable proposal for implementation and enforcement and without adequate discussions and consultations with the stakeholders, and given that the amendments cannot secure the support of all members of the Bills Committee, the Government has great reservations about these amendments, nor can it take them on board or give them its support.

President, I know that in the course of scrutinizing the Bill, the Bills Committee has expressed concern over some matters, so I also wish to give an explanation in my response. The first is the appointment of members to the appeal board under the Bill. Clause 32 provides that a person who is aggrieved by a decision or direction of the Director of Electrical and Mechanical Services may appeal to the appeal board. Clause 34 also provides that the Secretary for the Environment shall appoint the members of a Buildings Energy Efficiency Appeal Board Panel, which is to consist of engineers of certain disciplines, from which an individual appeal board will be appointed. The Bills Committee requested the Administration to reiterate that in appointing any person, the principle of the "Six-board Rule" and "Six-year Rule" would be observed and that gender mainstreaming must also be considered, so that both genders have equal opportunities of being appointed. Simply put, I think this has arisen out of concern for the fact that there are more men than women in the engineering sector, so it is hoped that a reasonable arrangement can be made in respect of the proportion. In fact, these are the principles that we take into account when the Government appoints members to consultative or statutory bodies. Therefore, on this point, the position of the Environment Bureau is the same as that of Members, so we have no disagreement over this.

After the passage of the Bill, the authorities will enhance public understanding of the Bill through publicity and education. The authorities will also draw up a publicity campaign to employ a series of publicity tactics that are directed at the major stakeholders, including the engineering sector, electrical and mechanical contractors, the property management sector, property owners and lawyers providing services in property transactions. Regarding the channels for giving publicity to the details of the Bill, apart from enabling the public to obtain the relevant information on the Internet, we will also consider the view expressed by the Bills Committee, that co-operation with the Estate Agents Authority should be sought to design specific talks and guidelines for estate agents, so as to enhance their understanding of the Bill and remind them that some of the information can be obtained on the Internet. Moreover, clients can also be reminded through them to inspect the information on the Internet by themselves, so that they can facilitate compliance with the guidelines by both parties to property transactions in the future.

President, finally, I wish to talk about the time of implementation. After the enactment of the Bill, the authorities will introduce subsidiary legislation on the prescribed fees under the Ordinance and the requirements on the registration of energy assessors into the Legislative Council. After the enactment of subsidiary legislation, the authorities will allow energy assessors to register within 18 months, so as to comply with the requirements of the Bill, for example, that relating to a certified developer's declaration that a new building's service installations are in compliance with the energy efficiency requirements. The other requirements under the Bill will come into effect only afterwards.

President, here, I understand that the Bills Committee will support the resumed Second Reading of the Bill. I implore Members to pass the Bill.

Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the Buildings Energy Efficiency Bill be read the Second time. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Buildings Energy Efficiency Bill.

Council went into Committee.

Committee Stage

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

BUILDINGS ENERGY EFFICIENCY BILL

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the Buildings Energy Efficiency Bill.

CLERK (in Cantonese): Clauses 1, 3, 5, 6, 7, 13 to 16, 19, 20, 21, 23 to 28, 30, 32, 33, 42, 44, 45, 46, 48, 49 and 51.

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the clauses as stated stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Clause 2.

CHAIRMAN (in Cantonese): The Secretary for the Environment has given notice to move amendments to clause 2 to amend the definitions of "common area", "composite building" and "residential building". Besides, Ms Audrey EU has also given notice to move an amendment to clause 2 to amend the definition of "lighting installation".

CHAIRMAN (in Cantonese): Members may now have a joint debate on the original provisions and the amendments of the Secretary for the Environment and Ms Audrey EU. I will call upon the Secretary for the Environment to speak first and move the amendments.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Chairman, I move the amendments to clause 2, as set out in detail in the paper circularized to Members.

The amendments proposed by the Government seek to improve the text in paragraph (b) relating to the definition of "common areas". It will not affect the interpretation and it is a technical amendment. The Government proposes to amend the definition of "composite building" to clearly provide that when interpreting this clause, reference has to be made to the definitions of "industrial building", "residential building" and "commercial building". The Government also proposes to amend the definition of "residential building" in the English text to make its legal expression closer to the common usage of the expression.

Chairman, Ms Audrey EU proposed to amend clause 2 in relation to the definition of "lighting installation" to include in the Bill the external luminaries of buildings. The Government has repeatedly considered the amendment proposed by Ms Audrey EU but found it unacceptable. I will explain the Government's position in detail.

External lighting includes various kinds of lighting installations, including advertisement signboards, external spot lights and floodlights. Currently, there is no widely accepted international standard on the lighting power density of these lightings. Therefore, I agree with several Members who spoke earlier that in the absence of an international standard on lighting power density, in the process of formulating a set of standards acceptable to various sectors, we have to

at least collect some data and carry out some analyses, as well as conducting studies first. Therefore, if we hastily pass such a motion at this stage, there may be implications for enforcement in the future.

Concerning the Buildings Energy Efficiency Bill, in the public consultation carried out by the Government before drafting the Bill, and even during the scrutiny of the Bill, both the general public and the Bills Committee did not conduct adequate or thorough discussion on the regulation of external lighting. As we all know, external lighting is related to the operation of various industries and trades, as some Members pointed out just now. The Government and the Legislative Council have not conducted any extensive and in-depth consultation in this regard, nor can they assess the impact of implementing this proposal on the actual operation of some industries. Since the sectors concerned have not yet discussed or reached any consensus on the standards for or the direction in the regulation of external lighting installations, if we pass this proposal now, I am afraid we will cause unnecessary confusions. If the aim of the amendment is to formulate a package of feasible proposals to impose reasonable regulation on external lighting, I am afraid this amendment may run counter to this goal.

Just now, I pointed out that before this proposal was made, no discussion in this regard had been conducted with the sectors concerned. However, when we learnt that Ms EU might propose this amendment, we immediately carried out a simple consultation with the sectors concerned in conjunction with the Technical Task Force, whose members include representatives from institutes of mechanical engineering, organizations in the mechanical and electrical sectors, the property management sector, the academic circle and the business sector. The members of the Task Force all expressed great concern over the amendment proposed by Ms EU and they had reservation about it. They believe that to enact legislation before the regulatory standards are prescribed will create a lot of uncertainties as well as doubts in various sectors when installing external lighting. Moreover, they are concerned that they may break the law easily.

If we look around us, in some Asian cities similar to Hong Kong, such as Singapore and Tokyo, no legislation has yet been enacted for the time being to regulate the energy efficiency of external lighting installations. In fact, these two places have not yet enacted legislation to regulate light pollution. I understand that one of the aims of Ms EU in proposing this amendment is to address the problem of light pollution through this amendment. On this subject

matter, although the Government and some Members hope that solutions can be found, I believe our greatest difference or disagreement lies in the fact that light pollution differs in nature from the object of this Bill. Therefore, we do not wish to impose regulation by means of this Bill on energy efficiency.

I will also cite some actual examples to explain this matter. The technology of energy-saving lights has witnessed great changes and is always advancing. Just now, Members also mentioned some rather new technologies, for example, light emitting diodes, or the so-called LED. When in use, the level of energy consumption of LED can be very low but the illumination level can be very high. That means if such very low-energy lights as LED are used, the requirements in energy conservation can be complied with but their light intensity may still cause light pollution that affects the public. Therefore, it is questionable whether or not the original goals can be attained through this piece of legislation and the present approach. The Government has also undertaken to give the Legislative Council a briefing on external lighting in the first quarter of next year, so I believe at that time, we will be able to have more comprehensive discussions on the problem of light pollution, and I also hope that Members will take the opportunity to have discussions.

Lastly, I wish to point out here that the amendment proposed by Ms Audrey EU may give rise to negative implications because Members will all notice that power companies have built transformer stations or power transformers in some buildings to provide electricity to an entire area, and the coverage of electricity supply includes the lighting installations outside the building. It may include the street lights of an entire street or the lights of another small building. Members can thus imagine that if this amendment is passed, the entire row of street lamps or an entire building, no matter if they form part of the building being regulated or not, will see their lighting needs being subjected to the regulation. I believe this is not the original intention that this amendment seeks to advance or achieve.

In view of the foregoing points, we think that this amendment have technical problems or problems in actual enforcement, and it has also deviated greatly from the object of the Bill. For this reason, the Government does not accept this amendment. We implore Members to support the Government's motion and oppose Ms Audrey EU's amendment. Thank you, Members.

*Proposed amendment***Clause 2 (see Annex I)**

CHAIRMAN (in Cantonese): Ms Audrey EU, you may now speak but no amendment is to be moved at this stage.

MS AUDREY EU (in Cantonese): Chairman, first of all, all of us know that we are now discussing clause 2. Usually, clause 2 of a bill deals with definitions, including many different definitions which may not necessarily be specifically related to each other. Chairman, regarding the amendments proposed by the Secretary concerning, for instance, the definitions of "common area" or "composite building", we have no objection to them because they were actually proposed upon the request of the Bills Committee. In particular, the amendment to "common area" was proposed upon my request on the Department of Justice to revise the relevant definition. Subsequently, our views were taken on board in the end. Therefore, Chairman, I do not have any objection to the amendments proposed by the Secretary. The fact that all of us will accept and vote for the Secretary's amendments has nothing to do with my proposing an amendment at all. Even if the Secretary's amendments are passed, it does not disallow any amendment. The amendments proposed by KAM Nai-wai and Cyd HO relate to the latter part of the Bill on exemption and are totally unrelated to my amendment. This is the first point I wish to elucidate.

Chairman, the second point I wish to clarify is that many Members mentioned light pollution in their speeches today and discussed my amendment and the amendments of Cyd HO and KAM Nai-wai in the same context, saying that all of them actually involve light pollution, which is beyond the scope of the Bill. Chairman, regarding this argument, I would like to clarify that my amendment is different from the amendments of KAM Nai-wai and Cyd HO because it is about the definition of "lighting installation". My request is that if we intend to impose control on energy efficiency in buildings, such control should be imposed on all lighting installations which draw electricity supply from the relevant buildings. There is no reason why we should impose control on certain lighting installations only based on the ridiculous criterion of whether they

are in the building or out of the building. As those lighting installations both in and out of the building draw electricity supply from the building, control should certainly be imposed on all of them. Chairman, this is a very simple and straightforward point.

Besides, I have to make it clear that my amendment actually does not involve light pollution. I am only saying that if the Government intends to impose control on the energy efficiency of lighting installations, it should include in the scope of control energy efficiency of lighting installations mounted on the external walls of buildings. I totally understand the Secretary's point just now, that the problem of light pollution cannot be resolved even if the definition is extended to cover external lighting because even though certain lights may be very energy efficient, their intensity may still be unacceptable to the public. Chairman, I fully understand this point, and I have never said that this amendment can resolve the problem of light pollution. Yet, in imposing control on energy efficiency in buildings, there is no reason why the Government should only do so on lights installed in the building but not those on the external walls of buildings. Chairman, the Government once cited some examples to us in response to our questions, such as whether the lights mounted in the corridors of the Legislative Council Building that are visible from outside of it would be subject to control. Chairman, from this picture of the Legislative Council Building, we can see that some lights that are mounted in the corridors are visible from outside of the Building. I asked the Government whether such lights would be considered as being in the building or out of the building, and whether they would be subject to control. In his reply, the Secretary said these lights are considered as being mounted in the building because the corridors are internal corridors, and so they will be subject to control, unlike the lights in the external balconies. There is yet another problem, which involves KAM Nai-wai's amendment, and that is, whether the relevant lighting installations are decorative in nature. However, I am not going to deal with this issue now. Therefore, Chairman, the Government cited the example that the lights in the balconies of the Legislative Council Building will be subject to control. Chairman, this is a picture of the building of the HSBC, in which there are also lights visible from outside of it. The Secretary said they will be subject to control because they are lights serving the staircases and in the building.

However, Chairman, there is a light in the Legislative Council Building which is mounted external to the Building and used for illumination of our statue

of liberty. This light is mounted external to the Building rather than in the internal balconies. The Government said this light would not be subject to control. Chairman, the Government cited some examples to illustrate that some lights mounted external to the building would not be subject to control, and therefore the light mounted on the rooftop of the Legislative Council Building for illumination of the statue of liberty would not be subject to the control concerning energy efficiency

CHAIRMAN (in Cantonese): It should be the statue of the Goddess of Justice.

MS AUDREY EU (in Cantonese): Right, Chairman, it is the statue of the Goddess of Justice, and the light will not be subject to control. Another example is the building of the Bank of China. The lights shown in this picture are different from those of the building of the HSBC in that while the lights inside the HSBC building are visible from outside of it, the lights of the building of the Bank of China are mounted in the building, and will thus be subject to control and energy efficiency requirements. However, the fluorescent tubes out of the building of the Bank of China will not be subject to control because they are mounted on the external walls. Similarly, Chairman, the lights of the Prince's Building are also mounted external to the building, and therefore will not be subject to energy efficiency requirements either. The lights on the rooftop of the Prince's Building will also not be subject to control. What is more, there are many familiar advertisements on the external walls of buildings in Central, or there are some lights out of certain buildings which obviously draw electricity supply from the relevant buildings, but the Government said they are not covered in the definition of "lighting installation" because the definition of "lighting installation" only what is the wording of the definition? The definition of "lighting installation", in relation to a building, only means a fixed electrical lighting system in the building. Chairman, the wording of my amendment is completely modelled on the wording used by the Government, just that an additional item is included — even if a lighting installation is mounted on the building external wall, as long as it is connected to the fixed electrical lighting system in the building or draws power supply from the fixed electrical lighting system in the building, it should be subject to control. It is as simple as that. Chairman, what would be the consequences if lighting installations mounted on the external walls of buildings are also subject to control? Chairman, the Bill

has not provided for any requirement in relation to lighting power density. No, it has not. I only proposed that lighting installations mounted on the external walls be included in the relevant definition, and that the Electrical and Mechanical Services Department (EMSD) should then draw up guidelines after consulting the industry. Decisions on the regulation of external lighting installations should rest with the EMSD in the future.

Therefore, Chairman, I cannot understand why the industry and the Government are so strongly against it. In a nutshell, according to the Government's arguments and the objection letters received — Chairman, let me read out the names of some organizations which have submitted objection letters: the Hong Kong Institution of Engineers, the Federation of Hong Kong Industries, CIE (Hong Kong) Ltd and also the Chinese Manufacturers Association; and like the Government, they oppose my present amendment — Chairman, they only have three grounds of objection. What is the first one? They said it is actually impossible for the Government to impose any statutory control because there is not any international standard on lighting power density, or LPD. Chairman, I have already explained just now that the details of the regulation should only be drawn up after the EMSD has consulted the industry, and the Bill will not provide for or tighten such regulation. There are many means of imposing regulation. A simple example is to introduce a statutory ban on the use of tungsten light bulbs or certain lighting systems which are not energy efficient; or to mandate the use of energy saving systems, such as LED; or to require that the light intensity within a certain area should not exceed a certain degree of luminance or to impose a limit on the maximum number of floodlights with high energy consumption that can be used within that area. We have discussed this issue with some government officials from the EMSD. They said external lighting installations usually do not consume a lot of electricity because lighting may only account for 20% of the total electricity consumption of the building, and the electricity consumed by external lighting may only account for less than 5% of this 20% of electricity consumption, and thus will not exceed 1% of the electricity consumed by the entire building. I said, in that case, it would be very simple. The Government may well require that the electricity consumed by all external lighting installations shall not exceed 1%, 0.5% or 5% of the total electricity consumption of the whole building. The Government may set the standards by itself, and actually the Bill has not provided for the relevant standards. Such standards should be set by the EMSD. Therefore, Chairman, I consider it totally

unacceptable for the Government to claim that it is impossible to impose any regulation in this regard.

More importantly, Chairman, many overseas countries have actually drawn up codes or rules to regulate the installation of lights, such as requiring that lights must not be directed upwards to the sky, which may also avoid creating any adverse impact on the illumination effect or emission. This shows that the second ground of objection does not really hold water, Chairman, because their second ground of objection is that the industry has not been adequately consulted. However, Chairman, you may also recall my remark just now that even if this legislation is enacted, it does not mean that it has been implemented, and neither does it mean that it will come into operation tomorrow. Subsidiary legislation has yet to be passed, and after the passage of the subsidiary legislation, we still have to allow 18 months for the registration of energy assessors responsible for conducting energy audits before such audits can be carried out. During this interim, Chairman, the Government can definitely set the relevant standards after consultation with the industry. Therefore, I totally disagree to the point made by the Secretary in his speech just now, that it was not a good idea to request the hasty introduction of legislation. Chairman, why would it be hasty? Quite the contrary, as I said just now, it would be as slow as a snail because even if this Bill is passed, the Government still has to give the industry some time for registration and consultation. That being the case, Chairman, the Government should make use of this period of time to conduct consultation to find out how the code on energy efficiency should be drawn up.

Furthermore, Chairman, the third ground of objection contradicts the grounds mentioned just now. What is their third ground of objection? The third ground of objection is that my amendment will not be able to address the problem of light pollution, and the Government has already made an undertaking to the Legislative Council to submit a report on light pollution early next year. Chairman, if the Government is really sincere and can really discuss with us the regulation and reduction of light pollution as early as the beginning of next year, then I must point out that the 18-month period I mentioned just now, that is, the period allowed for the registration of energy assessors responsible for conducting energy audits, is actually longer. In other words, Chairman, if the Government is confident that it can discuss with Members or consult the public on the regulation of light pollution so soon, it means the Government will also have

sufficient time to consult the industry on the regulation of external lighting installations to reduce light pollution.

I am not demanding the Government to reduce light pollution. All I am saying is that at least there are 18 months — because the Government has included this 18-month period in its timetable — I am only requesting the Government to at least consult the industry during this interim and then draw up a code to regulate external lighting installations. Therefore, Chairman, regarding this issue, I have informed or consulted many green groups. These green groups, which are all very supportive of my proposal, include Greenpeace, World Wide Fund for Nature International, the Greeners Action and Friends of the Earth. They have given me strong support. I know that they have also written to all Members of the Legislative Council to express their support. Chairman, I have also written to all Members to explain my amendment, pointing out that it is actually very sensible. I have also pointed out that I only hope this legislation to be passed by us will not be so ridiculous as to only regulate the energy saving systems of internal lighting installations but not the systems of external lighting installations. Furthermore, I think this will also give the public a very, very, very bad impression because this is tantamount to telling the public that the Government will only regulate the general public's lights in the building, but it is unable to regulate advertisements on the external walls of buildings, no matter how strong the lighting and how glaring the flickering is, with red, orange, yellow, green, lime, blue and purple lights constantly flickering; and neither is it able to require the use of more energy-efficient installations to save energy, not to mention reduce light pollution.

Chairman, my amendment, insofar as this issue is concerned, will not affect or limit the creativity of the industry at all. They are totally free to choose energy saving decorative lighting and install external decorative lighting in their own ways to highlight the building or a certain part of it. Therefore, Chairman, in the case of the light mounted external to the Legislative Council Building for illumination of the statue of the Goddess of Justice, if it will lead to wastage of electricity, should it also be subject to control, just as the lights in our corridors should comply with energy efficient requirements? Actually, how could we do that? I hope the Secretary will explain to us in his response later why control cannot also be imposed on external lighting installations. There may be a type of light mounted on a pillar facing the inside and another type of light mounted

on a pillar facing the outside, yet control will only be imposed on one type of light but not the other. How can it be so ridiculous? Thank you, Chairman.

MR KAM NAI-WAI (in Cantonese): Chairman, regarding this amendment, the Democratic Party supports the proposal put forth by Ms Audrey EU to include lighting installations mounted external to the building in the definition of "lighting installation". Ms Audrey EU kept saying just now that this amendment has no direct relationship with light pollution.

Nowadays, there have been increasingly frequent discussions on light pollution in Hong Kong. As all of us know, such extensive discussions are the result of an increasing number of complaints. The Secretary said that even if control on energy efficiency is in place, the problem of light pollution cannot be resolved because the flickering decorative lighting mounted external to the buildings may already be very energy-efficient by then. However, some figures show that there has indeed been an increasing number of complaints in this regard. For example, there were about 68 complaints in 2006, 102 in 2007, 199 in 2008, and the number increased to 377 in 2009.

All of us are aware that in the Policy Address, the Government said the authorities would study the issue of energy wastage caused by external lighting installations and assess the feasibility of addressing this problem by way of legislation. The Government said, given an increasing number of complaints against light pollution, the authorities would study the issue of energy wastage in addressing the problem of light pollution. As the Government has pointed out in the Policy Address that it will address the issue of energy wastage because of such a large number of complaints, will the Secretary give an account of his ideas in this regard later? What he has been talking about is nuisances caused by light pollution. In other words, as the flickering lights may affect the daily life of residents nearby, it is a problem of nuisances. However, the relevant part of the Policy Address is about the problem of energy wastage caused by such lights, and the Buildings Energy Efficiency Bill precisely seeks to prevent energy wastage, which is one of its most important objects. We should not waste energy. All we need is a sufficient degree of illumination, and anything in excess is wastage of energy.

As Ms Audrey EU mentioned just now, if the Bill sends a message to the public that we will only address the issue of electricity consumption in the building, while excluding decorative lighting mounted on the external walls of buildings from the coverage of the Bill, I think it will really be ridiculous, and it will also make it very difficult for the public to understand what exactly the Government's legislative intent is. As we asked at the beginning, does the Government really have the determination? Is the Government unable to put in all its effort in everything it does, thereby giving the public the impression that it does not have the courage to take actions to address issues concerning environmental protection as it is always worried that such actions will invite severe criticisms?

Apart from the figures on complaints against light pollution mentioned just now, according to the information on the proportions of electricity consumption for 2009, about 65% of electricity was consumed in commercial buildings while 25% was consumed in residential buildings. As for illumination — we only have the figures on energy consumption in the commercial sector — about 10% of energy was used for illumination. Certainly, the total electricity savings to be achieved, whether as a result of Ms Audrey EU's amendment alone or together with our amendments to be proposed later, may not be significant, but our principle, as we said just now, is to save as much electricity as possible. Our goal is to prevent wastage, which is vitally important.

I wish to raise a few points. Just now I heard Mr Paul TSE say he has just left the Chamber. He said if the relevant control is implemented, the beauty of decorative lighting will be tarnished, and tourists visiting Hong Kong will no longer say "WOW" out of amazement while viewing the scenery from the peak. Do we still have to use this approach to attract people from different parts of the world to visit Hong Kong? One of the reports on the Asian Games which made the deepest impression on me was that Zhujiang Xincheng, that is, the venue of the Asian Games, and both banks of the Pearl River were lit up with dazzling lighting. Do we want to use this means to attract tourists to Hong Kong?

CHAIRMAN (in Cantonese): Mr KAM, I wish to remind you that we are now conducting a joint debate on the original clause 2 and the amendments of the Secretary for the Environment and Ms Audrey EU.

MR KAM NAI-WAI (in Cantonese): Chairman, I am precisely speaking on this clause because just now Mr Paul TSE said Ms Audrey EU's amendment was about external lighting installations which draw electricity supply from the building, and I am also talking about external decorative lighting. Chairman, I am precisely speaking to the question without digressing from it. What is my problem? Because I am now talking about

CHAIRMAN (in Cantonese): You may certainly go on with your speech. However, I wish to remind you that I clearly heard Ms Audrey EU explain the meaning of her amendment in her speech just now.

MR KAM NAI-WAI (in Cantonese): Chairman, I am precisely talking about external decorative lighting, and I cannot see any problem with my remarks. I am talking about external decorative lighting, which is exactly what Mr Paul TSE mentioned in his speech just now. He said the amendment would make tourists visiting Hong Kong feel that the scenery is not as good as before. I think it will not be the case because tourists will not visit Hong Kong solely for the purpose of admiring the decorative lighting. We have said that even if this amendment is passed, it does not mean that no external decorative lighting will be allowed. This is the first point, a very important point.

The second point is about public consultation. Have the authorities actually conducted any public consultation? Just now our colleagues have mentioned, and all of us also know, that the Government will formulate a code later. This edition of the code was published in 2007. The Government will formulate a code similar to this one, and it has yet to be implemented, pending consultation. As the Bill has not provided for any details, thorough consultations will be conducted after the code has been drawn up. Therefore, it is actually unacceptable to say that there has been no consultation because consultation will be conducted later. In other words, even if the Bill is passed today, the relevant code will be subject to consultation with the industry on its feasibility.

Third, is it too radical? Are we being too radical in demanding the imposition of control on external decorative lighting? I think the pace is too slow. We have discussed the Buildings Energy Efficiency Bill for a long time, yet even external decorative lighting is included in the scope of control

eventually. This is indeed a serious defect. Therefore, there is no question of this move being too radical.

Chairman, I also wish to make a clarification. As Ms Audrey EU referred to the decorative lighting mounted external to the Legislative Council Building with this picture in hand just now, I wish to make a clarification. The Government's example was incorrect because monuments are outside the scope of control of the Bill, and so are small houses mentioned by CHAN Hak-kan just now. Therefore, the examples cited by the Government were actually incorrect.

Let me assume for the time being that the Legislative Council Building is not a monument, should the decorative lighting be deemed as mounted external or internal to the building? This will lead to a great controversy. How should we draw a definition then? Some people may say that as the lights are not adjoined to the building, they should be regarded as external decorative lighting. I think if the Government does not include in the Bill decorative lighting which is connected to the electrical system in the building, legal disputes may arise.

Chairman, the Democratic Party supports this amendment on the control of external decorative lighting, just as it supports the Buildings Energy Efficiency Bill, which is only a starting point. We consider it a serious defect of the Bill if this amendment is not incorporated into it. Chairman, I so submit.

MS CYD HO (in Cantonese): Chairman, I support the Government's amendments because they are the result of the Bills Committee's discussions. I also support Ms Audrey EU's amendment.

I will now respond to the issue of monuments mentioned by Mr KAM Nai-wai just now. Actually, whether or not a certain building is a monument has nothing to do with energy-efficient lighting installations. I have made thorough enquiries with the EMSD on how energy conservation in respect of lighting can be achieved. I thought the power generation units or the installation of power cables must involve some high-level skills that we are not conversant with. They do not. All one has to do is to switch to compact fluorescent lamps (CFLs). Therefore, preserved antiquities or monuments or not, what only matters where the lights are mounted and whether any damage to the walls has

been caused. After the lights have been mounted, all one has to do to achieve energy conservation is to switch to CFLs. It is as simple as that.

However, the Government said we put forth our amendments in a rush in the last minute without any consultation. Chairman, I have already participated in the "Light Out Hong Kong" programme organized by Friends of the Earth for four years. Actually, discussions on the lavishness and electricity wastage of lighting have been going on in the community for a long time, and many Honourable colleagues have participated in such discussions in the Chater Garden. Besides, the Legislative Council also participated in the activity to switch off the lights at eight o'clock for one hour. When all lights were off at 8 pm for one hour, we could see the sky and the stars more clearly. Therefore, why did I say that the Government was too slow in action? Because the community runs faster than it does. The Government has been pursuing and discussing this issue for four years, but the consultation with professional bodies has yet to be completed. Then, when these amendments are proposed by some Members now, the Government even said they only proposed the amendments in the very last minute, thereby catching it totally unprepared. Actually, it is not the case. The fact is we have borne with it for four years, and we put forth these amendments in the last minute of the four-year period only to find that the Government had not taken any action. However, the Government still has plenty of time to deal with the Building Energy Codes (BEC).

The Government has recently been adopting a most interesting legislative approach, which is that it always urges us to pass the principal legislation that only provides for a general framework, with the details lacking. This was what happened with the minimum wage legislation. Only the Minimum Wage Commission was set up, while nothing had been mentioned about the minimum wage level and the commencement date. It is similar in this case. We are introducing legislation to require the mandatory implementation of the BEC, but the details of the BEC will only be discussed at the next stage. Therefore, Honourable colleagues and green groups know very well that this discussion will actually continue. This interactive process will go on, and today is not the final moment yet.

However, we also noticed that even after such a long period of time, the Government has not given deep thoughts to certain issues. It was really interesting when we discussed the concepts of "in the building" and "external to

the building". Why did we use the Legislative Council Building as an example? Because members of the Bills Committee were definitely very familiar with it. Initially, the Government said any light mounted on the four external walls — just assume that this cup is the building — any light projecting from the four external walls would be regarded as being external to the building. We members were very smart and immediately asked about the case of lights within the confines of the four walls but projecting from the roof of a building. The government officials present discussed among themselves quietly for a while and said such lights should be regarded as being external to the building. However, the fact that they did not reply right away showed they just came up with the reply there and then.

I wish to pose another question to government officials today, and I will use the Legislative Council Building as an example again. The eaves up there definitely extend beyond the external walls. Can you tell me whether those lights underneath the eaves but not projecting from the balconies shall be regarded as being in the building or out of the building? The authorities only considered such issues, that is, those issues we discussed with the Government during the scrutiny process, after they had been raised by us. This is indeed not desirable. However, this is certainly not the final leg of this discussion.

Besides, I have included in my amendment to be moved later the switching off of the relevant lights because when people are willing to switch off these lights, they may simply do so without further arguing over it. The Legislative Council has always been rule-abiding. I specifically noticed that lights of the Legislative Council Building are switched off at around 11.30 pm, and so are lights on the rooftop, that is, those lights for illuminating the stone statue, and the lights in the upper-floor corridors which are decorative in nature, while only those lights in the ground-floor corridors which are required for illumination will remain switched on. Therefore, Chairman, apart from introducing legislation, the spontaneity of society as a whole is also very important. Nevertheless, legislation and codes can indeed chart a general direction for people to follow. Besides, there are also some acts which have gone overboard. For example, why should energy be wasted on unnecessary external lighting? Under these circumstances, the relevant legislation may help the whole society enhance their efforts in energy conservation and emission reduction.

Besides, the authorities said as Ms Audrey EU's amendment and the amendments to be moved by Mr KAM Nai-wai and me later all involve light pollution, they are outside the scope of this discussion. Actually, this is self-contradictory because on the one hand, the authorities told us that it would be difficult to calculate lighting power density; and as for what light pollution means, no international standard is available either. What degree of light density within 1 sq m should be regarded as light pollution? On the one hand, the authorities said calculation would be impossible; and on the other, they said we must not discuss light pollution in the context of this legislative exercise. I can tell you that the light sensitivity of different people may vary. Some people may feel that the glare emitted by the light up there now is hurting their eyes, and so it should also be regarded as light pollution as no objective standard is available. However, when it comes to the regulation of external lighting, we have to discuss it also from the perspective of energy conservation and emission reduction. The authorities should not refuse to discuss this issue with us on the ground that light pollution is involved. It is inappropriate of the authorities to refuse discussing with us even the issues of energy conservation and emission reduction. There are contradictions in its logic. Following its logic, if every issue involving light pollution should not be discussed, lighting in the building, which should be subject to regulation, may also be regarded as light pollution by some people who are sensitive to light. In that case, should we discuss it or not?

