

OFFICIAL RECORD OF PROCEEDINGS

Friday, 9 November 2018

The Council continued to meet at Nine o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE ABRAHAM SHEK LAI-HIM, G.B.S., J.P.

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

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

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

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

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

THE HONOURABLE CHAN HAK-KAN, B.B.S., J.P.

THE HONOURABLE CHAN KIN-POR, G.B.S., J.P.

DR THE HONOURABLE PRISCILLA LEUNG MEI-FUN, S.B.S., J.P.

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

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

THE HONOURABLE PAUL TSE WAI-CHUN, J.P.

THE HONOURABLE CLAUDIA MO

THE HONOURABLE MICHAEL TIEN PUK-SUN, B.B.S., J.P.

THE HONOURABLE STEVEN HO CHUN-YIN, B.B.S.

THE HONOURABLE FRANKIE YICK CHI-MING, S.B.S., J.P.

THE HONOURABLE WU CHI-WAI, M.H.

THE HONOURABLE YIU SI-WING, B.B.S.

THE HONOURABLE MA FUNG-KWOK, S.B.S., J.P.

THE HONOURABLE CHARLES PETER MOK, J.P.

THE HONOURABLE CHAN CHI-CHUEN

THE HONOURABLE CHAN HAN-PAN, B.B.S., J.P.

THE HONOURABLE LEUNG CHE-CHEUNG, S.B.S., M.H., J.P.

THE HONOURABLE KENNETH LEUNG

THE HONOURABLE ALICE MAK MEI-KUEN, B.B.S., J.P.

DR THE HONOURABLE KWOK KA-KI

THE HONOURABLE KWOK WAI-KEUNG, J.P.

THE HONOURABLE DENNIS KWOK WING-HANG

THE HONOURABLE CHRISTOPHER CHEUNG WAH-FUNG, S.B.S., J.P.

DR THE HONOURABLE FERNANDO CHEUNG CHIU-HUNG

DR THE HONOURABLE HELENA WONG PIK-WAN

THE HONOURABLE IP KIN-YUEN

DR THE HONOURABLE ELIZABETH QUAT, B.B.S., J.P.

THE HONOURABLE POON SIU-PING, B.B.S., M.H.

DR THE HONOURABLE CHIANG LAI-WAN, S.B.S., J.P.

IR DR THE HONOURABLE LO WAI-KWOK, S.B.S., M.H., J.P.

THE HONOURABLE CHUNG KWOK-PAN

THE HONOURABLE ALVIN YEUNG

THE HONOURABLE ANDREW WAN SIU-KIN

THE HONOURABLE CHU HOI-DICK

THE HONOURABLE JIMMY NG WING-KA, J.P.

DR THE HONOURABLE JUNIUS HO KWAN-YIU, J.P.

THE HONOURABLE HO KAI-MING

THE HONOURABLE LAM CHEUK-TING

THE HONOURABLE HOLDEN CHOW HO-DING

THE HONOURABLE SHIU KA-FAI

THE HONOURABLE SHIU KA-CHUN

THE HONOURABLE WILSON OR CHONG-SHING, M.H.

THE HONOURABLE YUNG HOI-YAN

DR THE HONOURABLE PIERRE CHAN

THE HONOURABLE CHAN CHUN-YING, J.P.

THE HONOURABLE CHEUNG KWOK-KWAN, J.P.

THE HONOURABLE HUI CHI-FUNG

THE HONOURABLE LUK CHUNG-HUNG, J.P.

THE HONOURABLE LAU KWOK-FAN, M.H.

THE HONOURABLE KENNETH LAU IP-KEUNG, B.B.S., M.H., J.P.

DR THE HONOURABLE CHENG CHUNG-TAI

THE HONOURABLE KWONG CHUN-YU

THE HONOURABLE JEREMY TAM MAN-HO

THE HONOURABLE GARY FAN KWOK-WAI

THE HONOURABLE AU NOK-HIN

THE HONOURABLE VINCENT CHENG WING-SHUN, M.H.

THE HONOURABLE TONY TSE WAI-CHUEN, B.B.S.

MEMBERS ABSENT:

THE HONOURABLE MARTIN LIAO CHEUNG-KONG, S.B.S., J.P.

THE HONOURABLE TANYA CHAN

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE WONG KAM-SING, G.B.S., J.P.
SECRETARY FOR THE ENVIRONMENT, AND
CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE PAUL CHAN MO-PO, G.B.M., G.B.S., M.H., J.P.
FINANCIAL SECRETARY

THE HONOURABLE MS TERESA CHENG YEUK-WAH, G.B.S., S.C., J.P.
SECRETARY FOR JUSTICE

THE HONOURABLE NICHOLAS W. YANG, G.B.S., J.P.
SECRETARY FOR INNOVATION AND TECHNOLOGY

THE HONOURABLE LAU KONG-WAH, J.P.
SECRETARY FOR HOME AFFAIRS

THE HONOURABLE JAMES HENRY LAU JR., J.P.
SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

DR THE HONOURABLE LAW CHI-KWONG, G.B.S., J.P.
SECRETARY FOR LABOUR AND WELFARE

THE HONOURABLE JOSHUA LAW CHI-KONG, G.B.S., J.P.
SECRETARY FOR THE CIVIL SERVICE

THE HONOURABLE JOHN LEE KA-CHIU, S.B.S., P.D.S.M., J.P.
SECRETARY FOR SECURITY

THE HONOURABLE FRANK CHAN FAN, J.P.
SECRETARY FOR TRANSPORT AND HOUSING

PROF THE HONOURABLE SOPHIA CHAN SIU-CHEE, J.P.
SECRETARY FOR FOOD AND HEALTH

THE HONOURABLE MICHAEL WONG WAI-LUN, J.P.
SECRETARY FOR DEVELOPMENT

THE HONOURABLE KEVIN YEUNG YUN-HUNG, J.P.
SECRETARY FOR EDUCATION

THE HONOURABLE PATRICK NIP TAK-KUEN, J.P.
SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS

MR TSE CHIN-WAN, B.B.S., J.P.
UNDER SECRETARY FOR THE ENVIRONMENT

MR SONNY AU CHI-KWONG, P.D.S.M., J.P.
UNDER SECRETARY FOR SECURITY

MR LIU CHUN-SAN, J.P.
UNDER SECRETARY FOR DEVELOPMENT

DR BERNARD CHAN PAK-LI, J.P.
UNDER SECRETARY FOR COMMERCE AND ECONOMIC
DEVELOPMENT

MR JACK CHAN JICK-CHI, J.P.
UNDER SECRETARY FOR HOME AFFAIRS

DR RAYMOND SO WAI-MAN, B.B.S., J.P.
UNDER SECRETARY FOR TRANSPORT AND HOUSING

CLERKS IN ATTENDANCE:

MR KENNETH CHEN WEI-ON, S.B.S., SECRETARY GENERAL

MISS ODELIA LEUNG HING-YEE, DEPUTY SECRETARY GENERAL

MS ANITA SIT, ASSISTANT SECRETARY GENERAL

MS DORA WAI, ASSISTANT SECRETARY GENERAL

MR MATTHEW LOO, ASSISTANT SECRETARY GENERAL

MEMBER'S MOTION

PRESIDENT (in Cantonese): Council now continues with the debate on the Motion of Thanks on the Policy Address.

MOTION OF THANKS**Continuation of debate on motion which was moved on 7 November 2018**

MR YIU SI-WING (in Cantonese): President, the problem of insufficient housing and land supply has beset Hong Kong for a long time. It is a livelihood issue that members of the public are most concerned about, and that the SAR Government has attached the greatest importance and accorded the top priority to seek a solution. In recent years, the Government has put forth proposals on land formation and land resumption. Regretfully, as these proposals have been obstructed time and again by the opposition camp for various reasons, or have been labelled as collusion between the Government and business, most of the initiatives have come to a standstill.

The Government put forward the North East New Territories development proposal in as early as 1998, and raised the proposal again in 2008. However, due to ongoing political disputes over the years and the numerous difficulties involved in approving the kick-off grants by the Legislative Council, the Government has yet to commence land resumption procedures today.

During the tenure of the last term government, a think tank suggested exploring the feasibility of developing the land on the periphery of country parks. The suggestion was immediately met with opposition from various organizations. The opposition camp even took advantage of the opportunity and encouraged members of the public to apply for legal aid to initiate judicial reviews, so as to impede the proposal.

Regarding the use of private agricultural land in the New Territories, come to think about this: land resumption, compensation and resettlement not only require the injection of funds, but also public-private collaboration to ensure successful development. Yet development projects involving private agricultural land are too often labelled as collusion between the Government and business, resulting in a lot of agricultural land being left idle and undeveloped for years.

Many Members pointed out that the Government should develop brownfield sites before talking about reclamation. This sounds easy but many problems have to be solved before development can take place. Most brownfield sites are scattered and not every brownfield site has the potential for high-density development. Fragmented development can hardly achieve economies of scale. Moreover, since most brownfield sites are privately owned, their development will not only involve land resumption and compensation, but also rehousing and compensation for squatter residents and occupants of the sites concerned. The resumption procedures are lengthy, costly and the process is challenging and controversial.

The Chief Executive announced the Lantau Tomorrow Vision in this year's Policy Address. I consider the proposal better than the existing land acquisition proposals in terms of cost control, time frame and long-term benefits. While reclamation and infrastructure development certainly entail considerable costs, we should bear in mind that the overall benefits brought about by the substantial area of reclaimed land, such as land sales and tax revenue, business and employment opportunities, will definitely be much higher than the amount invested.

Hong Kong has many successful examples of reclamation, for example, Central, Wan Chai, Tsim Sha Tsui East, Kai Tak Airport, Sha Tin, Ma On Shan, Tung Chung and Chek Lap Kok Airport are all built on reclaimed land. These areas play an important role in respect of Hong Kong's economic development and its status as a financial centre. Take for example our neighbour Singapore, it is 30% smaller than Hong Kong in ground area, and 22% of its land are reclaimed from the sea. The fact that Singaporeans can live happily in affordable HDB flats of over 1 000 sq ft and have other housing options is closely related to its comprehensive and long-term reclamation plans.

President, the Government has proposed to first carry out reclamation in Kau Yi Chau for 1 000 hectares of land. The reclamation, expected to be completed in phases, will accommodate a population of 700 000 to 1 100 000 by 2032. The proposal is intended to relieve housing pressure on young people. This is a pragmatic solution to create new opportunities for home ownership. As for the remaining 700 hectares, further studies could be conducted at a later stage and put to discussion by Members in a fair and objective manner. I encourage Members to collect more valuable data for analysis, rather than making an endless stream of prejudiced criticisms.

Without popular support, Hong Kong cannot thrive and improve its competitiveness. I hope colleagues will take a longer view and offer comments for the sake of Hong Kong's economic development and for enabling our next generation to live and work in contentment. Needless to say, the Government should stop holding discussions without taking decisions and taking decisions without putting them into actions. It must hasten its pace to practically implement the Lantau Tomorrow Vision project.

With these remarks, President, I support the Motion of Thanks.

MR ABRAHAM SHEK: President, as a pro-establishment member of this Council, I am duty-bound to support the Chief Executive's Policy Address, and in general, to support the Administration and its governance in accordance with the Basic Law. Also, as a Member of this Council and a Public Accounts Committee member of 18 years standing, it is my duty to identify and report the failings of Government in its multitudes of service provision under the principles of effective governance and that of value for money audits. With such introduction, I would like to make my observation of the 2018 Policy Address.

"Housing and Land Supply", as said by my colleague who just delivered his speech, is undoubtedly the focal point of the 2018 Policy Address. Let me state upfront that I support the plan to reclaim land for an East Lantau Metropolis ("ELM").

The Chief Executive envisaged and I quote, "The construction of artificial islands in the Central Waters helps meet the housing, economic and employment needs in the long run." (End of quote)

I will top up that mission statement. The artificial islands should not only meet our needs in the long run, but also our aspirations for a better quality of life.

We should make the best out of the proposed 1 700 hectares of reclaimed land as cost-effective, eco-friendly and technology-smart as conceivable. Improved planning standards should be adopted at the outset for the design of ELM in terms of home sizes, waste management, safeguards against extreme weather and provision of community facilities in general.

With these 1 700 hectares of reclaimed land, we are blessed with an opportunity of a lifetime, not only to design but to actually build a sizable residential and commercial hub from scratch. If we do it right, President, ELM can emerge as an envy of the world. The Government should encourage public input, especially from the multi-disciplined professionals, not just from the consultants. How accessible, livable and sustainable this new frontier will be is only limited by our collective imagination. In a nutshell, President, Lantau Tomorrow should and could become our "Hong Kong SAR 2.0", an impossible dream makes possible.

Exciting as it is, the Lantau Tomorrow Vision is destined to take decades to materialize. What are we going to do with the present problems that we are facing? Meanwhile, the Government should no longer sit on a considerable amount of readily available land resources. I am referring to land lease modifications of agricultural and urban land.

Attempts over the years to unleash the full potential of private sites by modifying existing land leases are, to put it mildly, frustrating. An application might have to be vetted by departments of Lands, Buildings, Planning, Transport, Home Affairs, Environmental Protection and other bureaucracies. Each of these departments operates as an isolated administrative kingdom. Together they form a virtual black hole of paperwork. The lease modification process is cumbersome and punishing. As a result, we have failed to maximize a readily available source of valuable land resources which are left to waste. Also, President, if we really look into the availability of land, there are plenty that we still can develop. But why are they not being developed? Very easily, the answer is there for us to see. For a development to take five years, it can be cut down to three years or four years. That is the very problem that we are suffering. It is a cancer to our development process, and our government bureaucracy is cumbersome and punishing, as I said earlier. It is high time that we should review the situation.

Also, regarding the modification of existing land leases, I have been a Member of this Council for years, but I have seen very little of such land being processed, only about 4% of such available land were processed in 20 cases.

As the voice of the real estate and construction sector in this Chamber, I have been screaming for years to have the system of unleashing the available land to be simplified and streamlined. Unfortunately, my words have constantly fallen on deaf ears, a voice in the wilderness.

In her maiden Policy Address, the Chief Executive last year sought to set up a Policy Innovation and Coordination Office, which reports directly to her. The Office is now in business. It is meant to strengthen leadership by cutting red tape. The Office has so far achieved little as far as the public can see. Correct me if I am wrong.

Last month, the Chief Executive pulled the same trick to create yet another coordination office to help realize the Lantau Tomorrow Vision. She asserted, and I quote, "I will set up as soon as possible a dedicated co-ordination office, which is directly accountable to me, to steer the overall direction as well as co-ordinate and monitor the planning and implementation of the programme. This office will be expanded as needed to ensure that the policy and implementation could be effectively matched." For your information, President.

A dedicated unit was already established last December under the banner of the Sustainable Lantau Office. When this Council approved the funding for it, I was led to believe that the Office was responsible for overseeing the planning and implementation of the Lantau project. Redundant as it appears, I do not hold any violent objection to erect another bureaucratic structure as far as the Chief Executive feels more reassured that way in the daunting task of developing Lantau.

To follow the Chief Executive's logic, I recommend that another coordination office be assigned to reform the lease modification processing procedures to reduce the bureaucracy. In any case, some sort of one-stop service should be put in place so that the applications can be dealt with without undue delay, and readily more housing land to be created.

In addition to the lease modification, I am in favour of the Land Sharing Pilot Scheme (formerly known as public-private participation) to expedite private land owners' efforts to develop their sites. Only a meager 4%, as I said earlier, of the 1 000 hectares of agricultural land held by private developers in the New Territories were allowed in 20 cases to be rezoned for private housing over the past five years. What a shame for all the waste! The poor conversion rate is primarily due to, as I said, bureaucracy, inadequate infrastructure support, planning restrictions, local objections and unrealistic high land premium.

Under the proposed scheme, land owners' cost of infrastructure facilities will be deducted from land premium. If such facilities encroach onto other private land, the authorities may step in to resume the necessary areas in line with

public interest. In return, at least 60% of the subsequent increased floor areas are to be designated for public housing, mainly in the form of Subsidized Sale Flats.

In any case, President, the idea for the Government to facilitate private developments for the greater common good is hardly original. The concept has been around for at least half a century. Let me cite some examples.

Mei Foo Sun Chuen is a shining example. The estate's 99 tower complex stood as the world's largest privately-financed residential condominium project, and was completed in 1978.

City One in Sha Tin is another example. Given a conducive policy framework, four leading developers were able to join forces to construct 52 blocks on 17 hectares of land in the 1980s. Policy makers do not need to reinvent the wheel every time. Sometimes, all they have to do is to learn from the formula of success in the past. Administrative officers are very good in reading files; do that.

I hope the authorities can soon hammer out the details so that Members of this Council would not say that there is public-private collusion. Where lies the collusion? The rules of the game are set by the Government. With ordinances and bureaucracy as guiding principles, what we have to do is to ensure that the public will benefit from utilization of land resources. My only reservation for this particular project is why the additional floor areas for public housing will have to be designated mostly for Subsidized Sales Flats and not rental housing. This really reflects the inner thinking of our famous Chief Executive.

In fact, for two years in a row, the Chief Executive has stressed home ownership as a matter of priority. In her 2017 Address, she said, as I like to quote her, she is my role model: "We will focus on home-ownership to enable our people to live happily in Hong Kong and call it their home. The Government will strive to build a housing ladder to rekindle the hopes of families in different income brackets to become home-owners."

In her 2018 Address, she repeated again: "We will focus on home-ownership and strive to build a housing ladder to rekindle the hope of families in different income brackets to become home-owners."

The English translation is indeed an understatement of the Chinese text. The Chinese version uses the phrase "以置業為主導". "Focus on home-ownership" can hardly convey the Chief Executive's inner thought to adopt "home ownership" as a guiding, prevailing or dominating principle in her housing policy or that of Secretary Frank CHAN.

President, I would like to put it on the record my objection to this misguided policy. May it be socialist, capitalist or otherwise, no government on earth will in its right mind take on the onus to enable "families in different income brackets to become home-owners". The Government's "focus" should be confined to ensuring that there is decent accommodation for every citizen—to help those who are in need but not to help people buy home, such that they have to bear a burden or a threat of bankruptcy when the market goes down.

I understand that housing has become a major source of social grievance. Many Hong Kongers, particularly the young, are upset—no doubt they are—if not furious, about runaway property prices. Why are they so? Because of the Government's high land price policy. The Government's focus on home ownership smacks of political expediency. Its so-called "housing ladder" might dangle as a political carrot. It might even help buy some votes.

However, we must not confuse political expediency with public commitment. We must not equate populist demand with entitlement. Affordable, decent accommodation is an entitlement. Owning a flat is not. The Chief Executive must draw a line there. The Government should focus on the former, i.e. public rental housing, and not the latter.

At the end of last June, Secretary, there were about 160 000 general applications for public rental housing. The tally was on top of about 118 000 non-elderly one-person applications under the Housing Authority's Quota and Points System. I take these figures from our PAC reports. A general applicant has to wait for an average of 5.3 years. It is a shame for the Secretary to have said for years that the target is 3.1 years. At the same time, it is estimated that 90 000 Hong Kongers are living in sub-divided, sub-standard quarters of one sort or another. Public resources will be much better spent to provide subsidized rental units for the neediest rather than to build more units under "綠置居" (Green Form subsidized Home Ownership Scheme) or "白居二" (White Form Secondary Market Scheme).

About 47% of our population are tenants of public rental housing and those of subsidized units. I accept that it is a government's responsibility to deliver bigger and better equipped rental units for those who cannot afford to buy their flats. Empowering them to become home owners is a completely different proposition. In any event, the Government should contain housing and transportation expenses within a reasonable proportion of a family's disposable income. Home ownership, however, should have no place as a "focus" in our housing policy. The focus should be rental housing. The Chief Executive needs to rethink the issues, especially when there are early signs of a downturn in the property market. The economy is turning in the opposite direction.

Let me recount the historical development. A blaze on Christmas Eve in 1953 jumped started the then colonial public housing scheme. Except Block 41, all the other original 7-storey buildings in the Shek Kei Mei resettlement estate were demolished. Shek Kei Mei remains synonymous with government commitment to house the needy. What needs to be rekindled is not the people's hope for ownership. What needs to be rekindled is the Administration's resolve to provide decent rental housing for those in need. A total of 29 000 applications are on the queue.

A steady supply of public housing is, of course, premised on a stable, ample land supply. And I am deeply disturbed by the way the Administration has mismanaged the formulation of its land policy.

Our political structure is meant to be executive-led. Among other Basic Law prerogatives, the Chief Executive is to lead the HKSAR Government and decides on government policies.

Seven years ago, in her previous incarnation as Secretary for Development, Mrs Carrie LAM launched a public engagement exercise on six proposed measures, including reclamation. Before that, the Concept Plan for Lantau was already formulated in 2004 and updated in 2007. After a round of consultation, the Sustainable Lantau Blueprint was published in June 2017. A key feature of the Blueprint is to develop an ELM from the proposed artificial islands at the Central Waters, which was conceived in 2011 under yet another study, entitled "Enhancing Land Supply Strategy: Reclamation Outside Victoria Harbour and Rock Cavern Development".

Hong Kong has invested enough—I repeat the word "enough"—resources exploring options; it is time for decisive actions. Yet, instead of making a long overdue policy call, the Chief Executive set up a Task Force on Land Supply last September. The Task Force is to forge further public deliberations. It was given an impossible mission to come up with the greatest consensus on 18 land supply options. The Task Force then spent five months hosting town hall meetings and conducting territory-wide, large-scale opinions surveys. It worked very hard. It was supposed to present its findings by the end of the year. Instead of building common grounds, the exercise has ended up polarizing our already divisive community, which was a creation of the last Administration on blue and yellow.

Over the past decade, concerned citizens have debated the pros and cons of the conceivable options ad nauseam. Current arguments about the envisioned ELM are more emotive than rational. Forget about the emotions. Do some rational designs. The various camps' positions are so entrenched that they would hardly budge.

The appointment of the Task Force is symptomatic of a government constantly looking over its shoulders and lacking the determination to govern. The massive, open-ended consultation exercise was almost tantamount to a referendum. Our Motherland would not have adopted this approach. The Government should, of course, take public opinions on board in making any major decisions. Yet, the executive-led Government should never be dictated by populist sentiments.

Now that a precedent has been set, it would be difficult for the Chief Executive and her team to justify why such a similar task force could not be formed on other controversies, from curriculum to political reforms. And more contentiously, the forthcoming local legislation for national security under Article 23 of the Basic Law. Are we going to form a task force for that? By no means. We cannot do so.

The story took another even more bizarre turn when the Chief Executive demanded the Task Force to preempt itself to submit its preliminary observations to her. The move was apparently calculated to rationalize her belated announcement in the Policy Address to "commence immediately a study on phased reclamation near Kau Yi Chau and Hei Ling Chau for the construction of artificial islands with a total area of about 1 700 hectares".

The Government should have explained why it has to reclaim 1 700 hectares of land but not 1 000 hectares. The explanation given to this Council is: "It is a secret. It is the prerogative of the Chief Executive to make the announcement in her Policy Address."

Time has changed. Everybody is expecting reclamation and not much debate is expected. But now, people query why the area of reclaimed land should be 1 700 hectares. In fact, it should be more than 1 700 hectares; it should be 2 200 hectares as suggested by Mr TUNG or 2 500 hectares as suggested by Gordan WU.

President, my time is taking a little bit more than I expected. No matter how well intentioned, policy makers can ill afford to remain non-communicative for a couple of months.