Most importantly, Chairman, I wish to reiterate that regarding the regulation of external lighting, it is actually not difficult at all to comply with the amended provisions because no complicated technology will be involved at all. All that one has to do is to switch to CFLs, and the lights can remain switched on even until very late into the night. At most, one may only be unable to achieve certain effects, and in this regard, such effects may be achieved as long as the lighting designer can make use of his talent and adjust his design in the light of the characteristics of the material available. Thank you, Chairman.

MR WONG TING-KWONG (in Cantonese): Chairman, the Second Reading debate on the Buildings Energy Efficiency Bill (the Bill) is resumed today. Although I did not participate in the scrutiny of the Bill, I wish to speak in support of the Bill, which requires that the relevant buildings should comply with the provisions of the Building Energy Codes (BEC) promulgated by the EMSD

concerning building service installations, including air-conditioning, electrical, lift and escalator installations.

I noticed that a few Members have proposed amendments to the Bill today. Among these amendments, I am concerned about Ms Audrey EU's proposal to extend the definition of "lighting installation" under the Bill to cover external lighting installations, thereby regulating light pollution at the same time. I am worried that the passage of this amendment may have an impact on the business activities of restaurants, places of entertainment, department stores, and so on. Many industries, probably involving the operation of a large number of small and medium enterprises, may make use of external lighting mainly to create a certain atmosphere and as a means of publicity, promotion and signage. What surprised me is that members of the sectors have not been consulted on this amendment, which may have such a significant impact on them. Neither did they have any opportunity to discuss, understand and express their views on it. I think it is very unfair to the sectors.

Besides, there are different types of external lighting installations, such as spot lights, light emitting diodes (LED) and neon lights, but there is not any widely adopted international standards on lighting power density at present. Furthermore, given the wide variety of lighting options with a broad spectrum of effects, together with such variables as the distance of the lights, the time of sunrise and sunset and the climate, it is no easy task to prescribe standards or regulatory criteria on our own. To avoid confusion of information in the sectors, it is indeed inappropriate to impose regulation rashly.

Moreover, in her letter to all Members to appeal for their support of her amendment, Ms Audrey EU admitted that she was fully aware that the Bill only deals with energy efficiency, unable to completely solve the problem of light pollution, and she was also aware that the SAR Government would consult the public on the regulation of light pollution in the first quarter of next year. However, she still maintained that as the consultation exercise and the legislative process would take time, energy efficiency of lighting installations mounted on the external walls of buildings should be enhanced first at this stage.

As I said, in the absence of widely adopted international standards on lighting power density, and given that complicated environmental factors are

involved, it is indeed both impossible and impracticable to regulate lighting installations mounted to external buildings. Coupled with the fact it is energy efficiency in buildings that the Bill seeks to regulate, it is inappropriate to use the Bill as a vehicle to regulate light pollution, which is an equally complicated issue. As light intensity may not be in direct proportion to electricity generation, there will be difficulties in providing for such regulation under the Bill, which may in turn impede its implementation, thereby giving rise to the unbecoming effect of aiming for a lofty goal but eventually falling far short of it.

Besides, just now Ms Cyd HO said things would be very simple as one would only have to switch to compact fluorescent lamps (CFLs) to achieve energy conservation. However, is it as simple as that? We may often switch to CFLs, but CFLs may not necessarily be applicable in all light fixtures. Even if CFLs may be used, the CFLs may be larger than the original light bulbs and may thus be too big for the light casings. Chairman, I tried to replace the light bulb with a CFL in my light fixture at home, but when I pushed the light casing back into place, the CFL broke, resulting in an even greater loss as a CFL is worth a few dozen dollars. So, it is not always so easy to switch to CFLs, unless I throw away my wall lamp, but will it lead to even greater wastage? Therefore, I think a gradual and orderly approach should be adopted if the sectors intend to achieve the effect of energy conservation. To require them to allocate some funds for replacing all installations now to achieve the effect of energy conservation may lead to a waste of money in the first place; and in the second place, it may lead to a waste of the original installations. Will this be more detrimental to the environment?

With these remarks, Chairman, I support the Bill and the Government's amendments, but I oppose Members' amendments.

CHAIRMAN (in Cantonese): Does any other Member wish to speak? Before I call upon Ms Audrey EU to speak again, I would like to find out if there is any other Member who wishes to speak.

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): Ms Audrey EU, you may now speak again.

MS AUDREY EU (in Cantonese): Chairman, I must respond to Mr WONG Ting-kwong's remarks just now. He queried whether requiring members of the public to spend money on replacing their light bulbs would lead to wastage, just as in the case of his breaking his light at home. Chairman, instead of imposing control on lights in residential flats, the Bill only seeks to impose control on lights in common areas, common areas in newly-completed buildings or old buildings. In other words, insofar as residential flats are concerned, such control will only apply when major retrofitting works are carried out. Therefore, it will not lead to any wastage at all, and neither will there be any question of compelling the public to replace their light bulbs with CFLs. In introducing a piece of legislation to impose control on energy efficiency in buildings, there is no reason why we should only give regard to where the lights are mounted and only impose control on lights mounted in the building but not those out of the building. It is both insensible and inappropriate, and it also shows that the Government has completely failed to perform its duty in environmental protection or energy conservation.

Chairman, I noted that some Honourable colleagues' ground of objection was since the Government had not conducted any consultation, we should not make this move in the very last minute. Chairman, when the Government only imposes control on lights in the building but not those out of the building, which is a dereliction of duty and a failure to do a proper job of energy conservation on the Government's part, should we, as Members of the Legislative Council, follow suit? Chairman, I proposed this amendment in the hope that it can make up for the Government's dereliction of duty and impropriety. In introducing the Bill for Members' deliberation, there was no reason why the Government should only aim at imposing control on energy efficiency of lights in the building, while ignoring energy efficiency of lights out of the building.

Chairman, I already explained this just now, but probably Mr WONG Ting-kwong did not hear it. I said even if this Bill was passed today, it would not be implemented tomorrow. After the passage of the Bill, the Government would still have plenty of time, at least 18 months, to conduct consultation. Excluding the time required for the introduction of other rules which have to be tabled at the Legislative Council for negative vetting, just the registration of the

relevant personnel alone will take 18 months. Besides, Mr KAM Nai-wai has also made it very clear in his speech just now that the existing BEC issued by the EMSD will be subject to consultation after the passage of the Bill. Why can the Government not conduct consultation during these 18 months?

Furthermore, the Government told us that it would submit a report on light pollution to the Legislative Council next year. If the Government is really committed to regulating light pollution, it has to propose certain control on external lighting. If it is impossible to impose control on external lighting — if such control is impossible throughout the whole world — the report on light pollution to be submitted next year will, in other words, be deceptive. The Government will not be able to table a good report because it considers regulation impossible. I am not proposing to regulate light pollution. I have not made such a request, nor do I harbour such wishful thinking, but at least we should discuss the issue of energy efficiency and conservation in lighting. Chairman, as the sectors may do many things under the Code of Practice, all I ask of the Government is to give consideration within these 18 months to the idea of imposing control on energy efficiency of lights which draw electricity supply from the building, irrespective of whether they are mounted in the building or external to the building. What difficulties are there? At least, it should simply ban the use of tungsten light bulbs and the use of spot lights with excessive glare within a certain area. These may also be regarded as control measures. Why is the Government reluctant to do even such a simple task? I noticed that some opposing views, including the objection letters, are based on such specious grounds as this move being too hasty. How hasty is it? The Government is always not doing its job, and when the Legislative Council tries to patch things up for it, it would say that such moves are hasty.

Chairman, sometimes it is indeed exasperating to serve in this Council because things which are obviously very sensible would, on the contrary, be criticized as being insensible. Will the Secretary explain to us in his response later why lights mounted on a pillar facing the inside of a building will be subject to control, while lights, which are equally mounted on a pillar, facing out of a building will be regarded by the Government as external lighting, and thus will not be subject to control? It shows that a standard is lacking.

Chairman, what impression will this create? People may feel that the Government will only impose control on the general public and disallow members of the public to light their lights, so to speak. We will be subject to control, but the business sector has all the freedom to organize firework displays and place advertisements without being subject to control by the Government. In enacting a piece of legislation on energy conservation in buildings, why is control not imposed on situations which attracted the most complaints? The most common subject of public complaints is not electricity wastage by lights installed in residential flats, but the excessive glare of lights mounted external to buildings, resulting in nuisances and electricity wastage. I am not requiring that such lights should not affect other people at all because I know it is outside the scope of the Bill. All I ask is that even if they will affect other people, at least more energy-efficient lights should be used. But the Government is unable to do even something as simple as this. Besides, I am not requiring that such control should come into effect immediately. I am only proposing that the EMSD be empowered to impose control on energy conservation in relation to external lighting, but the Government said it is infeasible.

Chairman, I think the Government has completely failed to perform its duty in environmental protection.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Chairman, I wish to thank Members for their remarks, and I will make four points in response.

First, in English, there is this saying "call a spade a spade". I hope Ms Audrey EU or Members who have participated in the discussion just now can have a clear understanding of what our discussion is about. In responding to my previous remarks, Ms Audrey EU made it very clear right at the beginning that her amendment only seeks to extend the relevant definition to cover external lighting rather than addressing the issue of light pollution. Members of this Council who expressed support for Ms Audrey EU also clearly stated, when referring to this issue, that they supported her because they supported addressing the issue of light pollution through this means. It is precisely on this point that there may be diverse views even among Members who support Ms Audrey EU. This precisely explains why I said clearly in my previous response that it might not be most desirable to deal with the relevant issue in the context of the Bill.

Second, I hope Members will refrain from shifting the focus too much in this discussion. I understand that Members are usually very keen on criticizing the Government, but is the point at issue really a case of determination? Or, as I said, whether this piece of legislation, after previous consultation and one year's scrutiny, can clearly reflect that an effective voluntary mechanism has all along been in place in relation to buildings; whether we can turn this mechanism into an established practice with which everyone is willing to comply so as to reduce energy consumption and enhance energy efficiency; and whether we can, on the basis of this sensible practice, further impose regulation by way of legislation? However, if some Members consider that there is still room for improvement in this piece of legislation or this legislation is unable to address some other issues, and thus rashly criticize that this may reveal the Government's lack of determination, I believe the relevant discussion may only be possible at least when a greater consensus is reached in this Council.

Third, we should put ourselves in others' shoes. I have mentioned the consultation process in my remarks earlier. I believe many Members always criticize the Government for its failure to conduct adequate consultation with the community in introducing certain bills or policies, pointing out that the Government should at least conduct consultation, be it with environmental groups, organizations representing various sectors or whatsoever. As mentioned by many Members who have joined the Bills Committee, this amendment was not proposed until the very last meeting. Since the Bill, as it was introduced, did not seek to address this issue, the relevant sectors were not consulted on this new subject in both the initial extensive consultation and the consultation conducted by the Bills Committee. However, the Government adopted a certain stance and consulted certain industries. The views received were, as evident in Members' discussion, that they had reservation about it. Such views are understandable because this is not the original intent of the Bill, and as this new proposal was put forth within such a short time without conducting consultation anew, the sectors' concerns are certainly understandable. If the same approach is adopted by the Government, I believe I must have been given a good dressing down. Therefore, I hope Members will put themselves in others' shoes in this discussion.

The last, yet the most important point is if this Bill is passed, will it only be an empty shell, as some Members said? The greatest problem is there is already a standard for lighting in the building, and the object of the legislation is to

enforce this standard. With all our well intention concerning external lighting, in the absence of an established standard, we may only impose control through this means under the legislation. However, what principles and standards should be adopted to implement such control? How many units of light intensity should be subject to control? There is a big void here. I believe in conducting this legislative exercise, Members do not wish to only introduce this element without taking concrete actions to implement such control. If this is the case, the legislation may become an empty shell.

Therefore, Chairman, I hope these responses and my remarks just now may enable Members to understand that: As there are aspects in this piece of legislation which are agreed by all, shall it be enacted? Under these circumstances, is Ms Audrey EU's amendment in line with the proper attitude and process and the objective standard which we have all along been upholding in scrutinizing a Bill? I implore Members to support the Government's motion and oppose Ms Audrey EU's amendment. Thank you.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendments moved by the Secretary for the Environment be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the amendments passed.

CHAIRMAN (in Cantonese): Ms Audrey EU, you may now move your amendment.

MS AUDREY EU (in Cantonese): Chairman, I move the amendment to clause 2.

Proposed Amendment

Clause 2 (See Annex I)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendment moved by Ms Audrey EU be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Ms Audrey EU rose to claim a division.

CHAIRMAN (in Cantonese): Ms Audrey EU rose to claim a division. The division bell will ring for three minutes

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

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong and Mr CHEUNG Kwok-che voted for the amendment.

Dr Raymond HO, Dr David LI, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Dr Joseph LEE, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Prof Patrick LAU, Dr LAM Tai-fai, Mr Paul CHAN, Mr CHAN Kin-por, Mr IP Kwok-him and Mr Paul TSE voted against the amendment.

Mr IP Wai-ming and Dr PAN Pey-chyou abstained.

Geographical Constituencies:

Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr KAM Nai-wai, Ms Cyd HO, Mr WONG Sing-chi, Mr Alan LEONG, Mr LEUNG Kwok-hung, Miss Tanya CHAN, Mr Albert CHAN and Mr WONG Yuk-man voted for the amendment.

Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr CHEUNG Hok-ming, Mr CHAN Hak-kan and Dr Priscilla LEUNG voted against the amendment.

Mr WONG Kwok-hing and Mr WONG Kwok-kin abstained.

THE CHAIRMAN, Mr Jasper TSANG, did not cast any vote.

THE CHAIRMAN announced that among the Members returned by functional constituencies, 24 were present, three were in favour of the amendment, 19 against it and two abstained; while among the Members returned by geographical constituencies through direct elections, 24 were present, 16 were in favour of the amendment, five against it and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

CLERK (in Cantonese): Clause 2 as amended.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That clause 2 as amended stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Clause 4.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Chairman, may I seek your consent to move under Rule 91 of the Rules of Procedure that Rule 58(5) of the Rules of Procedure be suspended in order that this Committee may consider clause 4 together with Schedule 2.

CHAIRMAN (in Cantonese): I order that Council do now resume.

Council then resumed.

PRESIDENT (in Cantonese): Secretary for the Environment, you have my consent.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, I move that Rule 58(5) of the Rules of Procedure be suspended to enable the Committee of the whole Council to consider clause 4 together with Schedule 2.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Rule 58(5) of the Rules of Procedure be suspended to enable the Committee of the whole Council to consider clause 4 together with Schedule 2.

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

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

Council went into Committee.

Committee Stage

CHAIRMAN (in Cantonese): Council is now in committee.

CLERK (in Cantonese): Schedule 2.

CHAIRMAN (in Cantonese): The Secretary for the Environment has given notice to move amendments to clause 4 and Schedule 2 to delete paragraph (b) of clause 4(1) and substitute with new proposals, and to delete paragraphs (a), (b) and (c) of item 6 of Schedule 2 and substitute with new proposals. Mr KAM Nai-wai has also given notice to move amendments to Schedule 2 to delete paragraph (b) of item 6 of Schedule 2 and to amend paragraph (d). In addition,

Ms Cyd HO has given notice to move amendments to clause 4 and Schedule 2 to amend clause 4(3), and to delete paragraph (b) of item 6 of Schedule 2 and substitute with new proposals, as well as to add item 6A to the Schedule.

The provisions of clause 4 and Schedule 2 are concerned with the scope of application of the Bill. The Committee will have a joint debate on clause 4, Schedule 2 and the above amendments. I will first invite the Secretary for the Environment to speak and move the amendments, and will then invite Mr KAM Nai-wai and Ms Cyd HO to speak, to be followed by a joint debate.

CHAIRMAN (in Cantonese): I now call upon the Secretary for the Environment to speak and move the amendments.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Chairman, I move the amendments to clause 4 and Schedule 2 read out just now as set out in the paper circularized to Members.

The Government's proposed amendment to clause 4 seeks to spell out clearly its policy intent. Clause 4(1)(b), as originally drafted, provided that the Ordinance will not apply to a building that is constructed in accordance with the Buildings Ordinance (Application to the New Territories) Ordinance (Cap. 121). Those buildings are constructed in accordance with the height and dimension limits as set out in the Ordinance. Their common areas usually contain lighting installations only, and do not have air-conditioning installations or lifts. Having considered the compliance implications and the amount of potential energy saving, we propose that those buildings be excluded from the application of the Bill.

During the Committee stage, Mr CHEUNG Hok-ming and Mr CHAN Hak-kan pointed out that Cap. 121 was enacted in 1987, and according to the original provisions, small houses in the New Territories completed before 1987 shall not be exempted. Moreover, the Government's original intent is to exempt all such houses as small houses in the New Territories, rather than only houses in the New Territories. To make our policy intent clear, I propose that this paragraph be amended by setting out in detail the construction requirements in the Bill, to the effect that all houses in Hong Kong which are constructed in accordance with these construction requirements shall be exempted. This

amendment is supported by the Bills Committee, and I implore Members to support the passage of this amendment.

As for Schedule 2, it sets out the building services installations to which the Bill, upon its enactment, does not apply. During the scrutiny of the Bill, the Bills Committee noted that under the existing provisions of item 6 of Schedule 2, the Ordinance does not apply to lighting installations solely used for decoration or certain specified purposes. However, it considered such presentation too simple. Actually, our policy intent is that lighting installations used for both decorative and general lighting purposes will still be required to comply with the energy efficiency requirements as set out in the Code of Practice. However, in order to pre-empt abuse of the scope of exemption by misclassifying the purpose of these special lighting installations and, having considered the views of the Bills Committee, the Government will propose an amendment to include more specific types of special lighting installations that are to be exempted under item 6 of Schedule 2.

To enable better understanding of the scope of the special lighting installations to be exempted under the Ordinance, we will provide examples of these lighting installations in publicity to be conducted after the enactment of the legislation. While we are unable to provide an exhaustive list of all examples of special lighting installations, we will review and update such examples from time to time in consultation with the Technical Task Force to keep abreast of the actual situation. We will also state clearly in the Code of Practice that, in case of uncertainty of whether specific lighting installations fall within the scope of exemption, clarification should be sought from the Director or else there may be risks of misclassifying the lighting installations.

Chairman, let us take a look at the two Members' amendments now. Mr KAM Nai-wai proposed deleting the exemption for decorative lighting wholesale, while Ms Cyd HO's amendment seeks to circumscribe the exemption under item 6(b) of Schedule 2, that is, the exemption for lighting installations solely used for decoration, to a specific period of time during the day. This new regulation over the operation of lighting installations is not featured in the existing Building Energy Codes (BEC), which only deal with the specification of technical standards on energy efficiency. Actually, there were diverse views in the Bills Committee concerning these two amendments. Ms Cyd HO's amendment, which is only concerned with the exemption of lighting installations

for decoration from the application of this requirement under the Bill, seeks to circumscribe the exemption to a specified duration. The amendment will have the effect of making the Bill apply to decorative lighting outside the specified duration. Such application will call for the establishment of energy efficiency standards, mainly in terms of lighting power density for decorative lighting. At present, there are no widely adopted international standards on lighting power density for decorative lighting. Given the time required for consultation with the relevant stakeholders and the Task Forces, as well as for collecting baseline data for drawing up such standards, it may take considerable time to conduct adequate studies and analyses to establish a standard for Hong Kong.

As energy efficiency standards of lighting may vary in different circumstances, depending on the specific function and purpose of such lighting, the formulation of such standards will actually involve a rather complicated process and may take some time. If the Member could approach the sectors to gain an understanding of their situation before proposing the amendment, she might also have some idea of the complicated issues involved.

Ms Cyd HO's amendment proposed that the nature of regulation should include the operation of lighting installations, that is, the switching on and off and the use of lighting installations. Given that such regulatory nature is fundamentally different from other requirements under the Bill, we have to carefully assess the compatibility of the amendment with the regulatory framework of the Bill as a whole. First, the Bill has not provided for the Government's power to enforce this requirement on the operation of lighting installations, and neither has it provided for the relevant penalties. Besides, this amendment is incompatible with other parts of the Bill in many ways. We have proposed an amendment to clause 29 of the Bill, to which Members of the Bills Committee also agree, such that an authorized officer can only enter a prescribed building for ascertaining compliance with the Ordinance, unless the responsible person has been given at least 14 days' notice or otherwise as agreed by the responsible person. Such prior notice arrangement can precisely show that the enforcement of this amendment may involve many difficulties.

Given the potential substantial impact of the two Members' amendments on the operation of many trades, the Government has recently gauged the views of the industry and the Technical Task Force on the implication of deleting the exemption for decorative lighting under the Bill. Members of the Technical

Task Force considered that the use of energy conservation technologies and products in lighting installations for decoration was yet to mature. They were thus concerned that introducing legislation before the relevant regulatory standards are put in place might give rise to many unnecessary grey areas, thereby causing concern among members of the industry that they may be inadvertently caught in installing decorative lighting; and also causing unnecessary worries among the industry and operators.

Besides, as energy-efficient installations applicable to all decorative lighting are not available, and the industry is concerned that the amendments may have an impact on the freedom of decorative lighting design in the future, thereby stifling its creativity, and coupled with the fact that the two task forces have expressed great reservation about the amendments, the Government cannot accept these amendments and hopes that Members will oppose them.

If Ms HO's amendment is passed, shops which have installed decorative lighting not meeting the standards will have to switch it off during the daytime in the future, and such lighting can only be used within the exemption duration. This will have a great impact on their business operation. As for operators of individual entertainment or performance and cultural industries, most of them may operate their business until late at night. Under the relevant amendment, however, they are required to switch off their lighting installations which do not meet the relevant standards after 12.30 midnight. This practice will affect their operation and business.

I understand that the two Members are concerned about the considerable amount of electricity consumed by decorative lighting, but members of the industry have provided information which shows that lighting installations usually account for about 1% to 2% of the total electricity consumption of the building. Anyhow, before an effective management and enforcement system is in place, we have great reservation about whether the two Members' amendments can really achieve the energy savings expected by them.

The two Members also hope to address the problem of light pollution through the regulation of lighting for illumination and decoration under the Bill. As I said just now in my remarks on Ms Audrey's amendment, the Government thinks that the problem of light pollution should be tackled at root.

For these reasons, and given the results of the preliminary consultation with the industry, we think the amendments proposed by the Government have received extensive support from the industry and the public, and are thus more practical. I urge Members to support the Government's amendments and oppose the two Members' amendments.

Thank you, Chairman.

Proposed amendments

Clause 4 (See Annex I)

Schedule 2 (See Annex I)

CHAIRMAN (in Cantonese): I now call upon Mr KAM Nai-wai and Ms Cyd HO to speak, but no amendments are to be moved at this stage.

MR KAM NAI-WAI (in Cantonese): Chairman, just now the Secretary said my amendment was related to light pollution. I do not know how the Secretary got the idea that my proposed deletion of decorative lighting is related to light pollution. I hope the Secretary will clarify this later.

Chairman, I hope Members will not mix up my amendment with Ms Audrey EU's amendment. I believe the Secretary was trying to confuse them by discussing them together. What Ms Audrey EU talked about just now was whether decorative lighting mounted external to the building should be included in the definition of "lighting installation" under the Buildings Energy Efficiency Bill (the Bill). Her amendment was not passed. My amendment relates decorative lighting in the building, which has nothing to do with decorative lighting mounted external to the building. I hope Members can be clear about this point.

I hope the Secretary will be clear about one point, which is that my amendment is not related to light pollution. Will Members please refer to Schedule 2 of the Bill. Schedule 2 consists of eight items, all of which shall be exempted from the energy audit requirement prescribed by the Bill. The point in question is item 6, which consists of three parts. The first one is illumination of

an exhibit or product on display. In other words, if a certain lighting installation is used for illumination of a piece of diamond, or even a piece of pork, such a lighting installation shall be exempted from the energy audit requirement.

Another type of lighting installations which will be exempted is those used for visual production. To put it simply, this type of lighting installations refers to installations used in drama production. We think exemption may be granted to these two types of lighting installations because we are concerned about the impact on the relevant production and business operation. However, we proposed excluding lighting installations for decoration from the exemption. Now, the Government has proposed that decorative lighting mounted in the building should also be exempted, which is to say that such lights used for decoration will not have to undergo energy audits. The Democratic Party proposed to exclude decorative lighting installations from the exemption and require that such installations undergo energy audits. I have to stress that excluding decorative lighting from the exemption does not mean banning decorative lighting in the building. It just means that decorative lighting must undergo energy audits before installation. I hope the Secretary will refrain from confusing the public.

The object of the Bill is to enhance energy conservation and environmental protection. Does our proposal to exclude decorative lighting from the exemption of the energy audit requirement run counter to the object of the Bill? Just now the Secretary said that according to members of the industry, the amount of electricity consumed by decorative lighting would only account for 1% or less of the electricity consumption of an entire building, and thus it did not really matter whether it would be exempted. Such mentality of the Secretary should indeed not be encouraged.

In view of the prevailing problem of climate change, the Government should endeavour to do as much as it can. However, the Secretary even considered that it did not matter whether this 1% of savings could be achieved. I think this mentality of the Secretary should not be encouraged. Is the Government adopting a lay-back approach? This is something we do not want to see.

The second point is whether this will cause any confusion in the regulation of buildings. Just now I said the scope of regulation under the Bill does not

cover monuments, which follows that it does not cover the Legislative Council Building. Sitting here, Members may find it easier to get a feel of what decorative lighting is like. Will Members please look up to find out which lighting is decorative lighting? Under the Bill, if we are unable to see clearly after certain lights are switched off, such lights are not for decoration but for general lighting purposes. In other words, the four spot lights mounted at the corners are decorative lighting because we will still be able to read the documents after switching them off. Under the Bill, these four spot lights will be exempted, and it does not matter even if brighter lights are used. Do Members get the point?

May I ask Members why these four spotlights should be exempted from the energy audit requirement? Do Members think that these spotlights will cause wastage of electricity? Why do we need to install these four spotlights in the Chamber? Will Members please think deeper and ask yourselves why these spotlights should be exempted? We think that granting exemption to decorative lighting runs counter to the original intent of the Bill.

The Secretary also said just now that it was impossible to regulate decorative lighting. When there are no widely adopted international standards, how can we prescribe the maximum lighting power? When there are no standards, regulation is out of the question. Under this circumstance, how should we formulate a code on lighting installations?

Secretary, according to the advice obtained by me after enquiries, there are three possible ways of regulation. First, we may regulate the maximum lighting power. Insofar as squash courts are concerned, if the lighting installations are for use by amateur players, the maximum lighting power is 17; if they are for use in competitions on tour, the maximum lighting power is 28. So, brighter lights are used in competitions on tour, while relatively dimmer ones are used in daily practice. Second, we may regulate the maximum percentage of electricity consumed by lighting installations in the total electricity consumption of an entire building. The third way of regulation is even more lenient, which is that we may require the installation of a control point for lighting in the building to facilitate the switching on and off of lighting at any time. This is also a way of regulation.

It is not true that regulation is out of the question. Certainly, regulation in terms of the maximum lighting power may not be possible today, but things will change in time. As Members just said, after the enactment of the Bill, it will take at least 18 months to formulate the Building Energy Codes (BEC). If it is really impossible to impose regulation in terms of the maximum lighting power by then, preliminary regulation may be imposed through other means under the BEC. Given the rapid pace of technological advancement, we believe there will not be any difficulty in imposing regulation in terms of the maximum lighting power some time later. We do not hope to send the public a wrong message that energy audits are not required for lighting installations for decoration.

Chairman, the Secretary will propose an amendment to item 6 of Schedule 2 later. Item 6(a), as originally drafted, only refers to "illumination of an exhibit or product on display", but he will propose to add "including special lighting for illuminating merchandise or art work" to it. Under item 6(b), he will propose to add "including special lighting for architectural feature or festival decoration effect" after "decoration", and under item 6(c), he will propose to add "including special lighting for performance, entertainment or television broadcasting" after "visual production".

Chairman, in the vote later, if we do not vote against the Secretary's amendments, the Legislative Council will not be able to discuss the amendment of the Democratic Party. Therefore, we will vote against the Secretary's amendments. Insofar as the Secretary's amendments are concerned, their upside is they can provide more details of the relevant installations, but their downside is these details may not be comprehensive enough. The Secretary mentioned just now that he might need to make the details more specific in the Code of Practice to be put in place later. To enable this Council to vote on the Democratic Party's amendment, the Democratic Party will oppose the amendments proposed by the Secretary.

Regarding Ms Cyd HO's amendments, the Democratic Party considers it difficult to support them mainly because: first, we think there will be difficulties in enforcement. Ms Cyd HO proposed that any installation that is in use at anytime between half an hour before sunset on any day and 0030 hours of the following day should be exempted. We think this amendment will involve difficulties in enforcement.

The second and also the most important reason is that this period is exactly the time during which the largest amount of electricity is consumed. It is undesirable to grant exemption to the use of decorative lighting within this period of time because this is exactly the period of time during the day in which most decorative lighting is used in Hong Kong. Therefore, we will not support Ms Cyd HO's amendments.

Chairman, our job is now almost done, and I hope Members will not let slip this golden opportunity. Although there is still much room for improvement in the Bill, we support its overall framework. We just consider it rather unacceptable to exempt decorative lighting from the energy audit requirement. I hope Honourable colleagues will support the Democratic Party's amendment on the deletion of item 6(b) of Schedule 2 and vote against Secretary Edward YAU's amendments.

Chairman, I so submit.

MS CYD HO (in Cantonese): Chairman, first of all, I have to explain why we have to conduct a joint debate on the amendments to Schedule 2 and clause 4. As my amendment seeks to narrow the scope of the exemption to a period of time, which must also be reflected in clause 4, we have to conduct a joint debate and deal with Schedule 2 at the same time when we discuss clause 4. This I must clarify.

Chairman, both Mr KAM Nai-wai's amendment and my amendment are only a very small step. However, as I have made it very clear right at the beginning, "do not fail to perform an act of kindness just because it is small in scale". We should save as much electricity as possible. This stance is actually very similar to the Government's stance in banning idling vehicles with running engines. The Government's ban on idling vehicles with running engines was actually given a very low priority in the list of initiatives to enhance energy efficiency and reduce emissions, and there was also considerable political resistance against it, but the authorities still decided to take it forward. After discussions, and with exemptions and concessions, we finally supported it. The situation was quite similar to that of this Bill. Therefore, while the Secretary said on other occasions that he very much hoped the legislature would support his policy and the legislation, I equally hoped the executive authorities would support

our amendments because if they were proposed by the authorities, they would not have to go through separate voting, and would thus stand a greater chance of being passed. Under the structure and procedural constraints of this Council, if the Government can secure enough votes in the voting, we will have no opportunity to put the amendments proposed by Mr KAM Nai-wai and me to the vote.