The take-it-or-leave-it offer to ease the cross-harbour traffic is another case in point. It was widely accepted that the tolls of the three tunnels should be adjusted to redistribute traffic. The crux of the matter is how the tolls should be juggled to prompt drivers to opt for the under-used Western Harbour Tunnel. Again, this option is given to us without any choice of debate. This is not a practical issue.

Apart from cross-harbour vehicular traffic, public transportation in general is over-crowded. New Territories residents' daily commute to workplaces is barely bearable. There is an urgent need for additional routes for the 3 million or so commuters to travel from South to North and then in reverse on a regular basis. This problem needs to be fixed, Secretary.

The Government has accorded priority to rail services over other modes of public transportation. The rail system is now saturated beyond rush hours. At the same time, transportation expenses have eaten significantly into one's disposable income.

I am an independent board member of the MTR Corporation Limited. And I want to make it loud and clear that the Government must be vigilant in checking fare increases. The "可加可減" (fare adjustment) system needs to be reviewed because it always "加" (increases) and never "減" (decreases).

I have listened carefully to policy Secretaries expounding on the Policy Address. And I dare say that I am not impressed. They lack both compassion and passion. They should take a leaf from the Chief Executive's book on how to service the public with humility and genuineness.

It is particularly heart wrenching to hear how the Secretary for Labour and Welfare justify government inaction by insisting that money cannot solve the problems of elderly and care centres. I beg to differ. President, I yell to differ.

The bone of contention is how to provide proper care for the elderly to live in dignity. Over 36 000 senior citizens are queuing for care and attention home. They are expected to wait an average of 38 months before they are assigned a bed. The queue is getting longer as our population ages. It is a chronic issue that even news media have lost interest in reporting cases of senior citizens who died before they were admitted. The last time I checked, 5 800 retirees passed away in 2015 while waiting for subsidized residential care services.

In defense, officials have been harping on the same old theme. They assume that even more financial resources cannot bridge the shortages in labour and places in the homes for the aged. If you cannot do it, import labour!

Lastly, I would like to talk about students with special needs. Like senior citizens, students with special educational needs ("SEN") call for special attention. Nature has deprived these children of mental and physical well-being, we should make it up by nurturing them. Each SEN student should be given an equal opportunity to learn in an environment that is best tailored to meet their specific needs. I have noticed that the Government has given some money, but only to the subsidized and Direct Subsidy Scheme schools. Why not to the other SEN students?

This is again an issue that money can ease. I propose a voucher scheme in which allowances are given to these children, so that they can pick the most suitable education providers according to their needs. They should learn from Frank CHAN how to get more.

Likewise, children from poor families and ethnic minorities must not be left behind. Their well-being must not be compromised because of the Government's focus on home ownership for those who are relatively better off. The Government should be more caring to provide these people, especially children learning Chinese as a second language.

President, before I finish, I want to remind the Chief Executive not to be befuddled by the illusion of enhanced social harmony. The community is less confrontational as it was in the immediate aftermath of the Occupy Central movement. However, the relative peace is due to widespread sense of resignation rather than improved social satisfaction. It is not because the Government has done much to impress. It is because many people no longer bother to be impressed. Many middle class parents are quietly making exit plans for their children and themselves. Thank you. (*The buzzer sounded*)

PRESIDENT (in Cantonese): Mr SHEK, please stop speaking.

MR WILSON OR (in Cantonese): President, during this session, I will continue to express, on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB"), our concern about housing and transport under liveable city. As I have said before, after the delivery of the Policy Address, I have visited local districts from time to time to listen to public views. I found that the views of Hong Kong people do match with the findings of a survey. People are very concerned about the housing problem in Hong Kong, and many of them told me about their housing difficulties during my visits to the districts. While I was working at the street booth at 7:00 am this morning, a member of the public said to me, "Wilson, you must urge the Chief Executive and government officials to categorically resolve the housing problems when you speak this afternoon." Therefore, I would like to spend some time to give a more detailed elaboration in this session.

The issue of housing has always been the top priority in the previous policy addresses, and the issue is also of grave concern to the media and members of the public. In this year's Policy Address, we see the determination of the Chief Executive in responding to the aspirations of the community by opening up more land to resolve the current serious housing problem. To be fair, I really do not see any promising progress in terms of land use to genuinely address people's concern of their homes getting more expensive, smaller and more crowded. Nonetheless, I do have confidence, and also a vision, that "people can afford to buy and rent as they wish". This is indeed the heartfelt wish of members of the public and the crux of the issue as well. Or else, social conflicts or disputes will continue to remain unresolved.

President, I would like to share with Members my thoughts on the land and housing policies in this Policy Address. The first element of housing policy is the role played by the Government in the housing market. Honestly speaking, in this Policy Address, the Chief Executive has not clearly stated the specific role played by the Government. But given that I have been very concerned about housing policy in the past, I think the Government has two roles to play according to the Long Term Housing Strategy: first, to ensure a stable supply of land in the market in the light of demand; and second, to stabilize the property market by all means where appropriate, so as to prevent it from being overheated and resulted in adverse impact.

With regard to land, I think the new-term Government has been working very hard and doing its best. Both the Secretary for Development and the Secretary for Transport and Housing have been constantly seeking land for housing construction, and have been able to identify plenty of land. Yet, the land identified is not very desirable as the sites are only suitable for the construction of the so-called standalone buildings. To be frank, such construction not only produces costly and tiny housing units, but also affects the ecology of the community. And yet, the Government has no choice because the situation will further deteriorate if it continues to stand by with folded arms. Therefore, I think the Government must seriously consider whether it should continue to develop in this direction. Later, I will express our concerns and opinions on the Lantau Tomorrow plan.

The Chief Executive put forward "LAM's six strokes" in June this year, and one of the strokes did respond to DAB's aspiration for converting more private housing land for public housing production. I think this initiative is good, only that the number of housing units produced is less than satisfactory, and further increase can be considered. The Government has already allocated land for producing 10 000 public housing units, but will it consider allocating more land for producing the outstanding 30 000-odd units? Secretary, this is something that you must consider, otherwise it is downright impossible to cope with the demand.

On the other hand, the high property prices and high rental in Hong Kong have already sounded an alarm. Earlier on, an organization conducted a survey on "property slave index" with the help of the media and public housing concern groups. The findings of the survey subsequently released were very saddening because many grass-roots families are still unable to make ends meet. I always

say that we can eat lightly every day because even salted fish and vegetables taste good; for transportation, we may choose to walk to a close destination instead of taking feeder services or feeder minibuses. However, when it comes to housing, the situation is very bad. At present, there are 210 000 people residing in inadequate housing and another 280 000 people on the Waiting List for public rental housing ("PRH"). Even the sale of Home Ownership Scheme ("HOS") flats has recorded an over-subscription rate of more than 20 times. Directors of Bureaux, this shows that there is a genuine need to examine how to gradually combat the housing problem and solve the problems of grass-roots people.

Since the grass roots are in dire straits and have to face high rental, why does the Government not consider reintroducing tenancy control or providing rental allowance? Not only has DAB mentioned this point time and again, I have also collected lots of views since I became a directly elected Member. I recall that Secretary Frank CHAN has told me many times that tenancy control would not be considered for the time being, so I proposed to introduce control by phases or to impose tenancy control on rental below \$15,000. As for rental allowance, the rental of small subdivided units of some 100 sq ft is not low at all and may reach about \$8,000 per month. Can the Government provide rental allowance to help members of the public who have been waiting for PRH for more than three years, so that they can have some breathing space?

DAB and I have repeatedly urged the Government to provide rental allowance, but no progress has been made so far. It does not matter whether the Government sees the proposal as a special arrangement or an extraordinary measure to be introduced under extraordinary circumstances, I hope that the Government will give due consideration. To be honest, the problem is imminent and it is imperative for the Government to seriously consider how to enable the grass roots to have some breathing space. This is the point that I would like to reiterate.

The second element of housing policy is focusing on home-ownership. I think it is basically appropriate to build the housing ladder, but to my great regret, my observation is that so far there is only a "framework" which can hardly be achieved. According to my analysis, from regularizing Green Form Subsidised Home Ownership Scheme ("GSH") or White Form Secondary Market Scheme ("WSM"), delinking the pricing of HOS flats to introducing the "Starter Homes" Pilot Scheme for Hong Kong Residents ("Pilot Scheme"), these initiatives have covered about 80% of the housing and home ownership issues of Hong Kong

people. King Tai Court, a project under the GSH Pilot Scheme and located in my constituency, provides 857 flats and was over-subscribed by 17.7 times; WSM, with a quota of 2 500 units, was over-subscribed by 13 times; the latest round of HOS offers 4 431 units for sale and the over-subscription rate has even reached almost 50 times. Although the Pilot Scheme has yet to receive applications, the conservative assumption is that over-subscription will certainly arise given that only 450 flats are available for sale. As for the over-subscription rate, we will have to wait and see.

The above four projects are all related to the overall housing ladder, and according to my conservative estimation, they have covered 80% of the households territory-wide. However, even if we add up the number of PRH units and those relating to the housing ladder—Secretary, my mathematics is very poor—the total is only 8 230 units. Is this sufficient to cope with the demand of 80% of the households territory-wide? Secretary, the total number of units is even less than 10 000. I always say that if the Chief Executive is sincere to deal with the problem of housing ladder, she should make it possible that "people can afford to buy and rent as they wish", as I stated at the outset of my speech. Secretary, I think this is of paramount importance.

Furthermore, I often give advice to the Government but to no avail. A case in point is that I urged the Government to consider re-launching the Sale of Flats to Sitting Tenants Scheme ("the Scheme"). Let us not talk about the pricing for the time being. The sale of PRH units was the policy introduced by the first Chief Executive, who aimed to enable members of the public to live and work in contentment. However, after the policy was implemented for some time, the Scheme suddenly came to a halt when the new Chief Executive took office and changed the policy direction, the tenants were thus very furious.

Since the Government focuses on home-ownership, it proposes to use GSH flats to exchange for PRH units. However, it takes at least one month for a PRH unit to be returned to the Government, renovated and finally leased out. If tenants can buy back their own units, they can then live and work in contentment. They should not be too concerned about the price. Most important of all, the Scheme can release units in the market for home-ownership. In response to the question raised by me during the Chief Executive's Question and Answer Session of the Legislative Council, the Chief Executive said that many management issues were involved. I nonetheless want to highlight that the current situation of private buildings is more or less the same. The leasing of private flats, for

example, will also have tenant and landlord problems, thus the Government must seriously consider the issue. Whenever I visit local districts, especially Kowloon East, I will be vigorously pursued by the residents and I think other colleagues also have the same experience. They often ask why the Chief Executive does not consider the relevant proposal. In fact, not only residents of Kowloon East, but all Hong Kong citizens have shown great concern and different parties and groupings have mentioned this point before. Therefore, I hope that the Secretary will revisit the proposal and carry the good deed through to the end.

With regard to the ratio of 7:3 mentioned in the Long Term Housing Strategy, I would like to take this opportunity to thank the Secretary for listening to our views and changing the housing production ratio from 6:4 to 7:3, which is a good deed. However, after looking at the findings of the "Property Slave Index Survey of Hong Kong", can we still be satisfied with the 7:3 ratio? I am indeed worried. In view of the excess demand for housing and the need to consider the supply of housing units, it is necessary for us to think twice and stop deceiving ourselves. In order to achieve the ratio of 7:3, the Government must ensure that public housing takes up 70% of housing production, be it PRH, HOS, GSH, the Pilot Scheme or other rungs of the housing ladder, so as to achieve the goal of enabling the public to live and work in contentment.

President, I would also like to take this opportunity to criticize the Government. The Hong Kong Housing Society ("HS") had launched a pilot scheme to rent out HOS flats without payment of premium. However, as the Secretary may also be aware, I have all along criticized the lukewarm response of this pilot scheme. In my opinion, it is dangerous to require tenants to share a flat with the landlords. For example, who should have the priority to use the facilities in the flat, the tenant or the landlord? Furthermore, there is also the privacy issue. I think no one would disagree that "it is easy to socialize but difficult to live together". The Secretary must seriously examine how the conflicts and discord arising from living under one roof can be dealt with.

I am not making sweeping generalization as members of the public told me such views during my district visits. People living in HOS flats reflected to me that the Housing Authority also planned to adopt the approach of renting out flats without payment of premiums. Is it possible to rent out the entire flat? The Government may also consider DAB's proposal of introducing the scheme of subletting HOS flats with premium unpaid ("the subletting scheme") with the

assistance of non-governmental organizations ("NGOs") or social enterprises. This subletting scheme has two advantages: first, the rent is supposedly collected by NGOs as intermediaries; and second, NGOs will provide the relevant support. They will not only provide community support for elderly persons, but will also provide assistance and support to young people. I hope that the Government will reconsider the feasibility of this subletting scheme, which is indeed a win-win proposal.

On the other hand, I also want to discuss the right to housing. While we are all very concerned about the "flour" issue, as I always said, the solution of the housing problem is inextricably linked with land supply, which I believe other colleagues would also agree. I know that the Government has plenty of ideas, including short-, medium- and long-term measures, but we must also take into consideration the Lantau Tomorrow Vision. In a number of residents' meetings organized by me in the past, members of the public indicated their understanding that the lack of land has resulted in many issues coming to a standstill or being at a stagnant state. In my opinion, the Government should give a try to whatever ways that can help solve the housing problem in Hong Kong.

Tung Chung, Tseung Kwan O, Sha Tin and even Tai Po and Kwun Tong are all developed from reclaimed land. To solve the current problem of shortage of land, reclamation is an option that can be considered. However, I am also aware that the public is very concerned about the problems brought about by reclamation in respect of, for example, the environment, construction cost and conservation, etc. I hope that the Government will not just engage in empty talks, but take bold and resolute action to expeditiously inform us of the details and estimated costs of the Lantau Tomorrow project in an open and transparent manner. It is normal for the community to have divergent views. My mother often complains me for not going home for dinner, and she queries why I have to work harder than other Members. I think it is normal to have divergent views, but I hope that the Chief Secretary and the Secretary for Development can expeditiously inform the public of the details of the Lantau Tomorrow project in an open and transparent manner. Even if the public have any concern about the project, we can work it out together. The Chief Executive talks about "WeConnect", my version is "pairing up". The Government should really give serious consideration; otherwise our next generation will be very pitiful and has no hope at all.

President, I would like to switch to issues concerning my constituency, which Members also care about and such issues are again related to Secretary Frank CHAN. The Government announced the construction of the East Kowloon Line in 2014, and I had asked the authorities time and again on various occasions about the implementation timetable of the project as members of the public have been waiting anxiously. Secretary, it is now 2018. When will construction work of this project commence? Development at Anderson Road is becoming more and more mature and Kwun Tong has become very overcrowded—the MTR stations are jam-packed, the roads are jam-packed and the residential buildings are also jam-packed. The daily traffic reports are very frightening as they are all about the vehicular queues. If the East Kowloon Line project can commence, the residents will surely be very grateful. Therefore, I hope that the Secretary will commence the project as soon as possible.

Besides, members of the public also want me to talk about the rationalization of traffic distribution among the three road harbour crossings ("RHCs"). Secretary, as a directly elected Member from the Kowloon East constituency, I must raise this issue for discussion. I wonder if other colleagues will provide supplementary information later—Mr Jeffrey TAM must say a few words and should not be lazy. With regard to the rationalization of traffic distribution among the three RHCs, the Government will increase the toll of East Harbour Crossing ("EHC") for private cars and taxis by \$20, whereas that of the Western Harbour Crossing ("WHC") will be reduced by \$20. Come to think about this. Will the residents of Laguna City in Kwun Tong bother to make a detour just to save \$20? The situation in Tung Chung is in a mess now owing to the authorities' incomprehensive considerations. They should have listened to public views and changed their mindset. Although a toll increase of \$20 has attracted loads of complaints from kaifongs of Kowloon East, I trust that they will continue to use EHC. May I ask the Secretary to work out some solutions? I always think that while the work of the Government has to be promising, it must be suitable for the people as well. I support the approach of redistributing traffic among the three RCHs and I am not being wise after the event because I have proposed this approach time and again. The Secretary should seriously consider whether kaifongs of Kwun Tong will switch to use WHC instead of EHC.

The second issue that I am going to talk about will be very brief, and that is, the overcrowded MTR stations. The Secretary visited various District Councils in the company of District Council members earlier on. He is very concerned about the overcrowded MTR stations as evident by the fact that his hair has turned grey and become thinner. The problem of overcrowded MTR

stations must be dealt with as the current extremely poor performance of the MTR Corporation Limited has attracted the criticisms of members of the public. If the Secretary continues to turn a blind eye to the overcrowded MTR stations, the problem will certainly deteriorate. At present, the Kwun Tong Station is already fully packed with people during non-peak hours. During peak hours, people even have to queue up at the entry gates and the platforms are jam-packed. I am not talking nonsense and this situation is obvious to all. I hope that the Secretary will carefully consider the matter in the future. I am telling him the aspirations of the people so that he can address people's pressing needs and think what people think.

After discussing the part concerning Secretary Frank CHAN, I will talk about Secretary Michael WONG. Residents of Kowloon East are furious about the monorail system because the proposal has a glamorous start but a disappointing ending. The consultation exercise on the Energizing Kowloon East Office has been carried out for some time, but is progressing at a turtle speed. Discussion on the monorail system has commenced when former Member CHAN Kam-lam, who is my mentor, was in office, but it is still ongoing after I took office. I wonder how many more discussions would be held before some results can be obtained. The focus of the previous discussions was whether an elevated or ground monorail should be developed, and after discussing for so long, will there be another round of consultation? Secretary Michael WONG, will you respond to my request later? You should not renege on your pledges because residents of Kowloon East have been waiting for this environmentally-friendly monorail for so long.

President, the above issue is raised for discussion simply because we care about members of the public and want to improve their living by all means, with a view to achieving a "Livable City", which is the theme of the fourth debate session. I nonetheless consider it necessary for the Government to step up its efforts. It is wrong to think that Members take no action after voicing their views because we will surely incorporate the matter into the agenda.

Living and working in contentment is the aspiration of all Hong Kong people, but I do understand that it is very difficult to obtain consensus and commendation from all members of the public. And yet, I hope the Secretary will bear in mind that only when Hong Kong people are living and working in contentment can they plan for the next generation.

President, although I have expressed a lot of views, I do find this year's Policy Address promising as it has genuinely provided a blueprint for the future. Therefore, I will support the Motion of Thanks moved by Ms Starry LEE on the Policy Address. Thank you, President and Honourable Members.

MR JEREMY TAM (in Cantonese): President, Mr Wilson OR mentioned the rationalization of traffic distribution among the three road harbour crossings ("RHCs") and asked me not to be lazy and skip the discussion. I have immediately changed the order of my script to talk about that topic first, lest he will leave the Chamber.

If the rationalization of traffic distribution among the three RHCs can be achieved, there will be no problem and I think it will be desirable too. However, what is the current approach of the Government? The Government will provide a subsidy of \$1.8 billion to Western Harbour Crossing ("WHC") to reduce its toll for cars from \$70 to \$50; the toll of Cross Harbour Tunnel ("CHT") will double to \$40 and the toll of Eastern Harbour Crossing ("EHC") will increase by \$15 to \$40. In fact, if we calculate the average toll of the three RHCs, there will be an increase on the whole. The Government's rationale is that since it will only provide a subsidy of \$1.8 billion, the toll of WHC can only be reduced to \$50. Certainly, the tolls of the other two RHCs cannot differ too much from that of WHC; otherwise, people will not use WHC. I can fully understand the rationale. Nevertheless, just imagine that if there is no proposal for the rationalization of traffic distribution among the three RHCs and the Government just proposes to double the toll of CHT from \$20 to \$40, what will the voting results be? I think the Government can hardly convince pro-establishment Members to support the proposal of doubling CHT's toll. Thus, the Government has bundled the proposals for all three RHCs as one package. Members can accept the package, or else it will be withdrawn altogether.

In fact, is it true that there is no other way out? Certainly not. First, if the Government can increase the subsidy amount so that the toll of WHC will not be reduced from \$70 to \$50, but lower, say \$40, the rates of toll increase of CHT and EHC need not be that high and the rationalization of traffic distribution among the three RHCs can still be achieved. The Government has to admit that the purpose of increasing the tolls of the three RHCs is to reduce their usage by the public. If that is the case, the Government may as well admit that the main purpose of achieving the rationalization of traffic distribution among the three RHCs is to discourage the public from using the three RHCs and even driving

their own vehicles. If so, it can actually achieve the same purpose by increasing the tolls to \$200. Secretary, it is very simple; just increase the tolls of all three RHCs to \$200. If that is not enough, increase the tolls to \$1,000.

I think the Government is putting the cart before the horse. It should not pretend to achieve the rationalization of traffic distribution among the three RHCs, but the hidden agenda is to reduce road traffic. Besides, the subsidies provided by the Government are not appropriate. Take WHC as an example. The Government will subsidize private car driver \$20, but taxi drivers \$29; why is that so? That is equivalent to encouraging the public to take taxis and discouraging them from driving their cars. If that is the intention, will the Government please say so?

I remember that Secretary Frank CHAN mentioned some figures earlier at the meeting. He can correct me if I get the figures wrong. He said that the average number of persons carried in each private car crossing the harbour is 1.4, whereas the number in each taxi crossing the harbour is 2.4. However, it seems that the Secretary has not taken the taxi driver into account. The average number of passengers carried in each taxi is actually also 1.4. I do not understand the logic of the authorities for raising the subsidy amount for taxis; I hope they will review the proposal.

Furthermore, the proposal of the rationalization of traffic distribution among the three RHCs is most unfair to EHC users. Why do I say so? At present, it will be faster to use WHC to cross the harbour, but after the rationalization of traffic distribution, although the toll will be lower, traffic will be more congested. CHT's toll will be doubled, but time will be saved. Yet, this outcome will not apply to EHC. After the toll increase, traffic flow will not have any improvement, so it is simply a matter of increasing the toll. Thus, it is very hard for me to support the proposal of the rationalization of traffic distribution among the three RHCs.

Next I would like to discuss other parts of the Policy Address. Earlier, at a meeting of the Subcommittee on Matters Relating to Railways, I proposed introducing animal compartments in trains. What are animal compartments? Nowadays in many overseas countries, even in Taiwan, there are animal compartments in trains. The whole compartment will not solely be used to carry animals; but passengers with animals can board that compartment. Take Taiwan as an example. A passenger can board the train with a cat, a dog or a rabbit, etc.

provided that he places the animal in a box measuring 43 cm x 32 cm x 31 cm. Can we adopt this practice in Hong Kong? I believe it will not be easy, given the very busy traffic in Hong Kong. Nevertheless, can the authorities at least consider introducing animal compartments in trains? Can a trial scheme be launched in the first and last compartments (either one will do) during non-peak hours (e.g. on Saturdays and Sundays)? In fact, I moved a motion without notice in this regard at a meeting of the Subcommittee to Study Issues Relating to Animal Rights and the motion was passed. Unfortunately, the Mass Transit Railway Corporation Limited ("MTRCL") considered the proposal infeasible and would not even conduct consultation. In fact, I am only asking the authorities to conduct consultation. It is unreasonable for MTRCL to refuse my request; how then can it forge collaborative deliberation with the public?

Besides, I have to talk about the problem of parking spaces. It is a well-known fact that parking spaces over the territory is inadequate. How many parking spaces has the Government planned to increase? It has planned to increase 1 500 parking spaces in five years. I believe these may be parking spaces in government car parks, but what is the overall planning? Has the Government set any objectives? For example, what administrative measures will the Government put in place to reduce the number of vehicles running on roads by a certain year? That is what the Government should do, instead of just limiting the use of RHCs. This is my first point. What are the objectives and the vision?

Second, how will the provision of parking spaces dovetail with the Government's vision? The Government should set standards, instead of just saying that it would try its best to increase the number of parking spaces to the maximum allowed in the Hong Kong Planning Standards and Guidelines. The Government should not handle the matter in this way; it should formulate measures and propose a vision.

Furthermore, shortage of parking spaces for motorcycles is far more serious than those for private cars. All private cars in Hong Kong have a parking space, though they are distributed in various districts. Anyway, the ratio of private car to parking space is definitely more than 1:1, but not so for motorcycles. The number of motorcycle parking spaces, including the roadside parking spaces, i.e. the so-called "herringbones" and the motorcycle parking spaces in private car parks approved by the Government, is fewer than the total number of registered motorcycles in Hong Kong.

In other words, there are only 7 lids to cover 10 pots. The Government considers the problem of illegal parking of motorcycles serious, but how can the motorists not park illegally? Even though one is willing to pay for parking, there are not enough motorcycle parking spaces in Hong Kong. Does the Government have any plans to tackle the problem? A smaller area of land is needed to provide parking spaces for motorcycles, right? The Government can increase the number of "herringbones" on the streets. I know the Secretary will say that the Government has tried to increase parking spaces, but can he provide us with the number of parking spaces proposed to increase? If the Secretary does not provide such a figure, how can he ask his subordinates or staff of the Transport Department to meet the objective? If he vaguely asks his colleagues to "try their best" in increasing the number of parking spaces, what does he actually mean? Will the Secretary's wife ask him to "try his best" to pay the living expenses? No. Secretary, there must be a figure.

Next, I would like to talk about establishing a registration system of bike sharing service. In fact, I have said many times that problems arising from bike sharing are not unique to Hong Kong; but if the Government does not regulate the service, it cannot be done. After reading the Code of Practice for Automated Dockless Bicycle Rental Services ("the Code") issued by the Transport Department, I found that it is a "toothless tiger". The Code only requires service providers to comply with the laws of Hong Kong and not to park their bicycles inappropriately; it serves no regulatory purpose. The authorities should establish a registration system. Taiwan has enacted the Taipei City Shared Modes Industry Management Regulations which provides that the permit for a service provider is valid for three years and it sets out the objectives to be achieved in the future. If the Hong Kong Government does not provide any designated places for shared bicycles to park, it is actually allowing those bicycles to occupy public areas. If the Government considers that there is no problem for shared bicycles to occupy public spaces in the course of business, the Food and Health Bureau or the Food and Environmental Hygiene Department should stop arresting hawkers, for hawkers occupy public spaces for doing business, as in the case of bike sharing service providers.

Besides, I do not know if Secretary Frank CHAN has read the newspaper today—usually he only becomes aware of the problems only after reading the newspaper. Regarding the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL"), MTRCL plans to give two XRL tickets to each of its 17 000 staff, amounting to over 30 000 tickets. In fact, at a meeting of the Subcommittee on

Guangzhou-Shenzhen-Hong Kong Express Rail Link (Co-location) Ordinance (Commencement) Notice held on 26 of last month, I directly asked Secretary Frank CHAN if he was aware of this concession to MTRCL staff. He said he had not heard of it. Nevertheless, according to a press report today, MTRCL gave the concession to its staff on Friday last week, i.e. 10 days after Secretary Frank CHAN had given the negative answer. I found it hard to believe that MTRCL could plan and implement the offer in 10 days. Had the Secretary been kept in the dark? Was it because he had not read the newspaper or was it due to other reasons that he did not know about the concession? Fortunately, Mr Kevin CHOI, Deputy Secretary for Transport and Housing supplemented on the day that if MTRCL had spare transport capacity, it could consider providing the concession.

The provision of concession is not a problem, but do not forget that MTRCL has to share its revenue with the Mainland. May I ask the Government to explain whether the fares of these free tickets will be borne by MTRCL, or will the money be regarded as revenue which has to be shared with the Mainland? Problems will arise whether the revenue has to be shared or not. Why? If the revenue has to be shared, will the arrangement increase the operating costs of MTRCL, hence the Government has to subsidize MTRCL when the estimated number of passengers is 15% lower than the minimum? If MTRCL has to bear the costs in giving the tickets, will the public have to subsidize the costs incurred in giving out more than 30 000 tickets to staff of MTRCL? That is my first point.

If MTRCL does not have to share the money as revenue with the Mainland because this is a kind of staff benefit, a big problem will arise. On this occasion, MTRCL gave its staff free tickets and the Mainland authorities said that revenue sharing was not necessary, what should be done if the opposite happens in the future? The railway company in China may have 1 million staff. If tickets are given to each staff, it will not be reasonable for Hong Kong to demand for revenue sharing. I do not object to giving concessions to staff, but the authorities should clearly explain how problems arising from the revenue sharing arrangement are to be handled. Will the Government please give a response if it has the time later.

Regarding the Policy Address, the Civic Party has indicated earlier that it will not support the Motion of Thanks. I so submit.

MR KENNETH LEUNG: President, in fact, I do not intend to comment on Mr Abraham SHEK's speech on the property market. But after listening to his speech, I have to add a few comments.

Mr SHEK seems to be asking the Government to concentrate on the subsidized public rental housing ("PRH") market while leaving the subsidized Home Ownership Scheme ("HOS") to the private sector. I beg to differ fundamentally from this philosophy because I do think that, as citizens, we have aspirations and we want to move up the social mobility ladder. What is wrong if the Government says, "In 20 years' time, every citizen in Hong Kong would have a decent self-owned home"? This is the policy pursued by Margaret THATCHER in the 1980s. Of course, we have limited resources and it is a matter of allocating how much resources to subsidized PRH and how much for various projects under HOS? It is not the monopoly of property developers in the private property sector. If the Government provides a dire solution to a dire problem, so be it.

I am a right-wing economist and in terms of property ownership, I think private property ownership gives people stability, security and a sense of belonging. I do support the Chief Executive's initiative to promote subsidized HOS and if it is squeezing the profits of property developers, so be it.

MR KENNETH LEUNG (in Cantonese): President, in this session on "Liveable City", I would like to speak on environmental and cultural measures.

The environment of a city has significant impacts on its competitiveness. In addition to job opportunities, whether a city is liveable is an important factor to be considered by local and foreign talents for settlement.

Regarding the policies introduced by the Environment Bureau this year, I would like to focus on three policies related to air quality, waste disposal measures and climate change. I must commend the Environment Bureau for introducing some new initiatives in the Policy Address this year, such as consider ceasing the first registration of diesel private cars; work with the Governments of Guangdong and Macao SAR to incorporate Volatile Organic Compounds as a routine monitoring parameter in the Pearl River Delta Regional Air Monitoring Network; and launch a study on post-2020 air pollutant emission reduction targets and concentration levels for Hong Kong and Guangdong with the Guangdong Government. These directions are commendable but I hope the Government

will provide a timetable. Can the Government provide a timetable if it will cease the first registration of diesel private cars in Hong Kong? Can this be achieved in 2020?

Moreover, I must emphasize that air quality of Hong Kong is closely related to regional cooperation. In 1989, various countries in the world signed the Montreal Protocol to phase out the emission of volatile gases so that the ozone layer could be repaired. Last week, a United Nations body on climate change issued a statement, stating that through international cooperation, the ozone layer is currently being repaired at a rate of 1% to 2% each year and the entire ozone layer of the Earth can be restored to the 1980 level around 2060, by then human beings will not be exposed to ultraviolet rays. I hope that the Government will step up and speed up the cooperation with various cities in the Pan-Pearl River Delta, i.e. the Greater Bay Area, to enhance air quality. In respect of environmental protection, I hope that Hong Kong can lead the cities in the Greater Bay Area to provide a better living environment.

Second, I would like to talk about the waste disposal policy. The most heated issue at the moment is that the Government will legislate on the waste levy policy. Of course, this step is not easy and I also expect difficulties in law enforcement but we should stop dawdling. In many cities including Seoul and Taipei, the residents have taken a very long time, not two or three years but eight to ten years, to adapt to waste levy. In addition to legislation and law enforcement, publicity and education are extremely important and they should be accorded top priority by the Government. The authorities should instil concepts such as waste reduction and energy conservation in people since childhood as part of civic education, so that they will develop such habits since childhood. I hope that the Environment Bureau will regard publicity and education as the fundamentals of waste levy.

Third, I would like to talk about energy and our attitude towards climate change. Although I know that the Government has set a target to reduce the carbon emissions intensity, I have recently noticed that the Intergovernmental Panel on Climate Change has issued a warning, stating that if we do not strengthen our efforts in this regard, it will be difficult to reverse global warming, and the adverse consequences of global warming include tsunamis, storms or crop failures. In the past three to four years, these situations have happened in various places, including the recent Super Typhoon Mangkhut, flooding in Venice, etc. All these are actually caused by continuous climate warming.

In respect of the current measures that we have implemented, such as reducing carbon emissions and carbon intensity, energy mix and increasing the percentage of natural gas, etc., all these measures are in fact insufficient. We must develop renewable energy in the long run. Of course, taking into account the geographical environment of Hong Kong, this is not a goal that can be achieved in the short run, hence we have to consider other measures as well. For example, can we develop larger-scale floating photovoltaic systems on reservoirs? Can solar power devices be installed on footbridges or hillsides? In respect of wind energy, has the Secretary considered negotiating with the Central Government about the possibility of renting Mainland waters for the construction of a larger wind farm within Hong Kong waters and Mainland waters?

When it comes to climate change or environmental protection, I will naturally think of Lantau Tomorrow. From the perspective of environmental protection, according to the estimate of my former colleague, Dr YIU Chung-yim, in view of climate change and the continuous rise in global sea temperature, the reclamation height of a safe artificial island to be constructed must be set at 10.3 m in 2100. This standard has taken into account the tidal range, storm surge and rise in water surface due to temperature changes. If we want the artificial island to remain safe in 2200—this safety factor is certainly not absolute—and not covered by water, the reclamation height must be set at 13.9 m. Therefore, I doubt if the Lantau Tomorrow project is really feasible.

Another technical question is whether 100 buildings of 60 storeys high can be built on an artificial island. The artificial islands in Dubai are very small with only a few buildings, but it is now proposed that more than 100 commercial and residential buildings of 60 to 70 storeys high will be built on the artificial island. I would like to ask the Secretary for an explanation.

In addition to having an excellent environment, Hong Kong must also have cultural nutrients so that the citizens or foreigners settling in Hong Kong will be satisfied with regard to the cultural and other aspects. With more than three minutes left, I do not want to discuss such a serious issue.

I have recently watched a few wonderful Hong Kong films. I learnt that the Film Development Fund has recently received an injection of \$1 billion but professional assistance is required in marketing Hong Kong films and expanding

the market. Is the injection of \$1 billion sufficient? This year some large-scale commercial films were produced, such as *Project Gutenberg*. Some low-budget films such as *Men on the Dragon* and *Distinction* also have excellent reviews. Yesterday I watched another type of Hong Kong film entitled *Napping Kid*. These Hong Kong films are marvellous. After the Secretaries have finished their work on the Policy Address, I hope they will watch Hong Kong films as a token of support.

In respect of market expansion, the trend after the 1990s was to focus on the development of the Mainland market, but if we tilted heavily towards the Mainland market, great restrictions will be imposed on the themes and casting of Hong Kong films. We have neglected the Southeast Asian market, but the market share of this market was actually quite large in the 1970s and 1980s. I am not saying that we have to give up the Mainland market, but if there are business opportunities in the Greater Bay Area, should we give it a try? Can we substantially increase the number of Cantonese movies screened in nine cities in the Greater Bay Area?

In addition to injection of funds, there must be a suitable talent pool to train film practitioners such as screenwriters, directors, front-stage and back-stage personnel. Low-budget films really require hard work as the investment may still amount to millions of dollars, but the box office receipts of a highbrow film may only be several hundred thousand dollars. I hope that the Film Development Fund will consider whether the funding criteria should be based on the box office receipts, artistic values or other factors? I hope the Fund will help those who are interested in engaging in the creative industries other than the real estate and finance industries.

As for my voting intention for the Policy Address, I think this is a very difficult decision. I have also raised a question on a public occasion, that is, does Lantau Tomorrow represent the Policy Address? As Lantau Tomorrow has been criticized by the public, I cannot ignore this fact; thus, I am still thinking about my voting intention. (*The buzzer sounded*)

PRESIDENT (in Cantonese): Mr LEUNG, please stop speaking.

MR ANDREW WAN (in Cantonese): In this debate session, I will focus on discussing the policy areas of land, housing and liveable city. President, obviously the Policy Address this year places emphasis on housing and land, and the Government has all along stressed that the issue is a top priority. As indicated by Mr Kenneth LEUNG just now, in the area of housing and land in the Policy Address, there is an overriding topic, namely Lantau Tomorrow ...

(Mr Kenneth LEUNG stood up and talked to Mr Dennis KWOK)

PRESIDENT (in Cantonese): Mr Kenneth LEUNG, have you risen to ask a question?

MR KENNETH LEUNG (in Cantonese): President, I have no question.

PRESIDENT (in Cantonese): Mr LEUNG, please sit down. Mr Andrew WAN, please continue with your speech.

MR ANDREW WAN (in Cantonese): Due to time constraint, I will try to speak briefly on the key points.

Many members of the public have urged me to display this placard, which reflects the views conveyed to us by a resident. Instead of "Lantau Tomorrow", it reads "Lunacy Today"—Carrie LAM is a lunatic. Should the "Lantau Tomorrow" project be implemented, it will be "Catastrophe Tomorrow" for Hong Kong. I think this saying is valid to some extent. Why? In fact, our observation is that public criticisms of the Policy Address have been centred on Lantau Tomorrow, and I believe that the greatest controversy involves three problems. The first is procedural justice. The second is unclear cost. This project seems to be a huge investment, but the cost estimate is unclear. The third problem is climate change. I believe that after Typhoon Mangkhut, climate change has aroused concern among the general public.

I think public response has been very rational. This project is obviously not popular among the public, and a majority of people have expressed their opposition. The Government often negates this fact by saying that some 50% of

the public support land reclamation, but it should not be mistaken. It should instead ask those who support land reclamation whether they support Lantau Tomorrow. I can certainly tell the Government that if it has paid attention to the recent opinion polls, it should know that those who support Lantau Tomorrow are absolutely in the minority in society.

In respect of procedure, we are furious that the Government has put Hong Kong people and the Task Force on Land Supply ("the Task Force") on the spot. Carrie LAM said before taking office that she would conduct a big debate on land supply, what are the land supply options that society is most concerned about? As indicated by the two "ace" props in front of me, one of the options is to resume the Fanling Golf Course ("Golf Course"). This option is supported by most people. An opinion poll conducted by the Democratic Party indicated that a majority of people believe that the Golf Course must be resumed mainly for housing and social facilities development. Other options include the development of brownfield sites or the 1 000 hectares of farmland hoarded by developers. We hope that the Government will develop such sites by adopting the mode of new development areas. Another option is the abolition of small house concessionary rights. As we all know, the Government has refused to consider this option on the pretext of a court case concerning small house concessionary rights. I would like to remind the Government that the case will be heard early next month. I believe the Secretary also knows about this. All these are very clear options, but it turns out that we have been treated as fools. Members of the public and even members of the Task Force may realize that they have been put on the spot and fooled by Mrs LAM. Why? It turns out that she has two trump cards. After discussing for six months, she finally revealed her trump cards, namely, Lantau Tomorrow and land sharing.

During the process of discussion, we kept asking Carrie LAM why the Government refused to resume the Golf Course, abolish small house concessionary rights, and invoke the Lands Resumption Ordinance to resume idle farmland from developers for developing new development areas. Lands should be resumed and compensation offered as and when necessary. However, she said that this would affect private ownership—which is completely irrelevant—and that the Task Force was conducting a consultation, and thus no reply could be given to us. Has the consultation report been released? No, but her two trump cards have been revealed. The reclamation area proposed under Lantau Tomorrow is not 1 000 hectares as proposed in the consultation of the Task Force, but increased to 1 700 hectares. Certainly, Mrs LAM and the

Secretary have retreated in response to the recent situation, but they have not retreated completely. They advise that 1 000 hectares of land will be reclaimed in the first phase and further discussion will be held thereafter. They should not treat members of the public as fools. The other trump card of Carrie LAM is public-private partnership ("PPP"), she has renamed her plan as she probably dislikes calling the scheme PPP. I think the change in name is absurd. She probably thinks that following the change, the Government will not be held liable, and nobody will know what is meant by "land sharing". Obviously, in psychology this is a self-deceiving act of someone having a skeleton in the closet. President, I think the facts are so clear that further argument is unnecessary. However, many pro-establishment Members still defend the Government by saying that reclamation is good. In fact, I can say boldly that people do not think that reclamation as an option should be absolutely abolished. This has been the consistent position of the Democratic Party. We believe that reclamation as an option can be considered, but the premise is that it should be considered on a case-by-case basis with reasonable grounds for each case.

Let me give an example. Regarding the Tung Chung East reclamation plan that was approved last year, social reactions were not strong and, in my view, even minimum. In my recent visit to Ying Tung Estate, which is adjacent to the Tung Chung East reclamation, I found that the residents do not have strong opposition to reclamation, and on the contrary most of them hope that reclamation will bring improvements, such as improvement in traffic. As there is now only one road in the area, will there be more roads with improved accessibility upon the completion of reclamation? As there are now no community facilities and schools in the area, will there be land for building such facilities upon the completion of reclamation? Such are the reactions of residents. What does this case prove? Lantau Tomorrow is a failure in itself, and this has nothing to do with the issue of reclamation. The entire project is in contravention of procedural justice, and the unclear cost will scare members of the public off. In addition, climate change is also a matter of grave concern to us.

Many pro-establishment Members defend the Government by saying that the Government is exploring diversified ways to identify land. Have we not seen diversified ways to identify land? We hope that the options I mentioned just now will be adopted, that is, resume the Golf Course; abolish small house concessionary rights, an area that the Government dares not touch or mention; and resume idle farmlands to be developed into new development areas or new

towns. In fact, the Government has all along carried out such development. However, the Government further says that the supply of land under such options takes a very long time, and thus cannot meet public demands. What is the Government talking about? Does it take a short time for reclamation? What kind of message does the Government want to convey to us every day through the television announcements in the public interest? A child living in a subdivided unit wants a desk to do his homework. Stop deceiving the public. Can the current proposal of the Government address the problem? No. The Government says that it takes 8 to 10 years to resume land. This may be a fact, but no one says that land resumption is not necessary. Is the Government really making efforts to meet the common aspiration of society? I think the initiatives adopted by the Government are absurd.

Mrs LAM has conducted a fake consultation and raised quite a number of contentious issues in her Policy Address. People criticize Lantau Tomorrow and censure her for conducting a fake consultation. Furthermore, the day before yesterday, Director of the Chief Executive's Office Eric CHAN, probably being pressed by reporters, accidentally told the truth, or a slip of the tongue known in psychology. He said that the Government would not merely follow public opinion or act in a populist way—meaning that following public opinions is populism. He also said that the Government should lead society forward.

President, it is thus clear that when conducting public consultation, the Government may really have many trump cards and a pre-determined position. In the case of the Golf Course option I mentioned just now, I criticized on various occasions—Secretary LAU Kong-wah is now present—the dual-track approach adopted by the Government in one single consultation exercise. It is rare that one consultation exercise involves two government consultation documents, particularly when the two documents may contradict each other. Many Members of this Council are members of the Hong Kong Golf Club and members of the Executive Council. I have looked up the records and found that one third of the Executive Council Members are members of the Golf Club. Certainly, these Members can have their own views, but I advise them to speak less to avoid conflict of interests arising from their status. To my dismay, Convenor of the Executive Council Bernard CHAN said that it was a stupid idea to resume the Golf Course. The entire Government seems to act in a haphazard way and follow no rules and regulations.

President, due to time constraint, I will not speak further on the issue of the Golf Course since a consensus has already been reached in society and the view is known to all. Let me spend some time to talk about land sharing. The Democratic Party has warned time and again that this proposal may give rise to the suspicion of collusion between the Government and the business sector, and may easily become a matter of concern in society. As I said just now, by changing the name of the relevant scheme from "PPP" to "land sharing", one can only deceive oneself but not the others. This is only a self-deceiving act of someone having a skeleton in the closet. The entire arrangement is highly inadequate, even some pro-establishment Members have raised criticisms. The Government has identified the Land and Development Advisory Committee as the gatekeeper, but profits may easily go into the pockets of organizations or companies having connection with members of the Advisory Committee. How is it tenable? Normal people will know after some thinking that it is not tenable. It is really a shitty idea. I would like to extend my appreciation to Mrs IP. Though she argued with me over the issue of the Golf Course, she is right in saying that the land sharing arrangement is a shitty idea.

President, I think that the simplest way is, as indicated by Secretary Michael WONG earlier, the development of new towns under the mode of new development areas. The Secretary said that the Government has all along been adopting this approach and hence Members should not criticize the Government for failing to take actions. If that is the case, the Government should continue to do so. In fact, in the past the leading proponent of this view was not me, but Carrie LAM, but she advocated this idea before she left office as the Secretary for Development. At that time, she said (I quote): "The Government has decided to resume land by public money and give up the public-private partnership approach previously considered for developing North East New Territories, mainly because public-private partnership evokes public suspicion of transfer of benefits." In respect of the practice of using public money to resume land, she further said, "the practice of the Government will neither contradict any legal basis nor violate private ownership, while cooperation with developers will run political risks." I wonder why six years later Mrs LAM suddenly suffers from political amnesia and forgets this position of hers. As far as this idea is concerned, she is a veteran who instilled such an idea to us. Now I have to admit that she instilled such an idea to us. Why has she changed? I am very puzzled.

As for developers, a point constantly raised by the Government has disgusted us: PPP or land sharing must be adopted, for those land lots are private assets and the Government should not grab people's assets. Stop kidding. Is it

that developers cannot get any compensation? They will get compensation. Do Members know the purchase price of farmland in the past? I asked certain farmers, and they said that years back they were cheated into selling their land at a price as low as one or two dollars or several dollars per square foot. What about the compensation presently offered by the Government to developers who own farmland? The amount of compensation offered according to the ex-gratia compensation rates is over \$1,000 per square foot. Is a gain of 500 to 600 times still not enough? President, how much should developers earn before they are satisfied? Is it that they will only be satisfied if all land lots for public purposes are thoroughly identified for profiteering by them?

As I have mentioned time and again, an official from the previous Administration once specifically reminded me during our discussion that since such land lots were agricultural lots purchased by developers under Block Government Leases, they should not reasonably expect that such lots will be rezoned for residential purposes and make a gain of thousands and even tens of thousands of times. This is extremely wrong. I wonder why officials today, who are the subordinates of senior officials of the British Hong Kong era, have such a strange idea.

President, I still have three minutes' speaking time. I will speak on the housing issue. Regarding the housing issue, in addition to "LAM's six strokes" introduced several months ago, the Policy Address has indeed accepted some recommendations made by the Democratic Party, including the market segmentation initiative that I have championed for at least seven to eight years. Previously few people mentioned market segmentation, but nowadays everyone is speaking of market segmentation. It seems that the Government has made some efforts in this connection. Last year, I moved a motion at the Panel on Housing urging the Government to readjust the ratio of public to private housing supply to 7:3. The motion was passed, and the Government seems to be acting in response to it. However, I have to point out that this is far from enough. The problems are more serious now, but the response of the Government is only half-baked in many cases. For example, Mr WU Chi-wai proposed renting out Home Ownership Scheme ("HOS") flats with premium unpaid, and the Government later implemented a pilot scheme. However, it turns out that the scheme is again half-baked, as eligible flat owners are only allowed to rent out one bedroom in their flat, thus attracting few applicants. I think this is a fly in the ointment.