However, I have to state clearly here that I support the amendment proposed by Mr KAM Nai-wai. Why? Because my amendment is really a compromise, an attempt to balance the interests of different parties. Actually, the most straightforward approach is to exclude it from the scope of exemption by simply deleting it. Yet, I know very well that it is no easy task to lobby the business sector to accept such a shocking proposal, and thus what we can do is to retain some flexibility and that was why I proposed such a greatly compromised amendment.

Regarding this amendment, first of all, it would be the best if energy-efficient lighting installations are used. In that case, a set of regulatory requirements is already available, just like the regulation of other lighting in general. If shop operators or lighting designers really think that the use of CFLs can hardly achieve certain spotlight effects, and so incandescent light bulbs have to be used, we can deal with this issue flexibly under the legislation, which is to impose regulation based on the time of sunset and require that such lighting be switched off at 0030 hours. If the exemption applies to a specific period of time, people may still use existing popular technologies and materials to achieve the decorative effect during the relevant period of time.

I will first respond to the Government's views on my amendment. First, the authorities said separate energy efficiency standards have to be drawn up as there are no widely agreed standards on decorative lighting. It seems that the subtext is the authorities have actually accepted that decorative lighting is different from general lighting in that they consume more electricity to achieve certain effects, and so it will not be regulated using the standards applicable to general lighting. However, the amendment, be it Mr KAM Nai-wai's amendment or my amendment which proposes to provide a partial exemption during a specific period of time, seeks to subject decorative lighting to the same standards applicable to general lighting during the period of time when the exemption does not apply. The Bill has already provided for this framework.

If it is argued that a separate framework is required for decorative lighting, such a framework certainly does not exist because the Bill does not deal with decorative lighting separately. Rather, it only exempts such altogether. Therefore, I will not accept the authorities' argument that once decorative lighting is excluded from the scope of exemption under the legislation, regulation will be impossible. I absolutely disagree to this.

The second issue is operation. Actually, such operation applicable to a specific period of time during the day has all along been proven in Hong Kong. I believe many Members drive their own cars, and may thus notice that every morning, there are various radio reports on the time of sunset for the day. At dusk, in particular, many electronic media will remind drivers every half an hour to turn on their headlights to ensure compliance with the law. The time of sunset has been used as a time marker for the application of certain regulation in Hong Kong for a long time, and I do not think drivers will say that they do not know the time of sunset, and therefore do not know when to turn on the lights. This argument is not valid.

Furthermore, we have already made reference to the requirements under the Road Traffic Ordinance, and it can be said that our amendments are modelled exactly on it, that is, the time of sunset shall be determined by the Director of the Hong Kong Observatory, who also posts on the website of the Hong Kong Observatory the times of sunset predictions for the following five days. However, flexibility is also allowed to cater for sudden changes in weather. For example, he may exercise his discretion when the sky suddenly darkens.

Besides, why did I say that this amendment would only be a small step forward? Just now the Secretary said my amendment would have impact on some entertainment, performance and cultural events. Actually, item 6 of Schedule 2 sets out the three types of lighting to which the authorities intend to grant exemption. Apart from decorative lighting, there are also lighting for illumination of a product and visual or stage production, which I have not touched on.

For lighting which serves a number of purposes, according to the Secretary just now, the authorities will spell it out more clearly in the Code of Practice to avoid possible abuse. A single type of light source may indeed serve two or more purposes. In this regard, we really have to rely on the Government to

prescribe the relevant requirements under the Building Energy Codes (BEC) in the future to pre-empt abuse.

Chairman, as I planned to propose this amendment, I would look around whenever I was in certain buildings lately to find out whether the lighting was for decoration or illumination. In a hotel near the Legislative Council Building, there was a light from the ground floor to the third floor in the middle of a square staircase. Is that light for decoration or illumination? If the light is switched off, people may suffer a bad fall because the staircase will instantly become completely dark. However, judging from its size, ordinary people will tend to think that it is decorative lighting.

During the scrutiny of the Bill, this issue was discussed. I even proposed that to play safe, any lighting which is used for both general lighting and decorative purposes should be categorized as lighting for illumination. I reminded the authorities — I already did so during the deliberations of the Bills Committee — that if the place concerned will become completely dark when a light is switched off, even though the light is very lavish and dazzling, and the light bulbs used are very exceptional, and even if it is a chandelier three-storey tall, it should be categorized as lighting for illumination under the Code of Practice.

Chairman, regarding the view that great difficulties will arise from the 14-day requirement in relation to obtaining a search warrant to enter a building for inspection of installations, I have to point out that this requirement is introduced not solely because of my proposal. It is not because of my proposal that the exemption be applied during a specific period of time that a search warrant is required. Very often, enforcement agencies generally are required to obtain a search warrant before they can enter any premises for the collection of evidence, except in situations which may constitute imminent danger. Mrs Regina IP is present. She must know this very well. When there is any imminent danger which may put people's personal safety and properties at risk, enforcement agencies may break into the relevant premises. However, in other situations where such danger is not in question, enforcement agencies are required to obtain a search warrant for the collection of evidence. Thus, this restriction is imposed not solely because of my proposal that exemption for decorative lighting should only apply within a specific period of time during the day. Therefore, regarding the argument that the relevant departments will have

difficulties in the collection of evidence as the application for a search warrant takes time, I find it difficult to accept it as a valid ground against this amendment.

Chairman, I wish to respond to Mr KAM Nai-wai's view that the effect of this amendment is to allow the use of decorative lighting during the time of the day when the largest amount of electricity is consumed. Frankly, it is indeed a compromise. Before the business sector can accept that lighting design installations using CFLs can equally catch the attention of customers or passers-by, this amendment may serve as a transitional arrangement to facilitate the adaptation of lighting designers and business operators. However, regarding the reduction of electricity consumption and carbon emissions, we have to bear in mind that even if energy-efficient lighting is used so that electricity consumption will reduce from, say, 10 units to one unit of electricity, we have to switch off unnecessary lighting all the same. This is a daily habit that the Secretary keeps reminding us of frequently. He said, to achieve energy conservation and emission reduction, everyone has to bear with some inconveniences in daily life, and all efforts must begin with the individual. Chairman, imposing regulation on the use of decorative lighting within a specific period of time during the day will not have any impact on our daily life, and neither will it cause any inconvenience. This amendment will indeed affect the night scenery of this city, but it will neither affect our daily life nor reduce the convenience already enjoyed by us. If we are unwilling to take even this small step forward, and given the Government's extremely slow pace in the discussion on reducing emissions and enhancing energy efficiency, even though the Government said it would submit a consultation report next year on introducing statutory regulation on light pollution and then proceed with the relevant legislative exercise, I am afraid the introduction of such legislation will only be a distant and forlorn hope.

Actually, we have conducted countless discussions on promoting green economy and reducing emissions and enhancing energy efficiency since we began to serve in this Council. Very often, however, they were debates on motions without legislative effect. Members were very keen on proposing amendments to them, and there were often on the Agenda eight to 10 amendments, and most of them were passed unanimously. In dealing with these amendments with legislative effect today through which we may take a small step forward, does this Council, like Ye Gong who professed to love the dragon but was scared by the actual sight of it, have many reservations and considerations in the face of this regulatory measure with genuine legislative effect to mandate

energy conservation? Chairman, I hope Members will adopt the same standard and show the same concern as they did in agreeing to and supporting the various motions and amendments on environmental protection and promoting green economy in the past, and join hands to support my amendment so that we can take a small step forward in reducing emissions and enhancing energy efficiency. Thank you, Chairman.

MR CHAN HAK-KAN (in Cantonese): Chairman, I wish to express my views on the amendments of Ms Cyd HO and Mr KAM Nai-wai. I think the idea behind Ms Cyd HO's amendment is actually to compel the Government to regulate external lighting installations through this Bill, which is tantamount to addressing

(Ms Cyd HO rose)

CHAIRMAN (in Cantonese): Ms Cyd HO, what is your point?

MS CYD HO (in Cantonese): In delivering a speech, should a Member speculate about another Member's motives?

CHAIRMAN (in Cantonese): I do not think Mr CHAN Hak-kan was speculating about another Member's motives. He was only expressing his views on two Members' amendments. If you think Mr CHAN Hak-kan has misunderstood the contents of your speech just now, you will have an opportunity to elucidate later.

MS CYD HO (in Cantonese): Chairman, just now Mr CHAN Hak-kan said I had proposed this amendment in the hope that the Government would do something. I think he speculated about my motives.

CHAIRMAN (in Cantonese): The Rules of Procedure do not prohibit a Member from speculating about another Member's purpose of expressing any view. The Rules of Procedure only require that a Member shall not impute improper motives

to another Member. If you think Mr CHAN Hak-kan has, in delivering his speech, imputed improper motives to another Member, you may point it out.

Mr CHAN Hak-kan, you may continue.

MR CHAN HAK-KAN (in Cantonese): Chairman, I believe Ms Cyd HO's motives are proper, but I think she hopes to address the problem of light pollution through the Buildings Energy Efficiency Bill, which is inappropriate. Chairman, the Members who proposed the amendments claimed that they did not intend to address the problem of light pollution through the regulation of external lighting installations, but after listening carefully to their remarks, we noticed that they had repeatedly mentioned light pollution. Therefore, the regulation of external lighting and light pollution are closely-related to each other. Chairman, I very much agree that there has been growing concern in the community about the problem of light pollution, and I also hope that the authorities will face this problem squarely. Although the Government already indicated that it would submit a consultation paper on the relevant policy to the Panel on Environmental Affairs in the first quarter of next year, I still hope the Government will introduce some measures in the near future to resolve the prevailing problems caused by external lighting.

Chairman, regarding the question of whether the Buildings Energy Efficiency Bill can be used to regulate light pollution caused by external lighting, personally, I have doubts about it. Just now the Secretary also cited a very convincing example, which is LED lighting. Although LED lighting consumes relatively less energy, it emits very strong light. Therefore, if we only rely on the Buildings Energy Efficiency Bill to regulate the intensity of external lighting, we may not be able to completely solve the problem we wish to solve.

(Mr KAM Nai-wai rose)

CHAIRMAN (in Cantonese): Mr CHAN, please sit down first. Mr KAM, what is your point of order?

MR KAM NAI-WAI (in Cantonese): Chairman, I made it clear right at the beginning that the focus of our amendments is on how to deal with lighting in the building rather than external lighting. Just now, I heard Mr CHAN Hak-kan

CHAIRMAN (in Cantonese): Mr KAM, I have also noted the points made by Mr CHAN Hak-kan. You are not raising a point of order. If a Member speaks without listening carefully to or having neglected the preceding remarks made by another Member, he has to be held responsible for it. However, you know you will have another opportunity to speak, so if you think there is anything incorrect about Mr CHAN HAK-kan's remarks, whether he has misunderstood your views or made an inaccurate judgment because he had not listened to your explanation, you will definitely have an opportunity to give a response or explanation.

MR KAM NAI-WAI (in Cantonese): Chairman, I have to clarify that I am not saying Mr CHAN Hak-kan

CHAIRMAN (in Cantonese): Mr KAM, you rose to raise a point of order

MR KAM NAI-WAI (in Cantonese): I wish to raise a point of order.

CHAIRMAN (in Cantonese): Please point out what the point of order is.

MR KAM NAI-WAI (in Cantonese): The point of order is that, Chairman, according to your announcement, the amendments were proposed to clause 4 and Schedule 2. These amendments do not involve external lighting. Therefore, Chairman, you said I digressed from the subject in my first speech. Similarly, however, I do not see that external lighting is related to these amendments in any way, Chairman.

CHAIRMAN (in Cantonese): Mr KAM, please sit down. When you made your remarks just now, I reminded you that the point you raised was not a point of order, and I also reminded Members what the subject in question was. I believe you have reminded Mr CHAN Hak-kan of the subject of our discussion now. After I have reminded you, I allowed you to continue with your remarks. You have reminded Mr CHAN Hak-kan what we are discussing now, and so we should allow him to continue with his speech.

Mr CHAN Hak-kan, you may continue.

MR CHAN HAK-KAN (in Cantonese): Thanks for the Chairman's ruling. If Mr KAM Nai-wai could be a little bit more patient, he would have known that I would talk about his amendment next. We can see that Mr KAM has proposed to delete the exemption for lighting installations used for decoration. Undeniably, this may achieve some energy saving effect. However, I must point out that this exemption would have a substantial impact on the operation of the retail, catering and entertainment industries.

Chairman, regarding the regulation of light pollution, in addition to considering energy consumption and the nuisance caused to the daily life of the public, we must also note the fact that, after this piece of legislation has come into effect, or should the amendments proposed by the two Members be passed, the operating environment of the business sector will be affected.

Chairman, as mentioned by Mr Paul TSE earlier in the meeting, many tourists will visit the Peak to admire the night vista of Hong Kong as it is hailed as the Pearl of the Orient. Meanwhile, Hong Kong is actually a city that never sleeps. Even if people choose not to visit the Peak, they can still feel the vitality of the city, as many shops are still open for business at midnight and many Hong Kong-style cafes, discos, karaoke establishments, bars and convenience stores, which are frequently patronized by the public, are open around the clock. Should the amendments proposed by the two Members be passed, resulting in the regulation of certain external lighting, the operating environment of the sectors will definitely be affected. Moreover, Mr KAM Nai-wai's proposed deletion of the exemption for lighting installations used for decoration will have an impact on trades and industries which need to rely on installed decorative lighting, such as the retail, catering and entertainment industries mentioned earlier.

At the technical operation level, a number of Members and the Secretary also mentioned earlier that there are no widely adopted international standards on lighting power density for decorative lighting. Moreover, the great variety of decorative lighting poses difficulty for the formulation of relevant standards. It is feared that enacting legislation before the regulatory standards are formulated may give rise to grey areas, and as a result, the industry may find it confusing in installing decorative lighting and may even be caught by the law inadvertently.

Chairman, perhaps some people may question whether turning off a few lights will really affect the business of shops? I think that this can be discussed. However, I would like to quote a precedent. During the discussions on the imposition of a levy on plastic bags years ago, the Legislative Council tried to gain an understanding of the views of the trade and heeded their advice on many different occasions, thus eventually making the levy a success. I think that we should adopt the same principle in dealing with the regulation of external lighting and decorative lighting and give relevant stakeholders sufficient audience to views. It is irresponsible to rashly pass these amendments without fully communicating with the industry. Thank you, Chairman.

CHAIRMAN (in Cantonese): Does any other Member wish to speak? Mr KAM Nai-wai, before I ask you to speak again, may I know whether any other Member wishes to speak?

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): Mr KAM Nai-wai, you may speak again.

MR KAM NAI-WAI (in Cantonese): Chairman, I wish to respond to the views advanced by Mr CHAN Hak-kan. I have listened to Mr CHAN's speech with great patience and found that he had some misunderstanding of my amendment. Firstly, I wonder if he has fallen into the trap set up by the Secretary, or he does not entirely understand the Bill. I wish to point out clearly that my proposed amendment concerns item 6(b) of Schedule 2 only, and it has absolutely nothing to do with external lighting Mr Paul TSE is also here. I am not talking

about external lighting. Despite Ms Audrey EU's bid to amend the definition of "lighting installation", her amendment has not yet been passed. Therefore, our present discussion is back to the original Bill proposed by the Government, and we are now dealing with the problem of lighting inside buildings. Therefore, external lighting has absolutely nothing to do with my amendment. I hope Mr CHAN Hak-kan would not be deceived by the Secretary. He should see the Bill clearly, go through its content and should not misread its legislative intent.

Secondly, our current discussion is on indoor lighting. Insofar as indoor lighting used for decoration is concerned, just now Mr CHAN Hak-kan mentioned his concern that some people will be caught by the law inadvertently. However, my concern is that some people will exploit the loopholes in law rather than being caught by the law inadvertently. If indoor lighting used for decoration can be exempted without being subject to energy audits, many people will exploit the loopholes, saying that the lighting is used for decoration or even describing all lighting other than ordinary lighting as decorative lighting in the hope of avoiding audits. This will only lead to the loopholes in law being exploited rather than someone being caught by the law inadvertently. Can this achieve the most important objective of conducting energy audits for buildings? Just now, I quoted the several lights inside the Legislative Council Chamber as an example. If I say that there is no need for energy audits because the four lights are for decoration, does this serve the most important purpose of the Buildings Energy Efficiency Bill?

Lastly, Chairman, some industries, such as the entertainment and retail sectors, have to use decorative lighting to attract customers. So, decorative lighting must be installed. Just now, Mr CHAN Hak-kan said that decorative lighting must be used to attract customers. Mr CHAN, don't get it wrong. I am not requiring them to switch off their lights. This is absolutely not what I mean. I only request them to use some energy efficient and environmentally-friendly decorative lighting compliant with audit standards. We do not mean to require them to switch off the lights. We only suggest that they use environmentally-friendly decorative lighting.

Chairman, the last point is I omitted one point just now. I forgot the Secretary's mention of the freedom to create. He said that the freedom to create would be stifled should Members endorse this amendment. Secretary, what does exaggeration mean? I understand it now. The Secretary is now

exaggerating. He said that excluding decorative lighting from energy audits would affect the freedom to create. Everyone should now know what exaggeration means. Will using energy-saving decorative lighting or having fewer choices stifle the freedom to create? We only wish to strike a balance. First, we are not requiring everyone to switch off the lights; and second, we do not mean to stifle the freedom to create. However, if some people wish to light up a pillar to give an appealing impression, then they can only use a six-colour rather than seven-colour light. Should this be treated as an act of stifling the freedom to create? Secretary, please do not mislead the public over decorative lighting.

Lastly, Chairman, I wish to urge Members again to oppose the Secretary's amendment and support the Democratic Party in excluding decorative lighting from the Bill's scope of exemption. I hope Members will support the Democratic Party.

Chairman, I so submit.

MR PAUL TSE (in Cantonese): Chairman, my speech will be very brief. As Mr KAM has mentioned my name once or twice in his speech, perhaps I should be allowed to give a very brief speech. Mr KAM mentioned my argument that, without decorative lighting, the appeal of Hong Kong as the Pearl of the Orient would probably be reduced, and there would not be a feeling of saying "WOW" among tourists visiting Hong Kong. Mr KAM Nai-wai then refuted me by saying that the point did not lie in the absence of decorative lighting.

Perhaps let me try to discuss this. When there are no detailed analyses, discussions and consultations and there are fewer choices because some decorative lighting on the market is not environmentally-friendly enough, decorative lighting will naturally pale. However, I do not mean that all the decorative lighting will be gone. For instance, if restrictions are now imposed on certain fuels, say, certain engine oils with relatively high carbon content are not allowed to be used, there will naturally be fewer choices on the market, and the operation of the market as a whole may be affected. My point is actually very simple. Therefore, before an in-depth study is conducted on the impact of this provision on the market and trade as a whole, I think we should not allow any risks that may affect decorative lighting in Hong Kong, which is hailed as the

Pearl of the Orient — I think Hong Kong should be one of the world's best ports, if not the best one. Chairman, this is my main argument.

As for the second point, perhaps I am not good at it, so I probably do not understand Mr KAM's view at all. It is about if we turn off some fluorescent lights excuse me, he was talking about the difference with illumination. He said that if some lights could be switched off without causing any problems, then the lights should be treated as decorative lighting rather than lighting for illumination. Is this what he meant? If this is what he meant, it would depend on which set of lights he was going to switch off. If he switched off fluorescent lights, he would have to rely on illumination lighting; if he switched off the illumination lighting, he would have to rely on fluorescent lights. Actually, it is difficult to tell which sort of light is used for lighting and which sort of light for decoration in indoor areas. Sometimes, even a table lamp can be treated as illumination lighting if it is the only available source of light. I do not entirely understand the difference because I do not work in the trade. I hope he will not scold me for knowing nothing at all right from the outset even if I am wrong, because I really cannot tell any difference.

As for the third point, I think I should put it this way because Members should also be held responsible for the confusion. I am not saying that the Secretary is cheating us because some Honourable colleagues have actually mixed up the issue of energy saving with light pollution during the discussion. This is particularly so for Ms Audrey EU. Of course, her amendment has been negated, and so there is no need for me to elaborate. However, when she delivered her speech earlier, she pointed out right at the beginning that she was not pinpointing light pollution, yet she asked later on why regulation was not possible, that is, why the issue attracting the most complaints could not be regulated. On the one hand, she pointed out at the beginning that she had no intention to pinpoint light pollution, but in the last paragraph, she questioned why the authorities did not take the opportunity to rectify the problem and refrained from doing anything despite so many complaints. People would be confused by her remarks. I believe people like us, who are not really regular participants in the green industry, would feel confused. I hope Members can perhaps conduct a review in this respect because it was Members, rather than the Secretary, who confused us.

Thank you, Chairman.

MS AUDREY EU (in Cantonese): Chairman, I found it a bit strange when I heard Mr Paul TSE's remarks, so I must stand up and respond. First, he thought that I was not calling a spade a spade; and second, he said that he was not accustomed to "playing with" environmental protection. Chairman, I believe all people in Hong Kong should support, not play with, environmental protection. I hope the Government is really keen on implementing green measures, not playing with the passage of this Bill.

Chairman, the case just now should have been closed, yet Mr Paul TSE mentioned it again, so I have to make a response. I have also made it very clear that the Bill spells out that the Government is authorized to regulate the energy efficiency of some energy-consuming installations, such as lighting systems, through some codes of practice. Should a certain thing be included in the definition, such as including lighting installations in the definition, then the Government's EMSD should be authorized to regulate the energy efficiency of lighting installations. This is why I have made it very clear that I know that this should not be used to resolve the problem of light pollution. Even though the problem of light pollution cannot be resolved, can the Government at least regulate the energy efficiency of these installations by, for instance, refraining from using lighting installations that consume a considerable amount of energy? Although my purpose is so humble, I find it very regrettable that Mr Paul TSE disagrees with me. Neither has he got any idea of what I was saying. Moreover, his mindset of not being accustomed to "playing with" environmental protection is indeed quite regrettable.

Chairman, I also need to point out another part of the speech made by Mr Paul TSE just now and respond to it. He said that he did not understand the explanation given by Mr KAM Nai-wai in his speech, that decorative lighting referred to lighting used not for illumination purpose. Chairman, this is precisely the reason for Mr KAM Nai-wai to propose the amendment. It is because the explanation that lighting used not for illumination is decorative lighting was given by the Government. The Administration has now proposed to regulate indoor lighting installations, but with one exemption. What are exempted? The answer is lighting installations that are solely used for decoration, as spelt out in item 6 of Schedule 2. This would, however, give rise to misunderstandings and disputes. In view of this, Mr KAM Nai-wai cited an example to illustrate his point. He asked, even in antiquities and monuments, such as the Legislative Council Chamber, whether one can differentiate between

lighting used for illumination and that for decoration, or whether all the lights here are for illumination and none of them is used for decoration? We then asked the Government, and the explanation given to us was that lighting not used for general lighting purpose is for decoration. Let us look at the lights out in the corridors, there are spotlights and fluorescent tubes. Should one switch off Mr Paul TSE was right in saying that should the fluorescent tubes be turned off, the spotlights would be used for lighting, and *vice versa*. Which set of lights will be used for lighting and for decoration if both sets of lights are turned on? Neither do we have any idea, Mr Paul TSE.

Precisely because the Government has made a mess of everything and such an exemption is provided for in the Bill that we as Members of the Legislative Council are obliged to clarify this with the Government, "You say that lighting used for decoration will be exempted but this has given rise to some disputes and uncertainties, so can you clarify which light should be regarded as decorative lighting?" Mr KAM Nai-wai pointed out in his speech earlier that there were four decorative lights in this Chamber. After doing some counting, I found that the number of decorative lights here was more than four. There are more than four lights at the corners, right? There are more than four lights facing the ceiling. After those lights are switched off, which one of them is supposed to be used for decoration, or for lighting? We really have no idea. The Secretary said at the beginning of his speech that we should most preferably ask questions to find out clearly if we do not know which lights can be exempted, or else we may be caught by the law inadvertently.

The reason for Mr KAM Nai-wai to propose this amendment is that decorative lighting will actually consume energy in a similar manner, so why should it be exempted? We do not mean to prohibit the use of decorative lighting, only that such lighting should comply with energy-saving requirements. How will these requirements be drawn up? They will be drawn up by the Government through the relevant Code of Practice after consultation with the industry.

Therefore, this amendment is very reasonable, and this is why the Civic Party opposes the Government's amendments. We must do so because if we do not oppose the Government's amendments, we cannot vote in favour of Mr KAM Nai-wai's amendment. Actually, Mr KAM Nai-wai's amendment also embraces the Government's amendments. Mr KAM, am I right that your amendment embraces the Government's amendments? Therefore, Mr Paul TSE, should you

accept the Government's present approach, confusion will arise because you have no idea which lights are for general lighting or for decoration. I would suggest you, like us, oppose the Government's amendments and support Mr KAM Nai-wai's amendment because it embraces the part proposed by the Government to refine the definition. Thank you, Chairman.

CHAIRMAN (in Cantonese): Before I invite Mr Paul TSE to speak again, I would like to remind Members that as we have already voted on the preceding amendments, no more debate should be conducted on them. However, when Mr Paul TSE spoke earlier, he gave me the impression that the amendments previously moved by Ms Audrey EU seemed to be somewhat related to the issue being discussed. Given that Mr Paul TSE has raised this point, I must allow Ms Audrey EU to respond.

I also wish to remind Members that Members may speak repeatedly in the Committee, but I am afraid it is unrealistic for Members to think that they can convince their opponents by repeating their points again and again. Therefore, will Members please try their best to avoid repeating points already made.

Mr TSE, you are speaking for the second time.

MR PAUL TSE (in Cantonese): Chairman, simply put, I was of course somewhat joking when I used the expression "playing". But strictly speaking, first of all, I am no expert in green policies, and neither do I deal with green matters frequently. Second, I am not a Member of the Bills Committee, either. Therefore, should any Member of the Bills Committee, especially its Chairman, hope to convince me or other Members who had not joined the Bills Committee to take on board their recommendations, they are obliged to explain any conflicting points, just like the Government. However, if they do not call a spade a spade, I am afraid confusion will arise, and we might be unable to help. Therefore, the onus should fall on the Chairman of the Bills Committee or the one who proposes or initiates the relevant amendments. This is the first point I wish to raise.

The second point concerns lighting. Actually, this represents the two sides of a coin. If the definition is unclear, it can be said that some people are allowed to exploit the loopholes in law. By the same token, some people may be caught by the law inadvertently without knowing anything in advance. As members of the legal profession, we are well aware that any laws prescribing criminal liability must be very clear. It is absolutely clear to everyone that we must avoid wronging the innocent even if this may mean the escape of the culprit. In this respect, there is also a saying, I do not mean to repeat what has already been said, there is actually a saying that we had better pass this piece of legislation first and plan our next move 18 months later. This solution is not what anyone who has legal knowledge or background should have proposed. Thank you, Chairman.

MR LEUNG KWOK-HUNG (in Cantonese): Chairman, I am a layman, and I wish to say something. I am indeed a layman. First of all, the Government is very adamant in energy saving. Bow-tie has given the people money to purchase compact fluorescent lamps (CFLs) without consulting me. In today's debate, Honourable colleagues, such as Ms EU, Mr KAM and Ms HO, are actually doing their utmost to help the Government do something concrete in enacting legislation rather than telling the public arbitrarily to purchase CFLs, like what Bow-tie did. He has used such an enormous sum of public money, yet no consultation was conducted during the implementation

CHAIRMAN (in Cantonese): Mr LEUNG, it is now the Committee stage. Please speak on clause 4 and the three amendments.

MR LEUNG KWOK-HUNG (in Cantonese): I am a layman the Secretary, who was sitting there that day, also supported the CFL scheme, thus stirring up a big row. This is the first point. Second, concerning the issues of decorative and non-decorative lighting, this is my humble opinion: any lighting which has practical use is decorative lighting no, any lighting which has practical use is not decorative lighting, whereas lighting without practical use should be regarded as decorative lighting. If the practical use of certain people is for decoration, then they are decorative. This is like our constitutional system: Members not returned by universal suffrage may be decorative because they

cannot demonstrate the significance of securing a mandate through an election. This is why they are labelled decorative. This is my point of view. I think it is meaningless to argue over decorations.

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

DR MARGARET NG (in Cantonese): Chairman, I am not a member of the Bills Committee. Usually, I just perform my duty as an ordinary Legislative Council Member in understanding the issues discussed by this Council, including environmental protection issues. Chairman, like many other Members in this Council, I am also very much concerned about the laws passed by this Council to ensure that they are presentable, that is, they will not give rise to many uncertainties in enforcement. Moreover, we will listen attentively to debates conducted here. Today, I have also listened very attentively to Members' debates, such as the one on the choice of words. Why should the expression "lighting" be defined in this manner? Why should Mr KAM Nai-wai propose an amendment to exempt decorative lighting? This is because the concepts of decorative and non-decorative lighting cannot be differentiated clearly. Therefore, problems will arise when the law is enforced in the future.

Chairman, we should render it support if we think that the remark made by a member of the Bills Committee is reasonable. We should not, like the Secretary or some members of the Bills Committee, attempt to smear these members because every one of us has to bear the responsibility. Chairman, any law enacted by us must be complete, clear and enforceable. Therefore, even though we are not members of the Bills Committee, we should not wait to be convinced by Mr KAM Nai-wai and consider him failed if he cannot convince us. This has nothing to do with the failure of anyone; this has to do with the quality of the laws enacted by this Council.

Hence, Chairman, I fully support Mr KAM Nai-wai's amendment because I see the need for the amendment. Thank you, Chairman.

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): Mr KAM Nai-wai, you may speak again.

MR KAM NAI-WAI (in Cantonese): Chairman, I only wish to say one more point to convince Mr Paul TSE. Although Dr Margaret NG said that there was no need to convince Members, I still hope to convince Mr TSE. The definition of "decoration" is mentioned in the Bill because it will be applied by ordinary people after the Bill is passed. It can be said that many members of the public, or all people in Hong Kong, will be governed by it.

The Secretary and the authorities had told me, as well as other Members, that the industry was actually clearly aware of what is called "decoration". The Secretary said that there would be no problems since people in the industry understood what "decoration" and "decorative lighting" meant. However, the discussion just now was about actual application by the public at large. We should bear in mind that these provisions will in future be applicable to commercial buildings and the common areas of residential buildings — though not applicable to residential flats. The problem lies in the Bill itself, whether some people will be caught by the law inadvertently, exploit the loopholes in the law or be deemed guilty unless proven innocent, as interpretation problems will arise in the law.