(THE PRESIDENT'S DEPUTY, MS STARRY LEE, took the Chair)

While it is desirable that the selling prices of flats under HOS, the Green Form Subsidised Home Ownership Scheme and the "Starter Homes" Pilot Scheme for Hong Kong Residents will no longer be linked to market prices of private flats, given the ceilings set by the Government, the relevant flat owners will still face immense pressure in mortgage payment. Hence there is room for further discounts. In fact, even if the flat is sold at a discount rate, the flat owners will not reap too many benefits. As long as the Government sets a more stringent resale restriction period and ensures adequate supply, I believe the general public will naturally accept this initiative. Since such flats cannot be used for speculation but only for self-occupation, and flat owners have yet to pay the Government a premium, they will thus not reap too many benefits. However, this initiative plays a significant role in helping them purchase their own homes and live in contentment.

In addition, the Government makes inadequate efforts in certain areas, including failing to produce enough public housing units to meet the target. Secretary Frank CHAN is looking at me; he and I both have a clear understanding of the current situation. By 2026, the supply of public housing units will certainly not reach 20 000 per year, or perhaps not even meet the lower target of 10 000 per year. The severest period will be a period before 2030. I fail to understand why the Government does not immediately resume the Golf Course, as its short-term tenancy will expire in 2020. Who are the bigwigs whom the Government is afraid of? I am really perplexed.

Deputy President, the Policy Address makes little mention of the production of public housing units, and not a word has been said on the redevelopment of public housing estates. I think this has dismayed members of the public, for residents of public housing units will not be able to improve their living conditions, and the relevant sites will not be vacated for the purpose of development. Finally, I must talk about the sale of public housing units. The Government acts in such a peculiar way that it refuses to sell public housing units to those who want to buy, but coerces and incentivizes those who are unwilling to buy their own flats. In fact, if the Government pursues a housing policy focusing on home-ownership, it should sell public housing units, that is, it should re-introduce the Tenants Purchase Scheme and impose stricter terms of resale restriction. I think this will be a popular initiative.

For this reason, Deputy President, we cannot support this Motion of Thanks.

MR AU NOK-HIN (in Cantonese): Deputy President, in this debate session, I would like to express my views on housing and land development, and my criticism of this year's Policy Address.

First of all, many members of the public have shown concern over the sale of public rental housing ("PRH") units. I am aware that Deputy President's political party, the Democratic Alliance for the Betterment and Progress of Hong Kong, and Mr Andrew WAN of the Democratic Party are in support of the sale of PRH units. As a District Council member, I must state here that I conditionally oppose the sale of PRH units.

The reasons for my opposition are as follows: First, when it comes to the supply of public housing, we always say that for every PRH estate put up for sale, the overall turnover of PRH units will decrease. This will, to an extent, benefit PRH buyers as they can resell the unit, which in turn will drive up property prices. Can owners of PRH units handle issues on estate management? In this respect, I share a similar view to that of the Government; yet my conclusions are, of course, different.

According to the Government, PRH estate management involves a lot of difficulties, but some of the problems are of its own making. In PRH estates, some areas are managed by owners while others are managed by Link REIT. This involves different ownership of private tenants, which will obviously complicate the management work. The management of PRH estates often involves repair and maintenance costs, for example, if after repairing a pipe, it is found that the pipe does not belong to the estate, the arguments will be incessant. Technically, these problems can be resolved, but if PRH units are sold before resolving the repair and maintenance problems of PRH estates, I will have reservation about the policy.

After the selling of PRH units, if the building becomes aged and the maintenance funds have depleted, how can maintenance be arranged? Should PRH estates be required to take part in the Operation Building Bright? Although this problem might arise after several decades, the Government had not duly considered this problem when it privatized public housing back then. In my opinion, the lack of a fundamental policy direction will arouse anxiety among the public. In considering redevelopment of aged PRH estates ... I have a rather unrealistic proposal, which is to subsidize the Maintenance Fund with other revenues, for example, owners can jointly manage the shopping centres in PRH

estates, so as to avoid monopoly by Link REIT. This is an unrealistic proposal, but there are foreign examples. In Singapore, management of whole community and shops are delegated to flat owners, who can also pick their tenants. The Government will need to think more carefully in order to respond to the public's diverse demands.

The second issue I would like to bring up is the rationalization of traffic distribution among the three road harbour crossings ("RHCs") as mentioned by Mr Wilson OR and Mr Jeremy TAM this morning. Franking speaking, the issue has been studied for years. Here I would like to cite the views of an academic. I wonder if Members have heard of Prof Timothy HAU of the School of Economics and Finance, the University of Hong Kong. He has been studying the subject for years; but honestly, he may hate me a lot. According to my understanding, he hates Legislative Council Members because he says that Legislative Council Members are ... when it comes to the issue of RHCs, economists see congestion as a waste of efficiency in the utilization of RHCs. Therefore, when increasing the efficiency of the Western Harbour Crossing ("WHC"), the efficiency of the Cross-Harbour Tunnel ("CHT") and Eastern Harbour Crossing ("EHC") should be reduced, so as to reduce congestion. I think we should not neglect the views of the community, for if we completely neglect such views and propose a motion to enforce a policy that we think is good, the motion will end up being negated. This is actually a waste of time.

As Mr Jeremy TAM mentioned just now, will the rationalization of traffic distribution among the three RHCs lead to price discrimination or an overall increase in tolls? I believe it will result in an overall increase in tolls. The Government may think that toll increase is acceptable as the use of EHC and CHT will be restrained. The public finds the Government's sudden proposal of toll increase under the guise of price discrimination outrageous and unacceptable. The Government would have a hard time convincing regular CHT and EHC users to switch to WHC, thus it is difficult to forge consensus in the Legislative Council and the community.

In my opinion, the Government does not necessarily have to raise the tolls in order to effect price discrimination. The Government may say this is infeasible for it has to offer a subsidy of \$1.8 billion to WHC company in return for its agreement to reduce the toll. However, I think that the Government has not taken on board two figures, and I would also like to take this opportunity to respond to Prof HAU's statement. Firstly, since the Central-Wan Chai Bypass

has not been completed, we do not know how effective it will be in alleviating traffic flow, thus making it very difficult to assess objectively the traffic volumes after the rationalization of traffic distribution of the three RHCs. Secondly, the franchise of WHC. There are views that the Government should consider taking back the franchise of WHC which is about to expire. I hope that the Government will look for alternative solutions to redistribute traffic among the three RHCs, instead of sticking doggedly to outdated approaches.

In this session I have talked about housing and development. This is also a good opportunity to talk about the issues concerning East Lantau. Many people, including economists such as Richard WONG and SUNG Yun-wing, have the same thought about East Lantau. I wonder to what extent the Government is in favour of their conclusion? My crude guess is that the Government fully endorses their views, otherwise how come the area of reclaimed land will, for no reason, increase from 1 000 hectares to 1 700 hectares? There is a saying that the Government has completely taken on board the opinions of Our Hong Kong Foundation; while others even think that the current Government is actually controlled by these people. Is TUNG Chee-hwa governing behind the scenes like Empress Dowager Cixi? Is he the de-facto Chief Executive? Did he come up with the Lantau Tomorrow plan and extend the scale of reclamation from 1 000 hectares to 1 700 hectares for no reason?

There are views that it is feasible to reclaim 1 700 hectares of land because no matter how many trillions and quadrillions of dollars are to be spent, we can eventually have land revenue, franchise proceeds and other economic benefits. I am worried about such remarks. Let me make a radical inference. If all Hong Kong's waters are reclaimed, it will also eventually generate incomes. This does not sound right because according to the law of diminishing marginal returns, proceeds from land sale will decline at some point. Hence I cannot share the government's over-optimistic view at the moment. The initial estimates on revenue from land sale under "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" were lower. I call on the authorities to take a look at the points made by Prof YIU Chung-yim.

There is another point which I find outrageous, that is, the Government is only concerned about the economy without paying any regard to estimates on benefits. It merely focuses on social benefits without considering social costs. For example, reclamation will certainly create externalities—even senior secondary students know about this concept—and the Government must consider

the consequences of an economic activity. In the case often cited by Steven CHEUNG: A railway running across a wheat field will reduce the area of the field, but the externality resulted is that birds are scared away, the produce of the field is higher than that of the neighbouring field. In a lot of cases, our actions can bring both positive and adverse effects.

The reclamation projects under the Lantau Tomorrow plan will have a number of adverse effects. First, environmental cost and second, social cost. Why is the Government not taking these costs into account? How can the Government look only at the profits but disregard the negative costs? I believe more justifications are required in this regard.

The Express Rail Link ("XRL") project has problems of cost overruns and delays, and the Government has been reducing the estimated passenger volume. The Government also said that the internal rate of return of the XRL project is around 2%. Some query how this infrastructure project with a construction cost exceeding \$80 billion—overspending by over 30%—will break even easily? It turns out that the so-called internal rate of return is based simply on the number of hours saved by passengers taking XRL.

I think the Government has based its calculations solely on social benefits without considering the other problems that can possibly arise, such as the clearance of Choi Yuen Tsuen, loss of underground water in Ngau Tam Mei, as well as settlement at Tai Kok Tsui and To Kwa Wan. Deputy President, these areas are in your constituencies, and I remember that you have mentioned compensation, but these factors have not been accounted for. "Head you win, tail we lose". How will this Policy Address be convincing? No matter how we compute, it is hard for us to believe that this "white elephant" infrastructure project is cost effective.

From the perspective of public finance, fiscal reserves should of course not be left idle. Some say that the reserves should be used for prudent investments and financing; however, very often public funds should be used in areas in need. According to the Keynesian view, this is to give back to the community and leave wealth with the people. This is a strategy for public finances. I hope the Government can think over it thoroughly and give more attention to aspects other than infrastructure.

At the big debate on land supply organized by the Government, a question was asked on the long-term land supply. Needless to say, the problem of land supply must be dealt with, but the reclamation project might not be completed after more than 20 years, and its economic estimates are being questioned. In fact, there are other viable solutions, such as resuming the Fanling Golf Course and brownfield sites. While 38 academic economists signed a petition in support of the Lantau Tomorrow project, their estimates were wrong. They merely compared Zone A agricultural land to reclamation, without considering the option of resuming agricultural land outside Zone A which, in fact, has a lower cost. Their views are incomprehensive.

Although I have quoted the Government's statement, I think the Secretary should consider how to respond. At the very least, I do not think they have provided adequate data and key factors in the light of the actual situation for setting the direction for land planning and housing development.

Deputy President, I so submit.

MR CHU HOI-DICK (in Cantonese): Deputy President, as I listen to colleagues discussing the East Lantau artificial islands, I have a feeling that they are like primary pupils participating in an essay competition, and the title is: "Ten reasons for supporting East Lantau artificial islands and for supporting Lantau Tomorrow". First, I would like to respond to the essays of several classmates.

The first classmate is Mr CHAN Chun-ying. He said that having decades of experience in syndicated loans, he knew that after deducting the cost of the East Lantau Metropolis, huge profits would be reaped from land sales in the future. He is not the first one to express such a view. There is a fundamental problem. Regarding the cost of Lantau Tomorrow, he only calculated the reclamation cost and the infrastructure construction cost involving 1 000 hectares, instead of 1 700 hectares of land. Please look at this map, which clearly shows that the East Lantau artificial islands are situated in the middle of the sea. The transport infrastructure connecting the islands to the peripheral land (that is, Hong Kong Island, Kowloon and the New Territories) is where the lucrative gains lies. If a Member from the banking sector tells us that we can exclude the costs of building the connecting bridges and tunnels from the construction costs of the East Lantau artificial islands, then problems will arise.

I believe that Mr CHAN Chun-ying must have made a mistake, thinking that we are talking about the reclamation works of Tung Chung East. As pointed out by Mr Andrew WAN, the reclamation works of Tung Chung East have not met with much opposition. When calculating the construction cost of Tung Chung East, it is indeed unnecessary to consider the construction costs of a new bridge and connecting tunnels, and the future profits from land sales can be calculated in the way as suggested by Mr CHAN Chun-ying. This is the problem at issue. When we point out the serious problems of the East Lantau artificial islands, many colleagues try to casually dismiss them, accusing us of opposing reclamation works. I do oppose reclamation but I believe many democratic colleagues may not oppose all reclamation proposals. We must treat the East Lantau reclamation works differently from other reclamation projects because this project is rife with problems and as it involves reclamation in the Central Waters with little flexibility. The construction costs of the relevant infrastructures will be a few times higher than reclamation works close to the coast in general.

The second classmate is Mr Michael TIEN, who has looked at this project from another perspective. He said that residents of New Territories West have been suffering from congested traffic when they travel to the urban areas for work, and with an increasing population of the region, a direct access road to the urban areas is required. Lantau Tomorrow can meet his two wishes at the same time. First, it will provide new land and second, as he said, a new road from New Territories West to the urban areas will be built.

Mr Michael TIEN wishes to use this reason to convince residents of New Territories West to support Lantau Tomorrow if they want to have convenient access to the urban areas. Mr TIEN seems to be saying: if you want to have dessert, no problem; but you cannot just buy the dessert, you must buy the whole meal. This gives rise to two problems. First, if one wants dessert, he should just buy the dessert. Residents of New Territories West want to have a direct access road to the urban areas. The Government has said that Route 11 will be constructed and upon our pressure, the Government has promised to construct one more bridge to Tsing Yi from the landing of Route 11 in Lantau. This dessert has already been planned. Besides, there is also the Tuen Mun-Chek Lap Kok Link which is about to be commissioned. If one wants dessert, just buy the dessert, he needs not buy the entire meal.

The second point, which is more important, is that Members representing the New Territories must consider seriously whether we should always support the idea of having a Central Business District ("CBD") at the city centre, that is, the area around the Victoria Harbour. Owing to this mentality, we have systematically forced residents in the New Territories, either New Territories East or New Territories West, to continue to travel a long distance to work. This is a never-ending cycle. In fact, many opportunities are available for the Government to break this pattern of city planning.

Before the idea of the East Lantau project was conceived, the Government has kept talking about establishing bridgehead economy in Hung Shui Kiu and areas in the vicinity of the Hong Kong-Zhuhai-Macao Bridge ("HKZMB"), so as to turn the place into the centre of economic vitality of Hong Kong in the future. To implement this project, the Government will have to relocate some important government offices to Hung Shui Kiu and set up the third CBD in New Territories West. As such, residents of New Territories West need not travel a long distance to work and Mr Michael TIEN's logic needs not be adopted. We should not support the Government's "Catastrophe Tomorrow" Project in exchange for a direct rail link to the urban areas.

The third classmate is LEUNG Che-cheung. He has an ingenious idea, saying that the artificial islands under Lantau Tomorrow can be built into a green city, just like Weian New District in Beijing. Let us first forget the absurd remarks made by the Mainland Government when it comes to environmental protection, such as not even one Chinese white dolphin died after the commissioning of HKZMB. Under Secretary for the Environment, are you not shocked? In recent days, a dead dolphin can be found every two or three weeks, how dare they say that no dolphins died and HKZMB has no negative impact on the environment. That is China's logic about environment protection. Mr LEUNG Che-cheung now wants to apply their ideas to Hong Kong. Honestly, this approach is hilarious, if not scary.

If we truly care about the environment, instead of carrying out extensive reclamation for building a green city on artificial islands, we should build a green city right away without having to delay too long. The royalist colleagues who have entered the essay competition with the title "Ten Reasons for Supporting Lantau Tomorrow" all make the same mistake, which is, they cannot see the wood for the trees. In order to market a single project, they keep praising how wonderful the project is, what can be built on the artificial islands and what

benefits will be brought to the community. This logic contradicts the logic of city planning. What we are talking now is drawing a circle and asking everyone to support the project in the light of what benefits it will bring. City planning should not be like that, especially in consideration that the scale of this project is the largest since the inception of Hong Kong over a century ago. The total construction costs of the four works projects that have given us great headaches, namely the Three-Runway System of the Airport, the express rail link, HKZMB and the Shatin-Central Link pale in comparison to the construction costs of the East Lantau artificial islands. We must discard the mentality of the royalist Members who act like primary students participating in an essay composition. We should step back and look at the whole picture. What is the vision for Hong Kong? How should planning be made? We must compare each project in terms of social, environmental and construction costs. We cannot just say that the East Lantau Metropolis is profitable and hence we will build the East Lantau artificial lands. Even primary students will not think in this way.

When I try to discard the mentality of not seeing the wood for the trees and try to look at the overall situation, I find that there is a very serious problem with this year's Policy Address. I seriously doubt if our civil service team is still in charge of the governance of Hong Kong or if some outside forces have taken over, that is, has certain think tank taken over or has Beijing directly told the civil service team the conclusion and then cooked up some justifications. Why do I say so? Deputy President, the development of a city cannot be decided by the preference of some persons. We are now talking about the development planning in the next 30 years and there are several parameters that need to be considered: first, the population size by that time, the demographic distribution and structure may also be taken into consideration; second, the amount and types of land needed by the increased population; third, the specific plans about the development of land.

(THE PRESIDENT resumed the Chair)

Before 2018, I still believed that our civil service team was normal. Even though it was led by an undemocratic government, the team was reasonable. People always ask why the Government has to commission so many studies and spend so much money on hiring consultants. The aim was to identify the justifications. Before any programme is launched, it has to identify the demand

and the objectives, and the overall situation has to be considered. This applies to the construction of roads, reservoirs, the implementation of sewage works, or the largest-scale infrastructure projects now under discussion. We should work strictly by protocol and with justifications.

Before the delivery of the Policy Address, we had formed an idea based on the proposals in the report "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" ("Hong Kong 2030+"). The report explained the works to be carried out in stages. It is estimated that the population will reach the peak at 8 220 000 in 2043 and then the number will gradually decline. We must further discuss this issue because the projection is closely related to our population policy and also the One-way permit policy.

First, let us assume that the Census and Statistics Department is right in projecting that our future population will reach 8 220 000. In order to satisfy the needs of the additional population (around 800 000), the Government estimated, upon the studies in Hong Kong 2030+, that 4 800 hectares of additional land were required. According to the Government, 3 600 hectares have been identified, which included new development areas and green belts. Hence, 1 200 hectares of additional land should be created. The Hong Kong 2030+, released in 2016, proposed two strategic growth areas, namely the East Lantau artificial islands to provide about 1 000 hectares of land as estimated, and New Territories North. After the release of the Hong Kong 2030+ in 2016, at least we had some facts to base on in our debates, such as the projected population, whether the population could reach the projected number, what types of land would be required by the increased population, and the advantages and disadvantages of various plans.

What is the problem now? Our Hong Kong Foundation—I must especially point out this Foundation established by former Chief Executive TUNG Chee-hwa—has constantly attacked these government statistics, in particular the statistics on land demand and the area of land to be provided by various projects. Oddly, in their attacks, they have never mentioned their estimated population in 2043 or their target population; they only talked about the amount of land needed. When the Government said that 4 800 hectares of land was needed, they raised the number to 9 000 hectares for the reasons of enabling people to live more comfortably and setting aside land reserves. They have given many reasons but not a word has been said on population. They also said that the original plan to reclaim 1 000 hectares of land to develop East Lantau artificial island was not enough; 2 200 hectares of land would be needed. A

problem has arisen. What has happened? Carrie LAM said in this year's Policy Address that 1 700 hectares would be reclaimed for East Lantau artificial island. What a shocking figure. Members of the public have no idea what the Government is doing. The area of land to be reclaimed under the East Lantau reclamation project jumped from 1 000 hectares to 1 700 hectares, which in a way has discredited Hong Kong 2030+. Should we still believe in the projection made in Hong Kong 2030+, that is, 4 800 hectares of land will be needed and the projected population is 8 220 000 in 2043? If not, we will be in great trouble. All problems have arisen as a result of the Government "moving the goalpost" in respect of certain individual projects, and people have doubt on the authenticity of all government findings over the years. This is no trivial matter. It involves the actual population in Hong Kong at the critical time of 2043, making people query if the Government aims at increasing its capacity by increasing land supply.

Moreover, through the planning for the Greater Bay Area, many Hong Kong people may obtain the Greater Bay Area resident certificate 10 to 20 years later, and they will be no different from their compatriots in the Mainland. What will the actual population of Hong Kong be in 2043? It seems that we need not answer this question. This speculation is not without justification because the Government has deviated from the Civil Service's long-standing tradition of acting with justification to acting without justification, and policies are implemented based on conjectures. People naturally have the impression that the Government has hidden agendas.

Another problem is that many people are against the construction of artificial islands in East Lantau. Some people having connection with the real estate sector said that those who oppose the reclamation project actually support the developers, since this project aims at constraining developers because with new land reserve, the Government will not be afraid of developers. Such a view is really absurd. The Government, many Members and many others have said that the Government is never afraid of developers. Given that there is the Lands Resumption Ordinance and a series of tools that Government can use for new development area planning, how can it be afraid of developers?

For those who query that people opposing the East Lantau reclamation project intend to support the developers, I think they have something fishy in mind. Every time the SAR Government discusses land problems with powerful persons in the New Territories, developers and even the Beijing authorities, they would think that the various parties have colluded and discussed behind closed

doors, totally ignoring Hong Kong people's opinions. That has given rise to this conspiracy theory, thinking that anyone opposing the East Lantau project is tantamount to benefiting developers, and by not benefiting developers, Beijing will benefit.

Hong Kong people are now in great misery. Has the Government taken note of their hardships and tried to alleviate their suffering? The Government is, as depicted in the movie *Overheard*, spending a lot of time engaging in under the table dealings with powerful persons of different triad gangs. There is no such logic as opposing East Lantau is tantamount to supporting developers because they have already made a deal. No matter it is to meet, in the long run, the political needs or aspiration of Beijing or the Greater Bay Area with East Lantau artificial islands, or to boost Hong Kong's population to 10 million, the purpose is to make local developers obedient in the short run, and in return, the Government has tailor-made for them the Land Sharing Pilot Scheme.

Before making these decisions, has the Government consulted the people of Hong Kong? Sorry, what Hong Kong people want is not land sharing, but resuming land for sharing. We think that the Government should side with us. For those who have been hoarding land for years, how dare they think that they can develop properties on their land without any worries, and how dare the Government talk about sharing land interest with them? Sorry, our request is resuming land for sharing, but not land sharing.

Moreover, we demand that the city should be developed in an orderly manner. The Government should first tell us the projected population of Hong Kong and the appropriate amount of land needed, and after identifying the options to create land, it should look for ways that will incur less environmental and social costs. The Government should act in such a reasonable manner.

Concerning the people of Hong Kong today, I feel especially sad for residents of subdivided units. In the past few years, whenever the debates on land issues were held, residents of subdivided units have been put on the spot, claiming that they must support the Government if they want better living conditions. Is it that if we support the Government, we must support the East Lantau artificial islands reclamation plan? I have asked the Government to provide transitional housing but government officials have used all kinds of excuses to decline my request. If we want to find out whether the Government is committed to implementing a programme, we simply have to find out the

amount of resources injected into the programme. Both the Director of the Chief Executive's Office and the Secretary for Development have spared no efforts and resources to vigorously promote the East Lantau project because it is profitable. When residents of subdivided units ask the Government to provide several ten thousand transitional housing units, does the Government turn down their request because no profits can be made? Does the Government refuse to take action because meeting the basic housing needs of the poor has nothing to do with developers and cannot bring profits to developers? From this we can see that the Government has put residents of subdivided units on the spot and made a fool of them for years. The message given to the public is that the Government burns the bridge after crossing it.