Members will make Members were divided over the definition of "decoration". Even Ms Audrey EU expressed her views just now. While I think that the four lights here are for decoration, Ms Audrey EU thinks otherwise. She even said that there were more than four lights here. The problem precisely lies in the definition of "decoration". Members may have different views and definitions.

Of course, the Government said that if these four lights were switched off, making it impossible for us to read the documents because of the complete darkness, then regulation would be warranted; however, if these four lights were switched off but we could still read the documents, then regulation would be

unwarranted. I consider this unsatisfactory. Chairman, if decorative lighting can continue to be exempted after the passage of the Bill, I am worried that many, many disputes will arise in the future. Chairman, I hope Members can support my amendment. Thank you, Chairman.

CHAIRMAN (in Cantonese): Ms Cyd HO, you may speak again.

MS CYD HO (in Cantonese): Indeed, insofar as decoration and lighting are concerned, there will be much room for the Administration to "manoeuvre" in the Building Energy Codes (BEC) to be drawn up in the future because it can relax or tighten its control wherever it wishes. We support this piece of legislation today because we hope to put in place a regulatory framework, as with the case of minimum wage, because the Administration has done too little and yet we must render our support, though we would like the Administration to do more. Members taking part in the scrutiny of the Bill would certainly like to see the Government fine-tune its proposals and enhance its efficiency in achieving the objectives of reducing emissions and energy conservation, rather than engaging the community in this snail-paced discussion spanning four years. Even today, the Government is still saying that the sectors have yet to be consulted. Actually, a lot of consultation work should have started a long time ago. I also hope that the Administration can expeditiously discuss with this Council the outcome of the consultation and the BEC after the passage of the Bill. It should not merely consult the sectors without discussing with this Council and then present the whole package of proposals to us and say that this was the last minute to do anything. If the Government does not engage various parties in the discussion, such situation, like what we face currently, will often arise. Of course, Members can only draft their amendments after the tabling of the Bill by the Government. We had no idea of what the Government was drafting until the Bill was submitted to this Council, right? Therefore, in terms of the order, the Government must put forward its proposals before we proceed to the examination and revision process. If the order goes like this, it is extremely unfair of the Government to accuse us of not introducing amendments until the last minute.

Chairman, the Government can certainly secure enough votes. Although there is no chance for Mr KAM Nai-wai's amendment and mine to be put to the vote, we still hope that after the passage of the legislation, we can really make up for the time lost. We must speed up to make up for what has not been done and

consulted, so that Hong Kong can take one more concrete and bigger step rather than the small step currently taken in emissions reduction and energy conservation.

Furthermore, Chairman, I am afraid I must mention the issue of lighting pollution again. Of course, we are extremely concerned, and we also hope to see the Government expedite its efforts because the current-term Government will call it a day on 30 June 2012, a couple of weeks earlier than the Legislative Council, which might not call it a day until mid-July. If we still do not have a concrete timetable by now, we might not get a chance to deal with this issue even when the current-term Government and Legislative Council are replaced. However, Chairman, I must make it clear that I am really sorry. I must reiterate that a lot of lighting installations which can reduce energy consumption and carbon emissions can be treated as contributing to light pollution. However, we should not ignore the relevant issues once and for all and consider that the issue should not be discussed here because of this factor. This is absolutely unacceptable to me.

Thank you, Chairman.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Chairman, I had considered whether or not I should speak, but I think there are several points I need to clarify because the discussion just now involved some technical issues. I asked myself these questions: Why would such a simple amendment lead to so many discussions? Was it because the technical issues were unclear, or the amendment lacked thorough consultation that different Members have sought to express their views here in this Council?

Concerning the technical aspect under the first point, Members asked earlier whether it is a question of whether or not the lighting is for decoration. Actually, Members of the Bills Committee should understand this clearly. Decorative lighting is already defined clearly in the legislation, that is, item 6 of Schedule 2, so I will not repeat it here. It has already been clearly explained to the Bills Committee and in the interpretation clause of the Bill that if decorative lighting can be used for lighting as well as decoration, then it will also be regulated based on the spirit of the law. Therefore, such lighting will be brought into the regulatory ambit as well. Although some Members have expressed the concern that we might not be stringent enough, lighting solely used for decoration

is not what we hope to control. Because of the absence of a distinct method and objective standards for regulating this sort of lighting, we are left with no choice but to provide for exemption. If there is a way to adopt the same standards or a set of standards acceptable to the community to impose control, we will make an effort to do so. However, the difficulty arising at this stage has led to certain aspects being brought into the regulatory ambit though they were originally not supposed to be regulated. At the same time, there were reactions from the relevant trades because they did not have the opportunity to discuss this matter. Therefore, in addition to the technical issues, the repercussions voiced out during the consultation by those affected are indeed understandable. I think I can understand why Members here have put forward such views. I believe even if Members have different views, they will still examine against the facts if their views are reasonable. Or will they merely serve the interest of their respective sectors? From the standpoint of the Government, if it can be brought into the regulatory ambit for enhanced energy conservation and energy efficiency, the Government will definitely do so. I believe this will not give rise to major conflicts. It is also for this reason that I understand the objective of some Members in proposing amendments in this respect. As pointed out by me in my earlier speech, Members might have done so out of good intentions. However, such problems must be resolved when difficulties are encountered in specific circumstances and when there is inadequate consultation. I do not hope to see Members make the casual remark that the Government is misleading or smearing certain Members just because there are different views. I hope Members can give the matter its fair deal.

As explained very clearly by me when I spoke earlier, the amendments proposed by the Government in this respect are very clear, and they are generally accepted by the Bills Committee. I hope Members can agree to, support and vote in favour of these amendments. As regards the amendments proposed by the two Members, Members can also see during the discussion the numerous problems arising from the amendments. For this reason, the Government cannot take them on board. It is not that we do not want to take a step forward in energy conservation; it is because there are some specific problems that we cannot resolve for the time being. The Government is obliged to make it clear that we find this unacceptable, and it hopes that this Council can consider opposing these two amendments with an open and impartial approach of heeding the opinions of the people. Thank you, Chairman.

CHAIRMAN (in Cantonese): I will now put to you the question on the Secretary for the Environment's amendment to clause 4. Whether the Secretary's amendment is passed or not will not affect whether or not Mr KAM Nai-wai and Ms Cyd HO may move their amendments later.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendment to clause 4, moved by the Secretary for the Environment, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

Ms Cyd HO rose to claim a division.

CHAIRMAN (in Cantonese): Ms Cyd HO has claimed a division. The division bell will ring for three minutes.

(While the division bell was ringing, Ms Audrey EU stood up)

MS AUDREY EU (in Cantonese): Chairman, are we dealing with the part in the top of page 10 of the Script? Does it mean that if the Secretary's amendment is passed, then Mr KAM Nai-wai's amendment may not be put to the vote?

CHAIRMAN (in Cantonese): We are now dealing with the part at the bottom of page 9 of the Script. Members should vote on the amendment to clause 4.

MS AUDREY EU (in Cantonese): This would mean that even if we support the Secretary

CHAIRMAN (in Cantonese): Even supporting the Secretary's amendment will not affect Mr KAM Nai-wai and Ms Cyd HO's amendments. Let me repeat it once again. The Secretary's amendment to clause 4 will now be put to the vote. The voting result, however, will not affect whether or not Mr KAM Nai-wai and Ms Cyd HO may move their amendments later.

I now put the question to you and that is: That the amendment to clause 4, moved by the Secretary for the Environment, be passed. Will Members please proceed to vote.

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

Mr Albert HO, Dr Raymond HO, Dr David LI, Mr Fred LI, Dr Margaret NG, Mr James TO, Mr CHEUNG Man-kwong, Mrs Sophie LEUNG, Mr LEUNG Yiu-chung, Mr LAU Kong-wah, Mr LAU Wong-fat, Ms Miriam LAU, Ms Emily LAU, Mr Andrew CHENG, Mr TAM Yiu-chung, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Frederick FUNG, Ms Audrey EU, Mr Vincent FANG, Mr WONG Kwok-hing, Mr LEE Wing-tat, Dr Joseph LEE, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr CHEUNG Hok-ming, Mr WONG Ting-kwong, Mr Ronny TONG, Prof Patrick LAU, Mr KAM Nai-wai, Ms Cyd HO, Ms Starry LEE, Dr LAM Tai-fai, Mr CHAN Hak-kan, Mr Paul CHAN, Mr CHAN Kin-por, Dr Priscilla LEUNG, Dr LEUNG Ka-lau, Mr CHEUNG Kwok-che, Mr WONG Sing-chi, Mr WONG Kwok-kin, Mr IP Wai-ming, Mr IP Kwok-him, Mrs Regina IP, Dr PAN Pey-chyou, Mr Paul TSE, Dr Samson TAM, Mr LEUNG Kwok-hung, Miss Tanya CHAN, Mr Albert CHAN and Mr WONG Yuk-man voted for the amendment.

THE CHAIRMAN, Mr Jasper TSANG, did not cast any vote.

THE CHAIRMAN announced that there were 52 Members present, and 51 were in favour of the amendment. Since the question was agreed by a majority of the Members present, he therefore declared that the amendment was passed.

CHAIRMAN (in Cantonese): Next I will put to you the question on the Secretary for the Environment's amendment to Schedule 2. I wish to remind Members that if the Secretary's amendment to Schedule 2 is passed, both Mr KAM Nai-wai and Ms Cyd HO may not move their amendments.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendment to Schedule 2, moved by the Secretary for the Environment, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr KAM Nai-wai rose to claim a division.

CHAIRMAN (in Cantonese): Mr KAM Nai-wai has claimed a division. The division bell will ring for three minutes.

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

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

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Mr WONG Yung-kan, Mr LAU Kong-wah, Mr LAU Wong-fat, Ms Miriam LAU, Mr TAM Yiu-chung, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Kwok-hing, Dr Joseph LEE, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr CHEUNG Hok-ming, Mr WONG Ting-kwong, Prof Patrick LAU, Ms Starry LEE, Dr LAM Tai-fai, Mr CHAN Hak-kan, Mr Paul CHAN, Mr CHAN Kin-por, Dr Priscilla LEUNG, Dr LEUNG Ka-lau, Mr WONG Kwok-kin, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted for the amendment.

Mr Albert HO, Mr Fred LI, Dr Margaret NG, Mr James TO, Mr CHEUNG Man-kwong, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Mr CHEUNG Kwok-che, Mr WONG Sing-chi, Mrs Regina IP, Mr LEUNG Kwok-hung, Miss Tanya CHAN, Mr Albert CHAN and Mr WONG Yuk-man voted against the amendment.

THE CHAIRMAN, Mr Jasper TSANG, did not cast any vote.

THE CHAIRMAN announced that there were 53 Members present, 31 were in favour of the amendment and 21 against it. Since the question was agreed by a majority of the Members present, he therefore declared that the amendment was passed.

CHAIRMAN (in Cantonese): As the Secretary for the Environment's amendment has been passed, both Mr KAM Nai-wai and Ms Cyd HO may not move their amendments.

CLERK (in Cantonese): Clause 4 as amended and Schedule 2 as amended.

CHAIRMAN (in Cantonese): As the Secretary for the Environment's amendment to clause 4 has earlier on been passed by the Committee, I now put the question to you and that is: That clause 4 as amended and Schedule 2 as amended stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Clauses 8 to 12, 17, 18, 22, 29, 31, 34 to 41, 43, 47, 50 and 52.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Chairman, I move the amendments to the clauses read out just now, as printed in detail in the paper circularized to Members. Next I will briefly explain the amendments.

Clauses 8 and 9 require the developer of a property to make declarations at two stages to ensure that the building services installations provided by the developer comply with the specified standards and requirements for the issuance of a Certificate of Compliance Registration (COCR). The Bills Committee considered that the originally proposed penalty is too light and suggested to impose a daily fine on the developer in the case of a continuing offence. After careful consideration, the Administration has taken on board the relevant proposal by including a daily fine of \$10,000.

Clause 10 is amended to include a specific time limit by specifying that the Director of Electrical and Mechanical Services (the Director) should issue or refuse to issue a COCR within the time limit. With the consent of the Bills Committee, the Government proposes that a three-month time limit be set.

The amendments to clauses 11 and 31 are identical in nature. At the Bills Committee's request, the Administration proposes to provide clearly in the legislation that a register of buildings issued with a COCR and a Register of Registered Energy Assessors be made available for public inspection on the Internet.

Clause 12 requires the owner of a building and the responsible person of a unit of a building to ensure that central building services installations as well as other building services installations are maintained to a certain standard. Moreover, a COCR must be in force at any time. In response to the request of the Bills Committee, the Administration proposes to add clause 12(1A) to set out

clearly that the relevant responsibilities only lie with the owner of a building in respect of which a COCR has been issued. Under clauses 8 and 9, the responsibilities to submit declarations for the two stages in order to obtain a COCR lie with the developer of a property. As the legal responsibility of obtaining a COCR lies with the developer, the Government will not, for the protection of small owners, transfer the relevant responsibility to the owner of the property even if the developer cannot obtain a COCR.

Clause 17 provides that if major retrofitting works are carried out in respect of any building services installation, the responsible person of the relevant unit or the owner of the building services installation must, within two months after the completion of the works, obtain a Form of Compliance (FOC). The relevant legal responsibility should arise at the completion of the major retrofitting works. Our policy intent is to require the relevant responsible person to fulfil his responsibility immediately when the relevant legal responsibility arises, that is, the moment when the major retrofitting works are completed. Clause 17 is amended to reflect our policy intent, as stated just now, more clearly.

Clause 18 provides that a registered energy assessor who issues a FOC must send a copy of the FOC to the Director and another copy to the property management company of the building concerned. Clause 18 originally proposed that if a property management company does not receive a copy of a FOC from a registered energy assessor within two months after the completion date of the major retrofitting works concerned, the company must notify the Director, or a fine may be imposed on the company. After detailed discussion with the industry again, we considered that the original requirement seems to be too harsh. Therefore, we proposed to the Bills Committee that the relevant requirement be abolished.

The amendments to clause 22 are technical in nature. The relevant amendments provide clearly that the owner of a building must cause an energy audit to be carried out in respect of central building services installations.

Clause 29 empowers an authorized officer to enter any part of a prescribed building that is not a residential unit to inspect, examine, monitor and test any building services installation. A person who, without reasonable excuse, fails to

comply with a requirement made by an authorized officer or his assistant in the exercise of such power commits an offence. The Bills Committee has expressed concern about the excessive power of the authorized officers. The Administration has explained to the Bills Committee that the relevant power is essential to the enforcement of the Ordinance, if enacted. However, the Government appreciates Members' concern and misgivings. After careful consideration, the Government proposed to amend clause 29 to allow an authorized officer to enter the premises two weeks after the issuance of the relevant notice. Under this proposal, a person will only be liable for obstructing an authorized officer in exercising the power under the Bill, if that person refuses the officer's entry after receiving the two-week notice. Therefore, an authorized officer may still enter the premises within a reasonable period. This proposal is agreed by the Bills Committee.

Clauses 34 to 37 and clause 39 are minor amendments to the appointments to the Buildings Energy Efficiency Appeal Board Panel and individual appeal boards as well as the proceedings of appeal board. The relevant amendments seek to express the Government's policy intent more clearly.

Furthermore, although the Bill does not provide for a statutory consultation requirement on the issue or approval of Code of Practice, the EMSD has been planning to consult the Technical Task Force on the review of the Code of Practice to reflect the latest technological development and trade practices. In the light of the view put forward by the Bills Committee, the Administration has agreed to amend clause 40 to make relevant consultation a statutory requirement.

Insofar as the approach of amending the Schedules of the Bill is concerned, at the repeated requests of the Bills Committee, the Administration has agreed to adopt the "positive vetting" procedure to amend Schedules 1 to 4. In this connection, the Government proposes to amend clause 43.

Furthermore, we will introduce some minor and technical amendments to clauses 38, 41, 47, 50 and 52, which are supported by the Bills Committee. Therefore, we implore Members to support and pass these amendments.

Thank you, Chairman.

Proposed amendments

Clause 8 (see Annex I)

Clause 9 (see Annex I)

Clause 10 (see Annex I)

Clause 11 (see Annex I)

Clause 12 (see Annex I)

Clause 17 (see Annex I)

Clause 18 (see Annex I)

Clause 22 (see Annex I)

Clause 29 (see Annex I)

Clause 31 (see Annex I)

Clause 34 (see Annex I)

Clause 35 (see Annex I)

Clause 36 (see Annex I)

Clause 37 (see Annex I)

Clause 38 (see Annex I)

Clause 39 (see Annex I)

Clause 40 (see Annex I)

Clause 41 (see Annex I)

Clause 43 (see Annex I)

Clause 47 (see Annex I)

Clause 50 (see Annex I)

Clause 52 (see Annex I)

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendments moved by the Secretary for the Environment be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the amendments passed.

CLERK (in Cantonese): Clauses 8 to 12, 17, 18, 22, 29, 31, 34 to 41, 43, 47, 50 and 52 as amended.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the clauses as amended stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Schedule 5.

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That Schedule 5 stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Schedules 1, 3 and 4.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Chairman, I move the amendments to Schedules 1, 3 and 4 as set out in the paper circularized to Members. They are minor and technical amendments to improve the drafting

and to state the policy intent more clearly. These amendments are also supported by the Bills Committee. I implore Members to support and pass them. Thank You.

Proposed amendments

Schedule 1 (see Annex I)

Schedule 3 (see Annex I)

Schedule 4 (see Annex I)

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendments moved by the Secretary for the Environment be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the amendments passed.

CLERK (in Cantonese): Schedules 1, 3 and 4 as amended.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That Schedules 1, 3 and 4 as amended stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): Council now resumes.

Council then resumed.

Third Reading of Bills

PRESIDENT (in Cantonese): Bill: Third Reading.

BUILDINGS ENERGY EFFICIENCY BILL

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, the

Buildings Energy Efficiency Bill

has passed through Committee with amendments. I move that this Bill be read the Third time and do pass.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Buildings Energy Efficiency Bill be read the Third time and do pass.

Does any Member wish to speak?

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Buildings Energy Efficiency Bill.

MEMBERS' BILLS

First Reading of Members' Bills

PRESIDENT (in Cantonese): Member's Bill: First Reading.

UNIVERSITY OF HONG KONG (AMENDMENT) BILL 2010

CLERK (in Cantonese): University of Hong Kong (Amendment) Bill 2010.

Bill read the First time and ordered to be set down for Second Reading pursuant to Rule 53(3) of the Rules of Procedure.

Second Reading of Members' Bills

PRESIDENT (in Cantonese): Member's Bill: Second Reading.

UNIVERSITY OF HONG KONG (AMENDMENT) BILL 2010

DR DAVID LI: President, I move the Second Reading of the University of Hong Kong (Amendment) Bill 2010.

In the year 2003, the University of Hong Kong conducted a review of its governance and management structures. This review identified an inconsistency in the roles of the Court and the Council as described in the University of Hong Kong Ordinance and the University's statutes. An independent review by the Director of Audit, published in Report No. 40, recommended that the University amend the Ordinance in order to bring it into agreement with the statutes. This view was endorsed by the Public Accounts Committee of the Legislative Council, and the then Education and Manpower Bureau requested that the University implement the recommendation.

The University has reviewed the matter both internally and with other interested parties. These deliberations resulted in agreement that the University Court should be described as the "supreme advisory body" of the University, while the University Council is described as the "supreme governing body". This Bill will give effect to the agreement.

The Amendment Bill also seeks to implement the decisions of the University Council and the University Court on 5 December 2006, and 15 December 2006, respectively, to adopt new academic titles. Specifically, the Bill recognizes the academic titles of Chair, Professor, Associate Professor and Assistant Professor in place of the titles of Reader, Senior Lecturer, Lecturer and Assistant Lecturer. As the old academic titles are described in the Ordinance, the University must amend the Ordinance in order to carry out this reform.

Members will note that transitional provisions in the Bill ensure that staff members who wish to retain their old academic titles may do so. There will be no impact on their contractual terms, including protection by good cause.

I should also highlight that the Administration has confirmed that the Bill does not relate to public expenditure, political structure, the operation of the Government, or to government policies.

President, I so submit. I take great pleasure in recommending the Bill to Members and I hope that Members will support it. May I also take this opportunity to express the University's appreciation to Members for their attention to this Bill.

Thank you, President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the University of Hong Kong (Amendment) Bill 2010 be read the Second time.

In accordance with the Rules of Procedure, the debate is now adjourned and the Bill is referred to the House committee.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions. Proposed resolution under the Interpretation and General Clauses Ordinance to extend the period for amending the Human Organ Transplant (Amendment) Regulation 2010 and the Human Organ Transplant (Appeal Board) Regulation.

I now call upon Ms Cyd HO to speak and move the motion.

PROPOSED RESOLUTION UNDER THE INTERPRETATION AND GENERAL CLAUSES ORDINANCE

MS CYD HO (in Cantonese): President, in my capacity as Chairman of the Subcommittee on the Human Organ Transplant (Amendment) Regulation 2010 and the Human Organ Transplant (Appeal Board) Regulation (the Subcommittee), I now move that the motion, as printed on the Agenda, be passed.

At the meeting of the House Committee on 5 November 2010, Members agreed to form a subcommittee to study the Human Organ Transplant (Amendment) Regulation 2010 and the Human Organ Transplant (Appeal Board) Regulation, which were tabled to the Legislative Council on 3 November 2010. As the Subcommittee requires more time for scrutiny, we now urge Members to support the motion to extend the scrutiny period of the two Regulations to 5 January 2011.

President, I urge Members to support the motion.

Ms Cyd HO moved the following motion:

"RESOLVED that in relation to the —

- (a) Human Organ Transplant (Amendment) Regulation 2010, published in the Gazette as Legal Notice No. 143 of 2010; and
- (b) Human Organ Transplant (Appeal Board) Regulation, published in the Gazette as Legal Notice No. 144 of 2010,

and laid on the table of the Legislative Council on 3 November 2010, the period for amending subsidiary legislation referred to in section 34(2) of the Interpretation and General Clauses Ordinance (Cap. 1) be extended under section 34(4) of that Ordinance to the meeting of 5 January 2011."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Ms Cyd HO be passed.

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Two motions with no legislative effect. I have accepted the recommendations of the House Committee: that is, the movers of the motions each may speak, including reply, for up to 15 minutes, and have another five minutes to speak on the amendments; the movers of amendments each may speak for up to 10 minutes; and other Members each may speak for up to seven minutes. I am obliged to direct any Member speaking in excess of the specified time to discontinue.

PRESIDENT (in Cantonese): As Mr Vincent FANG, the mover of the first motion, is not in the Chamber at the moment, I now suspend the meeting.

6.52 pm

Meeting suspended.

6.56 pm

Council then resumed.

PRESIDENT (in Cantonese): First motion: Promoting the waste recycling industries.

Members who wish to speak in the debate on the motion will please press the "Request to speak" button.

I now call upon Mr Vincent FANG to speak and move his motion.

PROMOTING THE WASTE RECYCLING INDUSTRIES

MR VINCENT FANG (in Cantonese): President, first of all, I must apologize for having left the Chamber just now.

President, I move that the motion, as printed on the Agenda, be passed.

President, nowadays, environmental protection issues have occupied the invincible moral high ground in this society because nobody can stay on the sideline, no matter if he is rich or poor, wherever he lives and no matter if he is a green activist or a businessman. It can be said that everyone is equal before environmental protection issues, and there is no reason to be biased.

Many Honourable colleagues and predecessors in the Legislative Council have also raised similar subject matters. I myself also proposed the same kind of motion in 2008 and several amendments were passed at that time. The Chief Executive also confirmed in his 2009 Policy Address that the environmental protection industry, including recovery and recycling, has a competitive edge. However, all along, I have not seen any specific measures introduced by the Government. Therefore, I invite Members to adopt an objective and pragmatic attitude to find the real way forward for this issue today. I also hope that the Government will be moved into seriously formulating, with resolve and sincerity, a long-term and effective waste recovery and recycling policy for Hong Kong and implement it expeditiously, rather than staying at the theoretical level of inspections and studies.

The Secretary may say that the Government already published "A Policy Framework for the Management of Municipal Solid Waste (2005-2014)" (Policy Framework) in December 2005, setting out a comprehensive waste management strategy for the next decade, which covers avoidance and reduction at source, waste recovery and recycling, as well as bulk reduction of waste through recycling.

The direction of the Policy Framework is correct. All developed countries in the world are on the same path. However, they have adopted an active one-stop strategy, while making adjustments according to social progress and changes in the habits of the people. Yet, the Hong Kong Government has only focused on the overriding principle of using the simple measure of imposing a ban by levying taxes and adopting punitive measures — such as the levy on plastic bags; waste treatment charges for the use of electrical appliances and electronic products; in the future, one has to pay domestic garbage collection fees for the disposal of garbage. Do not think that I am scare mongering. The proposal to introduce a levy on domestic waste has already been included in the agenda of the Government.

I have discussed this issue with many people from the middle class and the grassroots. Coincidentally, they all say, "Why must punitive measures be adopted? Why not use a reward approach? Members of the public will surely give their support if there are merits and the purpose of environmental protection can be achieved." Moreover, many developed countries are using awards as the means. For example, in Canada, the Government provides tax rebates for certain types of products that can promote protection of the environment. In some countries, plastic bags are not provided in supermarkets, rather, they adopt the practice of giving customers cash rebates as used previously in the supermarkets in Hong Kong.

However, what about Hong Kong? Take the imposition of an environmental levy on the treatment of waste electrical and electronic equipment planned by the Government as an example, it is proposed that upon purchase of new products, the treatment fee ranging from \$100 to \$250 per item has to be paid in advance. We then suggested to the Government that the levy should be imposed only when electrical appliances are disposed. In this way, consumers will think carefully before discarding an article and this can then kill two birds with one stone. In response, the Secretary said that in this way, members of the public would quietly throw away their old electrical appliances and this would be even more environmentally-unfriendly.

However, the Government proposes to exempt electrical and electronic products purchased prior to the commencement of the legislation from paying the treatment fee. In that case, does it mean that these tens of thousands of electronic items would not be abandoned casually? Many people have asked

why a reward approach is not adopted. For example, people taking a discarded old electrical appliance to a designated recovery point will be given a label for free treatment of the next electrical appliance. Is this not even more effective, and can it not encourage the public to support environmental protection?

Whether this proposal is adopted or not, the key lies in the purpose of the Government in imposing an environmental levy, whether it is sincerely and vigorously promoting environmental protection and waste reduction; or it is trying to take this opportunity to increase government revenue; or it is nothing more than a window-dressing exercise designed to show that the Government has already done a lot in environmental protection, so Members should not criticize anymore. In fact, the Government possesses huge fiscal reserves and there are record fiscal surpluses every year. It does not need to impose any environmental levy at all. It may as well allocate some of the surpluses as subsidies for the environmental industries. Apart from benefiting the future generations, this can also drive the development of new industries, the promotion of sustainable economic development and the creation of employment opportunities. Is this not achieving several objectives at one stroke?

In advanced countries or regions overseas, it is a very common practice for the governments to subsidize and promote environmental and waste recycling industries. Their measures range from land, tax and technical support, through funding for operation to government procurement policy, and so on. All these measures have positive and important effects on the promotion of waste recovery and the development of circular economy.

Many of the policies on support for the recycling industries in Japan, South Korea and Taiwan in Asia are worthy reference to the Hong Kong Government. In Japan, recycling is not just waste treatment but also a business. Both the Secretary and the Chief Executive have made visits to Japan at different times. In their "Eco-town Project", the construction of the eco-town is funded by the central government, the local governments and the enterprises in the eco-towns. The government provides subsidies for the hardware and such software as scientific research and development. In their operation, the recycling plants can even get allowances from the local and central governments at the initial stage of establishment.

In Taiwan, the Resource Recycling Act is designed to provide support to the recycling industry in such areas as tax, land use, land lease and even financing and loans. Enterprises contributing to recycling and reuse are even granted waiver of fees. Investments are tax deductible and also help the enterprises to get the land they need. Designated government organs are also required to procure a certain proportion of recycled products.

The recovery rate of municipal solid waste in South Korea is close to 60%, ranking the top in the Asia region and comparable to Germany, Belgium, Austria and the Netherlands in the European Union. The Government of South Korea has also established a permanent fund to offer low-interest loans to support small recycling enterprises in installing production equipment.

Looking back at Hong Kong, this so-called Asia World City of ours, save for the EcoPark, that finally came into being after repeated calls, there is no assistance whatsoever for the recycling industries, not to mention any subsidy. Even in the case of the EcoPark, there have been many hiccups. First, there were delays in the project, then the first batch of tenants who have signed tenancy agreements cancelled the tenancies one after the other due to the factory plans or financial reasons. Some even took the Government to Court due to the inadequacy of infrastructural facilities in the EcoPark. I have also received a number of complaints from some investors in the environmental protection business, alleging that the Government has set too high and too many entry thresholds. An environmental protection company has even complained that as the Government does not support the industry in waste recovery, it is difficult to recover raw materials.

Why do I hope so much that the Government can promote the waste recycling industries? Members can also see that due to various social, economic development and hygiene factors, the production of waste is inevitable. Members can look at how much waste is discarded by their families each day? Apart from the three categories of recyclable waste, kitchen waste, containers for food and cleaners, plants, old clothes, electrical appliances and even furniture are also discarded. Sometimes, when passing by some three-coloured waste separation bins, I found that they were stuffed full with plastic bottles. Cleansing workers of the Food and Environmental Hygiene Department dutifully put the excess containers into their garbage bags. I could not help but doubt

whether these useful materials would eventually end up in the landfills or recycling factories. No wonder the amount of waste being discarded at the landfills is still on the increase every year even though the waste recovery rate has already reached 49%.

All our Honourable colleagues oppose the continual encroachment of land for landfilling purpose, but most of them also oppose incineration. However, with an increasing quantity of garbage, how should it be dealt with?

The Liberal Party supports waste incineration. However, we demand that harmful waste and recyclable waste materials should be separated for treatment before incineration. Only in this way can the volume of waste for incineration be put under control and the harmful substances released can also be reduced to a minimum. If the Government can undertake to do these two things, and then promote garbage incineration to the local communities, Members and the public, the task will definitely be much easier.

However, the Government has taken the easy way out and only concentrates on threatening members of the public into practising environmental protection by means of increasing charges and levies. In the end, in what areas are those fees and charges spent and who bears them? Who will fall victim if inflation is stoked? It is members of the Hong Kong public and Hong Kong people. However, how will the fees and charges received by the Government be spent? It will certainly be a good thing if it is spent on more effective ways of waste treatment. However, this appears not to be the result. Rather, the number of landfills keeps increasing.