Speaking of the future of Hong Kong, I think we really cannot just show concern of housing needs. Housing is of course very important but if the entire city, country and even the whole world become unsuitable for living as the result of climate change, what purpose does it serve if we have used our lifetime saving to buy a flat?

The Intergovernmental Panel on Climate Change of the United Nations ("IPCC") released a report at about the same time when the Policy Address was delivered. At the Paris Summit held earlier, the target set was to hold the global temperature rise to not higher than 2°C it would be even better if it could be held to not higher than 1.5°C. However, what is the difference between 1.5°C and 2°C and how ardent is the need to hold the temperature rise below 1.5°C? The studies had yet to come to any conclusion at that time.

In August, at around the time to announce the Policy Address, IPCC completed a report, telling the world not to bother about 2°C; sorry, the former estimation was wrong as the study was not completed at that time. IPCC now advises that the whole world, including Hong Kong, to hold temperature rise to 1.5°C. In fact, it is extremely difficult to hold temperature rise to not higher than 1.5°C and even if the objective can be reached, many people will lost their homes as many coastal areas will no longer be suitable for human habitation.

IPCC has given an objective to the governments of all places in the world. I have in hand the chart given by IPCC to all governments. I have mentioned this issue to Secretary WONG Kam-sing but to my great disappointment, he said that it was only an academic study. Buddy, the United Nations has spent more than 20 years on studying climate change and arrived at this concrete conclusion.

IPCC has thus set down these carbon emission objectives, that is, it is not sufficient to reduce carbon emissions by 20% to 30% by 2030; it must be reduced by 50% by 2030.

At present, reduction of carbon emissions is done by changing the fuel for electricity generation. In short, we will use more natural gas. The Government says that it will build an off-shore natural gas transfer station. It seems that the Government will thus assume that its duty is fulfilled. Sorry, we cannot rely on building an off-shore natural gas transfer station and consider that the problem is solved. The United Nations is now asking us to reduce our carbon emissions by 50% by 2030 and then eliminate all emissions altogether by the middle of this century.

However, in this year's Policy Address, it is still stated that the Council for Sustainable Development will conduct a bottom-up consultation to formulate the strategy for 2050. If so, Hong Kong is doomed. We need to have policies formulated now. In respect of this issue, we cannot take a democratic approach. It is a matter of life and death, and it can only be implemented by the most powerful organization in town, i.e. the Government. If the Government tells us that the report is only an academic study, what does that mean? Is it telling us that with this governing ability of the Government, we are all doomed because the Government cannot meet the requirements of the United Nations and we can only wait for our doomsday?

The Environment Bureau will introduce waste charging this year. Hong Kong's environment policy lags behind other places by one or two decades. What needs to be done now is definitely not just waste charging, but levying carbon tax. Canada has recently imposed the carbon tax. It means that there is a cost for travelling by car or by plane. The cost is an increase in carbon emission and it will harm everyone, and that is why the cost must be taken into account. The Hong Kong Government cannot lag behind any more but should immediately study carbon levy after waste charging takes effect.

The Secretary for Transport and Housing is now present. I urge the Transport and Housing Bureau to work more closely with the Environment Bureau. The number of private cars is still increasing at a rate of 4.5% each year. Can our city be called a city with sustainable development? According to the Government, owing to road congestions, it is necessary to build more car parks. This is simply putting the cart before the horse. We must be determined

to reduce the number of private cars in Hong Kong and turn the core urban areas into precincts for pedestrian and bicycles only. This is the only realistic and practical way that will bring a change to Hong Kong people's behaviour.

Only by undergoing a fundamental change to the operation of the entire city can we have the chance to reduce our carbon emissions by 50% by 2030. Only then will we be able to join the rest of the world to find a world for our future generations to continue to live in.

I so submit.

MR CHAN KIN-POR (in Cantonese): President, even though the views of Mr CHU Hoi-dick and I are poles apart in many areas, I fully support him when he said just now that he has changed his mind. I think the Government really has to deal with the matter seriously.

President, I now return to this script which I have spent several days to prepare. I have been a Legislative Council Member for 10 years. At first I was very passionate, but now I gradually realize that it is very difficult to take things forward. At one time I was dispirited, but I have regained my vitality now. I realize that when some policies that will bring fundamental changes and substantial advantages to Hong Kong society and people's livelihood, but the Government and the public have been hesitant for various reasons, politicians have to set their honour and disgrace aside and step forward courageously to state the pros and cons, so that members of the public will understand the true facts and move towards the right direction. In this way, Hong Kong's deep-rooted problems will be solved for the benefits of the public. Only by so doing will my political career of over 10 years not run to waste.

President, I will use the remaining time to analyse the "mega-reclamation" project, in the hope that members of the public, government officials, fellow Members and the media can see the issue from an array of perspectives. I believe this is an issue of personal concern to the public, particularly many young media workers here in the Legislative Council Complex.

Most of the deep-rooted problems in Hong Kong are related to housing. I would say that "housing tops all evils". The problems include costly property prices, high rentals, young people having to live in a tiny flat together with their

family without their own space are discouraged to get marry and have children. The inadequacy of land also leads to expensive rental of commercial properties, high operation cost and adverse business environment, especially for emerging industries. Foreign talents are also unwilling to come here for career development. In view of the current situation, if we still adopt the so-called alternative options advocated by the opposition camp, i.e. policies targeting brownfield sites, agricultural lands and military sites which have been implemented for some 10 years but not quite effective, we cannot change the situation at all.

In fact, the present population density of Hong Kong is rather scary as 27 400 people now live in 1 sq km of developed land. The number is even higher than that of Mumbai, India. In Singapore, the figure is just half of ours, which is 10 700; and in Shenzhen, the figure is only 7 000. Therefore, if we do not step up effort to increase land, we simply cannot solve the problem. At present, the coverage of country parks is not allowed to change, so we can only keep constructing standalone buildings. If Hong Kong people want to have better and bigger homes, we must increase our area of land. Reclamation is our hope to this end.

If people of Hong Kong have no clue about what to do, they should take a look at the practices in other places. In the past 10 years, not much reclamation has been done in Hong Kong; but do you know that Shenzhen has already reclaimed 5 300 hectares of land, and Singapore has reclaimed 2 500 hectares of land? We may continue to oppose reclamation in the future, but it is expected that Shenzhen will further reclaim 5 500 hectares of land, and Singapore 4 700 hectares. With an increase in land supply, residents in other places can of course live in better and bigger flats. These places will have better town planning with more open spaces and green belt zones, and will thus become cities more suitable for living and doing business.

In contrast, in Hong Kong, we still have to resume fragmentary agricultural lands. Brownfield sites are even more difficult to resume, as we just move the operations on brownfield sites to another place. In fact, relocating brownfield operations into multi-storey buildings is very often not feasible. As a comparison, in Shenzhen and Singapore, land is reclaimed for building inexpensive and quality flats; whereas in Hong Kong, we only redevelop old buildings. Negotiating for repossession of flats and dealing with lawsuits alone are already very troublesome, the process is long and the chance of success is

uncertain. How then how we have a good fortune? If things go on like this, Shenzhen and Singapore will surely outrun Hong Kong and lag us farther and farther behind. We can but only take their dust!

Moreover, we should consider the ageing problem of buildings. Studies have revealed that there are now 1 100 buildings aged over 70 years in Hong Kong, and the number of such buildings will surge to some 300 000 in 2046. Massive redevelopment will be required then, which will call for a huge quantity of new buildings to temporarily rehouse residents from old buildings. If we do not reclaim now, we definitely will not have sufficient land. Frankly speaking, a decade or two will pass in a flash. Should we not speed up with reclamation, we will indeed be doing a disservice to our next generation. If we do not take action today, we will regret tomorrow.

As regard the technical issues which Members are always concerned about, I agree that we should have a good understanding, but as pointed out in many current reports, many problems concerning engineering and environmental issues can be resolved. The selected site has taken into consideration climatic and ecological changes. Moreover, as reclamation works take more than 10 years, with the continuous advancement of technology, there must be better ways to solve the problems in the future.

On financial aspects, many people are very exaggerated in saying that reclamation is tantamount to dumping money into the sea and depleting all the reserves of the Government. In fact, such remarks intend to scare people off. Members of the public ought to know the truth. As a matter of fact, some people estimate that an investment of \$500 billion to \$1,000 billion is needed for reclamation, but if the revenue from land sale is included, ranging between \$1,000 billion to \$1,300 billion as estimated in the community (including my estimation), reclamation might easily make profits, dumping sand to make money. Moreover, the future economic benefits and other advantages to society brought by reclamation have not been taken into account. As the payments for reclamation will be phased over 10-odd years, how will there be problems? Hence, recently fewer people have now put forward the argument of depleting the public coffers, because even kids are not convinced.

Recently, someone said to me that if reclamation will bankrupt a government, will Singapore and Shenzhen still be reclaiming thousands of hectares of land in the long run? Are they stupid or are we fools? Moreover,

there is a saying that the new buildings built on reclaimed land will only benefit the new immigrants. First of all, this is a discriminatory remark. While we have to address the problems concerning new immigrants, new immigrants also bring new labour force to Hong Kong and promote economic development. I agree that a significant increase in the number of grass-roots immigrants will bring tremendous pressure on society. Therefore, when making demographic planning, the Government must address this problem squarely and dare to negotiate with the Central Authorities. However, this is not a reason for opposing reclamation. Should we slacken our pace when we have yet to settle the matter with the Central Authorities and yet to formulate a new population policy? There are currently 270 000 applicants waiting for public rental housing ("PRH"), 250 000 people wishing to buy Home Ownership Scheme ("HOS") flats, and 250 000 residents of subdivided units. They are all Hong Kong residents in need of public housing, and they should be the first batches of people to be taken care of. Even if PRH buildings are built on reclaimed land, these people should be given priority for public housing allocation, new immigrants will only come next. How come only new immigrants will be benefited? I hope people will no longer instigate hatred.

Some Members said that the current estimated price of the reclaimed land will be \$9,000 per square foot, meaning that property prices will be so high that young people can hardly afford. Again, I urge Members not to make misleading remarks. We are now talking about of \$9,000 after more than 10 years. By then, the economy will improve, wages will increase substantially, and most important of all, with more land in the hands of the Government, land prices will be stable, as it will be difficult for land owners and real estate developers to hoard land any more. Furthermore, 70% of the flats to be built under Lantau Tomorrow are PRH and subsidized housing, including a huge number of HOS flats. Let us not forget that at present, prices of HOS flats are no longer pegged to market prices but pegged to people's affordability. As HOS flats are priced at 52% of the market prices, young people can definitely afford to buy their first property. After settling in HOS flats and subsidized housing, young people may save money to buy private flats in the future. Therefore, HOS is a very good home ownership ladder. This is a good news to young people because Lantau Tomorrow can definitely provide them with a better chance for home ownership.

Some Members queried why we have to build so many flats when population will start declining in 2044. It is known to all that Hong Kong is the most crowded city in the world, hence even if our population will decline

slightly—I welcome the decline if that happens—as anticipated, we can also seize such an opportunity to improve the living conditions for the public. It is definitely good for overcrowded households to live more spaciously in better conditions. For the sake of opposing reclamation, the opposition camp even sacrifices the chance for people to improve their overcrowded living conditions. This is lamentable.

Besides, some Members said that Lantau Tomorrow is a political mission which will benefit real estate developers and builders. Such remarks have overplayed the matter and I feel sad. Real estate developers or builders are investors who have to gain their returns through lawful and reasonable ways. We should respect them. If they make wrong predictions about the risks, they may go bankrupt. It can be said that they have to take risks to get profits. Enterprises have to take market risks as they may also go bankrupt in case of making wrong investments. This is entrepreneurship as often claimed by the Americans, which has also been recognized in the western world. Certainly, it will be a separate issue if enterprises break the law, such as bribery. Nevertheless, if people make remarks to encourage hostility or gain political capital by creating division amongst different social strata, they should definitely not be tolerated.

Some Members said that as the implementation of Lantau Tomorrow took 20 to 30 years, residents currently waiting for PRH allocation cannot wait that long. As a matter of fact, the Government now adopts a multi-pronged approach to launch short- and medium-term measures concurrently so as to facilitate the allocation of PRH units to people on the waiting list. However, while some people are allocated with PRH units, other people have joined the waiting list. Thus, we must make long-term planning. Furthermore, people do not have to wait 20 to 30 years but merely 10-odd years for PRH. If we really want to force the Government to speed up its efforts, we should argue less and seek better ways to handle the matter. In fact, the first batch of housing can be completed in about 10 years' time.

As regards the proposal of developing military sites, it requires discussion with the Mainland authorities, and the People's Liberation Army has already indicated that it has no idle site. Besides, military sites practically serve defence needs. I believe that we should not have high expectations even if a discussion is held. If a consensus can be reached, I will surely welcome options that can increase land supply.

When I was interviewed in a radio programme earlier, I said that experience indicated that the Government was relatively wimpy, and it often backed off when facing resistance. Therefore, we asked the Government not to yield to pressure but should persist with the planning which was beneficial to Hong Kong. During the interview, I also explained the scrutiny procedure of the Finance Committee ("FC"), but many Members criticized me without listening to my argument in detail. I have in hand the verbatim transcript of the radio interview, and I now read it out for you, and I quote "I think FC of today is very different because we have amended the FC Procedure. No matter how complicated the matter is, it can be put to vote in a relatively short period of time. In the past, the process could indeed drag on for 40 to 50 hours. The funding application for the establishment of the Innovation and Technology Bureau had dragged on for three years. Since we have amended the FC Procedure, I trust that when the funding application concerned is submitted to FC, it can definitely be processed within 10-odd hours at the most." (End of quote)

Please note that in my above remarks, I did not say anything like "drawing a line" or "let the Government get passed" at all; rather, I just objectively explained to members of the public the outcome of amending the FC Procedure. Yet, my remarks have attracted groundless attacks from some Members. Dr KWOK Ka-ki dared say yesterday that I have said "let the Government get passed". Anyway, he has the habit of slandering others, so I do not find it very surprising. Nevertheless, he should make some improvements despite his habitual slandering. Buddy, please clear the facts first. If he always slanders me, I will go mad someday.

Let me provide some more information to you all. Another newspaper has reported my explanation of the amended FC Procedure. I looked up the report dated 2 March on FC's amendment of the Procedure on 1 March. I now read it out, and I quote: "After the meeting, CHAN Kin-por joined Ir Dr LO Wai-kwok, Chairman of the Public Works Subcommittee, and Mrs Regina IP, Chairman of the Establishment Subcommittee, for a press conference. CHAN said that before the end of the current legislative session, there were still some 30 livelihood items pending scrutiny. Amongst these items, five are more controversial, including the Shatin-Central Link, the Hong Kong-Zhuhai-Macao Bridge, the Lok Ma Chau Loop, etc. It is estimated that it takes 10 hours to scrutinize each controversial item."

At that time, I estimated the time needed for scrutinizing each item. How come no criticism was raised at that time, but such a strong reaction is raised now and there is even a move to propose a motion of no confidence in me? Certainly, this is because there are Members who do not like my remarks about reclamation, and thus want to suppress me. However, I will not be worried about being suppressed for telling the truth. What I am saying is the truth. I will not be scared by whatever kind of suppression, but I should not be suppressed for telling the truth.

President, when someone is seriously ill, he will study various kinds of treatment, including making reference to other people's treatments for the illness. He will consider the options of injection, medication or even operation when the condition is serious. However, he will find that there is no treatment which is free, causing no pain or side effect. Solving the housing problem of Hong Kong is just the same, as the problem is very serious. Both Shenzhen and Singapore solve their housing problem by reclamation and remarkable effects have been resulted. When taking forward "mega-reclamation" in Hong Kong, there must be pain and side effects, but all the risks, including financial concerns, weather changes and environmental issues, can be controlled and solved. If Members just ignore the huge benefits and effects of "mega-reclamation" on solving Hong Kong's housing problem, but only exaggerate the difficulties of reclamation for political hypes to suit their own needs, the consequence is that they would mislead members of the public who trust them—members of the public are really innocent as they think those Members are really helping them. As a result, Hong Kong will take the wrong path. Will those Members be blamed by history? They know it fairly well at heart.

President, according to the most basic principle of economics, government investments are most effective in stimulating economic development. "Mega-reclamation" can bring further additional investments, which not only solve the housing problem but also create plenty of jobs. Consequently, Hong Kong will be vibrant with a prosperous economy in the coming 10-odd years; there are jobs for everyone and everyone will live in bigger flats with better conditions. With more revenue, the Government can have more resources to care for the elderly and alleviate poverty, and other problems can be solved smoothly.

Someone describes reclamation as "retrieving a hopeless situation", and I think this is a true fact. I always say that regardless of what political ideologies Members have, our ultimate hope is that our service clients, i.e. members of the public, can live and work in contentment. Hong Kong has spent too much time on arguments in recent years. Now that the Government is bold enough to propose a genuine solution, we really have to seize the chance and ensure that the Government will take forward the option. We should not let the Government make empty promises without real action, and in the course, we have to monitor the Government to make sure that it handles the risks with thorough consideration.

There is a rather weird phenomenon in FC. Members often say the "white elephant" projects were approved back then by Members so and so. However, I would like to point out, Members approved, by casting one vote each, the funding items based on the information provided by the Government. Should the Government have a greater responsibility if the project is not well implemented? How come the blame would be put on Members who approved the funding items? I cannot figure out why the blame should be put on Members who approved the funding on the assumption that the items would bring substantial benefits to people's livelihood. This is totally unreasonable. The Government should be responsible for the satisfactory or unsatisfactory performance. Can we blame the Members who approved the funding back then if the Government fails to perform years later? What have Members done wrong when they approve funding for Hong Kong's development? Even if there are errors and omissions with the Government, that would be the Government's problem. Therefore, we have to monitor the Government.

As the High Court has pointed out many times, and I have explained the reasons for amending the FC Procedure, what is the point of stalling indefinitely? According to the figures I have in hand, over the years, Members spent some 20 to 30 hours to scrutinize projects such as the Guangzhou-Shenzhen-Hong Kong Express Rail Link or the Hong Kong-Zhuhai-Macao Bridge. However, the actual time spent on debate, i.e. monitoring the Government, was less than 20 hours. Thus, my words are definitely justified and true. I hope fellow Members will no longer pick on me. If I make mistake, the opposition camp can blame me and I will admit my mistake; however, if I tell the truth and they criticize me arbitrarily, they are actually misleading the public.

Some Members claim that they are the democrats, but they actually belong to the opposition camp. They always say that the pro-establishment camp supports the Government blindly. That is actually not true. We are the "constructive camp", working for the benefit of Hong Kong. They now call us the royalists while claiming themselves the democrats. This name sounds good, but they are actually the opposition camp. What else do they have to say?

As I still have some speaking time left, I wish to give a final remark: My fellow Members, I think it is now time to cast aside our political differences. Let us really do something really great for Hong Kong.

I so submit.

MR CHAN CHI-CHUEN (in Cantonese): President, Carrie LAM states in her Policy Address that she will "strive ahead"; in fact she is bent on having her own way. Regardless of what the Government says, royalist Members will dash out to show their support. Therefore, Carrie LAM is certainly audacious. By coincidence, the person who spoke just now is the symbolic figure of the royalists—Mr CHAN Kin-por, Chairman of the Finance Committee ("FC"). I will respond to his views later.

In this year's Policy Address, it is most antagonizing and astonishing that Carrie LAM has, without consultation, proposed to reclaim 1 700 hectares of land in waters off East Lantau for launching the so-called Lantau Tomorrow Vision project. Carrie LAM's proposed project is riddled with problems in respect of its form, process and contents. Given the time constraint, I summarize them as three sins.

The Government's announcement of this project without consultation has overridden the work of the Task Force on Land Supply ("Task Force"), and this is the first sin of Lantau Tomorrow. To begin with, the Government set up the Task Force for whitewashing purpose, and claimed that it would conduct a consultation known as the so-called big debate on land supply, so that members of the public could clearly and thoroughly express their views. Unexpectedly, before the release of the Task Force's report, the Government announced the 1 700-hectare Lantau Tomorrow project. The Task Force's consultation ultimately exists in name only. Most sarcastically, the work of the Task Force is mentioned precisely in the paragraph preceding paragraph 63 on Lantau

Tomorrow in the Policy Address. She pointed out that half a month before the release of the Policy Address, the Task Force shared with her its preliminary subjective observations upon her request. While she did not cite the contents of the subjective observations in detail, she quoted the Task Force's view about the community's broad agreement that land supply was pressing; that we should be prepared for the rainy days; and that a multi-pronged approach should be adopted. Based on these three key points, she jumped the gun and launched the Lantau Tomorrow Vision project.

In mid-October, Carrie LAM announced in the Policy Address the Lantau Tomorrow project, covering an area of 1 700 hectares and featuring artificial islands. This project not only has never appeared in any consultation document before, but also differs greatly from the proposal put forward in the consultation on land supply spanning several months, such that even members of the Task Force are greatly surprised. It is thus evident that Carrie LAM is bent on having her way. More infuriatingly still, when the Task Force was consulting the public on land supply, it turned out that the Government had actually formulated the Lantau Tomorrow project long ago. I do not know how many people already knew about the project, and I am not even sure if members of the Task Force knew nothing about the project, or they just pretended that they knew nothing.

I have a question that is still unanswered so far. When was this publicity material on Lantau Tomorrow, which I am now holding, finalized? This three-dimensional publicity material shows the pre- and post-reclamation scenarios. Is the area of reclamation 1 000 hectares or 1 700 hectares? In terms of the implementation of government policies, it takes at least a month to print publicity material after finalization. Hence it can be concluded that when the Task Force was devoted to conducting the big debate on land supply, the Government had actually made a final decision in disregard of other opinions.

The Government's act of announcing Lantau Tomorrow without consultation has aroused the discontent of people opposing reclamation and some members of the Task Force. They have a feeling of being exploited by the Government and being discarded immediately after they are of no use. The consultation efforts of the Task Force are actually useless. In fact, many members of the public have actively expressed their views during the past few months. Although they knew at heart that the Government might be conducting a fake consultation, they still hoped the Government could put up a full show, so

that people could have more chances to express their views. But now, the public feel that they have been exploited and have become temporary actors in this play staged by Carrie LAM.

Apart from the Government's launching of this project without consulting the public, the lackeys of the Hong Kong communists have no intention of consulting the public on Lantau Tomorrow. CHAN Kin-por, Chairman of FC of the Legislative Council, dashed out in the first instance to support the Lantau Tomorrow project, claiming that people who opposed the project would be blamed by history. He also said that the funding application for the preliminary study of Lantau Tomorrow could be put to vote after a discussion of 10-odd hours. He said that he was not the one to decide whether the funding would be approved or not. President, luckily you do not learn from him. He said he was just making an analysis rather than expressing his stance.

If the proposal to legislate for Article 23 of the Basic Law is submitted to the Legislative Council afresh in future, and you are still the President by then, please do not arrange only two to three weeks at most for scrutiny. He said that the Copyright (Amendment) Bill 2014, commonly known as "Internet Article 23", could be scuttled by Members filibustering in the past; but after the amendment of the Rules of Procedure, it will not be possible to scuttle the legislation for Article 23 of the Basic Law by means of filibustering. Why must he say such words? It is known to all that his remarks reflect his standpoint directly or indirectly.