Finally, we think that the most effective way of easing the accumulation of waste is none other than the "3R" concept, that is, reduce, reuse and recycle. Regarding "reduce", incentives rather than punitive measures should be adopted. There are many such examples in oversea countries. As for "reuse", the recovery of reusable waste paper must be expanded. Lastly, regarding "recycle", the Government must step up its effort by deploying more funds and manpower to promote the recycling industries.

Such a three-pronged approach can effectively reduce waste and ease the burden of the public. Meanwhile, it can also enhance the awareness of environmental protection, stimulate the development of new industries and create more employment opportunities. I really cannot understand why the

Government fails to realize such a simple formula. I so submit. Thank you, President.

Mr Vincent FANG moved the following motion: (Translation)

"That, over 90% of the recyclable waste currently recovered in Hong Kong is exported to other countries or places for recycling, yet owing to developed countries' gradual tightening of their policies on waste import, the number of countries permitting waste import will decrease in the future; in order to resolve the problem of waste accumulation in Hong Kong in the long run, it is of utmost importance to extend the categories and proportion of recyclable waste recovery and expedite the development of Hong Kong's environmental and recycling industries; in this connection, this Council proposes that:

- (a) the Government should conceive an overall waste policy on the 3R concept (that is, reduce, reuse and recycle), so as to formulate a follow-through policy on reducing, recovering and recycling waste, implementing and promoting it in a well-planned manner, with a view to resolving the problem of waste accumulation in Hong Kong, encouraging the development of environment-related new industries, promoting sustainable economic development and creating more employment opportunities;
- (b) since waste recycling industries require considerable investments but yield relatively low returns, the Government should therefore, by making reference to the policies of developed countries on promoting environmental and waste recycling industries, formulate local preferential policies, including providing land and tax concessions, technology support, etc., so as to encourage the commercial sector to invest in waste recovery and recycling industries; and
- (c) while broadening the scope of product eco-responsibility, present efforts in recovering recyclable waste should be extended, and the use of green products by society should be encouraged; the Government should avoid making environmental levies prevalent in Hong Kong or charging to another kind of consumption tax, so as

not to turn Hong Kong into a 'taxes and levies capital', tarnish Hong Kong's reputation as a shoppers' paradise, affecting people's daily habits and boosting inflation."

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

PRESIDENT (in Cantonese): Five Members intend to move amendments to this motion. This Council will now proceed to a joint debate on the motion and the five amendments.

I will call upon Members to speak in this order, namely, Mr IP Wai-ming, Mr KAM Nai-wai, Miss Tanya CHAN, Mr CHAN Hak-kan and Mr Jeffrey LAM; but no amendments are to be moved at this stage.

MR IP WAI-MING (in Cantonese): President, at present, Hong Kong mainly relies on landfilling to dispose of waste and the three existing landfills in Hong Kong are expected to reach capacity one by one in the next seven years. According to the statistics provided by the authorities, although the current recovery rate in Hong Kong is 49%, we still have to handle 9 000 tonnes of municipal solid waste daily. We think that in Hong Kong, with limited land, it is really difficult to solve the problem by expanding the landfills. The Government published the Policy Framework for the Management of Municipal Solid Waste (Policy Framework) in 2005 and the objectives and timetable for waste management are listed therein. However, most of the measures in the Policy Framework have remained at the theoretical level, not implemented, thus leading to the accumulation of mountains of rubbish in Hong Kong. Therefore, the Government must expedite the implementation of the relevant measures. Apart from solving the problem of not knowing where to dump the waste, it should also expedite the development of Hong Kong's environmental protection and recycling industries to create more employment opportunities, thereby benefiting all the people in Hong Kong.

President, at the meeting of the Environmental Affairs Panel this past Monday, we discussed the development of the EcoPark in Tuen Mun. Although

some tenants moved into Phase I of the EcoPark as early as in 2006, no factory commenced its operation until this year. Some tenants even pointed out that although the Government had provided the venue for them to carry out recovery, there is no waste for them to recover and recycle at all. We often talk about resource mismatch. In fact, resource mismatch can also be found in respect of the waste discarded every day. Where on earth has the waste discarded by us each day gone to? Members of the public have discarded so much waste and although the Government said that waste separation work could be carried out for some of the waste, why was nothing sent to the recovery and recycling operators at the EcoPark in the end? Regarding non-recoverable and non-recyclable waste being sent to the landfills, we feel that nothing can be done but many recoverable waste materials, such as plastics and batteries, were also sent to the landfills. Who is actually responsible for causing the rapid saturation of the landfills? I think the Government has to bear most of the responsibilities. In the Policy Framework mentioned just now, the Government has proposed to implement a ban on disposal of biodegradable waste at landfills to reserve our landfill capacity for inert or non-recyclable waste. However, has the Government done that?

I strongly support this proposal and also hope that the Government can implement this ban as soon as possible. This ban can ease the pressure on our landfills and also make the sorting of some recyclable materials possible before they are sent to the landfills. Recyclable waste can be delivered to the EcoPark to ensure that tenants of the EcoPark have adequate waste for recycling and this is in line with the green policy frequently advocated by the Government.

When both source separation and waste disposal are properly done, there will be a chance to raise the present recovery rate a little bit, so that the waste recovery industries can have good prospects of development and it can also create more employment opportunities for the public. A small proposal will suffice in benefiting all members of the public in Hong Kong, so why should the Government still consider the proposal of expanding the landfill? This is precisely the reason for our opposition to the government proposal to expand the landfill earlier on. Environment protection must start with source separation. We think that the Environmental Protection Department can join hands with other government departments to carry out preliminary and basic sorting and collection of waste in housing estates, and then deliver the sorted waste to the EcoPark or landfills. We think that so long as sorting is properly done at source, other problems that arise at a later stage can be tackled much more easily.

In the past, the Government tried to reduce the excessive use of items mainly through the imposition of such levies as the levy on plastic bags. We think that the Government cannot rely solely on this kind of punitive measures to make the public reduce the use of environmentally harmful products. Instead, it should encourage the public to change their current way of life by offering incentives. For example, in Germany, as early as 2003, the government already implemented a Nationwide Clearing System for beverage deposits and installed "Deposit-Return Machines" next to beverage vending machines to facilitate participation in waste recovery and the return of plastic bottles. Some local shops and supermarkets also place recycling bins in front of their shops and members of the public can get shopping offers if they return a certain quantity of plastic bottles, plastic bags or cans. At present, there are three-coloured recycling bins in many housing estates. However, the degree of participation by residents is not high. We think that if the Government introduces a similar recycling scheme, it should offer greater encouragement and more incentives to help them reduce waste. This move, while not dampening the public's desire to make purchases, will encourage the public to take part in waste recovery. The Government should also use the levies collected to fund the relevant recovery industries or take forward measures of environmental protection. We believe that if the Government can keep up its efforts, the public will surely take part in waste recovery programmes of their own accord.

Apart from the deposit and return scheme on recyclable items, I also hope that if the Government plans to collect other environmental protection levies in the future, it will use the levies so collected to promote environmental protection and the development of the recycling industry, so as to attain the goal of "dedicated fund for dedicated use" and fund the recycling industry in studying the use of more advanced technologies to treat waste or recycle waste. Or it can allocate the relevant levies to the relevant community for the provision of more green facilities, thereby turning waste into tangible items to requite society, so that the public can benefit from it and they will become more willing to take part in such activities.

Lastly, in the long run, if we want to improve the present situation of excessive waste, it is necessary for the Government to educate the public more, so that they will change their present way of life, use fewer disposal items and when dining out, only order an appropriate amount of food to reduce kitchen waste by

all means. At the same time, we demand that the Government provide greater assistance to the environmental industries now in operation, for example, by providing transport subsidies to encourage companies to promote waste recovery in local communities and through local planning, refining the design of waste recovery yards and improving various complementary facilities such as transport and environmental hygiene, make the waste recovery and recycling industry gain the acceptance and support of residents, so as to expand the recovery network in local communities, enable these industries to have better development and create more employment opportunities.

President, I so submit.

MR KAM NAI-WAI (in Cantonese): President, today's subject is promoting the waste recycling industries. Compared with previous discussions, our concern is greater this time around because after the incident relating to the Tseung Kwan O Landfill, we think and the Secretary also said that this is a good opportunity to review the disposal of solid waste.

Earlier on, I heard Mr Vincent FANG say that the promotion of environmental protection has occupied an invincible moral high ground in society. In this regard, often people just pay lip service to it. Mr Vincent FANG also said that we should adopt an objective and pragmatic attitude in looking at this issue. We can also note some objective figures. The Government often tells us that quite a good job is being done in recovery and recycling at present. I remember the Chief Executive has also said that currently, 49% of the waste is recycled. The rate is already 49%, so nearly half of the waste is recycled. This is one side of the coin. However, as for the other side of the coin, what is the proportion of the material recycled locally? In 2005, only 6% was recycled in Hong Kong; in 2009, the situation got even worse when the rate dropped to only 1%. It turns out that 99% of the materials were exported for recycling, that is, only 1% was recycled. We can further look at something that is more familiar to us, that is, paper. In the past, 110 000 tonnes and 160 000 tonnes were collected locally in 2005 and in 2006 respectively. However, the figure could not be sustained in 2006 and the collection figures kept dropping. In 2009, the amount of paper recycled locally was close to zero.

Talking about glass containers, recently, I asked a question seeking written reply on the recovery of glass containers. At present, there are four glass recovery and recycling operators in Hong Kong and two of them would crush the glass containers collected into glass sand for making eco-blocks for pavements, and so on. In fact, the glass recovery and recycling industry has complained that the Government has not given them much support or subsidy. Now, they may be able to find a way out only after the Government said that it would purchase some eco-blocks. Therefore, the recovery and recycling situation in Hong Kong is actually unsatisfactory.

In addition, I have also mentioned in my amendment that in the process of recovery in fact, I have already proposed the establishment of a licensing system for waste recovery operators on many occasions. Regarding our feelings for waste recovery operators in the local communities, we have a love-hate relationship with them because we would like very much to have waste recovery operators but they cause a great deal of nuisance in some old districts. Therefore, we proposed to the Government that first, a regulatory licensing system be introduced and second, some large-scale refuse collection points should be made accessible to waste recovery operators, so that they can have some government sites in the local communities to operate their recovery activities. I think these are the areas where the Government can do a better job in recovery.

In this motion, Mr Vincent FANG also mentioned the "3R" concept, that is, "reduce, reuse and recycle.". Next, just as Mr Vincent FANG said, we have to face the reality, that is, the issue of waste reduction.

Throughout the entire motion, it can be said that waste reduction is the greatest concern to the Government. Actually, what kinds of methods should be adopted to reduce waste? Should we adopt some concessionary policies to induce waste reduction, as suggested by Mr Vincent FANG, or as stated in my amendment, to adopt various financial means and a reward-and-punishment approach, namely, the offer of financial incentives, which we call "rewards" and imposing levies at the same time, which we call "punishments"? Which approach is a more effective way to achieve waste reduction?

(THE PRESIDENT'S DEPUTY, MS MIRIAM LAU, took the Chair)

Earlier on, in the speeches of Mr Vincent FANG and Mr IP Wai-ming, I heard both of them opine that reward was the effective approach. However, looking around the world, the effective approach is to employ the carrot and stick. Talking about offering only rewards, let us look at the existing examples in Hong Kong. Earlier on, we had a grant scheme to encourage the early replacement of diesel commercial vehicles. I think Mr Vincent FANG also remembers it. This is a reward. If members of the public are willing to replace their vehicles, the Government would provide a certain amount of subsidy, being some 10% of the vehicle price, in the hope that members of the public would speed up the replacement of their vehicles. This is a reward that seeks to reduce pollution through a scheme. As it turned out, to date, only 24% of the vehicles have participated in the scheme. The greatest problem is that when the scheme was launched, reward and punishment were not offered at the same time. Of course, now that we are half way through the scheme, if punishment is imposed, the public will be aggrieved and this is also unfair.

When implementing such schemes, both reward and punishment should be given equal weight. For example, a certain period can be set as the time limit for rewards. The licensing fee of polluting vehicles will be increased if they do not participate in the scheme within a certain period of time. If equal weight was given to both reward and punishment in the implementation of the scheme, the participation rate would have been greater. Similarly, many Members also mentioned the issue of the levy on plastic bags earlier on. Members can see that after the imposition of the levy on plastic bags, the number of plastic bags used in supermarkets in general has been reduced by 90%, that is, only 10% is now used. We can see that these levies can really help change the daily habits of Hong Kong people in some measure.

However, I understand that the Democratic Party has also proposed some principles. The first is the "polluter pays" principle, which requires that the costs of pollution be borne by those who cause it. The second one is, I hope the Government will take note and some Members have also mentioned it, that it is not about increasing the Government's revenue and this is commonly known as the principle of being "revenue neutral", that is, this kind of levy should not serve to increase government revenue. If some people are willing to take action to reduce waste, the levies payable by them will perhaps be reduced. This is what we refer to giving equal weight to both reward and punishment, rather than purely meting out punishment. If I reduce the amount of waste discarded, my expenses

may also be reduced. This is an important principle in attaching equal weight to reward and punishment. I hope that the Government can pay attention to this proposal when discussing the relevant issues in the future.

Of course, today, I notice that several Members also mentioned that "the Government should avoid making environmental levies prevalent in Hong Kong or charging to another kind of consumption tax, so as not to turn Hong Kong into a 'taxes and levies capital'". I think the Democratic Party also supports the point about a producer responsibility system. I also hope that the Government can implement producer responsibility expeditiously to make the polluters pay. However, at the same time, if we do not have some measures that attach equal weight to reward and punishment, it is difficult to make Hong Kong people change their daily habits. Therefore, on the motion moved by Mr Vincent FANG and the amendments that retain this passage, the Democratic Party will abstain from voting. We really hope that in this process, not just a reward system will be established. Just now, I mentioned that a reward-and-punishment system may also change the habits of the people in the process. This is a desirable approach. I wish to stress that I do not wish to increase the expenses of the public. If the public are willing to reduce waste of their own accord they can even reduce their expenses. I think that only this is the correct direction to go in taking an important step to reduce waste in the future.

Deputy President, I so submit.

MISS TANYA CHAN (in Cantonese): Deputy President, after the landfill saga, I believe more and more Hong Kong people have become concerned about waste disposal and management. Nowadays, I believe many Hong Kong people also understand that landfills and incinerators are not permanent solutions indeed. Of course, landfills can serve certain purposes, but should we not put an appropriate stop to incinerators?

Members will all remember, and many Honourable colleagues have mentioned that in the era of Secretary Dr Sarah LIAO, when she was in charge of the Policy Bureau called the Environment, Transport and Works Bureau, she published the Policy Framework for the Management of Municipal Solid Waste (Policy Framework) and at that time, it was already proposed that the problem should be addressed at source. I believe many people have this Policy Framework with them and I also have one in my hands now, but it is only a

photocopy. The first level is avoidance and minimization, that is, to address the problem at source; the next level is to maximize the reuse, recovery and recycling of suitable recyclable materials and the third, or the last, level is to properly treat and reduce the volume of residual waste through appropriate treatment technologies.

Just like Mr Vincent FANG and the other four Members who have proposed respective amendments, the Civic Party also agrees that the three levels must be implemented together in order to put in place a sound policy on solid waste. However, up to now, it seems the Government is still unable to give us a roadmap and timetable. Is it possible to submit them early next year, as the Secretary said earlier on? I hope we can continue to explore this when we meet in the future, or that the Secretary can give a reply later on.

The Civic Party believes that the waste management policy in Hong Kong must first do a proper job of reducing, recovering and recycling waste. I also agree with the overall direction of today's motion, that is, to promote the recovery and recycling industries. As regards the proposal to make reference to overseas experience, as suggested in the original motion, we also agree with it. Moreover, it is necessary to offer some incentives to the recovery and recycling industries.

However, from the discussion on the development of the EcoPark in an Environmental Affairs Panel meeting several days ago, in fact, it can be noted that the industry is facing one problem and I have also heard the views of some small-scale waste recovery operators in Tseung Kwun O. The problem they are facing is the lack of land. I remember that in last year's policy address, the Chief Executive mentioned the six priority industries and at that time, I already said that those six industries were actually "the six real estate industries" and the waste recovery industry is one of them. The site of the EcoPark is perhaps bigger, but regarding those small-scale waste recovery operators, how actually can we help them? I gathered that this group of small waste recovery operators cannot continue with their recovery businesses because the site has to be resumed for housing development. I hope that discussions can be held with the Development Bureau, so that suitable sites can be allocated to them and the needs of waste recovery operators and local communities can be given due regard when carrying out planning.

The original motion suggests that the producer responsibility system would become another kind of consumption tax, even turn Hong Kong into a "taxes and levies capital", affect Hong Kong's reputation, the business environment, the purchase of goods, consumption, and so on. We have reservation about this. Just now, Mr Vincent FANG kept describing this as a punitive measure, but if we think about it carefully, we would realize what we are talking about is just a responsibility system and a matter of public justice, so that the polluter will pay. I believe we will all agree that not only will the pollution created by us affect the Earth now, it will also affect the next generation, so why should we not take up a little bit of responsibility?

As Mr KAM Nai-wai said just now, the Government should offer rewards and mete out punishments judiciously. Under the producer responsibility system, at present, only the plastic levy has been introduced. Moreover, only the first phase has been implemented, while the implementation date for the levies on the other five types of products has not yet been fixed. The revenue from the levy on plastic bags only amounted to some \$6 million in the first year, and I have pointed out in my amendment that I hope the proceeds from implementing the producer responsibility system can be allocated for the establishment of a dedicated fund to support the development of the recycling industry and other environmental industries on a "dedicated-fund-for-dedicated-use" basis, for example, to provide interest-free loans and technical support to the industry, or according to the Civic Party's proposals on a Green New Deal — I believe the Secretary must have received the relevant policy papers — provide subsidies to schools or public organizations in need to procure more costly recyclable products, so as to encourage them to purchase as far as possible green products in procurement exercises.

As I said just now, I hope the Government can take the lead by formulating green procurement policies as soon as possible, so as to show leadership. For example, I hope that the measure of using eco-blocks can be implemented on a permanent basis. Not only can the recovery of various products ease the burden on landfills, it can also bring financial benefits to waste recovery operators and the labour market.

However, the services provided by waste recovery operators also vary in quality. Earlier on, we organized an open forum together with 19 other organizations, entities and green groups. On that day, many waste recovery operators pointed out that they are straight recovery operators, but do people know that? Do people have confidence in them? What actually can they do?

They hope very much that the Government can implement a certification system and even issue licences, so that they can be awarded a Q-Mark to make people have confidence in them. They can also continue to do their best, which is also beneficial to the entire waste recovery industry.

On green product labels, I believe this is perhaps another industry in addition to the six industries with clear advantages in Hong Kong. The certification industry is also one of the six industries. The issue of green product labels or proclaimed green products reminds me of some instances that are not so very much related to slimming products. Before the legislation on food labelling had been enacted, there were some products that claimed to be "sugar free" and I believe Members must also remember this. However, are they actually really "sugar free"? When the Consumer Council published its findings, it was found that instances of misleading information might have existed. After the legislation on labelling was enacted, this kind of instances are no longer tolerated and all of us can now have a clear understanding. I hope the Government can develop a certification system as soon as possible to let the public truly know if a product is really green or not.

In addition, I also proposed in my amendment a reduction in the number of rubbish bins and the provision of more recycling bins instead. Deputy President, if Members care to look at this location, which is covered by me, they will see that it is full of lush green grass, or rather, I should say it is full of shady trees and at first glance, it looks like somewhere overseas but if Members look more closely, can they see something? Between every two trees, there is a green rubbish bin and the rubbish bins are lined up close together. This is our Kowloon Park. This picture was taken by my assistant because the sight is really too shocking. There is a green rubbish bin for every two trees and they form a close line. One really fails to understand why so many rubbish bins are needed in Hong Kong.

Earlier on, I know that in response to the demands of green groups, the Environmental Protection Department also hopes to actively put in place more recycling bins and reduce the number of rubbish bins. With the current state of development in Hong Kong, we all understand that putting in place more rubbish bins does not mean that this is a clean city. Rather, we should make the public realize that a lot of the waste that we put in bags and wanted to discard actually has recycling value. However, sometimes, we may hold the waste in our hands and cannot find recycling bins, so we have to walk about holding the waste. In particular, opened drink cans give one the greatest trouble because often, for the

sake of convenience, they are discarded into ordinary rubbish bins and one would not wait until one can find recycling bins before discarding them. In this regard, I understand that the Food and Environmental Hygiene Department has to work closely with the bureau and they must by no means let up in the work in this regard. They must continue to make a greater effort.

Finally, I also wish to talk about education. I agree that the APIs made by the Environment Bureau all have very beautiful flowing images which are very soothing and relaxing to watch but sometimes, they seem to be too abstract. On the implementation of green concepts or policies, we cannot see any very substantial and strong messages being conveyed by them. I hope the Bureau will not just make efforts in the APIs but will also step up its efforts in communication with schools, families and housing estates, in particular, in relation to kitchen waste. Several days ago, the Secretary also gave us a reply pointing out that a private housing estate has made rather satisfactory arrangements on kitchen waste. I hope such experience sharing can give an impetus to various parties in making even greater efforts, so that not only can publicity be given through the television but advocacy can also be made at interpersonal levels and through District Councils.

To conclude, I have to give an account of the views of the Civic Party on the various amendments. Concerning Mr Vincent FANG's original motion, just now, I said that I believed the claim that the environmental protection levies would turn into consumption taxes is an overstatement and I think this is not the original intention of the Government either. However, of course, it would be most desirable if the Government can adopt the approach of "dedicated-fund-for-dedicated-use". We will abstain from voting on any amendment that contains this passage, including the amendments proposed by Mr CHAN Hak-kan and Mr Jeffrey LAM. We will fully support the amendment proposed by Mr IP Wai-ming, in particular, the proposal concerning the ban on disposal at landfills. We will also support Mr KAM Nai-wai's amendment and other major principles. Thank you, Deputy President.

MR CHAN HAK-KAN (in Cantonese): Deputy President, first of all, I thank Mr Vincent FANG for proposing this motion on "Promoting the waste recycling industries" for debate today, which gives us an opportunity to conduct a debate on

the waste recovery and recycling industries in Hong Kong in this Chamber again after the Tseung Kwan O landfill incident.

Deputy President, we can see that the biggest difference between the recycling industries and other production-based industries is that the former's materials come from the waste disposed of by us day in, day out. So, a prerequisite for the development of these industries is a sound waste separation and recovery system to ensure a sufficient and reliable supply of recovered materials for the operators. Meanwhile, their products will require certification and government facilitation before the market of genuine green products can develop healthily and competitively. Deputy President, the amendment proposed by me today also seeks to provide input targetting the waste separation and recovery policy, disposal of food waste, as well as matters relating to the certification of green products and procurement by the Government.

To ensure the supply of recovered materials, many countries and places have adopted the strategy of using financial means to encourage waste separation by industries and businesses and by the public for recovery. Hong Kong also has the successful experience of reducing the use of plastic bags by financial means.

The Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) hopes that the Government will, as it has undertaken to, introduce expeditiously the producer responsibility system for five products, namely, electronic products, vehicle tyres, packaging materials, beverage containers and rechargeable batteries. But what I wish to say is that the product eco-responsibility system is not universally applicable, and I think it has to be target-specific. For instance, it should be applicable to the more environmentally hazardous products, such as rechargeable batteries and electronic products that I have just mentioned. Besides, products which are produced in particularly large quantities, such as plastic bags or packaging materials that I have just mentioned, should be specifically targetted. Imposing levies under a target-specific producer responsibility system can preclude suspicion among the public that the Government's intent is to boost revenue on the pretext of environmental protection. So, from what we can see, the Government must exercise great care in introducing the product eco-responsibility system.

Moreover, when imposing environmental control by financial means, the "polluter pays" principle must be upheld. But it is also necessary to have regard to the actual circumstances in Hong Kong. Careful consideration must be given to the timing of introducing fee-charging items, the specific design and the matching arrangements. Discussion has started in the community on imposing a levy on domestic solid waste, while some environmental groups have mentioned the need to adopt a volume-based charging regime. Although I agree to a volume-based charging mode, a handling fee for domestic solid waste is actually a levy to be imposed on all Hong Kong people. The grassroots are already faced with inflation now and their belt has been tightened more and more intensely. So, the impact of this levy on the people's livelihood must be carefully weighed before giving effect to it, and in designing the charging scheme, a mechanism for exemption must also be put in place to mitigate the impact on the lower-middle class.

Taking an overview of places where a volume-based charging method is implemented successfully, we will note that they all have well-established waste recovery channels which can truly facilitate separation of recyclable waste by the public, thus enabling the recycling industries to more easily obtain materials from local sources for recovery. Only in this way can the effects of the levy be brought into play in controlling the production cost and ensuring a stable supply of materials for the recycling industries. However, we can see that the channels for recovery of domestic solid waste in Hong Kong are grossly inadequate. Effective channels are still lacking for the recovery of many kinds of waste, such as glass bottles and food waste. For this reason, I do not quite agree to the imposition of a levy before there are sound and effective supporting arrangements for waste recovery. I think the Government should do more in respect of the recovery channels and the recovery system before considering the imposition of a levy.

Deputy President, as colleagues have mentioned earlier, 90% of the waste currently recovered in Hong Kong is exported to other places and less than 1% of the recovered materials is utilized by the local recycling industries, indicating that there can be plenty of room for the development of the local recycling industries. Now that the tendering process for Phase 2 of the EcoPark has just started, and in view of the lesson learnt from the problems encountered in Phase 1, I hope the Government can make greater improvements in the selection of tenants and the supporting arrangements for assisting the tenants in future, so that recycling

industries which truly turn the recovered materials into new products can achieve better and faster development.

Deputy President, I personally think that the gravest concern of Hong Kong people remains to be the disposal of food waste. We can see that insofar as food waste in Hong Kong is concerned, I would say that the situation is basically "zero recovery, all being landfilled". The landfilling of food waste not only aggravates the odour problem in the course of transportation, but also causes great nuisance to residential areas and even puts a heavier pressure on landfills in dealing with the problems of sewage and methane. So, I think the Government should now concentrate on the disposal of food waste and work for the massive recovery of such waste for recycling.

Deputy President, we in the Panel on Environmental Affairs discussed on Monday the development of food waste treatment facilities by the Government in Siu Ho Wan, but the facilities will have a capacity of disposing of only 200 tonnes daily which, I think, is too small indeed. It will take at least a 10-fold increase to deal with 50% of the food waste currently being dumped at the landfills. We can see that the expansion of organic waste recovery facilities by the Government can help develop a sound channel for recovery. It can also provide assistance in various ways to facilitate the provision of food waste composting facilities in public and private housing estates for the disposal of food waste at source. The Government should also adopt policies to encourage private organizations to dispose of food waste by themselves. I understand that there are already technologies to turn food waste into fish feed and fertilizers, and it can even produce fuels to replace coal for power generation. So, the Government must seriously think about how the 3 200 tonnes of food waste generated daily can be put to good use, in order to turn waste into energy and turn the crisis into opportunities.

Deputy President, my amendment also mentions a system of green products certification and labelling, and I hope the Government will expand green procurement. It is because the prices of green or environmentally-friendly products have all along been on the high side, and as there is in the market a proliferation of products which are environmentally-friendly in name only, the public are doubtful about these products. The reasons that I have just stated are directly related to the fact that the green products market has not been able to develop effectively. In fact, many members of the public do support

environmental protection, and they wish to buy green products. But in the absence of a certification system, and due to the lack of government facilitation and encouragement, they may not necessarily know whether the products that they purchase are entirely environmentally-friendly. So, if the Government can put in place a system of green products certification and labelling, the public would be willing to spend more on these products and this can, in turn, facilitate the development of the green products industry.

Lastly, being the largest procurer of goods, the Government plays a very significant leading role in the market. But under the so-called "green procurement" policy of the Government, the power of control basically lies in the hands of various departments. There is neither a target nor mandatory requirement for compliance. I have made reference to the experiences of some advanced places in Europe and the United States. Their governments have required the departments to set a proportion for the procurement of green products, and arrangements for price differentials have even been made, allowing departments to procure green products at a price being 5% or even 15% higher than that of other non-environmentally-friendly products. The objective is to increase the chance of success for green products in tender exercises. In comparison, the SAR Government is all words but no actions in appealing only verbally to its departments to practise green procurement. In this respect, other countries are doing a better job than us. I really very much hope that the Government can review afresh its procurement policy, so that the Government's materials will all be environmentally-friendly, thereby boosting the development of the green industries as a whole. Thank you, Deputy President.

MR JEFFREY LAM (in Cantonese): Deputy President, it has only been a few months since the start of the current Session and during this short period of time, as far as I can remember, issues relating to solid waste have been discussed in meetings of this Council and the Panel on Environmental Affairs for several times. Today, we are again discussing the motion on "Promoting the waste recycling industries". Although people may feel that this is a bit "long-winded", this precisely reflects that Members of the Legislative Council and the public are well aware that the problem of the disposal of solid waste in Hong Kong has become extremely pressing.

Hong Kong has a scarcity of land but a dense population. There are fewer and fewer places that can be used as landfills, and the development of advanced waste incineration facilities has so far remained to be all thunder but no rain. When there has yet to be a breakthrough in these hardware facilities, the only way is to start working on the overall policy, with the aim of actively reducing the production of waste and promoting the development of the waste recycling industries. This is the only effective way to solve the solid waste problem in the long run. I hope that various sectors of the community can put their heads together, and the Government can take on board good suggestions and seriously tackle the problem of increasing solid waste.

The SAR Government put forward "A Policy Framework for the Management of Municipal Solid Waste (2005-2014)" at the end of 2005. This 10-year plan is already half way through. The strategic targets proposed by the Government at that time were to increase the recovery rate of solid waste to 50% by 2014, reduce the amount of municipal solid waste generated by 1% per annum and reduce the total amount of solid waste disposed of at landfills to below 25% by 2014.

Although the Government has often mentioned recently that the recovery rate of municipal solid waste in Hong Kong has risen to 49%, which is very close to the target of 50%, the statistics on the amount of waste disposed of at landfills show that the Government's performance is a bit unsatisfactory. At present, over 50% of the waste generated daily in Hong Kong has to be disposed of at landfills, which is quite a long way from the target of reducing the figure to below 25% by 2014.