Just now, Mr CHAN Kin-por also said that FC was only responsible for approving funding for projects, but it could not guarantee that the Government would definitely do a good job. In the past, funding applications for projects such as the Hong Kong-Zhuhai-Macao Bridge and the Express Rail Link could easily be approved, and even funding for cost overruns could be approved, and now the Chairman of FC also guarantees that projects will be approved after 10 hours of discussion, how then will pressure be exerted on the Government? Members are an open book in the eyes of the Government. Even if the pro-establishment camp intends to monitor the Government, yet under this mode of operation, if the Government hangs on for some time, attends meetings of FC but does not answer Members' questions, and acts in a slothful way when the deadline is drawing near, it will eventually get the funding approval. Ultimately, a vicious circle is thus formed.

The second sin with Lantau Tomorrow is that the Government has not carried out any detailed study on this project. There are even views that the Government is acting in defiance of nature, overriding science with the will of Hong Kong communists. Why do I say that the authorities fail to carry out a detailed study? Previously, the measures announced by the Government in the policy address have mostly gone through years of gestation and studies; but the Lantau Tomorrow project announced by Carrie LAM in her Policy Address has obviously not been endorsed by any study. When she was asked why the area of reclamation has become 1 700 hectares instead of 1 000 hectares, she said that she forgot and was not clear about the change. As regards the cost of reclamation, she gave different amounts at different times, ranging from \$400 billion, \$500 billion, \$300 billion to not exceeding \$1,000 billion. She announced the project even when the most basic cost estimation was not available. When people and the media ask how to ensure that the artificial islands will not be submerged given that the greenhouse effect will raise the sea level and enhance the force of typhoons, the authorities say that all such risks are within control.

I want to ask Members, especially those who advocate learning from Singapore: Has typhoon Signal No. 10 ever been hoisted in Singapore? We should not follow suit to go for reclamation for the sake of catching up with Singapore. Since the Government has failed to give appropriate responses, both the media and academics query whether the Government has adopted the proposal of Our Hong Kong Foundation of reclaiming 2 200 hectares of land, and after making certain adjustment, proposed the current plan of creating artificial islands by reclaiming 1 700 hectares of land.

To our surprise, Our Hong Kong Foundation has estimated that waves at the artificial islands in central waters will not be higher than two meters. The Government has not denied that it has made reference to the Foundation's report. Consequently, members of the public mistakenly think that or their intuition tell them that the Government has accepted the analysis of Our Hong Kong Foundation about reclamation and thus keep quoting the saying that waves will not be higher than two meters in the reclamation zone. People even think that Carrie LAM has rashly made such an important decision without conducting scientific assessment.

The above signs indicate that Carrie LAM is becoming more and more inclined to learn from the Communist Party of China and has learnt its essence of upholding the political slogan of "man will conquer nature". Without scientific

basis and stringent assessment, she has hastily proposed this option. The entire Lantau Tomorrow project is similar to the land increment proposal during the Great Leap Forward period. Carrie LAM and the Hong Kong communist politicians firmly believe that "the bolder the man is, the higher yields the fields will turn out", hence they certainly support this project.

The third sin involves financial issues. Will the Lantau Tomorrow project deplete our reserves and will transfer of benefits exist? Frankly speaking, this project, like the Great Leap Forward, is taken forward blindly without scientific verification. Once the preliminary study of this project commences, there will be no return. The authorities claim that they are only seeking several hundred million dollars for the preliminary study; the amount applied is not hundreds of billion dollars or even a thousand billion dollars. However, once this project commences, there will be endless trouble which will affect the future generations.

The cost of the Lantau Tomorrow project is still a mystery. The Government also refuses to provide statistics and the cost estimates vary every time. Nevertheless, it can be estimated that the cost of reclamation and transport infrastructure works for linking the reclaimed areas will be close to \$1,000 billion. However, it is meaningless to estimate the project cost, as cost overruns of several-fold will probably occur. Who knows by how many times are the cost overruns of the West Kowloon Cultural District and the Hong Kong-Zhuhai-Macao Bridge. Some say that the Lantau Tomorrow project might eventually cost over \$1,000 billion. Do not think that we are exaggerating the severity of the matter to scare the public.

In order to achieve a great leap forward for land supply, the Hong Kong communist regime will definitely resort to every means to use all the resources to reclaim land and build roads. Financial Secretary Paul CHAN once said that debts might be raised for funding the reclamation. This Council will debate green bonds next week. Reclamation should be green, right? As a smoke-free island will be created after reclamation, let us raise the fund with green bonds. Actually, in order to make people support using public money for reclamation, many Hong Kong communist politicians boldly state that the revenue from the sale of reclaimed land will be even greater than the expenditure on reclamation. In other words, a small cost may bring a handsome reward. However, I must point out that reclamation for Lantau Tomorrow is not only an unscientific great leap forward of land supply, but also a huge financial swindle. Apart from the high construction cost of artificial islands, there are great hidden risks of cost

overruns, turning the project into a financial black hole. If we have to raise debts, the next generation will have to bear a heavier financial burden. If China enters into stagflation for an extended period, resulting in a prolonged cycle of falling land prices in Hong Kong, we might not be able to fill the financial black hole with revenues generated from the sale of reclaimed land on the artificial islands upon their completion. Therefore, artificial islands might become an abyss with the investment never recovered, leaving the bill to be paid by the next generation or even the generation after next.

Currently, all the justifications supporting reclamation are just empty talks. To put it nicely, the reclamation project is just like a concept stock; to put it bluntly, it is just a swindle. Carrie LAM will certainly act arbitrarily to kick off the works of the artificial islands as soon as possible. Why is she so anxious? As we all know, once the first bucket of sand is poured for the artificial islands, there will be no return. The reclamation works must proceed. Contractors, engineers and the construction industry will then pocket money. Mr CHAN Kin-por's insurance industry will definitely enjoy more benefits. Some say jokingly that the construction industry must work to get paid, but the insurance industry can just sit back and get paid. As inferred by the former Director of Planning, the option of artificial islands might be proposed by engineers instead of town planners. For engineers, all works are possible provided that there is money and time. For the engineering and construction industries, Mainland contractors and even the insurance industry, the more difficult the works, the better; the higher the project cost, the better. It does not matter if the works drags on and on, for there is bigger scope for cost overruns, making it easier to deplete the public coffers to enrich themselves. The transfer of benefits in the artificial island project might affect the next generation, so I call it a swindle. We must be resolute in opposing this financial swindle of the century. The project put forward by Carrie LAM is actually the greatest robbery since the inception of Hong Kong; she will rob all people of Hong Kong without having to wear pantyhose over her head.

Let me provide some additional information. According to a recent survey conducted by the pro-establishment Hong Kong Research Association ("HKRA"), opponents of Lantau Tomorrow are not only restricted to supporters of the so-called democratic camp or opposition camp. Some members of the pro-establishment camp also oppose reclamation, or they have great reservation about the reclamation plan. We always regard HKRA a relatively pro-establishment organization and its targets of research are mostly supporters of

the pro-establishment camp. Anyway, the results of the survey indicate that 46% of the respondents opposed reclamation, and only 36% rendered support. I believe HKRA's survey has certain effect. At least, it reflects that there are more opponents than supporters.

Recently, pro-establishment academics scrambled to sign up to indicate their support for reclamation. However, I am very disappointed after reading the jointly signed document. First, the figures quoted in the entire document are very sloppy, without explaining the justification for assuming that flat prices will definitely reach the level of \$9,000 per square feet after 10-odd years. In fact, an economist has written an article to oppose such a view. Dr Andy KWAN opined that given the current downward trend of land prices, he has doubts about the future revenues from sales of land in the artificial islands. He explained that the calculation of land prices would be affected, to a certain extent, by the prevailing economic environment, and estimates made at different times would have different results. Are the estimates cited in the jointly signed document made at a time when land prices hit a record high or when land prices started to fall? In respect of the presentation of figures and the analysis of information, the jointly signed document by a number of economists are of inferior quality as compared to the blog entries of LAM Chiu-ying, former Director of Hong Kong Observatory. LAM Chiu-ying has at least gone online to examine the Government's figures and the consultant's report of Our Hong Kong Foundation in detail; but the economists of the jointly signed letter have only estimated, on their own, the actual revenue from future reclamation, which was indeed too subjective and sloppy.

In fact, as this reclamation project will span a fairly long time, economic crises may occur in the interim. Unfortunately, the academics who jointly signed the submission, including stock and horse racing commentators, have seldom succeeded in forecasting risks, according to past experience. Before 1997, no academic could forecast the Asian financial turmoil, and no academic could forecast that property prices in 2003 would drop to 20% or 30% of the prices in 1997. There is no mention of any economic and geographical risks in the document, as if things would go smoothly with steady increases and a bullish market in the coming 10 to 20 years. Being Members of the Legislative Council and responsible representatives of public views, we put forward such queries and urge people to be careful. We cannot blindly sing praises for the project. This is our basic obligation. Just now Mr CHAN Kin-por talked about pouring sand for money; his tone sounds like a swindler selling fake medicine. "Granny,

bring all your valuables to me, and you will get back a double, triple, and even quadruple return tomorrow. Don't say that I haven't counted you in." Then, a by-stander would say, "Granny, let me join first. You can go home and think about it, but you may miss the chance to get a fortune when you come back."

I understand that it is necessary to solve the land problem, but do not support the Lantau reclamation blindly. If people instantly associate land formation to reclamation, and think that by creating more land, the problems of Hong Kong can be resolved, their thinking is really too simple. Although the Lantau Tomorrow does not cover all the initiatives in the Policy Address, just this option alone is enough for us not to support Carrie LAM's Policy Address 2018.

MR LAU KWOK-FAN (in Cantonese): President, the Chief Executive proposed more than 200 new initiatives in the Policy Address and quite a number of them involve major policy changes, including reviewing the public-private housing split, abolishing the arrangement for "offsetting" severance payment and long service payment with MPF benefits and redistributing traffic among the three tunnels. However, I believe that the focus is always on the land problem, or more accurately, on Lantau Tomorrow.

I will not say whether the above initiatives are good or bad but I think the Policy Address demonstrated the Government's resolution and commitment, and the new initiatives are controversial and targeting problems that have not been solved over the years. The Government really needs to come up with a proposal to tell Hong Kong people that it is willing to take up responsibilities and solve the problems. Therefore, I think many parts of the Policy Address are worth considering; though we all have different views, we can help the Government to improve the relevant policies through debate.

As I am the spokesperson of the Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB") on development affairs, my speech today will focus more on development. In the debates these two days, most Members mentioned Lantau Tomorrow. Lantau Tomorrow is a reclamation project; DAB and I support reclamation because Hong Kong needs to open up new land to meet future needs and provide land reserves for the Government.

Having listened to the views expressed by opposition colleagues these two days, I think their remarks are the same as their previous remarks on some

controversial policies, that is, their statements are divorced from reality, they provoke confrontation and dissension, and they raise a false alarm. Let us review their opinions.

First, some Members think that instead of spending money on Lantau Tomorrow, the Government should spend more money on health care, social welfare or other policies and measures. In fact, the government resources for education or social welfare have accounted for the largest share of public expenditures. Can resources be further increased or can improvements be made? The answer is certainly in the affirmative, but as there are still a lot of matters to be dealt with in society, why can't actions be taken concurrently?

Members query why brownfield sites or other sites are not used, given that housing development will only be completed 20 to 30 years later even if Government launches the reclamation project now. Why said that the Government has not used brownfield sites and agricultural lands or has not taken other measures?

The Government has proposed the Land Sharing Pilot Scheme ("Pilot Scheme") in the Policy Address and has formulated policies on the development of brownfield sites. However, is the development of brownfield sites and large new towns really much faster than reclamation? From my experience as a North District Council ("DC") Member, the North East New Territories New Development Areas project has recently been approved and land resumption will be carried out soon. Let us not count the time spent on forming the concept. I started to deal with the project after I became a North DC Member; the first round of work was conducted after the project was submitted to DC for consultation in 2008, but it was not until this year, i.e. 10 years later, that land resumption was approved and land resumption will only be started next year. After the land is resumed, formation works will be undertaken before the commencement of construction; the whole process takes around 20 years.

Therefore, even if sites have been identified today, it does not mean that housing construction can commence tomorrow. The whole process will take a long time. How come opposition colleagues do not mention that the development of brownfield sites or agricultural lands takes more than 10 years? If a reclamation project can provide more than 1 000 hectares of land for future development, why should we not proceed today? Although it may take a longer period, we must make the first step; otherwise, the land problem in Hong Kong

will only become more and more serious. Therefore, I urge Members not to engage in confrontation, saying that reclamation would exclude the use of agricultural land. The land problem in Hong Kong can only be effectively solved under a multi-pronged approach.

Second, the remarks made by opposition Members are divorced from reality. They think that reclamation involves public money and takes a long time; and Singapore excels in all aspects. The opposition camp only sees the merits of other places. Singapore has Housing and Development Board flats and desirable policies, but such success can only be achieved through certain processes and hard work. Yet, opposition Members have never talked about these processes and they only talk about the merits of other places. Their comments are impractical and divorced from reality.

For a patient to recover from illness, he may find Chinese medicine bitter and injection painful. Costs will certainly be incurred, especially for some issues that have been argued for a long time. In the past, owing to the cessation of production of Home Ownership Scheme ("HOS") flats and the reduction in public housing production, many problems have been accumulated. In order to solve these problems, short-term inconvenience or pain is inevitable. If we have to carry road expansion works in the districts, temporary road closure will also affect the public. However, such disruption is essential for the sake of having better and wider roads in the future. If a market is to be refurbished, its operation may have to be suspended for a month or two, causing inconvenience to the residents, but this is inevitable for the purpose of improving the environment of the market. So, we should not be divorced from reality, we cannot only want the benefit but refuse to bear any inconvenience. This is impossible.

Some Members also raised alarmist talk, saying that Lantau Tomorrow will deplete our reserves. With a reserve of only \$1 trillion at present, Lantau Tomorrow will deplete all our reserves. Members of this Council should know what cash flow is. Of course, I think the Government also has to provide more comprehensive or accurate figures to illustrate how much money will be spent in each stage. An important point is that the Government has income each year and it may have surplus, hence it should hard to attain a fiscal balance. However, many colleagues have not mentioned this point at all, they seem to suggest that the Government will spend money for the following 20 years in one go. This is a totally unfair remark.

Furthermore, opposition Members' remarks have aroused dissension and confrontation. They claim that housing units to be completed in the future are not for Hong Kong people but for new immigrants and Mainlanders. These remarks have raised fear among the public and I also doubt if Members making such remarks are ignorant about the public housing policy. All applicants of public housing must meet the basic income and assets requirements and half of the family members in the household must be Hong Kong permanent residents. This requirement is to meet the needs of Hong Kong permanent residents, disregarding the fact that their spouses may be new immigrants. Yet, people have the freedom to choose their partners for marriage. How can some Members say that newly completed public housing units are for new immigrants? The tenants are Hong Kong permanent residents. These are all alarmist comments.

Some Members said that new immigrants have made Hong Kong increasingly crowded, and I found the words "abolishing small houses" written on the placards of opposition Members sitting opposite to me. On the one hand, they said that new immigrants have made Hong Kong increasingly crowded and there is a shortage of housing units for the public; on the other hand, they target at indigenous inhabitants who are born and bred in Hong Kong and whose ancestors had lived in Hong Kong for a few hundred years. I declare that my mother is an indigenous inhabitant and I grew up in a village since childhood. Some indigenous inhabitants surrendered plenty of land for the development of new towns years ago. I also want to emphasize that small house concessionary right is definitely not a privilege, but a kind of compensation under certain policies. Years ago, in order to develop new towns, the Government resumed land and set limitations. Originally, all indigenous inhabitants could build houses on the land they owned without limitation. However, since the Government implemented the small house policy, limitations are set on small houses. Nonetheless, this is a kind of policy compensation, as in the case of rehousing squatters affected by the North East New Territories Development Plan to public housing or Hong Kong Housing Society units. Of course, as some people have said, times have changed and the small house policy may have to be adjusted in light of the current surge in population. For example, allowing small houses to increase in height or to have other forms of developments. All these are negotiable. However, I hope that opposition colleagues will not target at the new arrivals and exert pressure on the indigenous inhabitants of the New Territories. This is unfair to them.

Some Members have mentioned that the Government has to purchase sea sand for reclamation and as sea sand is very expensive, a lot of benefits will be transferred to the Mainland. Since there are many professionals and even engineering companies under the Government, I believe they should know how to calculate the transportation costs and unit costs involved in the purchase of sea sand, and they will purchase sea sand from suppliers at reasonable prices. If sea sand is not available in Hong Kong, we have to purchase it from other places. Hong Kong people eat pork supplied by Ng Fung Hong from the Mainland every day; can we say that we are transferring benefits to the Central Government of the Mainland? The vegetables and groceries that we consume are imported from the Mainland; are we also transferring benefits and money to the Mainland? Most products used in countries around the world are made in China; are they transferring money to the Mainland government?

The only purpose of making these remarks is to hold the Government back. In fact, opposition Members are highly contradictory. While they say that people living in subdivided units are very miserable and there is a shortage of housing units for Hong Kong people, they are hindering the Government's implementation of a favourable project that can solve the housing problems of Hong Kong in the long run. May be they are happy to see conflicts created in Hong Kong and they survive amidst such conflicts. As Mr CHAN Kin-po has said, the younger generation or those living in subdivided units should really put aside conflicts and work together to find a solution to the housing problems of Hong Kong. It does not matter if some people have doubts or disagreements about the Lantau Tomorrow project; the project can be discussed and the relevant measures or contents can be amended or adjusted to minimize difficulties. I think this approach is down-to-earth and pragmatic.

Do the public really oppose reclamation? We have noticed from the report of the Task Force on Land Supply ("Task Force") that reclamation is the choice of most people and this kind of social consensus is rarely seen. Even though some people have reservations, their main concern is the priority of land development. If reclamation is the final choice, why should we not implement it earlier? We often talk about the poor living conditions of Hong Kong people, the severity of the problem of subdivided units and the fact that the number of applicants on the Waiting List for public housing constantly hits record high. Under such circumstances, we should take a step forward at an earlier stage and formulate short-, medium- and long-term plans to solve the housing problem.

Regarding the Lantau Tomorrow project, the Government must be prepared to face an avalanche of doubts and mud-slinging, or the confrontation, dissension and alarmist talk of the opposition camp. It has to explain in detail to the public why the reclaimed area will be increased from 1 000 hectares to 1 700 hectares; the estimated budget and how these figures are arrived at; specific planning; future benefits and the importance of the project, etc. I believe the Government's explanation can dispel the doubts of the entire community, which will be conducive to the implementation of the Lantau Tomorrow reclamation project. As I said earlier, as the public have a lot of doubts about the North East New Territories Development Plan, more time has unnecessarily been taken and the plan has been forcibly shelved. If the disputes over Lantau Tomorrow can be resolved as soon as possible, I believe the speed of implementation will be faster in the future and the needs of the public can be met earlier.

The Task Force has studied how to identify 1 200 hectares of land in Hong Kong to solve the housing problem. At that time, the figure was said to be most conservative because other factors such as providing members of the public with quality life and building elderly homes or hospitals have not been considered despite the importance of such facilities. Even if brownfield sites or other sites will be used, we are actually changing the land use for other purposes. Instead of only changing the existing land use of sites in the same pool, why do we not consider the development of sites that belong to the Government but have not been designated for other uses? I think the vision of Lantau Tomorrow is desirable and worthy of support. Hence, I hope the Government can give further explanation at the future meetings of the Finance Committee or of the relevant panels, so as to foster public consensus on reclamation and promote Lantau Tomorrow jointly.

Apart from Lantau Tomorrow, we have also discussed the Pilot Scheme, which is also an important proposal in the Policy Address, the implementation of which will fill the gap in respect of land supply in the short to medium term.

Of course, the Pilot Scheme cannot replace the Government's mode of resuming land for development. The Government has never arbitrarily resumed land. Hong Kong has always respected private property rights, which is our core value. One of the conditions for land resumption is that the site must be used for public purpose such as construction of roads and public housing. Nevertheless, should housing development in Hong Kong be restricted to the development of public housing? Moreover, since public housing applicants

must meet the income and asset requirements, the Government must also allow private housing development as options for members of the public. Even though the Government has adjusted the public-private housing split to 7:3, there are still 30% of units to be built by private developers.

At present, there are a lot of abandoned agricultural lands in the New Territories which is a great pity. However, the Government will not resume all sites for public housing development because it has to reserve 30% of the sites for private housing development. In this case, why does the Government not consider implementing a better proposal to set up an open, transparent and independent steering committee to handle abandoned agricultural lands, so as to speed up development? Does this mean that the abandoned agricultural lands held by developers or private landowners cannot be used for housing? That is not the case. In fact, the Town Planning Board ("TPB") has established a system to convert agricultural lands or brownfield sites into sites for housing construction by changing the land use planning. This approach is known for its effectiveness and is currently adopted. However, as TPB seldom deals with infrastructure and road facilities, very often the land use will only be changed to residential (Group C), i.e. low-density residential developments and the plot ratio is only around 0.4.

The opposition camp often queries whether there is a need for so many low-density residential developments in Hong Kong. The objective of the Pilot Scheme is to effectively use the abandoned sites and transfer some of these abandoned sites to the Government for building public housing, which accounts for 60% to 70% of all housing. The Government does not have to forcibly resume these sites and such sites can be resumed under the Scheme. This is the objective of the Scheme and it has already been achieved. If private developers have comprehensive plans, the plot ratios can be further increased from 0.4 to 3 or 4. This is an effective way of using land.

Will the public be benefited? They will definitely be benefited because the additional 60% to 70% of sites can be used for building public rental housing or HOS flats for sale. To successfully implement a project, the relevant stakeholders must be benefited. Is it logical to think that people would prefer a lose-lose situation should stakeholders be benefited? Regarding the Pilot Scheme, the Government has yet to give a detailed account, including the composition, approval and criteria, etc. Therefore, I hope the Government can

tell the public openly and explicitly its approach, so that more abandoned agricultural lands can be put to optimal use under the Pilot Scheme to build more housing units.

Concerning Lantau Tomorrow and the Pilot Scheme, there are some preconditions that should be noted by the Government. First, the sites under Lantau Tomorrow and the Pilot Scheme, as well as the brownfield sites are mostly located in the New Territories, but traffic conditions in the New Territories are very poor at present. In the case of New Territories East, although new towns such as Sha Tin, Tai Po and North District have been developed for dozens of years, there are still only one railway and one road, i.e. the East Rail and the Tolo Highway. Residents going to work every day have to travel on congested trains and get caught in traffic congestion. With the development of North East New Territories by the Government, a large number of residents will move to Hung Shui Kiu, not to mention the increase in residents upon the implementation of the Pilot Scheme and the development of brownfield sites. The Government really has to give due consideration to this issue. The Secretary for Transport and Housing and the Secretary for Development are present; they must properly deal with transport problems, especially the problems with railways or major roads. This is the most important task and I have not discussed the Northern Link which is now under planning.

As regards job opportunities, if the Government only deals with transport problems without arrangements for job opportunities, its efforts will also be futile. The pattern of people's daily life is that they get up in the morning, travel southward to work and then after work, they travel northward to return home. Only half of the roads are used every day, but the usage rate reaches 100% or even exceeds the capacity. Since we have development projects in Lok Ma Chau Loop, Liantang and Hung Shui Kiu in the future, why does the Government not build a Central Business District in New Territories North? I hope the Government can take the lead in moving government units or facilities to the New Territories and creating a Central Business District in the New Territories to provide more job opportunities.

Lastly, I would like to talk about removing the barriers. As we all know, the procedures for housing construction are multi-layered. At present the Buildings Department, the Planning Department and the Lands Department have their own standards; these inconsistent standards made things difficult for the developers and the Government. Therefore, the Government must properly remove the barriers and this is a problem that it must deal with.

Of course, proper compensation and rehousing are extremely important. Take North East New Territories as an example, the problems have been dragging on for many years and they should be resolved quickly now. The Secretary has recently visited the districts to explain the North East New Territories Development Plan to the squatter residents and I know that the residents are very supportive. Residents asked when the Government would resume land and whether they could move into public housing units after they have surrendered their units to the Government. In the past, they definitely did not want to surrender their units, but as the Government has put forward favourable compensation and rehousing proposals, they are now willing to surrender the sites to the Government in exchange for early allocation of public housing units. Hence, compensation and rehousing are extremely important and I hope that the Government can do a better job.

Of course, consultations on many of the projects mentioned above have to be conducted in the districts first. Hence, I would like to take this opportunity to talk about district administration. The year's Policy Address has not mentioned much about district administration but a lot had been mentioned in the past, e.g. accelerating the construction of indoor recreation centres, cultural and recreational facilities, etc. However, not much has been said on these topics this year.

DC members are representatives of public opinion in the districts and many members of the public trust DC members a lot. They will seek help from DC members in the first instance to deal with their problems, be they related to family or community issues. Even if some issues are related to the Government or other private organizations, the public will first seek help from DC members. This proves that DC members are becoming more and more professional and mature, and they serve as indispensable bridges between members of the public and the Government.

Nonetheless, let us consider the current remuneration of DC members. They are basically on call 24 hours, but it seems that they are not duly awarded. I will not talk about their remuneration for the time being and will talk about their working conditions first. Each year, the Government allocates operating expenditures to DC members for hiring staff, renting offices and promoting district affairs. However, after looking up the information of the past two years, I found that the funding had only been increased by 1.5% and 1.2% respectively. What is the rate of rental increase in Hong Kong? What about the rate of pay

rise of employees in Hong Kong? DC members sometimes do not want to pay very low salaries to their staff as they work hard throughout the year. Yet, as the expenditures of DC members are accountable and government funding has increased by a mere of 1.2%, should DC members only increase the salaries of their staff by \$100, \$200 or even dozens of dollars? The government funding has only increased by 1.2%, but the rate of rental increase may exceed 10%. DC members very often have to pay out of their own pockets to carry out district work.

The situation is getting more and more difficult. In the past, DC members might only have to hire one assistant, but now, hiring two assistants may still not work, and some colleagues even have to hire three assistants. I used to hire about 2.5 assistants. It is particularly difficult for DC members working in old districts as there are many private buildings and many owners' corporations seek help from DC members. DC members really need to hire a number of assistants to provide help. In addition, as DC members want to provide quality services to the public, they may require applicants to be competent in using social media platforms; have university degrees and relevant experience; be responsible and have good communication skills. They must provide reasonable salaries if they want their assistants to stay in service. Yet, it is a pity that many DC members can only afford to pay their assistants \$9,000 to \$10,000-odd a month. In the first year or two, their assistants might generally be willing to stay as they also wanted to have more opportunities to keep in contact with the districts and to learn, but they will leave two to three years later after they have accumulated some experience. If DC members have to hire new assistants every year, how can they provide stable and reliable services to kaifongs?

Hence, I very much hope that the Government will be practical and realistic. DC members have to face the problem of incessant rise in rent and even the Housing Department has increased their rent by 8% to 10%. How can the Government only make reference to the inflation rate when adjusting the expenditures of DC members? The Government has only increased the funding by 1.2% on the basis of the inflation rate of 1.2% without considering the increase in staff salaries and rents. If the Government adjusts the relevant rate of increase, it will enable DC members to establish a stable and excellent team of assistants; thus strengthening the cooperation with the Government, improving district administration and ultimately benefiting the public.

As some Members have reflected from time to time, the progress of some district projects has been slow or the proposals raised will very often be discussed for years and can hardly be implemented in the districts. The reason is that under the Capital Works Reserve Fund system, projects involving more than \$30 million must be approved by the Finance Committee of the Legislative Council. Nevertheless, as we know, there is very often a huge backlog of business to be dealt with at the Finance Committee and the funding application of some district projects may not be handled within a foreseeable future. In fact, the last revision was made in 2012 and the project cost has substantially increased between 2012 and 2018. Is the threshold of \$30 million still appropriate? I think it is absolutely inappropriate. Should the Administration and the Legislative Council make appropriate adjustments to the standard in light of inflation? If the threshold of \$30 million continues to be adopted, it will be difficult for DC members to seek provisions for additional cultural and recreational facilities or livelihood-related facilities in the districts. If the Government wants to grasp public sentiments in the districts before promoting the relevant initiatives, it is necessary to review the relevant figures.

In fact, I still want to discuss many topics, including the cultural aspects such as setting up Jao Tsung-I Gallery or Jin Yong Gallery in the West Kowloon Cultural District but my speaking time is limited. I hope that we can work together to resolve the conflicts in Hong Kong and build a better Hong Kong.

President, I so submit. Thank you.

MS ALICE MAK (in Cantonese): President, I wonder if colleagues have seen the following scene in a television drama or a movie: Someone opens the door and says "Surprise!", trying to give a pleasant surprise to another person and make him/her happy. Yet, the other person makes no response as he/she does not find the act surprising and does not even know how he/she will be benefited. The Policy Address this year did give us such a mood. Government officials thought that they have given the people a pleasant surprise and members of the public would be happy and applauded, but the truth was another story. For example, when I talked about the identified sites for markets yesterday, some people thought that the sites identified had nothing to do with them. As regards the initiatives proposed in the Policy Address, perhaps owing to the presentation approach or the lack of time in forming the initiatives in the districts and

communities, people were indifferent or did not see any pleasant surprises. When government officials expected that the public would applaud, the public not only did not applaud but might even raise objection.

First of all, before I formally give my speech, seeing that the Secretary for Transport and Housing is present, I have to take the opportunity to point out to him the serious problems of traffic congestion and overcrowdedness at the bus stations in Tung Chung after the commissioning of the Hong Kong-Zhuhai-Macao Bridge ("HKZMB"). The Government was really smart as it came up with the idea of diversion yesterday. However, after the Government's announcement of the diversion measures yesterday, our office in Tsing Yi received calls from the public at night, asking if the Government would really divert the crowds to Tsing Yi; if so, the Government would really give them a surprise. Let me remind the Secretary for Transport and Housing, after the commissioning of HKZMB, the problems of overcrowdedness and heavy traffic flows in Tung Chung must be addressed. While diversion is important, the authorities should not think that the problem can be solved by diverting people to Tsing Yi to gather at the Tsing Yi Station of the Airport Express. This arrangement will only affect the traffic in Tsing Yi. As Tsing Yi is not a place with accessible transport, it is not suitable for diverting the crowds. Here I have to solemnly state that if the Government's policy blunder has brought surprises to the public, resulting in serious traffic congestions in Tsing Yi, the Government must bear all consequences and we will also hold the Government responsible for that.

The second surprise brought to us by the Policy Address is Lantau Tomorrow. Both the idea and direction of Lantau Tomorrow are good as it will bring a sufficient land reserve to Hong Kong. Developers in Hong Kong do have reserved a great deal of land but how much land does the Hong Kong Government have? Not much indeed. Hence, if land can be created through reclamation under Lantau Tomorrow, giving us a steady land supply in the long run, people will have confidence in the Government that it can increase land supply and has land to resolve the housing problem. This is desirable. However, as I said just now, owing to the limited time to develop this policy before its announcement, the public are surprised and the policy is not well received. As the information provided by the Government is scanty, the public will easily accept hearsay rumour and accept information that is easier to grasp, and hence they will think that Lantau Tomorrow is no good. Therefore, I think the Government must expeditiously provide the public with sufficient information, lest such a good idea is demonized and smeared as something bad.

Just now, classmate CHU Hoi-dick—he described Members as primary students. If we are classmates, then I am a senior student and he is a junior student. Just now, classmate CHU Hoi-dick talked about the shortcomings of the Lantau Tomorrow project, and commented on the essays of other classmates. He queried why the Government has to maintain the Victoria Harbour as the Central Business District ("CBD"). However, when the Government proposes to develop other areas as CBDs, what do the opposition Members say? They query why it is necessary to develop the area, and they doubt if the Government wants to benefit developers, so on and so forth. They will criticize whatever approaches adopted by the Government. Hence, whether a policy is good or bad is totally up to their liking.

Since the Secretary for Development and Secretary for Transport and Housing are both present, I would like to ask them to remember the words of classmate CHU Hoi-dick. He asked the Government to develop a third CBD in New Territories West. When drawing up future development plans, the Government should fully draw reference from classmate CHU's opinion and consider developing a CBD in New Territories West, that is, to increase commercial and economic activities in that area.

Classmate CHU also said that the overall planning of Hong Kong should be taken into consideration. We do have to consider the overall situation and Lantau Tomorrow is a plan that takes the overall situation into account. Just now I said that it was necessary to have land to resolve the housing problem. We cannot have all hat and no cattle. We must let people see that the Government has the capability and determination to increase its land reserves, and then the community will have confidence that we can fight against the so-called real estate hegemony today. If members of the public think that the Government is unable to create land, resolve the housing problem and fulfil its promise in the next 10 years, how can we fight against real estate hegemony?

More ridiculous still, classmate CHU described our fight against real estate hegemony as our fear of developers. How would one fear developers? This is not a question of fear or not fear, but an economics problem of supply of and demand for land. When I studied economics, I learned that a sufficient supply of commodities will push the price down. If we think that the present property prices are unaffordable to the general public, we have to ensure that the supply of land is not only sufficient but ample, and moreover, there is an ample supply of land in the long run. Only then can property prices be pushed down to a level

that is affordable by the public. Hence, the question is not whether we are afraid of developers but whether we are in a position that we can bargain with them. Classmate CHU's conspiracy theory is incorrect.

When classmate CHU spoke, I at first thought that he made sense. But what did he say later? He said that the reclamation of East Lantau artificial islands was to satisfy the needs of Beijing and the Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area"). This junior student should really have a better understanding of the situation and stop assuming that Hong Kong is very important. What is the relationship between Lantau Tomorrow and the development of the whole country? How can Lantau Tomorrow benefit the cities in the Greater Bay Area? Actually, the land provided under Lantau Tomorrow can only benefit the people of Hong Kong. He should not assume that Lantau Tomorrow can provide lots of land to benefit the cities in the Greater Bay Area, allowing them to reap profits from us. This classmate should have a better understanding of the overall development of the whole region.

My colleague Mr WONG Kwok-kin discussed the Lantau Tomorrow project in detail yesterday and clearly expressed our hope for building a long-term and steady land reserves, so that we will have the bargaining power to resolve the present housing problem. Concerning the problem of subdivided units, there are 210 000 people, or about 110 000 to 120 000 households, living in undesirable dwellings (subdivided units, cubicles, caged homes, etc.) in Hong Kong. If someone wishes to deceive these residents, telling them that if the Fanling Golf Course ("Golf Course") is resumed, their problems can be resolved ... First, The Hong Kong Federation of Trade Unions ("FTU") supports the resumption of the Golf Course for public housing construction, but can sufficient housing units be built by resuming the Golf Course alone? According to the Government, the land recovered from the Golf Course can build 4 000-odd housing units and some non-government organizations say that 10 000-odd units can be built. Even if 10 000-odd units can be built on the resumed land, the Government has to resume 10 golf courses to meet the housing needs of all people now living in undesirable dwellings.

Moreover, the Government must inject more resources into transitional housing. I always point out to the Government that it should not merely rely on the Hong Kong Council of Social Service and other non-governmental organizations to provide transitional housing. It should not stop injecting

resources and participating in the development of transitional housing just because those organizations are now responsible for the operation. The Government has indicated that it would consider establishing a fund and providing technical support, while non-governmental organizations would be responsible for the operation of transitional housing. In so doing, the Government will be accused of washing its hands of the matter. Frankly speaking, the last-term Government did refuse to provide transitional housing. We had discussed this issue with it but it ignored us. The incumbent Government is willing to get involved, but it has not put in sufficient resources and its involvement is not proactive. The Government not only has to provide resources but also make efforts to identify land for development of transitional housing. Otherwise, people will say that the Government only wants to create land by reclamation and is not willing to develop transitional housing to help the tenants of subdivided units. Hence, the Secretary for Transport and Housing has to proactively provide more resources and manpower for the development of transitional housing.

Some Members have criticized Lantau Tomorrow for violating procedural justice. They queried why the Government did not wait till the Task Force on Land Supply ("Task Force") has completed its report before putting forward the Lantau Tomorrow reclamation project. Honestly speaking, the opposition Members have earlier criticized the Task Force as worthless, but now they accuse the Government of violating procedural justice as it has announced the project before the completion of report by the Task Force. From this we can see that the opposition camp says different things at different times.

There are many ways to resolve the land supply problem. FTU supports the Government's invocation of the Land Resumption Ordinance to resume land, the Golf Course or brownfield sites. But we think that is not enough, because we do not merely have to resolve the housing problem of this generation or to resolve the land supply or housing supply problems for the next 10 or 20 years, we also have to ensure a steady and ample land supply in the long run, so as to gain the confidence of the public. Therefore, we have to resume the Golf Course, deal with problems concerning brownfield sites, invoke the Land Resumption Ordinance to resume agricultural lands, and at the same time, we have to create land by reclamation. If we cannot secure a long-term and steady land supply, how can we address the present problem of acute housing shortage and how can we provide affordable housing for members of the public?

Concerning the traffic in North West New Territories mentioned earlier, the development under Lantau Tomorrow enables a comprehensive transport development in that region. In other words, apart from the present east-west development, north-south connection is also possible. I agree that according to the present direction of development, the Government can build an additional link connecting to Route 11, but that is not enough. No matter how Tuen Mun Road is widened, the traffic is still very congested. In our view, the Tsuen Wan-Tuen Mun Railway should be built and Tuen Mun Road should be further widened. However, if the development remains to be in the east-west direction, the traffic problem faced by residents in North West New Territories can never be solved. With the opportunities brought by Lantau Tomorrow and the construction of artificial islands, there will be transport connections linking the region so that transport in North West New Territories will not be limited to the east-west direction but can be connected north-south, thus relieving the one-way traffic congestions during morning and evening peak hours.

We hope that the Government will expeditiously inform the public of such ideas and information. If the Government continues to keep everything secret, someone will offer the simplest explanation, saying that Lantau Tomorrow will only benefit Beijing and the Greater Bay Area rather than the people of Hong Kong. The Government must explicitly tell the public that upon the completion of the Lantau Tomorrow project, we will have ample land reserves and only by then can affordable housing be developed to resolve the problem of real estate hegemony that we mention time and again.

Some people always talk about fighting against real estate hegemony but have they considered that some of their views are ... Classmate CHU brought up the conspiracy theory, saying that opposing reclamation is tantamount to favouring developers. Just think, as I said just now, land supply involves supply and demand, and when there is an ample supply, the value of land in the hands of those with vested interest will depreciate, right? According to this logic, people will naturally think that in order to have affordable housing, there must be an ample supply of land for housing development. Why then should we hinder the increment of land supply? People with vested interest may know that when something is rare, it becomes precious. If less land is created, the value of their land will be higher, and so is the value of agriculture lands and brownfield sites. Therefore, the rationale of this conspiracy theory is very direct and that is what we really think. Who does not want Hong Kong to have a long-term and steady land supply? Who wants the land in Hong Kong to remain a precious

commodity? Who want the land they owned to become increasingly valuable, that it will only appreciate but never depreciate in value? Those are the people who own large amount of land.

These people with abundant capital can resort to various means to ensure that their land will only appreciate but never depreciate in value, hence their land will become increasingly precious. By then, they will not be afraid of any government plans because even if the Government invokes the Land Resumption Ordinance, how much land can be resumed? The Government might go ahead and resume the land. Actually, the conspiracy theory mentioned earlier is not totally groundless and some people indeed think so. As some of our colleagues have asked, have they received money to be the accomplices in real estate hegemony? People tend to have this kind of thinking. There is after all the question about who does not want Hong Kong to have ample land supply. Who wants the land to be increasingly precious? Who wants to see property prices in Hong Kong continue to rise but never falls so that his residential flats can be sold easily? And who will wrack their brains to make these happen? Members of the public must have discerning eyes.

Concerning the issue of technology, some remarks are really absurd. Some people say that sea sand is very expensive and that the Mainland has limited the supply of sea sand, etc., as if they could get grasp plenty of insider information. The issue of sea sand being expensive does not happen today; many people are aware of it but that is a technical problem. Besides, is sea sand the only material used for reclamation? Some say that inert construction waste can also be used. Some engineers have explained to us that it is not necessary to create the entire artificial island by reclamation. It is possible to lay certain facilities on the seabed by caisson method and it is also possible to recreate an ecological environment under the sea. In other words, the works can be carried out in a more environmentally friendly way.

If we all agree that Hong Kong needs amply land supply for housing development to address our present housing needs, we should support the Lantau Tomorrow project.

However, we must also rationally monitor the implementation of this project and ask the Government to ensure that the reclaimed land in the artificial islands will mainly be used for housing development, public housing mainly, so as to resolve the current problem of several hundred thousand people not being

allocated with public housing. We also have to ensure that the Government will adopt the most environmentally friendly method to reclaim land. For example, some engineer has suggested that a marine ecological environment can be reconstructed after reclamation. We must also monitor closely whether the Government has adopted the most environmentally friendly and cost-effective way to carry out the reclamation works.

Moreover, as regards how to ensure that the artificial islands can withstand the impacts of extreme weather, these technical problems can be resolved. If we all agree that we need land to build houses, care for the elderly and resolve transport problems, we have to think rationally how we should monitor the Government to ensure that the project will meet public needs at a reasonable cost and that environmentally friendly technology will be used. We also have to ensure that after the artificial islands are created, the residents can have a good living there. In other words, infrastructure facilities must be developed, so that residents will not be living in an uninhabited island. Sufficient facilities should be provided and transport should be accessible, so that after people have moved in, they will not be cut off from the outside world. We should rationally consider the above mentioned points, in the hope that the development of artificial islands will not only resolve the housing problem but also meet the daily needs of the people.

Just now classmate CHU said that the residents only wanted dessert rather than the whole meal and the goal could still be met without having to construct artificial islands. Without the artificial islands, how can a bridge be built connecting Lantau, the artificial islands and Hong Kong Island? When we discussed the construction of Route 11 to relieve traffic congestion problem in North West New Territories, many Members raised objection and criticized various proposals. If the Government only constructs the bridge but not artificial islands, will they definitely give support? Hence, if we hope that there will be sufficient land to address the housing problem in the long run, we should ensure that the land will be constructed in the most environmentally friendly way at the most reasonable cost. This is the best way to meet people's needs.

Speaking of the conspiracy theory, there are many ideas that people can come up with. Some say that the Lantau Tomorrow project will only benefit new immigrants but not local residents, as the project is designed to facilitate new immigrants' settlement in Hong Kong. Honestly, there are new immigrants coming to Hong Kong every day, mostly for family reunion. I once asked a

kaifong if he thought family reunion was wrong. He was married and was applying for his wife to come to Hong Kong. What is wrong with that? If you say this should not be permitted, we should first forbid people from getting married in the Mainland. But this cannot be done because people have freedom of marriage. Then, we must allow people from the Mainland to come to Hong Kong for family reunion. I hope that the opposition camp will stop using this kind of excuse to confuse the public, yet I believe they will continue to do so. I hope that people will not only listen to their arguments, thinking that by stopping new immigrants from coming to Hong Kong, we need not search for land in Hong Kong. As a matter of fact, disregarding demographic changes, (*The buzzer sounded*) ... we still need a long-term and steady land supply ...

PRESIDENT (in Cantonese): Ms MAK, please stop speaking.

MR WU CHI-WAI (in Cantonese): With regard to the benefits of Lantau Tomorrow, it is indicated in a joint submission made by a number of economists that the commercial spaces of Lantau Tomorrow will bring a revenue of \$360 billion from land sales; in other words, the project will certainly reap profits. Many colleagues have also mentioned that given the severe shortage of land in Hong Kong, we need an abundant land supply. These are probably parts of the facts. However, an important point has been ignored, and that is, a dynamic analysis of the direction of the future economic development in Hong Kong. As a matter of fact, either the value of land or the demand on land is closely related to the future economic layout of the entire society.

Just think, if re-industrialization is to be launched in Hong Kong, will this change the types of land required by us? If a large-scale cultural and creative industry chain is to be developed in Hong Kong, will different types of land be required? Unfortunately, discussion often focuses on the assumption that creating artificial islands through reclamation in the Lantau Tomorrow project will surely generate profits; or that everything will be fine in Hong Kong if only we have land. If we try to resolve the issue with this kind of "static" attitude, we will not be able to gauge the cost-effectiveness of reclamation from "dynamic" information.

The future economic locomotive of Hong Kong should be innovative technologies. Chief Executive Carrie LAM has been proactively encouraging Hong Kong's innovation and technology talents and professionals to look for

opportunities in the Greater Bay Area, as well as soliciting governments of the Greater Bay Area to provide policy concessions to Hong Kong people. If Hong Kong people choose to look for opportunities of residing and working in the cities of the Greater Bay Area, as Mrs LAM has suggested, and many innovation and technology enterprises also establish their bases in the Greater Bay Area cities, will there be fundamental changes in our land requirement? In fact, we do not have the answer.

Thus, the success or failure of Lantau Tomorrow does not hinge only on the availability of land to resolve all issues. In respect of promoting economic transformation, what result has the Government achieved to demonstrate to the people of Hong Kong that there is still a future for Hong Kong despite intensive competitions from the surrounding areas? What is the future economic layout of Hong Kong? Can we be convinced that reclamation will achieve the anticipated cost-effectiveness? As I said before, the reclamation projects of Singapore aim at creating land in response to the economic planning and layout of the entire country. They do not just create land without serving a purpose.

According to the section on Lantau Tomorrow in the Policy Address, the artificial islands will link up Central/Sheung Wan with Lantau, enhancing the synergy of these areas and creating extensive room for the development of conventional and emerging industries. However, in the answer given by Secretary Michael WONG to the questions raised earlier by Legislative Council Members, only office spaces were mentioned. Nothing was mentioned about emerging industries. He might have mentioned emerging industries, but his focus seemed to be on office spaces. So what actually is the real purpose of reclamation? Does the Secretary believe that the casual mention of some options will adequately inform the public of the importance of creating land through reclamation? I am of the view that the community can hardly be convinced for the future economic layout of Hong Kong is the key to whether Lantau Tomorrow should be implemented. Does the Government have an answer to that? Will the Government offer us some hints when it seeks funding approval for research and studies from the Legislative Council in the future?

Moreover, some people say that Lantau Tomorrow is introduced to meet the housing needs of tenants of subdivided units and the public. In other words, it seems that the Government does not have any other plans before 2032 to alleviate the plight of tenants of subdivided units and the predicament of the general public having difficulties in attaining home ownership. If so, what

should Hong Kong people do in the coming decade? If not, will dynamic changes have any impact on the scale of reclamation? We need more data before we can identify the crux of the problem. Thus, if the Government only claims that large-scale reclamation will be able to resolve the problem without producing concrete substance for our discussion, does it mean that the Government actually lacks the capability or means to resolve the present issue, and only resorts to "drawing cakes to allay hunger" for expediency?