Statistics show that in 2009, a total of 6.45 million tonnes of municipal solid waste was generated in Hong Kong, of which 3.18 million tonnes was recovered. This indeed shows a recovery rate of 49%, but a mere 1% of it was recycled in the territory, whereas the remaining 99% was exported to the Mainland and other countries for recycling, generating an export revenue of about HK\$5.8 billion. But as more and more countries or places have gradually reduced the import of waste, I think the channel for export of waste would become increasingly narrow, and it follows that the revenue generated from the export of waste would also be declining. Therefore, the only proper course to take is to promote the development and upgrading of the local recycling industries, so that the recovered materials can be upgraded and turned into green

products of a higher value through processing and recycling by the industries. Biodiesel is a good example of how waste can be turned into jewels.

Deputy President, the global production of biodiesel has gradually increased in recent years, but the major bases of production are the European and American countries. Some developing countries, such as Malaysia and Indonesia, also produce an increasing amount of biodiesel in recent years but their supply is usually intended to meet the domestic demand. As for China, it is still making a start in this respect, as its production of biodiesel stood at only 100 000 tonnes to 200 000 tonnes in 2005, showing that it still has great potentials for development. The emission of greenhouse gases and pollution of water, soil, and so on, resulting from the use of biodiesel are of a lesser extent when compared to the conventional auto fuels. In the long run, it can also reduce the import of oil and open up more markets for export.

The SAR Government can actively make reference to the policies and relevant technologies adopted in overseas countries and provide tax concessions and technical support locally to encourage the business sector to invest in these emerging environmental industries. Biodiesel is only one of the examples. Regarding other industries engaging in the processing of recovered materials, it is entirely possible to introduce desirable incentives to encourage the business sector to participate in the recycling industries.

On the other hand, under the general framework of Guangdong-Hong Kong co-operation which is now in place, the SAR Government can closely co-operate with Guangdong Province in studying the promotion of a regional circular economy and expansion of the scope of recovery, disposal and recycling, while holding discussions on relaxing statutory restrictions on cross-boundary transfer of waste and recovered materials. Leveraging on the industrial base on the Mainland, materials recovered in Hong Kong can be transferred to the Mainland for processing and recycling, and Hong Kong enterprises operating factories in the Mainland can also look for new business opportunities under the general policy of early and pilot implementation.

Deputy President, I have looked up the papers of the Legislative Council Secretariat concerning the strategy of the management of municipal solid waste in three cities, namely, Taipei, London and Singapore. I found that several similar measures are adopted in these three cities.

First, when implementing the waste separation programme, all three cities have made waste separation mandatory, or they have selected regions as test points for mandatory separation.

Second, both the Taipei and Singaporean Governments have set up various funds to provide incentives for the development of the recycling industries.

Third, with regard to the recycling industries, all three Governments have put in place schemes and codes of practice for green procurement on the one hand and implement the green labelling scheme similar to products certification on the other, in an effort to encourage enterprises to apply for labelling and certification from the Government for their products. In Singapore, there are over 130 green label products and in Taipei, 1 200 products have been granted a green mark label.

Lastly, all the three Governments have earmarked funds for promotional, educational and publicity programmes on environmental protection.

It cannot be said that the SAR Government has not made any reference to these experiences but in fact, there are still a lot to learn from the experiences of others. For instance, with regard to various types of environmental certification, given enhanced public awareness of environmental protection and greater public demand for environmentally-friendly products, green labelling has become a selling point for the products of enterprises. However, there is now a great variety of certification systems in the world which are so eye-dazzling that one cannot make head nor tail of them, and what is more, the cost of application is exorbitant. If small and medium enterprises (SMEs) have to apply for environmental certification, it will no doubt increase their production cost.

To encourage the development of environmental industries in future, the SAR Government can, on the one hand, consider encouraging SMEs to apply for environmental certification, so as to ensure that the quality of their products meets higher environmental standards. On the other hand, it can consider providing support and guidelines in its policies by providing information and matching service for SMEs to help find out which type of certification can suit the characteristics of their products. In this way, an enterprise can submit an application appropriately, and this can avoid wastage of resources and allow more

SMEs to mate their own development with the concepts of environmental protection.

Deputy President, giving support to environmental protection and promoting the development of the recycling industries are issues relating to the sustainable development of society as a whole in the long term. But it is not enough to rely solely on the education efforts and policies of the Government. Participation from and co-ordination among the public, the Government and the business sector is required, such that early planning and preparations can be made to meet the greater challenges brought by environmental problems in the future.

Deputy President, I so submit.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): Deputy President, first of all, I must thank Mr Vincent FANG for proposing the motion on "Promoting the waste recycling industries" for debate. A number of other Members have proposed amendments to the motion and added their views. I have listened to the speeches made by several Members earlier and found that our directions are unanimous, that is, when we deal with the waste disposal problem, a very important principle is that the waste that we are talking about today does not necessarily mean garbage, but carries a certain value. Moreover, this market can be opened up through the concept of "3R" mentioned by many Members earlier and by other means, with a view to furthering the development of waste recovery and recycling. Deputy President, I would like to give a concise speech here to provide the background and, with the benefit of Members' views, I will give a further response.

We have clearly explained our entire direction when we published "A Policy Framework for the Management of Municipal Solid Waste" in 2005, and we have all along been working in this direction. At that time, we introduced the "polluter pays" principle, under which financial incentives were provided to encourage the public to put in more efforts on recycling and to reduce the disposal of waste. Of course, this also included avoiding and reducing the generation of waste, followed by the promotion of reuse, recovery and recycling, with a view to minimizing the volume and amount of waste generated and hence reducing the amount of waste for final disposal. Speaking of the final disposal

of waste, we appreciate that it is impossible to rely on one single method. We also appreciate that modernized methods must be employed, and a modernized method of waste disposal may in itself be a business opportunity. Insofar as the general direction is concerned, we are still following the 2005 Policy Framework in carrying out work in this area continuously.

To reduce and avoid the generation of waste, it is most important to look into whether waste can be reduced at source. A phenomenon unique to Hong Kong is that the recovery of industrial and commercial waste fares better with a recovery rate of over 60%. During the past few years, the amount of domestic waste disposed of took up a large share of the total amount of waste disposed of, but the amount of waste recovered was actually on the low side in the past few years as the recovery rate was 10-odd percentage points. This is why the Government has been doing more in reducing waste, especially in reducing the generation of domestic waste. We can see that the figure has risen from 10-odd percentage points a few years ago to the present 35%. This is also the reason for the overall waste recovery rate having managed to rise to 49% as cited by many Members earlier on.

As at October this year, over 1 600 housing estates have participated in the Programme on Source Separation of Domestic Waste, covering about 80% of the local population. It means that every household will find three-coloured waste separation bins in the neighbourhood to facilitate waste recovery. In respect of the industrial and commercial sectors, the source separation of waste programme has been extended to cover more than 600 industrial buildings. The objective is to assist them in carrying out work in this respect, and the provision of facilities is the least that can be done. Thanks to the participation of the public, the coverage of the three-coloured waste separation bins has increased from the past 50% to the present 80%. This has also enabled the overall recovery rate to increase from 45% in 2005 to 49% in 2009. In formulating the Policy Framework in 2005, our target was to achieve a recovery rate of 45% in 2009, and we have actually surpassed the target that we originally set for 2009 and we are close to the ultimate target set originally in the Policy Framework of increasing the figure to 50% in 2014. If we compare this figure to that in other places, such as 33% in the United States, 35% in Britain, 43% in Taipei and 44% in Singapore, we can see that our figure in Hong Kong shows that we can meet the minimum standard. Having said that, work will still be carried out continuously in future.

Some Members mentioned earlier the figures concerning waste disposed of at the landfills. As I have mentioned in this Chamber before, despite a continued increase in the amount of waste generated, the amount of waste disposed of at the landfills has started to drop in recent years.

On the promotion of reuse, recovery and recycling, the Government has actually provided assistance for the recovery industry by, among other things, providing land to meet the aspiration of waste recovery operators. Territory-wide there are currently 32 sites with a total area of 5.8 hectares being provided exclusively to waste recovery operators on short-term tenancies. Besides, many Members have mentioned the EcoPark in Tuen Mun for which strenuous efforts had been made for its implementation over the past few years and which is bearing fruits now. With 20 hectares of land, the EcoPark will be developed in two phases, and Phase 1 has generally come into operation.

On the other hand, in implementing the producer responsibility scheme, the Government has, apart from enacting legislation, launched a series of waste recovery initiatives in collaboration with the industries, covering the recovery of batteries, glass bottles, computers, compact fluorescent lamps, fluorescent light tubes, and so on. Initially, these initiatives are implemented on the basis of voluntary participation, and they can be extended in future if they are found to be effective. The Government has hired some recovery operators to implement these initiatives and has created some job opportunities. Certainly, Members are concerned that after the imposition of the plastic bag levy, the Government may, in its next stage of work, introduce a producer responsibility system for waste electrical and electronic products. In this respect, we hope that we do not only aim at the recovery of these products. We also hope that in the disposal of these products, we can create a circular economy locally, enabling this industry to build a solid foundation in Hong Kong while creating job opportunities for the public.

Moreover, in order to develop a well-established circular economic sphere, there must be ways for waste which has undergone the process of reuse, recovery and recycling to return to the consumption loop. The Government has all along set an example by taking the lead to promote green procurement. A number of Members also mentioned in their speeches earlier that the Government can put in efforts in this respect. Over the past three years, we have had two opportunities

to expand the procurement list in the Government. When conducting tender exercises, the environmental factor has become one of the considerations of many departments, apart from other factors such as financial factors. The existing green procurement list has included items more than double of those in the past and is extended to include some items covering public works. For instance, the Government has promoted the use of various types of recycled construction materials, such as using recycled aggregates and recycled asphalt for road and slope works. A Member mentioned glass blocks earlier on. In fact, since October this year, the Highways Department has taken the lead to specify in the public roads maintenance contracts the use of environmentally-friendly blocks containing glass. This is proof that the Government has made improvement in respect of procurement as suggested by Members.

Apart from taking forward initiatives to facilitate waste recovery at the policy level, we have also supported the environmental protection activities of small and medium enterprises (SMEs) through the Environment and Conservation Fund and the Innovation and Technology Fund. We have encouraged the SMEs to develop recovery and recycling technologies while providing them with assistance, including what we have done through social enterprises in the EcoPark, and Members are actually aware of this. We have, over a period of time, launched public education programmes to increase the amount of waste recovered as far as possible. For instance, we have carried out alteration works in schools, so that a great majority of primary and secondary schools in Hong Kong can collect more food waste during lunch, and they are also encouraged to reduce the use of disposable cutlery.

In view of increasing calls from the public for a more environmentally-friendly, greener environment and for stepping up waste recovery, I believe work in these several areas is what we must do. In future, we must make greater efforts to this end in the formulation of laws and regulations or implementation of policies, and even injection of resources as well as infrastructure development. I believe Members will put forward a lot of new ideas in their speeches later. I will listen to the views of Members and then give another response.

Thank you, Deputy President.

DR RAYMOND HO (in Cantonese): Deputy President, since the Government's proposal on the expansion of the Tseung Kwan O Landfill was negated by this Council last month, the issue of waste disposal has been widely discussed in various sectors of the community. Despite a downward trend in the total amount of solid waste disposed of at the landfills in recent years as the figure has dropped from 3.42 million tonnes in 2005 to 3.27 million tonnes in 2009, government statistics have projected that the capacity of the three landfills in the territory would be exhausted one by one in three to seven years and by then, there would be no way to dispose of the 18 000 tonnes of waste generated daily in Hong Kong. After this incident, a clear consensus has been forged in the community and that is, apart from not supporting the expansion of the landfills to our valuable country parks, it is generally recognized that relying solely on landfills to dispose of solid waste without any long-term solution is not a correct approach.

Over the years I have proposed to the Government the use of advanced incineration technology to address the problem of waste disposal. In the past when incineration technology was not as advanced as it is now, waste treatment by incineration would often produce dioxin, exhaust gas and ashes, resulting in environmental pollution. But following technological advancements, the new generation of incineration facilities has been developed to meet modern-day stringent emission standards. This is why many modern cities, such as Tokyo in Japan, Hamburg in Germany, Singapore, Paris in France, as well as many other advanced metropolises have adopted incineration technology for waste treatment.

In 2001, three members of the Panel on Environmental Affairs and I visited Britain, France and Germany in Europe to inspect their sewage treatment and incineration facilities. During the inspection visit, we found that some incineration facilities were basically popular tourist attractions, and residential areas were often found in the vicinity of the surrounding walls of the incineration facilities. In the case of neighbouring Singapore, in order to reduce the demand for landfilling, the relevant authorities have also adopted the strategy of treating waste by incineration in that all kinds of incinerable waste are disposed of by way of incineration. After incineration, the volume of waste can be reduced by 90%, which means that only 10% will remain, while the heat released during incineration can be used for power generation, which accounts for about 2% of the electricity supply of the place. Many Mainland cities have also electricity generation through incineration of solid waste for domestic consumption.

A fortnight ago, the Chief Executive visited the incineration facilities in Tokyo and Yokohama in Japan to examine how these facilities which are traditionally labelled as obnoxious facilities can integrate into the community there. The Chief Executive has described the facilities visited by him as smokeless, odourless and noiseless, adding that their cleanliness is comparable to the standard of a hospital. These descriptions may be a bit exaggerated, but this has given us a clear picture of how waste can be treated in a way acceptable to the people. These facilities have also generated heat for the water used in an adjacent heated public swimming pool. This is the approach adopted in Japan. What the Chief Executive has experienced is quite similar to my experience nine years ago as we could see the community's acceptance of incineration facilities. I hope that the Chief Executive will consolidate the experience of his visit and draw up a policy on the development of incineration facilities suitable for Hong Kong, in order to meet the needs of the community and Hong Kong as a whole.

As regards the electronic parts disposed of at the landfills, such heavy metal as lead or mercury and other toxic chemical substances will penetrate into the soil, thus posing certain hazards to the surrounding ecological environment and the health of residents. In the market, we can see that the secondary markets of small electronic products, such as mobile telephones and digital cameras, are very active, and as these products have a high trading value, it is very easy for the public to trade their old products. For the larger electrical appliances, such as television sets, desktop computers or monitors, their trading value is comparatively lower as their transportation is not as convenient as that of portable electronic products. Under the waste electrical appliances and computer recycling programmes of the Environmental Protection Department, mobile collection vehicles are sent to major housing estates to collect used electrical appliances and computers only on a half-yearly basis, and there are only 15 specified collection points in the territory. These factors have made it difficult to attract the public to spend time and transport fares on giving away these electrical products for recycling. I hope that the Government can implement its measures more thoroughly, rather than making them just a "half-baked cake".

I think the various waste reduction measures currently implemented by the Government are still far from adequate and coupled with its evasive attitude towards the issue of waste disposal in the past, this scenario of the landfills reaching capacity shortly is therefore resulted. As an international metropolis, Hong Kong should not remain stagnant in the work of environmental protection.

I hope that the Government, in formulating the relevant policies, can attach importance to the sustainable development of Hong Kong and the health of the public in the future. The Government should be able to gain the support of the general public so long as its policies are reasonable.

Deputy President, I so submit. Thank you.

MR LEE WING-TAT (in Cantonese): Deputy President, we are here to discuss the waste recycling campaign again. I believe that after the landfill incident, the Secretary must have somehow learnt a bitter lesson and decided to start doing something. I would like to make a few points today.

The first point concerns the prevalence of the levies as raised by Mr Vincent FANG. It happens that he is not in the Chamber now. I have listened very attentively to Mr Vincent FANG's speech earlier. He proposes to change people's habits gradually through education and encouragement. This is not wrong. Nowadays, primary and secondary students do have more opportunities of exposure to environmental concepts than we did in the past. In reality, it is not the case that we do not need to impose a levy for environmental awareness to be strengthened. Mr Vincent FANG has just returned. Hello.

We have had debates on the imposition of a plastic bag levy, and some colleagues have reservations about this. I would sometimes go to supermarkets and I found that the public are smart as they all bring their own bag for shopping to avoid the 50-cent levy charged for a plastic bag. Even if they forget to bring their own bag, they still choose to carry the goods home without asking for a plastic bag as long as they have not bought too many things.

In tandem with education, it may be necessary to impose some sort of a levy and of course, it is best not to affect the people's livelihood. In respect of recycling, I have not particularly examined the timetable provided by the Secretary and the undertaking he has made. Many issues have not yet been discussed in meetings. The consultation document on electrical appliances has been published, but it remains unknown as to when it can be implemented. There are also vehicle tyres, and also containers or paper boxes that the environmental groups have been talking about, as well as many other products which can be recovered and recycled. The Secretary actually faces many challenges. Certainly, I would assume that the Secretary has made his utmost

efforts but his pace of work is very slow and I am gravely concerned about this. I reckon that many tasks cannot be completed in this term of the Government. Why? The Secretary may have to take into consideration a diversity of interests. But these are what he, being the Bureau Director, must do. He must bear in mind that many people support the work of environmental protection. If he is not decisive enough and if he does not take forward these initiatives resolutely and vigorously, as I said in the debate previously, his supporters will have a very hard time.

He is sometimes the target of criticisms. If he imposes too high a levy, the trades and sectors represented by Mr Vincent FANG will have grudges against him, but if he fails to do a good job in recovery, the green groups or supporters of environmental protection will complain about him. Actually, we have not calculated the indirect costs of environmental protection or waste recovery, and the public also know very little about this. The development of landfills, the refuse collection vehicles of the Government for collecting garbage, the transportation and treatment of waste, and so on, all require money.

Deputy President, I would like to talk about incineration facilities. On a previous occasion I proposed the provision of an incinerator in every district, but some colleagues did not agree. In spite of this, I think we can discuss this slowly and it is unnecessary to get too worked up. Whenever the provision of incineration facilities in a certain district is discussed, the residents of the district in question would certainly think that their district is not the best location for such facilities. Any Member who welcomes the provision of incineration facilities in his geographical constituency would command my admiration. I understand that the Secretary is trying to identify a site for the purpose in New Territories West. I personally do not have any strong view on this. But I think District Council (DC) members and Members of the Legislative Council representing the district will face pressure from the residents who would query why the authorities must select their district for the development of incineration facilities.

As I said on a previous occasion, unless it is the long-term strategy of the Government to develop a large incinerator which can keep expanding in scale to treat all the garbage in Hong Kong, it would be difficult to solve the problem. But this is not a plausible option in terms of logistics considerations and economic benefits. At the meeting of the panel yesterday, we also discussed the disposal of food waste. Colleagues said that there is no reason to transport food

waste to faraway places for disposal, which is true for all types of garbage. Disregarding in which district the incinerator is built, it still takes time to transport the garbage there. It may take only 30 or 40 minutes for a truck to transport the waste there late at night, but the transportation time during peak hours may be much longer. After his visit to Japan, the Chief Executive said that it would be best to build an incinerator in each of the 18 districts. He really sounded as if this is an easy task, and I wonder if he has done any study. But if the time for transporting waste can be shortened and pollution mitigated, his suggestion is, in fact, not unreasonable, and the planning work can be carried out in due course.

Deputy President, the Secretary has told me that since the development of just one incinerator has given rise to so many disputes, if he goes further to propose the development of one incinerator in each of the five geographical constituencies, it would be like sending him to the guillotine. While Gabriel LEUNG had been chided by many people in proposing the provision of a columbarium in each of the 18 districts, I think his proposal is not unreasonable. There are people passing away in each district and it is unreasonable to put the ashes in districts where other people live and refuse to take up any responsibility. Waste is generated in each district, and I believe it is more acceptable to provide incineration facilities in all five geographical constituencies than in all 18 districts, so that the residents in each geographical constituency have to share the responsibilities. Further studies can be conducted on how planning should be carried out. If a certain district is designated for building an incinerator, the residents of that district, as well as DC members and Members of the Legislative Council representing the district will certainly be up in their arms.

Deputy President, I hope that the Secretary can consider this very carefully. I hope that after completing his current term of office, he will take up office again in the next term of the Government. But he should conduct consultations on the development of incineration facilities in a number of districts and put this forward for discussion. If he always thinks that developing incineration facilities in a certain district can solve the immediate problems, rather than mapping out long-term plans, he would invariably face opposition every time.

Thank you, Deputy President.

MR ALBERT CHAN (in Cantonese): Deputy President, I would say that it is extremely behind the times for us to discuss the issue of promoting the waste recycling industries only today in 2010. Perhaps this is consistent with the concept of "big market, small government" upheld by the Government or the Liberal Party. This policy is absolutely suitable for Brazil because in Brazil, over 90 million poor people scavenge at the garbage hills, and many enterprises operating with a small capital, or in a small scale, or in the form of one-man business, are engaged in the promotion of waste recycling. Due to prohibition in law, the poor people in Hong Kong cannot scavenge at garbage dumps. All they can do is to take a "guerrilla" approach in picking garbage from rubbish bins and from refuse collection points in housing estates, collecting garbage for recycling. Tens of thousand elderly and poor people are living in this way. We can see from time to time elderly people, or women in their 30s or 40s bringing with them two children, picking garbage at refuse collection points and scavenging valuable stuffs for recycling. In such an advanced city of Hong Kong, a city renowned as a free economy, is it not outrageous that we can still find poor people and lower-class people whose living is so difficult? How can an advanced society, a prosperous society, a government with institutions in place or a strong awareness of environmental protection tolerate such a situation?

The measures for treating and recycling waste should be implemented by legislative and administrative means under the leadership of the central government. Indeed, many advanced cities worldwide have already adopted measures for waste recycling. Waste recycling is implemented in Britain, the United States, Canada, Australia, New Zealand and even Taipei. In Taipei, the development of the recycling industries has undergone dynastic changes over the past decade or so, and this is indeed unforgettable. I remember that when we visited Taipei in the early 1990s, we found that the Taipei city was gradually rolling out measures for waste recycling under the leadership of MA Ying-jeou's City Government then and with the assistance of women's groups and environmental organizations. At that time, I was not at all convinced that Taipei could make it, and I had doubts about how possibly a Chinese society could succeed in doing this. But under the leadership of two to three terms of the City Government, Taipei successfully promoted waste separation at source and subsequently implemented waste recycling.

In this regard, there has been discussion in Hong Kong for many years. The Secretary said earlier that he would listen to Members' views. The

Government has been listening to views and conducting overseas visits during the past decade or two. As I have mentioned repeatedly in this Council, in 1988, the then Regional Council already submitted a report to the Government on how waste can be recycled and how power can be generated through the incineration of waste. A deputation of the Legislative Council conducted a visit overseas and made recommendations to the Government, but the Government seemed to have turned a deaf ear to all this. It has never listened, and even though it has listened, no action has ever been taken. This is not the problem of the incumbent Bureau Director. The problem lies in the Government primarily lacking the will to promote such work. When I discussed this issue with a number of Bureau Directors, they all expressed the concern that public views would rebound once waste separation is made mandatory, and this is one of the reasons why the Hong Kong Government is apprehensive of making waste separation mandatory. But if Taipei can do it, I really do not see why Hong Kong should lag so far behind. Waste separation has been implemented in many cities in Britain, the United States, Canada, Australia, and New Zealand. I hope that the Secretary will learn a bitter lesson. He suffered a crushing defeat in the incidents relating to the Tsueng Kwan O Landfill and compact fluorescent lamps, and since he has been beaten before, what else is there to fear? I, therefore, hope that in the coming year, the Secretary will enact legislation on waste separation at source as early as possible to first deal with the separation of dry waste and wet waste, and then proceed to the further sorting of dry waste. When waste can be separated and sorted, there will be cost-effectiveness for the waste recycling industries and by then, waste recycling can be taken forward by tender or subject to whatever stipulations, or under a district-based approach or a contracting system.

Moreover, I wish to talk about the disposal of construction waste. Over the years I have proposed to the Government time and again that it would be best to decide on the sites requiring reclamation at an early stage in the course of urban planning. Then, the construction waste can be dumped in those reclamation areas for a long period of time, instead of shipping the construction waste to Zhongshan to help with the reclamation works there. When there is a need for reclamation in Hong Kong, we nevertheless have to resort to extensive dredging of marine sand, which will destroy the seabed. This is indeed very ridiculous. While Hong Kong does have precious resources, these resources are not put to any use, given away to others instead. This is almost like subsidizing others in their reclamation works. The Government lacks planning and it also

lacks the will. As a result, Hong Kong has lagged so far behind in respect of environmental policies, especially policies on the disposal of garbage and waste, that we are very similar to such backward countries as Brazil and Africa. We should not allow this situation to continue. Donald TSANG always stresses strong governance, but in the face of the garbage problem, he is like a "defeated bulldog". Since he was bold enough to promote compact fluorescent lamps, why is he not bold enough to promote mandatory waste separation and recycling which is already implemented all over the world? I, therefore, hope that the Government will learn a bitter lesson (*The buzzer sounded*)

DEPUTY PRESIDENT (in Cantonese): Time is up.

MR ALBERT CHAN (in Cantonese): and correct the past mistakes. Thank you.

MS STARRY LEE (in Cantonese): Deputy President, garbage is not useless scrap, but a misplaced resource.

In European and American countries, green industries have long been developed very successfully, in that not only the recovered materials are valuable, but there are actually huge business opportunities for the environmental industries which produce various types of products by processing and adding value to raw materials. Turning back to Hong Kong, there is too much garbage, and the Government has often warned us of the limited capacity of the landfills which will be full in a couple of years' time, adding that the landfills have to be expanded. The impact on society has been seen very clearly by us all before.

If the Government can properly develop a "garbage economy", or "green economy", and effectively build up a waste recycling industry, so that more materials can be recycled without being sent to the landfills, this can put the resources on Earth to good use and reduce garbage, while promoting economic development and generating revenue. Better still, this can ease the contradiction between the Government and the people and reduce conflicts between them, thus killing many birds with one stone.

In his speech earlier Mr CHAN Hak-kan has explained in general the position of the DAB on how a comprehensive policy can be formulated for the recycling industries. In my following speech, I will add some points focusing on the recovery park and green certification.

Deputy President, insofar as waste reduction is concerned, the Hong Kong Government's performance is below par, and the Environment Bureau must indeed take the blame. It is because if we look at the targets set in 2005, not even in one year has the target been achieved, and the amount of municipal solid waste, which is made up of daily domestic waste and industrial/commercial waste, has been rising year after year. Having said that, if we look at the waste recovery rate in Hong Kong, we will note that the figure is actually not too bad. Take last year as an example. The recovery rate of municipal solid waste was about 50%. While this is not as good that of 62% in Germany, our rate is still a bit higher than the rates in the United States, Britain and even Singapore. Therefore, the main problem about garbage in Hong Kong lies not in the recovery rate. The problem is that despite a steady rise in the recovery rate, it remains to be the reality that 99% of the materials recovered is directly exported only after some simple packaging, while a mere 1% is retained for recycling locally.

What problems are faced by the export-oriented recovery industry? First, waste recovery and recycling has remained at the lowest level with little economic value. Despite the abundant business opportunities for green products in the international market, the persistent lack of positive government support has indeed made it impossible for the local recycling industries to take shape, thus letting slipped the opportunity to ride on the growth momentum. Second, the over-reliance on export has caused the industries to become vulnerable to external factors. There was a case in the past in which the export price of waste materials was even lower than the cost incurred by the recyclers, thus rendering their operation unprofitable and as a result, waste paper originally intended for export was stranded in the territory, sparking off a crisis in waste recovery.

Deputy President, from a positive angle, while the local recovery and recycling industries appear to exist merely in name, it actually means that there is still a lot of room and potentials for development.

The DAB has all along supported the development of high value-added "circular economy" industries in Hong Kong. This can generate greater economic benefits for Hong Kong while providing one more way out for waste materials. We very much agree that the EcoPark in Tuen Mun is an important element of the Government's promotion of environmental protection and a circular economy.

Regrettably, a spate of problems has emerged from the inception of the EcoPark to its Phase 1 development. We members of the Legislative Council Public Accounts Committee published in July this year a report covering the EcoPark, in which the Environment Bureau and the Environmental Protection Department (EPD) were criticized for failing to exercise due diligence in handling the EcoPark project, causing the project not only to stall between 2001 and 2005 but also to progress slowly in awarding tenancies after its commissioning due to the failure to critically assess market demand before tendering.

It is more regrettable that although the EPD has indicated that it will draw on the experience gained from the Phase 1 development in reviewing the tenancy and lot allocation arrangements for Phase 2, the EPD has yet to formulate a concrete strategy to ensure that EcoPark will achieve its objectives of encouraging the development of value-added and higher-end environmental and recycling technologies and activities. This is indeed worrying.

Deputy President, as government policies and measures have remained stagnant, the recycling industries in Hong Kong have already wasted much precious time. Here, I urge the Government once again to make continuous efforts and seize every minute and second, with a view to building up the recycling industries in Hong Kong as soon as possible.

No matter how good a product is, it is useless without a mature market. This is why we have repeatedly reiterated that the Government must formulate a comprehensive green procurement policy, while at the same time setting an example by taking the lead to purchase recycled products to facilitate the development of the market for green products.

The SAR Government has since as early as 2000 required the departments to give consideration to the environmental factor in the procurement of materials where possible. There are indeed 20 items of goods, including paper, for which

the Government Logistics Department is required to purchase green products. But this mandatory requirement is applicable only to the Government Logistics Department. Compliance by the other departments entirely depends on the decision of individual departments and such being the case, it seems that the policy is not achieving any actual effect.

If the Government can be of one mind in consistently taking forward the green procurement policy, it can certainly set a good example and then further extend the green procurement policy to public sector organizations, and even to the private sector. Only in this way can green procurement be further developed and promoted, but the Government has failed to do even this. No wonder the environmental industries have all along been able to achieve only very limited development.

The market for green products is made up of interrelated elements, and green procurement is just one of them. To ensure smooth operation of the system and healthy development of the market, the Government must at the same time put in place a green product certification system, implement a green product labelling system and set up a database of green products. All these are examples of feasible measures, and I hope that the Secretary can brief us on the progress made in these areas in his response.

Deputy President, I so submit.

PROF PATRICK LAU (in Cantonese): Deputy President, I thank Mr Vincent FANG for proposing this motion for discussion today.

The problem of waste disposal in Hong Kong has all along remained unsolved, and many Members consider that the Government has failed to formulate a long-term and comprehensive proposal for waste disposal. In fact, the Secretary mentioned earlier three options for treating waste, and landfilling is one of them. But landfilling will give rise to huge problems and as Mr Albert CHAN said earlier, the battle was lost in many districts.

Moreover, the provision of incineration facilities cannot win support in districts. In this connection, I think Mr LEE Wing-tat has a point in suggesting that each district should indeed draw up plans to deal with the problems in their

own district. I would think that the Government should put in place a recovery system. This is most crucial and most conducive to environmental protection.

With 18 000 tonnes of solid waste being generated daily in Hong Kong, what will the Government do to separate the waste and how will these three options of waste disposal be put into practice? The Government should clearly think about this.

The option of landfilling indeed has a lot of problems, such as the odour produced in landfills, and the problem of landfills reaching capacity. As Mr Albert CHAN also mentioned earlier, many places, such as Singapore, Japan and Taiwan, are far ahead of Hong Kong in increasing the vigour of their measures for waste recovery.

Garbage actually has a very high value. Mr Albert CHAN mentioned just now that some poor people will scavenge garbage dumps to look for articles they need. But what is the biggest problem of Hong Kong? Many people are talking about "inflated buildings". In fact, new "inflated buildings" are now required to provide a material recovery room on each floor, and this requirement is still in force. The area of this material recovery room can be exempted, but the Government will not give its approval if the area of the building is increased.

"Inflating" a building can actually contribute to environmental protection, but the point is that we must provide some space for waste separation and put in place a system for recovering waste. This is most important. When waste can be recovered, the amount of garbage disposed of will naturally be reduced. I think the most important issue under discussion today is how best a comprehensive recovery programme can be formulated.

Speaking of construction materials, their prices have been rising continuously. In fact, many valuable waste materials can be retrieved from demolished buildings. For example, the concrete pulled down can be recycled to become environmentally-friendly blocks. Besides, there is also a large quantity of iron, aluminium, glass, and so on, which are all recyclable. From this we can see that garbage does have value.

Given a lack of space for disposing of construction waste, the Government, therefore, transported these valuable construction materials for a far distance to

Taishan for reclamation and what is more, the Government is even paying for the cost. I really do not understand why the Government would do this, which is very wasteful.

Although we do not make use of the waste for reclamation, we should think about how the construction waste recovered can be processed and recycled, but no Member has raised this point. I think the biggest problem is that waste recovery requires land because in the course of recovery, there must be sufficient space to keep the waste materials. The shortage of land is the biggest problem of Hong Kong and this is why we often do not have adequate land for developing new projects.

I think land administration in Hong Kong is very problematic. There is some uncultivated agricultural land and undeveloped land in Hong Kong. Why does the Government not put the waste materials at these places temporarily, or operate recycling activities there? This is the only solution to the problem of waste disposal. The Government can make use of such land for temporary placement of the materials. In doing so, it is, of course, necessary to pay attention to any possible impact on the surrounding environment, such as noises, and nuisances caused to the residents in their living.

Deputy President, Hong Kong actually has a lot of deserted land. I think it is feasible to make use of the deserted land for temporary uses. This certainly depends on such factors as the time required for vetting and approval by the Government and how these sites will be managed. Most importantly, there must be space in Hong Kong for the placement of waste materials before the objective of recovery and recycling can be achieved.

Furthermore, with regard to the treatment of food waste, the Government has only designated one single place for treating food waste, and there is also one single EcoPark. The biggest problem is that it is not viable for the Government to transport garbage produced in various districts in Hong Kong to a certain designated area. This will only cause traffic congestions. For this reason, I think all the districts must think about finding places as venues for waste recovery.

Another example is the use of earthworms to transform food waste into environmentally-friendly organic fertilizers in collaboration with the Hong Kong

Jockey Club during the Beijing Olympics. These fertilizers are odourless. But the Government considers that as the earthworm technology is not meant for agricultural purposes, its operation on farmland is not suitable and therefore, such operation is not allowed to continue and is forced to relocate to the Mainland. This technology is, however, very well-received by the relevant authorities in Dongguan, which have granted plenty of land for the development of venues for recovering food waste, enabling the operators to manufacture organic fertilizers (*The buzzer sounded*)

DEPUTY PRESIDENT (in Cantonese): Time is up.

PROF PATRICK LAU (in Cantonese): Thank you, Deputy President.

MR WONG KWOK-HING (in Cantonese): Deputy President, Mr IP Wai-ming of the Hong Kong Federation of Trade Unions (FTU) has proposed an amendment to fully present our views on waste recovery at source, integrated treatment, recycling, as well as encouragement through education.

I would like to talk about the three strategic landfills in Hong Kong, namely, the West New Territories Landfill at Nim Wan in Tuen Mun, the South East New Territories Landfill in Tseung Kwan O and the North East New Territories Landfill at Ta Kwu Ling. Of these three landfills, the West New Territories Landfill covers a total area of 110 hectares. It has a capacity totalling 61 million cu m, the largest of the three landfills, and takes in an average of 5 600 tonnes of solid waste and construction waste daily. It opens daily from 8.00 am to 8.00 pm on all days throughout the year. If the capacity of the Tseung Kwan O Landfill will be exhausted in 2012, the garbage originally to be disposed of there will definitely be sent to Tuen Mun and Ta Kwu Ling. How possibly can these two landfills absorb 5 200 tonnes of garbage or solid waste daily?

In view of this, I urge the Government to consider our views. As I have just said, it is necessary to work in the directions of recovery at source, integrated treatment and recycling, in order to tackle the problems of waste recovery and waste treatment in a holistic manner. It is also necessary to carry out the

relevant work early, targeting the environment pollution caused by the West New Territories Landfill and North East New Territories Landfill, the environmental hygiene problems at places where the trucks pass by, as well as the refuse collection vehicles transporting waste to the landfills. Otherwise, the case will be like that of the Tseung Kwan O Landfill, in that remedial work is carried out only when there is opposition. I hope that the Secretary can hear my voice and appeal.

Deputy President, as it is envisaged that the landfills are going to reach their full capacity, the Government plans to develop an incineration facility for waste treatment. Many Members said that not even one district in Hong Kong is prepared to see the provision of an incineration facility in the district. It strikes me as strange that Members would outrageously make such remarks in their speeches. They have completely forgotten that the residents of New Territories West and Tuen Mun have been the first to make sacrifices for Hong Kong. The Sludge Treatment Facility at Tsang Tsui, Tuen Mun, for which funding was approved by the Legislative Council last year is an incineration plant. The Government has named it in a way that sounds really nicely, calling it a sludge treatment plant, rather than a sludge incineration plant. So, there is already an incineration facility now, which is developed at a cost of some HK\$5.1 billion. Phase 1 of the facility with a capacity of 1 600 tonnes daily will be commissioned in 2012, while phase 2 to the full capacity of 2 000 tonnes daily will be commissioned in 2016. The most stinky sludge and the most stinky garbage in the territory is all sent to New Territories West and Tuen Mun for incineration. Why do Members forget this? I really find this very strange. Why are they so forgetful? We have already made sacrifices and yet, another waste incinerator is planned to be built in New Territories West and Tuen Mun. Is it reasonable? Is it fair?

For this reason, I wish to urge the Secretary to honour his pledge. Last year, the Tuen Mun District Council (DC) was forced by the Government to swallow down its throat this sludge treatment plant out of sheer helplessness. But the Government said at the time that a liaison group would be set up and that 10 compensatory measures would be implemented to improve environmental hygiene in Tuen Mun. However, if we look at these 10 measures, we will find that except for the improvement programme for Tuen Mun River and the decision of not building a crematorium in the district, the other eight measures actually do not have a timetable on when they will be truly implemented. The Government

said that on some issues, an undertaking cannot be made instantly, nor actions can be taken instantly. This, I understand. But while the authorities have not yet cleared the old debts, they are thinking about borrowing new loans and worse still, rubbing salt into the wound by forcing the two districts to accept another facility. Will this give kaifongs in Tuen Mun and residents in New Territories West the feeling that they have been sold out by the authorities over and over again? We wonder if the Government's intention is to kick down the ladder and renege on its promise previously made to members of the Tuen Mun DC, and members who were misled, members who supported the authorities, as well as members who did not vote and abstained at that time by building another waste incinerator in New Territories West and Tsang Tsui in Tuen Mun?

Here, I strongly demand the Secretary not to put a heavier burden on residents in New Territories West and Tuen Mun before the old problems are settled. Let me declare here that if the Government is hell-bent on doing this, I will definitely put up strong opposition. I believe there will be strong opposition from kaifongs in Tuen Mun and residents in New Territories West, too. If it is suggested that there should be an incinerator in each district for everyone to share the responsibility, the Government must explain clearly the justifications based on which a site is selected for the development of a waste incineration plant.

DEPUTY PRESIDENT (in Cantonese): Time is up.

DR PRISCILLA LEUNG (in Cantonese): Deputy President, I am glad that Mr Vincent FANG has proposed this motion today, and I feel all the more pleased that three Members and a number of other Members mentioned green labelling and the need to implement environmental certification in their speeches. Insofar as these issues are concerned, I very much hope to take this opportunity today to tell the Secretary that we have really gone through great miseries and hardships in playing the role of a facilitator in the community over the past decade. Today, we have heard the views of so many Members who expressed support for environmental certification and green labelling. This should be very encouraging to us in spirit and yet, we still face scores and scores of difficulties in reality.

I think I must declare here that I am the person-in-charge of an organization which specially engages in certification of environmentally-friendly products. We should be the only non-governmental organization (NGO) in this field. We have engaged in the work of green labelling since 2000, and in 2007, we signed a Green Purchasing Charter with 12 large international enterprises, some of which have given us certain support, such as free space for us to put up advertisements for publicity on green purchasing. I remember that on more than one occasion when I met the Secretary and mentioned to him these green labelling or green purchasing and certification schemes, I told him that we really very much wished that the Government could play a leading role. Particularly, in respect of meeting the international standard of ISO 14024 for green labelling under the eco-labelling scheme in Hong Kong, there is really a great need for the Government to take the lead. If this is carried out by the NGOs, their resources are, after all, grossly inadequate.

(THE PRESIDENT resumed the Chair)

We understand that the Government has its own emphases, and as the Secretary has said, the Government has actually explained the initiatives taken in some areas and encouraged green procurement of certain products. But insofar as the overall planning is concerned, the NGOs still face extremely great difficulties in taking forward such work. I would describe it as "A decade's war of resistance". This year marks the tenth anniversary, and a Green Enterprise Award has to be organized by a NGO on its own initiative still. Why are we doing it? Because as some Members have said earlier, which I very much agree too, environmental protection should be something to everyone's liking, rather than something which is annoying. So, in terms of the overall policy on environmental protection, the Government should adopt incentives, whereas taxation should be a supporting measure when there is no other alternative. That way, the implementation of green measures can make everyone happy.

For example, if the materials procured by certain government departments contain environmentally-hazardous elements, so long as the departments can switch to products purchased in line with green procurement, the Government can

provide an additional 5% of resources to the departments as an incentive to encourage the use of green products.

Another example is that during our clamorous discussion on landfills some time ago, Members pointed out that landfilling should be the terminal recourse and so, how should the Government introduce an incentive policy to promote waste separation upstream? Prof Patrick LAU said just now that it seemed few Members had mentioned the point concerning land. This is not quite true, as I have heard at least two Members mention this point, and I think that this is exactly one of the key points. Garbage is money. I am not the only one saying this. The fact is that many international waste treatment enterprises are making every effort to recover garbage for recycling. But Hong Kong is short of land; there are no tax incentives, no subsidies or concessions. As a result, it is impossible for many such enterprises to achieve their objectives due to shortage of land or expensive rent. Therefore, if Hong Kong truly wishes to solve this problem, I think we must start with the fundamentals.

Second, in respect of source separation and recovery of materials, how can we reduce the burden on the landfills? How can we extend the service life of the landfills? How can we reduce the administrative costs incurred? And, how can we save some money to provide subsidies to the industries, so as to enable non-profit-making green groups to engage in territory-wide education on environmental protection? Personally, I always think that when we started to promote green labelling in 2000, that was not the "hottest" topic, but environmental work should be carried out with the concerted efforts of the business sector, the community, the Government and schools. What I loathe to hear most is that insofar as environmental issues are concerned, the Government and the business sector are certainly opposing each other, or the public and the business sector must be opposing each other, or the unscrupulous businessmen are definitely unwilling to do anything. This is not true. The business sector have actually come to realize that this is a business opportunity and so, they very much hope to forge co-operation with all sides in seeking new breakthroughs.

On the other hand, speaking of the "polluter pays" principle, a levy is imposed now. The plastic bag levy has been implemented quite smoothly, but apart from imposing levies, will the authorities put in place a fee-charging system

for garbage disposal? As far as I know, some Koreans are used to taking rubbish home. But in Hong Kong, efforts should be made to effectively put in place a "chained" waste recovery mechanism at this stage. First, we must start with public awareness, education, promotion, and consultation, and explore ways to support waste recovery measures. When the entire range of service has been improved, punitive measures can be introduced. It is a bit premature to make Hong Kong people take rubbish home at the present stage. The Government may have to put in more efforts before giving consideration to doing this. Over time, the public should consider the charging of a fee reasonable given that all the preparations have been made, and their awareness should be at a level which is supportive of these measures. Therefore, insofar as waste recovery and separation are concerned, I think reward is, after all, better than punishment. I hope that in respect of giving rewards to *(The buzzer sounded)*

PRESIDENT (in Cantonese): Dr LEUNG, time is up.

DR PRISCILLA LEUNG (in Cantonese): responsible enterprises and members of the public, the Government can introduce more incentive policies.

PRESIDENT (in Cantonese): Dr LEUNG, please stop speaking.

I think it would not be possible for us to finish all the items on the Agenda before midnight today. So, I will suspend the meeting at around 10.00 pm and resume it tomorrow afternoon to deal with the remaining items.

MR CHEUNG KWOK-CHE (in Cantonese): President, it is common among Hong Kong people to be wasteful. According to the statistics of the Environmental Protection Department, each Hong Kong people generates 2.5 kg of rubbish daily, which is 2.5 times of the daily generation of about 1 kg of rubbish per person in places such as Taiwan and South Korea. It is, therefore, necessary for the Government to step up the promotion of the waste recovery and recycling industries, in order to make contribution to environmental protection in keeping with the general trend in the world.

Taking an overview of advanced countries in the world, we will find that their governments have attached great importance to environmental industries. Hong Kong is the only exception, as its development in this aspect is completely out of line with its economic development, and its environmental policies and technologies are comparatively backward. In fact, unlike the real estate industry, the recovery and recycling industries cannot make handsome profits easily. It is therefore necessary for the Government to provide incentives, such as tax rebates or concessionary land premium, to facilitate the development of the recovery and recycling industries.

The Government may say that it is not duty-bound to help private enterprises in doing business relating to environmental protection or seeking financial benefits. But since the Government can spend \$23 million on subsidizing the trade to convert to environmentally-friendly minibuses and undertake in this year's Policy Address to earmark \$30 million for funding franchised bus companies to purchase hybrid buses, why can it not provide subsidies to the environmental industries?

Moreover, the Government may as well seize this opportunity to enable social enterprises to take up more waste recovery or recycling projects and provide subsidies or interest-free loans to social enterprises. This will even lead to a win-win situation, as this can contribute to environmental protection while creating job opportunities for the underprivileged.

In fact, the overall recovery rate of municipal solid waste is not low in Hong Kong as it now stands at 49%, which compares favourably with the figures in other advanced places, such as 33% in the United States, 43% in Singapore or 48% in Sweden. Regrettably, 90% of the waste recovered in Hong Kong is exported for recycling overseas after cleansing and packaging, and carbon emission is unavoidable during transportation. It means that while this arrangement can contribute to environmental protection, it also causes pollution. In this connection, the Government should enhance the development of the recycling industries in Hong Kong by, for instance, setting up a fund for environmental industries to upgrade their technologies.

Taiwan has made very good achievements in this respect. They have introduced a "zero-waste policy" which includes a number of measures, such as mandatory waste separation and recovery of resources, and imposing restrictions

on excessive packaging of products. These initiatives have greatly reduced the amount of waste disposed of by the Taiwanese. Senior government officials in Taiwan have even set an example and a good model for the people to follow, which helps produce good publicity results.

On the procurement of materials, although the Government has prescribed green specifications for the procurement of commonly-used materials and services, and has recently extended this requirement to cover 100 types of products and services, regrettably, the Government has continued to implement the green procurement policy with a mentality underpinned by economic benefits. Here, I wish to remind the Government that they have always neglected one factor and that is, the resources of the ecological environment are not inexhaustible. In making consideration, the Government should at the same time calculate the social cost. Besides, in respect of public works, I hope that the Government can set out in the tender documents that contractors should give priority to using environmentally-friendly materials, instead of just taking cosmetic measures to encourage the contractors to use green products and that is, taking an incentive-based approach only, just as it has been doing all along.

In the final analysis, reducing the disposal of waste is the fundamental solution to the problem. I hope that the Government will at the same time strengthen public education and raise public awareness of environmental protection, so that the next generation would not have to suffer the consequences of our evildoings.

President, I so submit.

DR SAMSON TAM (in Cantonese): President, in the motion on "Promoting the waste recycling industries" proposed by Mr Vincent FANG today, there are many good opinions with which I agree.

The promotion of environmental protection and waste reduction covers a wide range of issues, and during the past year, the Government has published a consultation document on a producer responsibility scheme for waste electrical and electronic equipment, which has drawn attention to many problems. If a fee-charging system is to be introduced for such waste, how should the fee be charged, and how should the revenue so generated be utilized? The industries

have actually expressed a lot of views on these issues. But if no action is taken to address them, I think it would be a bit irresponsible. Take electronic and electrical products as an example. Over 70 000 tonnes of these products are disposed of every year, which means about 20 million to 30 million pieces of electronic wastes. What should be done in order to dispose of such wastes effectively? The Government has only relied on voluntary recovery schemes, but the effectiveness has been open to question over the past three years, because after these electronic products are recovered by enterprises in a voluntary or non-professional manner, they are only disassembled and then sold in a rudimentary manner. Such an approach may not be able to tackle the problem thoroughly.

Moreover, we can see that only about 1% of the electronic products can be recovered in the past. I think the Government absolutely has to provide resources to enable the recovery industry to develop in a more professional manner, instead of continuously taking only a piecemeal approach to promote the work of waste recovery, in order not to impede the development of the waste recycling industries.

Since it is not a feasible option to rely solely on voluntary recovery or voluntary agencies to recover waste, what should be done then? Last year, a deputation led by the industries visited Japan — I think the Secretary may from time to time make reference to how Japan disposes of its garbage — and the deputation had particularly looked into how waste electrical and electronic products are disposed of in Japan. As far as we know, Japan disposes of over 300 million pieces of waste domestic electrical products every year. As early as in 1998 the Japanese Government started to conduct consultation, and enacted the relevant legislation in April 2001. From this we can see that Japan has absolutely made much faster progress than we do in Hong Kong, as their development is at least over 10 years ahead of ours. They have implemented a very effective waste recovery and recycling policy. As far as I know, there are in total 380 electronic and electrical waste collection points in Japan. The Japanese Government is also committed to educating its people that they must fulfil their civic duties, in that the Japanese have to pay from their own pockets a waste transportation fee and a recycling fee. I hope that the Secretary can follow the Japanese practice and grant more sites to provide space for storage of electronic waste by the recovery industry without affecting the environment of the district concerned.

The second very important point is that in order to develop an industry, we must look at whether the industry is profitable or at least its operation will not run into the red. Under the circumstances of Hong Kong, we can see that many people aspiring to operating a business in this industry often have to wind up their business and suffer a loss in the end. So, the Government absolutely must identify ways to provide financial incentives. From the information that I have collected, in the recovery industry of some countries, about 15% of the proceeds comes from the sale of the materials recovered, whereas the remaining 85% comes from government subsidies. Certainly, it does not mean that an enterprise can be given a subsidy for recovering every piece of discarded electronic product. The Government will thoroughly keep tabs on the enterprise to ascertain whether it can disassemble the waste electronic articles and turn them into some basic raw materials.

Take Japan as an example. A middle-to-large-scale electronic and electrical waste collection point needs to hire 200 workers to handle some 1 million pieces of waste electronic products per year. In other words, they need to handle an average of 3 000 pieces of such products daily. As far as I know, their technology can enable them to recycle 98% of the materials, and this is how electronic wastes are considered to be recycled thoroughly. Disassembling a product and export it elsewhere will leave the problem unsolved. I, therefore, put forward the second proposal to the Government and that is, the Government should practically provide subsidies to these industries, so that they can have the resources to make use of technologies to thoroughly promote the recycling of the products.

Let me make a last point here, and I hope the Government and the Secretary can take it into consideration. Some products can be treated by Hong Kong on its own, but it may not be possible to rely solely on Hong Kong to treat some electronic wastes entirely. Why? Hong Kong is a small place with a population of 7 million only. Although there is a great variety of products, we are still different from Japan where 300 million pieces of waste electronic products can be treated annually to generate economic benefits. Since Hong Kong has such a small population, what should we do in respect of the treatment of electronic waste? I believe we must seek regional co-operation. Some members of the industries have already suggested the Secretary to look into the possibility of forging regional co-operation with the entire Guangdong Province. For instance, some products can be disassembled in Hong Kong, while some can

be transported to Dongguan or Shenzhen for treatment, and this is a way to achieve economies of scale. Certainly, Members may raise concern about carbon emission during transportation, but we must consider which place can generate the greatest benefits in treating such waste. In this connection, the third proposal that I wish to make is that the Secretary can forge co-operation with Guangdong Province as they also have to tackle the problem of electronic waste. Hong Kong and Guangdong should work in concert to study matters relating to joint licensing or customs clearance formalities for cross-boundary waste transportation, so that Hong Kong does not have to work alone in tackling part of the high-technology wastes. If we do it all by ourselves, the costs will be very high, and it may not be fair to shift the cost onto consumers. For these reasons, I hope the Secretary can seek regional co-operation in an effort to solve the problem of high-technology wastes.

President, I so submit.

MR RONNY TONG (in Cantonese): President, environmental protection should start from our way of living, but the waste recycling industries should start from the people. To put it simply, it starts from waste recovery and separation.

President, many members of the public are no stranger to the slogan of "yellow aluminium cans, brown bottles, blue waste paper". The so-called three-coloured waste separation bins have been introduced since 1998 to encourage separation of recyclable waste by the public on their own initiative to facilitate treatment by cleaning companies. The Government launched the territory-wide Programme on Source Separation of Domestic Waste in 2005. Statistics show that as at end of April 2010, 1 480 housing estates have joined the programme, representing about 74% of our population. Government statistics also show that the waste recovery rate in Hong Kong has been rising continuously. The recovery rate of domestic waste rose from 14% in 2004 to 35% in 2009. On the other hand, the Government has placed about 38 000 waste separation bins in a diversity of public areas, including pavements, refuse collection points, parks, and so on.

Is our objective already achieved with a provision of 38 000 waste separation bins? Is it the case that this is not a small number? President, we are talking about the total number of waste separation bins placed indoor and

outdoor. Having checked the webpage of the Food and Environmental Hygiene Department of the Government, we can make a simple sum-up of the locations of these waste separation bins and that is, they can be found in parks, sports venues, leisure and cultural facilities, government office buildings, pavements, refuse collection points, country parks, nearby areas of ferry piers, and even some MTR exits.

Judging from these many locations of the waste separation bins, a lot of places have indeed been omitted, such as schools, hospitals, and some government buildings frequented by a large number of people. The most notorious "black spots" are the main roads and streets, which are places with the largest pedestrian flows. President, the Greeners Action, an environmental organization, conducted a survey recently and found that while there are over 20 000 roadside rubbish bins in the territory, there are only 1 754 sets of waste separation bins. The ratio is about 12:1.

President, I wonder if the authorities consider it not feasible to provide waste separation bins on the roadside. Over the past 12 years since the three-coloured waste collection bins were introduced in 1998, there have been many changes in their design but the changes are just old wine in a new bottle, such as slightly increasing their size, slightly widening their openings, increasing the capacity of separation bins, or affixing onto them an additional note of instruction telling the public where to put the waste. But there has never been a review of the overall and long-term policy on waste separation bins.

President, the Civic Party has proposed an amendment to call on the Government to review this policy given that a comprehensive policy on the waste recovery industry is indeed lacking in Hong Kong, and in order to promote the waste recycling industries, effective waste separation is, in fact, the first step. Should the Administration consider upgrading the rubbish bins currently provided in the territory, or as a popular saying goes, elevating them to a higher level by replacing all of them by the three-coloured waste separation bins, so that the public can become better accustomed to waste separation? If the authorities can step up promotional campaigns to enhance public understanding and their sense of responsibility, it would absolutely be conducive to creating a favourable environment for the waste recovery and recycling industries.

President, apart from the three-coloured waste separation bins, the entire policy on waste separation bins should also include management of the sorted waste. President, I have received complaints from a lot of residents that even though they had taken pains to separate the waste in a most responsible and careful manner and put the sorted waste into the three-coloured recycling bins, the cleaning company nevertheless still tied up the garbage bags and dumped them onto the refuse collection vehicles in one go for transportation to landfills. The property management companies of the estates simply do not care about this and at the end of the day, the effort made in waste separation is almost all futile. On the contrary, some housing estates have taken the initiative to co-operate with recyclers and encouraged their residents to collect and store plastic bottles or other types of plastics to exchange for daily goods. This has attracted active participation from the residents, and ensured that the sorted waste can reach the recyclers, thus achieving the objective of waste recycling. However, this is all done on a spontaneous basis.

I think the said phenomenon may not exist in all housing estates, but the fact is that the management companies and cleaning companies have neither the incentive for nor understanding of the treatment of sorted waste. I hope the Government can explain to us if there is any regulation in place or whether it has addressed this phenomenon squarely.

Lastly, President, I urge the authorities to study the need to provide financial incentives or legislate for mandatory enforcement, in order to more effectively promote waste recovery. Many green groups have formed the unanimous view that in order to reduce waste at source, it is imperative to impose a fee for waste treatment and introduce a producer responsibility system. In 2005 when Dr Sarah LIAO was the Secretary for the Environment, Transport and Works, the Government published "A Policy Framework for the Management of Municipal Solid Waste (2005-2014)", which mentioned the idea of a producer responsibility system targeting electrical and electronic equipment, vehicle tyres, packaging materials, beverage containers, rechargeable batteries, and so on, and provided timetables for implementation. But apart from the imposition of the plastic bag levy in 2009, it seems that all the other items have been shelved. Is it that the authorities no longer follow this direction in considering ways to address the problem of waste disposal in Hong Kong? In the long term, is it still our objective to reduce the amount of waste by targeting the source of waste?

With these remarks, President, I support the amendments proposed by Mr IP Wai-ming, Mr KAM Nai-wai and Miss Tanya CHAN. Thank you, President.

MS MIRIAM LAU (in Cantonese): President, the Liberal Party resolutely opposed the Government's expansion of the Tseung Kwan O Landfill some time ago. One of our reasons is that the authorities have not promoted the recycling industries actively and they have rigidly relied on landfilling by sending almost all kinds of garbage to the landfills and burying them underground irrespective of whether or not they are recyclable and useful and then considered the matter settled. The motion proposed by Mr Vincent FANG today calls on the authorities to change this mentality and actively promote the recycling industries, using the strategy of "turning waste into gold" to actively reduce waste.

Since the proposal of the authorities to invade the country parks for the purpose of expanding the landfill was negated by this Council, it seems that the authorities have temporarily stopped targeting actions at the country parks and yet, they still have not put the focus on how waste recovery and recycling can be promoted to achieve the objective of waste reduction, geared up only to promote the development of a super incinerator and the imposition of various environmental levies. Although the Chief Executive, during his visit to Japan earlier, had visited three incineration plants in one go, he did not get to know how the Japanese Government has promoted the recovery and recycling industries.

In fact, the Japanese Government has long affirmed that "reuse" and "recycle" are useful to solving the waste problem and so, it has thrown great weight behind such work. As early as in 1997 the Japanese Government introduced the Eco-town project, under which the central and local governments would directly provide subsidies to enterprises in the Eco-towns in terms of hardware facilities, as well as software for scientific research and development, while operational grants are also provided. Over a period of 12 years, 26 Eco-towns have been developed in various parts of Japan. Similar preferential policies are also very common in South Korea and Taiwan, and even in the European countries.

Looking back on Hong Kong, however, except for the development of the EcoPark, the Government has not provided any support to the recovery and

recycling industries. In the EcoPark project, the Government has immensely skewed towards two non-governmental organizations in the provision of resources. Apart from a provision of \$20 million from public coffers to fund the two non-profit-making organizations in operating recovery centres for waste plastics and used electrical appliances, an allocation of at least \$15 million is also provided for setting up plants and developing the relevant infrastructure for the two organizations. However, nothing has been mentioned about providing subsidies to the environmental industries as a whole.

A university professor has pointed out that the recovery and recycling industries are voluntarily helping the Government in the treatment of waste. A report of the Audit Commission also pointed out that the unit cost of handling waste disposed of at landfills is \$125/tonne. If we use an estimate of about 58 600 tonnes of waste handled by the EcoPark annually for calculation, the Government can save \$7.3 million of public funds per annum. Why is the Government so calculating to the industries in refusing to provide them with more support, so as to enable the green recovery and recycling industries to make greater contribution to waste reduction in Hong Kong?

If the recovery rate of municipal solid waste in Hong Kong can be raised from about 49% at present to about 65%, there will be an additional reduction of about 1 million tonnes of waste in Hong Kong annually, which is equivalent to the annual amount of waste handled by a super incinerator. Based on a unit cost of \$344 per tonne of waste handled by the Government, this can contribute additional savings of some \$300 million to the public coffers. Therefore, whether from the angle of waste reduction or financial proceeds, it is still a wise move for the Government to actively promote the recycling industries.

In fact, in Germany, the Netherlands, and Austria in Europe, and even South Korea in Asia, they have been able to effectively resolve the waste problem by combining waste recovery and recycling with incineration technology. Why is this not an option for Hong Kong?

President, next, I would like to talk about the point on a "taxes and levies capital" in the original motion. As Mr Vincent FANG has pointed out, we are not blindly opposing any type of levies, but can levies effectively solve the problem or achieve the original objective of environmental protection? Take the plastic bag levy imposed last year as an example. Results of a survey conducted

by an environmental organization show that of the 600 people interviewed, 22.7% have 11 to 20 reusable bags left unused at home, and 18.3% have 20 or more reusable bags left unused. As for bags with no carrying handles, holes or strings, in June this year, from some simple random checks conducted in one supermarket for one hour, it was found that the number of such bags used was double that during the corresponding period last year, showing an increase of 460 bags. Members of the plastic industry also pointed out that despite a substantial reduction of 40% in the production of plastic bags since the introduction of the plastic bag levy, the production of plastic bags with no carrying handles, holes or strings has increased by 30%, not to mention a possible increase in the number of bags purchased by the people for disposal of garbage. Therefore, it is very difficult to ascertain how effective this plastic bag levy as a policy has been.

Furthermore, the Liberal Party interviewed 1 332 members of the public between 2 and 7 November this year to seek their views on the imposition of a waste disposal fee by the Government. Close to 60% (57.3%) of them opposed the fee, while less than 30% (29.2%) supported it. This shows that the public generally oppose the charging of a waste disposal fee by the Government. We, therefore, will not rashly give a green light in advance to the Government's plan to impose this levy.

What we are asking the Government to do is to adopt a comprehensive strategy for waste reduction and take vigorous measures to increase the recovery rate. It must not harbour improper thoughts and think about expanding the landfills all the time.

As I still have a little time, I would like to respond to Mr KAM Nai-wai on some of the comments he made against incentive measures. He said that the Government had introduced an incentive scheme some time ago to subsidize the transport sector to replace Pre-Euro and Euro I vehicles but this scheme had not been very successful given that only 20% of vehicles had participated in the scheme, and he attributed this to the lack of punitive measures. In fact, Mr KAM Nai-wai neither knows nor understands that the major reason why this scheme has not been successful is that the scheme was launched after the advent of the financial tsunami. Second, there was no suitable model at that time, as most of the models then available had the problem of always not working properly. This is why the industry has resisted this scheme. There is nothing to do with its nature of being an incentive scheme. Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Mr Vincent FANG, you may now speak on the amendments. The speaking time limit is five minutes.

MR VINCENT FANG (in Cantonese): President, I am very grateful to five Honourable colleagues for proposing amendments to the motion. In principle, the wholesale and retail sector and the Liberal Party welcome the amendments which can meet the following three principles. The first principle is to adopt a positive and proactive measure to promote environmental protection, reduce waste and recycle useful waste, rather than frequently resorting to threats by punitive means.

The second principle is to take up the major responsibility of not aggravating the burdens of members of the public and consumers, as businessmen will not do loss-making business. All the environmental levies, taxes and additional costs proposed by the Government will definitely be passed onto consumers. This is why I am giving my earnest advice by proposing the third principle: the Government should play a positive, leading, supportive or even financing role in promoting environmental protection, waste reduction, recycling and emissions reduction, as mentioned by colleagues earlier.

Three of the five amendments have proposed to delete this part from my original motion: "avoid making environmental levies prevalent in Hong Kong or charging to another kind of consumption tax, so as not to turn Hong Kong into a 'taxes and levies capital', tarnish Hong Kong's reputation as a shoppers' paradise, affecting people's daily habits and boosting inflation". The deletion of this part will undoubtedly give the authorities the green light to impose green taxes. In fact, the details of the Government's imposition of green taxes are unclear. Let me cite the levy on waste electronic products as an example. Is the money collected used for treating relevant waste or being kept in the coffers, as with the case of the plastic bag levy? How far can the waste be treated with the handling charges ranging from \$100 to \$250? If the handling charges are inadequate, will higher handling charges be imposed or will the Government underwrite the

charges? The Government does not presented a clear picture of what it would do.

Honourable colleagues, the imposition of a garbage levy does not mean that the garbage will disappear. Furthermore, the product eco-responsibility scheme proposes that levies be imposed on five major categories of products. As levies are going to be imposed on garbage and food waste, how much will members of the public be made to pay in the end before it is considered enough? The Government simply uses the "user pays" principle to pass all the responsibilities onto the people. Are we going to increase the Comprehensive Social Security Assistance payments and "fruit grants" for the grassroots to enable them to pay the garbage levy?

As pointed out by Ms Miriam LAU just now, our survey has revealed that nearly 60% of members of the public oppose the imposition of a garbage levy, with less than 30% supporting it. It is thus evident that members of the public oppose the imposition of a garbage levy. In view of this, we have reservations about the amendments by Mr KAM Nai-wai and Miss Tanya CHAN.

Although Mr IP Wai-ming's amendment also proposes to delete the same part, the fundamental spirit of his proposed addition of "implementing non-punitive measures to encourage members of the public to increase their awareness of waste recovery" is similar to ours. Therefore, we will support his amendment. The proposal of supporting the recycling industry, especially the recovery of food waste and the Government taking the lead to promote green procurement, as put forward in Mr CHAN Hak-kan's amendment, is also consistent with the advocacy upheld by the Liberal Party. This amendment, as well as the additional points raised by Mr Jeffrey LAM and other colleagues in relation to supporting the recycling industry, is worthy of support. Thank you, President.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, Honourable Members, I would like to express my gratitude once again to those Members who have spoken in the debate and the mover of the motion for conducting a constructive discussion on this issue. Members have generally expressed their views on the original motion or the amendments. The views I

have heard are basically similar to the Government's thinking, and some of the views have actually been put into practice.

Apart from this, Members have begun to share a common basis: I note that some amendments have included the actual figure of 49% as a starting point, which has been repeated again and again by the Government recently, in relation to its current efforts in recovery.

Furthermore, Members share the view that the 2005 Policy Framework is a good starting point. However, Members were sometimes heard talking selectively during their speeches. For instance, Members might choose to talk less about what we have achieved, or our achievement in excess of the target. As for others, they are already mentioned, for instance, in the 2005 Policy Framework. We hope that, by 2014, the percentage of waste dumped at the landfills will be reduced. But to achieve this, we must have a modernized incineration facility for waste disposal. Regarding this part, I have heard that some Members have some reservations, probably because of the impact of the establishment of such modernized facilities in the districts.

Therefore, in the final analysis, the results of the Policy Framework formulated in 2005 and the policies implemented over the past couple of years are evident to all. The Government is certainly prepared to study what and further efforts can be made. However, there are some difficulties and challenges that Members and we have to face. Our topic today is promoting the waste recycling industry. From the speeches delivered by Members, I find that the Government needs to pay attention to three areas.

First, waste separation at source is indispensable. Even if good results have been achieved, more efforts are still necessary; second, the producer responsibility system must be implemented as the next step; and third, the Government may need to set an example in terms of enhancing procurement in order to facilitate market integration, promotion and value enhancement.

Insofar as waste separation at source is concerned, as mentioned by me just now, good preparations were actually made in Hong Kong in the past couple of years because more than 1 600 housing estates and 900-odd residential units in the rural areas are already provided with three-coloured waste separation facilities. In terms of population, the coverage has reached 80% of the

population, which is already a good beginning. However, the next step is not merely about dealing with quantity. Concerning the question raised by a Member regarding where should more three-coloured waste separation bins be placed, discussions should actually be conducted, though the views might differ. This is because in some areas where waste separation is properly done, such as Tokyo, Japan, the number of garbage bins found on the streets is extremely small. Therefore, it has nothing to do with increasing the number of garbage bins. More often than not, residential areas, not streets, are the perfect places for collecting waste for separation. Therefore, this is the area we ought to discuss.

I believe much effort in education has to be made if waste separation at source is to be improved. In this respect, we have made a lot of efforts through school education and promotion among the public through the Environment and Conservation Fund (ECF) in the past few years. The Government is also prepared to continue to make more efforts with the management companies of housing estates, district bodies and even the District Councils (DCs). A sum of \$50 million was specially allocated from the ECF the year before last for applications by the DCs and district bodies. To date, the ECF has yet to be exhausted. We will soon visit various DCs to re-launch publicity. We will also continue to undertake our work in relation to schools and management of housing estates. However, we believe, with good facilities and 80% coverage in terms of population, our next step is to decide what goal we wish to achieve or how to launch renewed publicity on waste separation at source. This might probably involve intensifying initiatives, as quantity is no longer an issue.

Secondly, I cannot but mention the producer responsibility system here. When I listened to the speeches delivered by Members earlier, I found that Members had invariably focused on the relations between the producer responsibility system and charges. I would like to take this opportunity to give Members a very clear explanation. The goal of the producer responsibility system is certainly not to generate revenue to the Treasury. This has never been our goal, and neither will it be today or in the future. It has been suggested that such levy seems to have aggravated the burden of the public or the money thus collected has ended up in the coffers. The example cited by Members is the levy on plastic bags. I made it very clear during the introduction of this piece of legislation that this levy was not meant for generating revenue. We cannot use the money collected to establish a fund because it will go against the objective of the scheme if members of the public think that paying 50 cents under the scheme

is tantamount to supporting an environmental project. Furthermore, it has been proven by facts that more than \$1 billion was injected into the ECF in the same year the plastic bag levy was launched, though the amount of levy collected was less than \$20 million, much smaller than the originally estimate of \$200 million. It is thus evident that we are also prepared to make an effort in resource commitment while launching the plastic bag levy. Therefore, some financial means may be involved during the launch of the producer responsibility system. However, I must reiterate that our goal is not to generate government revenue. Instead, we seek to change the people's practice through these financial initiatives as our essential means.

I believe Members will definitely agree that the producer responsibility system ought to be expanded by, for instance, launching phase two of the plastic bag levy and expanding the scheme to cover many electrical and computer products, as discussed by Members earlier, and so on. In this respect, we will discuss with Members next year the outcome of the consultation on the part related to electrical appliances.

Thirdly, as mentioned by Honourable Members in the motion debate, I also believe there is a need to integrate environmental industries with the market through the introduction of high technologies, upgrading and value-adding. First of all, many waste treatment facilities, especially infrastructure, actually involve high technologies, modernization, and technologies which are compliant with environmentally-friendly requirements. It has been proven by facts that technologies can be used to achieve value-addedness, upgrading and integration with the market, as well as creating job opportunities.

Furthermore, we have to deal with the direction of development of the EcoPark. I believe the EcoPark is different from the mere provision of land through short term tenancies. We hope that the EcoPark can gradually help upgrade the recovery industries. Therefore, the Government has requirements for the EcoPark. It does not consider having completed the task by simply leasing the land. Among the efforts made by us over the past few years, the explanations given by us in the Legislative Council Public Accounts Committee have all been accepted because, among others, the Government will strictly select the industries to be admitted into the EcoPark as we hope that it can bring about industrial transformation and gradually turn the recovery industries into recycling industries. We see that the goal of, for instance, turning waste oil into biodiesel,

recovering electrical appliances, and so on, is to achieve upgrading and transformation. It is not a case of simple provision of land.

Furthermore, subject to the Legislative Council's consent, the Government will soon draw up standards for certain environmental projects, such as standards for biodiesel, in order to induce such recovery operations with standards prescribed by way of legislation.

As regards government procurement, as mentioned by me just now, we have already expanded our procurement lists in the past several years. Regarding the question asked by a Member as to whether we are still making such efforts based on financial consideration, obviously, if there is an environmental option, financial consideration will not be the major factor.

Next I would like to turn to government subsidy. In the past few years, Members could see that we had injected more than \$10 billion into infrastructure and \$1 billion into the ECF in 2008. With another injection of \$500 million this year, we are prepared to use this sum of funds to encourage recycling initiatives and others.

Lastly, insofar as the design of many recycled products and the mindset of consumers are concerned, there is actually scope in Hong Kong. During my visits to some new retail shops, I found that some green products were turned into quality goods there in order to attract more customers. We have also referred such enterprises to some local design institutes with a view to achieving enhanced recycling, or even upgrading, of these green materials through co-operation.

The Government has some reservations about two of the points raised in the amendments. The first point, as mentioned by me just now, is that it is definitely not for the sake of revenue even if financial means are involved for the Government to implement the producer responsibility system. Therefore, I cannot concur with the remark made by Mr Vincent FANG earlier concerning a "taxes and levies capital".

The second point concerns the remark made by Mr IP Wai-ming in his amendment, that he hopes the Government can draw up a timetable for closing the landfills. I believe all Members in this Council, including me, earnestly

hope that this can be done. However, insofar as the actual disposal of refuse is concerned, unless we can dispose of the bulk of waste with another modernized method within a short period of time, we are still under pressure exerted by landfilling.

Hence, except for these two points raised in the amendments, President, I agree or accede to Members' proposals and will continue to listen to the views expressed by Members in respect of the motion.

Thank you, President.

PRESIDENT (in Cantonese): Mr IP Wai-ming, you may now move your amendment to the motion.

MR IP WAI-MING (in Cantonese): President, I move that Mr Vincent FANG's motion be amended.

Mr IP Wai-ming moved the following amendment: (Translation)

"To add ", although the recovery rate of municipal solid waste in Hong Kong has risen to 49%" after "That"; to delete "in Hong Kong" after "recyclable waste currently recovered"; to delete "yet" after "places for recycling," and substitute with "and"; to add "(a) the various policies and measures put forward in 'A Policy Framework for the Management of Municipal Solid Waste (2005-2014)' should be expeditiously fulfilled and implemented, so as to achieve the various targets proposed in the Policy Framework by 2014;" after "this Council proposes that:"; to delete the original "(a)" and substitute with "(b)"; to delete "sustainable economic development" after "new industries, promoting" and substitute with "a 'circular economy' capable of sustainable development"; to delete the original "(b)" and substitute with "(c)"; to delete "formulate local" after "environmental and waste recycling industries," and substitute with "and having regard to the requirements and uniqueness of different recyclable products, formulate various"; to add "for developing local recycling industries" after "preferential policies"; to add "and operational" after "tax concessions, technology"; to delete "and" after "waste recovery and

recycling industries;"; to delete the original "(c)" and substitute with "(d)"; to delete "and the use of" after "should be extended," and substitute with "including implementing non-punitive measures to encourage members of the public to increase their awareness of waste recovery and expanding community waste recovery networks, and a more extensive use of various"; and to delete "the Government should avoid making environmental levies prevalent in Hong Kong or charging to another kind of consumption tax, so as not to turn Hong Kong into a 'taxes and levies capital', tarnish Hong Kong's reputation as a shoppers' paradise, affecting people's daily habits and boosting inflation" immediately before the full stop and substitute with "(e) while developing recycling industries, the Government must also assist the industries concerned in integrating into the communities, and through various support measures ranging from community planning, improving recovery venue designs, improving transport networks to environmental hygiene, etc., enable recycling industries to have the acceptance and support of residents, thereby expanding community waste recovery networks; and (f) prohibition orders on landfill disposal should be made, and the separation and recovery of solid waste should be promoted, so as to reduce the disposal of recyclable materials at landfills, increase the volumes of waste recovery and prolong the lifespan of landfills; at the same time, for those landfills that are near the residential areas and close to saturation, timetables for their closure should be drawn up, so as to avoid the authorities lessening their efforts to develop recycling industries and related measures due to the reliance on landfills expansion to tackle the problem of solid waste".

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr IP Wai-ming to Mr Vincent FANG's motion, be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr KAM Nai-wai, as Mr IP Wai-ming's amendment has been passed, you may now move your revised amendment.

MR KAM NAI-WAI (in Cantonese): President, I move that Mr Vincent FANG's motion, as amended by Mr IP Wai-ming, be further amended by my revised amendment.

Mr KAM Nai-wai moved the following further amendment to the motion as amended by Mr IP Wai-ming: (Translation)

"To add "; (g) producer responsibility should be promoted, and producer responsibility schemes for waste electrical and electronic products should be expeditiously implemented; and under the 'polluter pays' principle, the Government should actively study various financial means, such as the provision of financial incentives or the imposition of levies, etc., to encourage and motivate the public to more proactively practise waste reduction at source, waste separation and recycling in their daily life; (h) studies should be conducted on the establishment of a licensing system for waste recovery operators and the allocation of space in some existing refuse collection points for use by waste recovery operators, so as to reduce nuisance to local communities; (i) studies should be actively conducted on the designation of test points in various districts and the provision of land and financial incentives to people and organizations of local communities and social enterprises, so as to encourage residents in various districts to participate in the development of waste recovery and recycling industries; (j) the development of the EcoPark should be

expedited to provide waste recovery and recycling operators with supporting infrastructure facilities, so as to attract more interested operators to participate; and (k) the relevant publicity and public education work should be strengthened to increase the public awareness and understanding of the advantages and importance of waste reduction at source and the recovery, separation and recycling of waste" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr KAM Nai-wai's amendment to Mr Vincent FANG's motion as amended by Mr IP Wai-ming be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr Vincent FANG rose to claim a division.

PRESIDENT (in Cantonese): Mr Vincent FANG has claimed a division. The division bell will ring for three minutes.

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

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Mrs Sophie LEUNG, Dr Joseph LEE, Mr Jeffrey LAM, Mr WONG Ting-kwong, Prof Patrick LAU, Mr Paul CHAN, Mr CHAN Kin-por, Mr CHEUNG Kwok-che, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted for the amendment.

Ms Miriam LAU, Mr Tommy CHEUNG and Mr Vincent FANG voted against the amendment.

Geographical Constituencies:

Mr Albert HO, Mr Fred LI, Mr James TO, Mr TAM Yiu-chung, Mr Frederick FUNG, Mr WONG Kwok-hing, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Sing-chi, Mr WONG Kwok-kin, Miss Tanya CHAN and Mr Albert CHAN voted for the amendment.

THE PRESIDENT, Mr Jasper TSANG, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 18 were present, 15 were in favour of the amendment and three against it; while among the Members returned by geographical constituencies through direct elections, 16 were present, 15 were in favour of the amendment. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was passed.

MS MIRIAM LAU (in Cantonese): President, I move that in the event of further divisions being claimed in respect of the motion on "Promoting the waste recycling industries" or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Ms Miriam LAU be passed.

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

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

I order that in the event of further divisions being claimed in respect of the motion on "Promoting the waste recycling industries" or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): Miss Tanya CHAN, as the amendments by Mr IP Wai-ming and Mr KAM Nai-wai have been passed, you may now move your revised amendment.

MISS TANYA CHAN (in Cantonese): President, I move that Mr Vincent FANG's motion, as amended by Mr IP Wai-ming and Mr KAM Nai-wai, be further amended by my revised amendment.

Miss Tanya CHAN moved the following further amendment to the motion as amended by Mr IP Wai-ming and Mr KAM Nai-wai: (Translation)

"To add "; (l) the Government should allocate the proceeds from implementing the producer responsibility system to establish a special fund to support the development of the recycling industry and other environmental industries on a 'dedicated-fund-for-dedicated-use' basis; (m) studies should be conducted on the establishment of a certification system for manufacturers of environmental products to ensure that the raw materials and manufacturing procedures of the products concerned meet certain environmental standards, with a view to enhancing the recognition of environmental products, and the Government should consider taking the lead to fully use environmental products that meet certain environmental standards; and (n) the Government should review its existing policy on the provision of recycling bins, including providing recycling bins in all government buildings, hospitals and schools, and it should also consider installing a greater number of rubbish bins equipped with recycling bins to replace the existing ones on the street, so as to enhance the efficiency of waste recovery and separation" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Miss Tanya CHAN's amendment to Mr Vincent FANG's motion as amended by Mr IP Wai-ming and Mr KAM Nai-wai be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr Vincent FANG rose to claim a division.

PRESIDENT (in Cantonese): Mr Vincent FANG has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Mrs Sophie LEUNG, Dr Joseph LEE, Mr Jeffrey LAM, Mr WONG Ting-kwong, Prof Patrick LAU, Mr Paul CHAN, Mr CHAN Kin-por, Mr CHEUNG Kwok-che, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted for the amendment.

Ms Miriam LAU, Mr Tommy CHEUNG and Mr Vincent FANG voted against the amendment.

Geographical Constituencies:

Mr Albert HO, Mr Fred LI, Mr James TO, Mr TAM Yiu-chung, Mr Frederick FUNG, Mr WONG Kwok-hing, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Sing-chi, Mr WONG Kwok-kin, Miss Tanya CHAN and Mr Albert CHAN voted for the amendment.

THE PRESIDENT, Mr Jasper TSANG, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 18 were present, 15 were in favour of the amendment and three against it; while among the Members returned by geographical constituencies through direct elections, 16 were present, 15 were in favour of the amendment. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was passed.

PRESIDENT (in Cantonese): Mr CHAN Hak-kan, as the amendments by Mr IP Wai-ming, Mr KAM Nai-wai and Miss Tanya CHAN have been passed, you may now move your revised amendment.

MR CHAN HAK-KAN (in Cantonese): President, I move that Mr Vincent FANG's motion, as amended by Mr IP Wai-ming, Mr KAM Nai-wai and Miss Tanya CHAN, be further amended by my revised amendment.

Mr CHAN Hak-kan moved the following further amendment to the motion as amended by Mr IP Wai-ming and Mr KAM Nai-wai and Miss Tanya CHAN: (Translation)

"To add "; (o) a system of green products certification and labelling should be formulated; and (p) since 40% of the municipal solid waste at present is perishable waste such as food waste, the Government should devise an effective mechanism for the massive recovery of food waste, construct additional food waste recycling facilities, and encourage private organizations to engage in the food waste recovery and recycling industry" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr CHAN Hak-kan's amendment to Mr Vincent FANG's motion as amended by Mr IP Wai-ming, Mr KAM Nai-wai and Miss Tanya CHAN be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Jeffrey LAM, as the amendments by Mr IP Wai-ming, Mr KAM Nai-wai, Miss Tanya CHAN and Mr CHAN Hak-kan have been passed, you may now move your revised amendment.

MR JEFFREY LAM (in Cantonese): President, I move that Mr Vincent FANG's motion, as amended by Mr IP Wai-ming, Mr KAM Nai-wai, Miss Tanya CHAN and Mr CHAN Hak-kan, be further amended by my revised amendment.

Mr Jeffrey LAM moved the following further amendment to the motion as amended by Mr IP Wai-ming, Mr KAM Nai-wai, Miss Tanya CHAN and Mr CHAN Hak-kan: (Translation)

"To add "; and (q) the Government should assist small and medium enterprises in applying for various types of environmental certification, so as to facilitate the development of environmental industries" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr Jeffrey LAM's amendment to Mr Vincent FANG's motion as amended by Mr IP Wai-ming, Mr KAM Nai-wai, Miss Tanya CHAN and Mr CHAN Hak-kan be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Vincent FANG, you may now reply. You still have one minute 53 seconds.

MR VINCENT FANG (in Cantonese): President, I am very grateful to Honourable colleagues for supporting this motion and putting forward their constructive proposals today. I remember that on the first day of this Legislative Session, we conducted a debate on the expansion of the landfill in Tseung Kwan O. At that time, government officials kept saying that the expansion of the landfill was a matter of great urgency and hoped that the Legislative Council could support and pass the motion. However, the voting results of this motion debate and the previous one all point to the fact that all colleagues agree that the promotion of waste recycling is a matter of the utmost urgency. I hope the Secretary and the whole Government can see clearly which one is really a matter of urgency and expeditiously answer the demand of the Legislative Council and the whole community. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Vincent FANG, as amended by Mr IP Wai-ming, Mr KAM Nai-wai, Miss Tanya CHAN, Mr CHAN Hak-kan and Mr Jeffrey LAM be passed.

PRESIDENT (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

SUSPENSION OF MEETING

PRESIDENT (in Cantonese): It is 10 minutes to 10.00 pm. Although the Secretary for Labour and Welfare was already in the Chamber a long time ago, I still think that it is more appropriate for the next debate to begin tomorrow. Therefore, I now suspend the meeting until 2.30 pm tomorrow.

Suspended accordingly at ten minutes to Ten o'clock.

Annex I

BUILDINGS ENERGY EFFICIENCY BILL

COMMITTEE STAGE

Amendments to be moved by the Secretary for the Environment

<u>Clause</u>	<u>Amendment Proposed</u>
2	In paragraph (b) of the definition of “common area”, by deleting “without limiting paragraph (a), includes” and substituting “includes, unless so specified,”.
2	In the definition of “composite building”, by adding “, having regard to the definitions of “commercial building”, “industrial building” and “residential building”,” after “means”.
2	In the definition of “residential building”, in the English text, by deleting paragraph (b) and substituting – <p style="margin-left: 40px;">“(b) a portion of a composite building that is for residential use,”.</p>
4(1)	By deleting paragraph (b) and substituting – <p style="margin-left: 40px;">“(b) a building – <p style="margin-left: 80px;">(i) of not more than 3 storeys;</p></p>

- (ii) having a roofed-over area of not more than 65.03 m²; and
- (iii) having a height of not more than 8.23 m;”.

8(3) By deleting everything after “is” and substituting –

“liable –

- (a) on conviction to a fine of \$500,000; and
- (b) in the case of a continuing offence, to a further fine of \$10,000 for every day during which the offence continues.”.

9(11) By deleting everything after “is” and substituting –

“liable –

- (a) on conviction to a fine of \$1,000,000; and
- (b) in the case of a continuing offence, to a further fine of \$10,000 for every day during which the offence continues.”.

10(1) By deleting “issue a Certificate of Compliance Registration to the developer in respect of the building” and substituting “, subject to subsection (2), issue a Certificate of Compliance Registration to the developer in respect of the building within 3 months after the day on

which the declaration is received”.

- 11(3) By deleting everything after “the Director” and substituting –
- “must –
- (a) make a copy of the register kept under subsection (1) available for members of the public to inspect free of charge at all reasonable times; and
 - (b) make the content of the register available for inspection free of charge through the internet.”.
- 12 By adding before subclause (1) –
- “(1A) This section applies in relation to a building in respect of which a Certificate of Compliance Registration has been issued.”.
- 17(1) By deleting “the responsible person of the unit or the owner of the common area, as may be appropriate,” and substituting “a person who is the responsible person of the unit or the owner of the common area, as may be appropriate, as at the completion of the works”.

- 17(2) By deleting “the owner of the installation” and substituting “a person who is the owner of the installation as at the completion of the works”.
- 18 By deleting subclauses (7), (8), (9) and (10).
- 22(1) By deleting “common areas” and substituting “central building services installations”.
- 22(2) By deleting “common areas” and substituting “central building services installations”.
- 22(3) By deleting “common areas” and substituting “central building services installations”.
- 29(1) By deleting paragraph (a) and substituting –
 “(a) subject to subsection (2A), enter during reasonable hours any part of a prescribed building (including a prescribed building under construction) that is not for residential use;”.
- 29 By adding –
 “(2A) The power conferred by subsection (1)(a) may

not be exercised unless –

- (a) the Director has given at least 14 days' notice to the responsible person of the relevant part of the prescribed building;
- (b) the Director has given shorter notice to which the responsible person agrees; or
- (c) the responsible person agrees to waive any notice.

(2B) A notice given under subsection (2A) must state the reason for the proposed entry.”.

31(3) By deleting everything after “the Director” and substituting –

“must –

- (a) make a copy of the Register of Registered Energy Assessors available for members of the public to inspect free of charge at all reasonable times; and
- (b) make the content of the Register available for inspection free of charge through the internet.”.

34(1) By deleting “5 members” wherever it appears and substituting “10 members”.

34 By adding –

“(1A) A person who is in 2 or more of the 5 disciplines mentioned in paragraphs (a), (b), (c), (d) and (e) of subsection (1) is, for the purpose of subsections (1) and (6)(d), regarded as being in only one of those disciplines designated by the Secretary at the time of the person’s appointment.”.

35 By adding –

“(2A) Subject to section 36(3B), if a vacancy occurs in an appeal board, the Secretary must, as soon as reasonably practicable, make an appointment from among the members of the appeal board panel to fill the vacancy.”.

36(1) By deleting “4 members “ and substituting “3 members”.

36 By adding –

“(3A) An appeal board may perform any of its functions, and its proceedings are valid, despite –

- (a) subject to subsection (3B), a vacancy in the board; or
- (b) a defect in the appointment or

qualification of a person purporting to be
a member of the board.

(3B) If –

(a) any vacancy occurs in the office of an
original member of the appeal board;
and

(b) as a result fewer than 3 original
members of the board remain in office,

the board must be dissolved and the Secretary is deemed to
have received a notice of appeal delivered under section 33 in
relation to the subject matter of the appeal.”.

37(3) By adding “it” after “advise”.

37(7) By deleting “bound” and substituting “required to give any evidence
or produce any document which tends”.

38(1) In paragraph (b), by deleting “other than a residential unit” and
substituting “that is not for residential use”.

39(2) In the Chinese text, by adding “或費用” before “的支付”.

39(2) In paragraph (a), by adding “or expenses” after “costs”.

- 39(2) In paragraph (b), by adding “or expenses” after “costs”.
- 39(3) By deleting “awarded” and substituting “and expenses ordered to be paid”.
- 40 By adding –
- “(6A) The Director must, before exercising the power conferred by subsection (1), (4) or (6), consult as the Director thinks fit any organizations or individuals who, in the opinion of the Director, have technical expertise or professional experience in building services installations.”.
- 41(1) By adding “or appeal board” after “the court”.
- 41 By deleting subclause (3) and substituting –
- “(3) In this section –
- “court” (法院) includes a magistrate;
- “legal proceedings” (法律程序) includes proceedings before an appeal board.”.
- 43 By deleting subclause (1) and substituting –
- “(1) The Secretary may, subject to the approval of

the Legislative Council, amend Schedule 1, 2, 3 or 4 by notice published in the Gazette.

(1A) The Secretary may amend Schedule 5 by notice published in the Gazette.”.

43(2) By deleting “subsection (1)” and substituting “this section”.

47(2) By adding “any common area of” after “in respect of”.

50(4) By deleting everything before “unless” and substituting –

“(4) If the defence under subsection (1) involves an allegation that the offence was due to reliance on information given by another person, the defence is not established”.

52(a) By deleting “and”.

52(b) By deleting the comma and substituting “; and”.

52 By adding –

“(c) the person is a registered energy assessor on the commencement date of Part 4,”.

Schedule 1, By deleting the item and substituting –
item 2

“2. A portion of a composite building that is not for residential or industrial use.”.

Schedule 1, By deleting the item and substituting –
item 5

“5. Common area of a portion of a composite building that is for residential or industrial use.”.

Schedule 1, In the English text, by deleting “predominately” and substituting
item 7

“principally”.

Schedule 1, In the English text, by deleting “predominantly” and substituting
item 8

“principally”.

Schedule 1, In the English text, by deleting “predominantly” and substituting
item 9

“principally”.

Schedule 1, In the English text, by deleting “predominantly” and substituting
item 10

“principally”.

Schedule 1, In the English text, by deleting “predominantly” and substituting
item 11

“principally”.

Schedule 2, By deleting paragraphs (a), (b) and (c) and substituting –
item 6

- “(a) illumination of an exhibit or product on display including special lighting for illuminating merchandise or art work;
- (b) decoration including special lighting for architectural feature or festival decoration effect;
- (c) visual production including special lighting for performance, entertainment or television broadcasting; or”.

Schedule 3 In Note (1)(a), in the English text, by deleting “carpark” and substituting “car park”.

Schedule 4, By deleting the item and substituting –
item 2

- “2. A portion of a composite building that is for commercial use.”.

BUILDING ENERGY EFFICIENCY BILL**COMMITTEE STAGE**

Amendments to be moved by the Honourable Audrey EU Yuet-mee

Clause

Amendment Proposed

~~NEGATIVED~~

In the definition of “lighting installation” —

- (a) in paragraph (a), by deleting “or”;
 - (b) by deleting everything after “or” in paragraph (a) and substituting —
 - “(b) maintained type emergency lighting; or
 - (c) lighting fixture mounted to the external of the building which —
 - (i) is connected to the fixed electrical lighting system in the building; or
 - (ii) draws power supply from the fixed electrical lighting system in the building,
- but does not include non-maintained type emergency lighting;”.