In tackling the issue of brownfield sites, the Government often claims that it is difficult to identify land to accommodate the economic activities currently conducted on brownfield sites. But on the other hand, when the Government's funding proposal for a study on the reclamation in Sunny Bay was approved by the Legislative Council, the Government emphasized that land reclaimed in Sunny Bay would be developed into an entertainment node. Some Members from the pro-establishment camp even proposed building a motor racing circuit there. Is this proposal inconsistent with the present priorities of our land requirement or land use? In handling brownfield sites, the key of the entire land resumption process is how to tackle the economic operations on such sites. As this large piece of hard-earned land locates between the airport and the container terminal, should the land be developed into a suitable modern logistics centre? Will this facilitate the resumption of brownfield sites? Unfortunately, the Government has refused to act or discuss, disregarding the entire issue. Does this reflect that quintessential contradictions in government policies have yet to be rationalized?

When its policies have yet to be rationalized, how can the Government inform the public that the land presently obtained will be put to the optimal use? Does it mean that proposals put forward by the Government make sense while views of others do not make sense at all? In going to great lengths to realize reclamation first without further planning, is the Government "doing for doing's sake"? I find this approach most undesirable in government administration.

Finally, I would like to talk about the Land Sharing Pilot Scheme. When Carrie LAM was the Secretary for Development, she said that she decided to adopt the Conventional New Town Approach to resume land for the implementation of the North East New Territories Development Plan, so as to avoid collusion between the Government and business. But now she often claims that it is difficult to resume Government land as evidenced in the fact that not one land lot has been resumed since the commencement of the North East

New Territories Development Plan in 2008. If this is the case, how did she arrive at such a conclusion in 2012? Had she misled the public and the Government? I hold that Carrie LAM (*The buzzer sounded*) ... with regard to this issue ...

PRESIDENT (in Cantonese): Mr WU, please stop speaking immediately.

MR WU CHI-WAI (in Cantonese): ... is unwilling to challenge the core interests.

MRS REGINA IP (in Cantonese): President, I wish to speak on the area of housing. I would like to raise three questions. The first one is related to the basic factor, the principle or the conceptual aspect of housing. The second question is about the distribution of the housing market. The third question, as mentioned by Mr WU Chi-wai—he has just left the Chamber—is about the details of the Land Sharing Pilot Scheme.

First of all, as the Chief Executive has indicated more than once that housing is not purely a commodity, I wish that the SAR Government would clarify its views on housing. Traditionally, the Government held that housing constituted the fundamental needs of the general public, and was not a commodity. The Government later realized that enabling people to live and work in contentment would facilitate social stability. Hence, it followed the practice of Singapore and launched the Home Ownership Scheme ("HOS"). However, the Government has also put in place strict restrictions on resale of HOS flats, as the prime objective of launching this kind of subsidized flats is to enable people to live in contentment, but not to encourage speculation. This policy can be manifested in the following facts.

It was only in 1999 that the alienation restriction period of HOS flats was shortened from 10 years to 5 years. Owners who purchased the flats for the first time were also allowed to sell the flats to the Housing Authority at the original price within a period of two years after purchase. In other words, it was only after the reunification that the Government started to remove obstacles and barriers to facilitate the turnover of HOS flats.

I understand that many economists have encouraged the removal of obstacles and barriers in the hope of facilitating the turnover of housing units. The restrictions on resale period and resale target of a housing unit will certainly lower the price of the unit. In terms of economic theory, to achieve profit maximization and housing price maximization, obstacles and barriers must be removed. We also know that many economists—I do not have to name names as we all know who they are—have the expertise in property investments, and all of them have made a good fortune. They may wish to benefit the public and provide opportunities for people to earn more money. But this policy or idea of encouraging the commercialization of housing has only caused an incessant rise in housing prices.

Members of the public have solid demands—such as getting married to form a new family—for home ownership. Apart from that, many people believe that buying "bricks and mortar" or several parking spaces will certainly create wealth. They do not have to do anything but wait for such assets to appreciate. There are many drawbacks in this kind of expectation and market anticipation. First, it creates a forecast of self-realization and results in the incessant soaring of housing prices. Second, members of the public tend to invest all their resources in properties. In recent years, the Government has vigorously encouraged business start-ups by young people. Nevertheless, young people are not interested in starting their own businesses. They wish to join the professional sectors with the best option of working for the Government. According to a number of surveys, positions in the civil service are very popular.

We did not have the aspiration for property acquisition in the past. Take me as an example. Despite the fact that I could afford acquiring properties, I bought my first residential property at the age of 41. Until now, our Chief Executive has yet to acquire properties in Hong Kong. This is because we did not have this idea of commercialization of housing. I hope that the Government will return to the original intent. The major objective of the Government in providing subsidized housing is to enable the general public to live in contentment, but not to encourage them to speculate. I believe this view is in line with the views of most Members (particularly Members returned through direct elections) as they maintain frequent contacts with members of the public and listen to their views.

The Panel on Housing has passed five to six motions over the past two months—including the motions moved by Miss Alice MAK and Mr KWOK Wai-keung. Each motion urges the Government to review various subsidized

housing schemes, property prices, sale arrangements, resale restrictions and mortgage arrangements, with the hope that the Government will not encourage members of the public to engage in speculation. As for the motion moved by Mr SHIU Ka-chun, he suggested that the distribution of the housing market should be "5-2-3"—50% public rental housing ("PRH"), 20% subsidized sale housing, and 30% private residential housing—in the hope that the housing market can return to normal. First of all, the Government should provide housing for the most needy grass-roots people so that their basic needs can be met. Second, in calculating the income of PRH tenants, the Government should exempt the amount of the Working Family Allowance, so that low-income families will not become ineligible for PRH because of their application for the Working Family Allowance. Mr Vincent CHENG and Mr LAU Kwok-fan have moved motions to safeguard that the basic needs of the grass roots can be met. They proposed to conduct a study on the introduction of tenancy control measures and rent subsidy for the grass roots; incorporate transitional housing into the Long Term Housing Strategy; set the ratio of public and private housing at 7:3; and oppose the encouragement of commercialization of housing by the Government. I also have to mention Mr CHU Hoi-dick although I often disagree with his views. Yet, as a Member returned through direct elections, he maintains frequent contact with the public and the grass roots. Many of his views reflect the needs of the public. Regarding the Government's plan to create a housing ladder, Mr CHU said, "As the newly added public housing units lags behind demand, this Council urges the Government to create a housing protection ladder"—housing not home ownership—"to accord priority to the provision of transitional public housing for members of the public who have yet been allocated public housing units". It is clear that most Members of this Council and the general public hope that the Government will return to the original intent of allocating PRH units to meet the needs of the grass roots, instead of turning the units into commodities. It is also undesirable for the Government to promote the Green Form Subsidized Home Ownership Scheme and encourage turnover. On the one hand, the sale of one unit means one unit less; on the other hand, the person who sells the unit will become a client of property developers. Hence, it is not my wish that the Government will implement this kind of policy.

(THE PRESIDENT'S DEPUTY, MS STARRY LEE, took the Chair)

Finally, I wish to talk about the Land Sharing Pilot Scheme. Originally that was a public-private partnership project. Now the Government has put it under the glamorous name of Land Sharing Pilot Scheme. What actually does this mean? Does land sharing mean resuming the land of others by the Government? This is not possible as the Government has claimed more than once that the procedure of land resumption is extremely difficult, with the possibility of facing judicial review. Then how can we achieve land sharing? Regarding the public-private partnership projects initiated by the Government in the past, I did not oppose in principle as there were many successful cases. However, public-private partnership has always been ... Let me reiterate, the Government should return to the original intent. It should take into account public interests, instead of taking into account the interests of individual developers. Thus, I hope that the Government will give an account of the details of this initiative under the glamorous name of Land Sharing Pilot Scheme as soon as possible.

Thank you, Deputy President.

MR VINCENT CHENG (in Cantonese): Deputy President, I will mainly speak on the issue of liveable city in this session, with my focus being housing and planning matters.

First of all, I will define what a "liveable city" is. To me, a "liveable city" should at least be spacious enough to provide public space for the development of cultural industries as mentioned by Mr WU Chi-wai earlier and for people to have sports and leisure activities. Another element, which is more important, is the per capita floor area of accommodation. I think having a spacious home is the wish of us all; therefore, the per capita floor area of accommodation is of vital importance.

According to the figures announced by the Census and Statistics Department in 2017, the per capita floor area of accommodation of all domestic households in Hong Kong was 161 sq ft. This figure, however, had not taken into account the area of accommodation of households living in subdivided units. Meanwhile, "nano flats" are springing up in Hong Kong. Despite a slight decline in property prices recently, the price of private flats still stands at \$20,000 or \$30,000 per sq ft. While Hong Kong people have to pay more for flats, their living space is getting smaller and smaller. When people do not have a normal

living space, how can Hong Kong be regarded as a liveable city? As for public rental housing ("PRH"), the average living space per person is no less than 75 sq ft, and this standard has remained unchanged for years. It is therefore important to identify land for public and private housing development so as to meet the targets set out in the Long Term Housing Strategy. How to increase the production of PRH units is particularly important. That is why a number of amendments today have specifically mentioned Lantau Tomorrow and the reclamation project.

Reclamation is an option to me. Between 1985 and 2000, many reclamation projects in Hong Kong had created 3 000 hectares of land in total. Most of the land in Ma On Shan, Tung Chung, the new airport area, as well as Sham Shui Po in the urban area actually came from reclamation.

Although it is undesirable for the Government to announce, before the Task Force on Land Supply ("the Task Force") released its consultation report, the reclamation of 1 700 hectares of land under Lantau Tomorrow in the Policy Address, will it be right and proper for us to turn down this project hastily today? If we request to withdraw the project before having any detailed discussion, are we acting in a responsible manner? Absolutely not. On the allegation that houses built on the reclaimed land will not be allocated to Hong Kong people, we must analyse carefully to conclude if this allegation seeks to cause social dissension? Yet, the Government has to bear some responsibilities as it has to give a clear account to the public as regards how the reclamation project will be carried out properly.

At present, the public have a number of major concerns over this project. The first issue is the cost. How much will the project cost in total and in phases? What are its financial implications for the future of Hong Kong? Yesterday some Members from the business sector said that they had worked out the costs, and recently some scholars pointed out that \$800 billion of revenue could be generated from land sale. The Director of the Chief Executive's Office, on the other hand, advised earlier that reclamation would not cost as much as over \$1,000 billion. It is thus necessary for the Government to give us a more detailed account of the project costs. Besides, what are the location and size of reclamation? Is it true that 1 000 hectares of land will be reclaimed near Kau Yi Chau? Or will 700 hectares of land be reclaimed near Hei Ling Chau? There is much room for discussing these issues.

The Secretary has just returned to the Chamber. Last time, I asked the Secretary at the meeting of the Panel on Development whether the Government could give us a vision of the Lantau Tomorrow project. While the Government anticipates that the first batch of residential units can be available for intake in 2032, it is something which will not happen until 15 years later. Can the Government promise that with the completion of these units, the PRH waiting time will be shortened from 5.3 years and the number of PRH applicants will be reduced from 268 000 year after year to meet the target of allocating PRH units within three years in a specified time frame? Can the Government even tell us that with the development of East Lantau, the minimum living space per PRH tenant can be increased to more than 75 sq ft to give tenants a more spacious home? I think the Government should make these promises to give people confidence, hope and a prospect.

On the other hand, the Task Force, which listed 18 options in its public consultation, will hand in a report to the Chief Executive by the end of this year. The Government will then seek funding from the Legislative Council for conducting a preliminary study. Upon receipt of the report, I really hope that the Government will carefully assess the options proposed by the Task Force and calculate the aggregate area of land available 10 years later through reclamation, development of brownfield sites and implementation of the Land Sharing Pilot Scheme by public-private partnership, and to what extent the need for land can be met by then. I very much look forward to such information.

Just now, some Members remarked that the East Lantau reclamation project was not a prompt remedy to solve imminent problems. Secretary, that is true. I totally agree that we should build up land reserves by making a 10- or 20-year plan. However, the Government should also solve the imminent problems. I hope that the Secretary will take some short-term measures to remedy the situation. My proposal is to build transitional housing, and I am aware that the Chief Executive has talked about this proposal for a few times. In my view, the building of transitional housing has two merits: fast and cheap.

In terms of speed, I urge the Government to decide on the building of transitional housing in one or two years and complete the construction works expeditiously. If the building of transitional housing takes six or seven years for discussion and consultation, as in the case of PRH, why don't we build PRH instead? But how can this proposal be carried out expeditiously? I look forward to the Government's response.

On the rent issue, I think 25% of the average household income should be the benchmark for rent level and the level should not be too high. When I met the Secretary a few days ago, I could scarcely wait to propose a site for transitional housing. That is the temporary site at the junction of Yen Chow Street West and Tung Chau Street in Sham Shui Po currently used by the Slope Maintenance Section of the Lands Department. According to my estimation, this site can be used to build at least some 200 transitional housing units to be applied by tenants of subdivided units who have been on the PRH waiting list for more than three years. I hope the Government will be willing to earmark this site for the development of the first transitional housing project.

Deputy President, the Chief Executive stated in last year's Policy Address that we had to think out of the box to increase the supply of transitional housing by, for example, supporting non-profit-making organizations to explore the feasibility of constructing pre-fabricated modular housing on idle sites and exploring the wholesale conversion of industrial buildings into transitional housing with waiver of land premium. In my rough estimation based on existing information, the provision of community housing, the conversion of industrial buildings and the redevelopment project in Shek Kip Mei can provide no more than 1 000 flats in total. To the 110 000 households living in substandard housing, this small supply of flats is far from adequate, failing to meet 1% of their needs.

Although the Government has expressed its wish to build transitional housing on idle sites, I have not seen any progress so far. It seems that I am the only one who is working on this proposal by recommending a site. Can the Government inform us of the sites identified for transitional housing? In case my proposed site in Sham Shui Po is infeasible, will there be other possible sites? Seeing that each of the selected sites can only provide some 200 units, yesterday, I convey my aspiration to the Secretary and asked him to proactively consider my suggestions about transitional housing.

Firstly, given that there are 100 000 tenants of subdivided units currently on the PRH waiting list, will the Government tell us its target for supplying transitional housing in future? Let me give an example. The Government can say, while the number of transitional housing units available at present may be no more than a few hundred, it has set the target of providing 10 000 units in three years on a rolling basis. Can the Government provide figures of this sort, so that

we can at least have a vision? Meanwhile, the Government should put transitional housing under its housing policy rather than passing the buck to welfare organizations too easily.

Secondly, I urge the Government to provide a list of short-term tenancy sites the leases of which will expire soon. I have asked the Secretary questions about short-term tenancy sites and in the last Question and Answer Session, the Chief Executive told me to ask the Lands Department. I therefore looked into each of these relevant sites, only to find that they were all irregular in shape and small in area, with a size of only 500 sq ft to 600 sq ft. As suitable sites have already been leased out, we can only wait for the sites leases of which will expire soon. Can the Government provide relevant information for interested parties to make an early assessment and a positive consideration of these sites?

Thirdly, the Government should establish a sound platform for public communication. I urge the Government to establish a more open platform because its communication with the public is so ineffective that there is no way for interested parties to approach the authorities about building transitional housing. For those who are interested in building transitional housing, what should they do? I hope there will be an open platform.

Fourthly, the Government should provide financial support or economic incentives. The construction of transitional housing is believed to be costly. How can the costs be lowered to facilitate the development of transitional housing by dedicated members of the community? I hope that the Secretary will give more support, particular financial support.

I know it is by no means easy for the Government to build 10 000 transitional housing units in three years. However, Secretary, you must know that tenants of subdivided units are living in a terrible environment. While their home is as small as 100 sq ft, they have to pay a high rent of \$6,000 or \$7,000. Two weeks ago, I visited a family of four living in a subdivided unit. They only have one bunk bed, the couple sleep on the lower bed and the two daughters on the upper bed. Yet, the two girls are already 13 and 15 years old. Worst still, the toilet is situated right next to the bed, which is a common layout of subdivided units these days. How can the tenants sleep comfortably? Therefore, I really hope that the Government will review the situation. More than 100 000 tenants of subdivided units are now in need of urgent assistance.

Moreover, given the huge demand for subdivided units, many landlords currently refuse to sign tenancy agreements with their tenants. This chart illustrates the survey results announced by the Democratic Alliance for the Betterment and Progress of Hong Kong in early October. According to the survey, 14% of subdivided unit tenants said that they had not signed any tenancy agreement with their landlords because the latter were unwilling to do so; 5% of landlords indicated that they would negotiate the rent with their tenants fortnightly or monthly; and more than 30% of tenants said that the increase in rent might exceed 10%. Many landlords refuse to sign tenancy agreements, so that they can have the liberty to renew the tenancy or evict the tenants. Secretary, tenants of subdivided units do not even have the most basic dignity. Therefore, apart from proposing transitional housing development, I also hope that the Secretary will consider imposing rent control on subdivided units.

There is an apparent change in the supply of private domestic flats in Hong Kong, that is, an unrestrained increase in rents. Given that landlords refuse to sign tenancy agreements with their tenants, as I said just now, will the Government explore ways to impose rent control on subdivided units? I know there are worries that any rent control on subdivided units may give rise to "rogue tenants", a problem that had arisen when rent control was imposed in the past. In the light of such worries, we may focus on the crux of the issue by imposing some simple rent controls to prevent the landlords of subdivided units from raising the rents incessantly. I hope that the Secretary will consider the feasibility of imposing rent control on subdivided units.

Rent control and rent allowance should be implemented in parallel. Whenever we put forward the rent allowance proposal, the Secretary always says that this proposal will definitely prompt landlords to increase rents. If so, the Government should introduce rent control and rent allowance on subdivided units at the same time for the two initiatives to complement each other in reducing the burden of tenants.

The plan of providing transitional housing as mentioned earlier will take two to three years to materialize. In the meantime, I fail to see how the living conditions of subdivided unit tenants can be basically improved. In this connection, I truly hope that the Secretary will explore some short-term remedies for them.

Deputy President, lastly, I would like to conclude my speech with a famous saying. British Prime Minister Winston CHURCHILL said, "A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty." I believe tenants of subdivided units wish to live with dignity. They work hard every day; they take care of their children every day. They also wish to see opportunities in difficulties. Secretary, I hope that government officials will join hands with these tenants to rise to the challenge. In times of difficulties, we should act in concert to do a good job courageously in order to meet the short-, medium- and long-term housing needs of Hong Kong.

With these remarks, I support Ms Starry LEE's Motion of Thanks.

MR STEVEN HO (in Cantonese): During the last debate session, I had already talked a lot about the agriculture and fisheries industries. There are some four minutes left in my speaking time. Mr Vincent CHENG and other Members raised a number of questions on housing just now. I am of the view that the Government has been unfairly treated. The problem of Hong Kong is not merely the problem of housing. This is related to the tradition of the Chinese. As the saying goes, "To gain a fortune by trading; to safeguard wealth by buying land and farming". Members of the public like "bricks and mortar". Just now Mrs IP has highlighted that the objective of our housing policy should focus on the right to residency, but not merely on home ownership. I hold that she is not without reasons, only that different views are held by different persons.

As a matter of fact, irrespective of reclamation or the implementation of the Land Sharing Pilot Scheme by the Government, more than one path is available. There are always means to resolve a problem. Since the Government is obliged to make decisions, does it mean that it has fulfilled its responsibility after making a decision? Of course not. No matter which path it has taken, there will always obstacles to be overcome. An effective Government is to remove these obstacles. However, as in the case of legislating for Article 23 of the Basic Law, the Government should create a favourable environment.

I will spend several minutes to express the views of members of the agriculture and fisheries industries and members of the public who are discontented with the Government. When the SAR Government officials launched the Lantau Tomorrow project, I think they should be more cautious in making remarks. Why is that so? When the Chief Executive made an appeal

for large-scale reclamation on television, she said that at present members of the public did not have justifications for opposing reclamation. I do not know whether she had made a misinterpretation out of context. Some may wonder whether they belong to those who oppose without any justification. However, the Government has not specified which groups of people oppose with justification or which groups of people oppose without justification.

With regard to the project of Lantau Tomorrow Vision, two groups of people will raise objection. The first group is the environmentalists. To them, even if reclamation is carried out in an environmentally friendly manner, reclamation itself is not environmentally friendly. This remark may sound like a slogan, but it is not without reason. The second group is members of the agriculture and fisheries industries. Let us not talk about the Land Sharing Pilot Scheme first and only talk about reclamation. People from the agriculture and fisheries industries will ask: does the fishing industry in which I am engaged still have a future? The Government should listen to these voices in a humble manner with a view to minimizing resistance to its policy. Thus, I said in the third debate session that my sole dissatisfaction with the Policy Address of the SAR Government was that the Government merely made decisions without implementing mitigation measures.

Just now I said that government officials should solicit support as far as possible when they speak. Of course, Chief Executive Carrie LAM is not wrong. Some people really voice their objection like chanting slogans, and they will oppose all the proposed initiatives of the SAR Government, be they good or bad. This is because creating social conflicts is their means of survival in the political world. We can disregard these people, and members of the public will understand. However, members of the agriculture and fisheries industries for which I represent are rational. Up until now, I have not said that I completely oppose the Lantau Tomorrow Vision project. I am waiting to see how the Government rolls out its measures. It is also my wish to play a bridging role between the Government and the agriculture and fisheries industries or the public in order to foster a consensus among various parties. Irrespective of whether the Government will implement the Lantau Tomorrow project, a path must be made available for the agriculture and fisheries industries. This path cannot be hewed out by me with a knife; the cooperation and coordination of the Government will be needed.

I am not going to say any more about policies. There are only 30 seconds left in my speaking time. In the future, how the Government rolls out its measures will be my greatest consideration in deciding whether I should support the SAR Government.

Deputy President, I so submit.

MR SHIU KA-FAI (in Cantonese): We are discussing the housing and land problems of Hong Kong in this session. Clothing, food, accommodation and transportation have been our most fundamental needs since ancient times. In recent years, apart from clothing, food, accommodation and transportation, we are also very concerned about health, medical services, education and social welfare. In this debate, many non-establishment Members have frequently queried why the SAR Government has not allocated more resources to medical services, education, health and social welfare but focused on promoting "white elephants" projects?

I would like to point out that in this financial year, the Government plans to spend \$557.9 billion, among which, \$78 billion will be spent on health and medical care, accounting for 14% of the total expenditure; \$113.7 billion on education, 20.4%; and \$92.2 billion on social welfare, 16.5%. The total amount of expenditure of these areas accounts for more than 50% of the fiscal surplus. It is of course desirable if more money can be allocated to the above areas, but people of Hong Kong have to consider the questions of where the money comes from and how money should be allocated. How does Hong Kong fare in the above areas mentioned by me just now? In European countries, if residents who have not taken out insurance have to seek medical treatment, they will be in trouble. Hence, I believe that Hong Kong has fared quite well in the above areas.

How about the areas of clothing, food, accommodation and transportation? In respect of clothing, apart from the function of keeping warm, the aesthetic factor is also not a cause of concern as everyone in Hong Kong is fashionably dressed. As for food, there is no cause for worry as Hong Kong is the gourmet paradise. While one can enjoy expensive and exquisite food, eating fish balls at inexpensive food stalls on the street is just as tasty and enjoyable. With respect to transportation, the transport network of Hong Kong is well linked with not only the Mainland, but also countries all over the world. Thus, the major problem does not lie in these areas. Housing is the most crucial problem.

At present, more than 200 000 people are living in subdivided units in Hong Kong, and 300 000 people are waiting for allocation of public rental housing. The high rental and property prices are facts that need not be further elaborated. We can learn from the press that the selling price of a unit slightly more than 200 sq ft can be as high as \$10 million. Is this an issue of much concern for Hong Kong people? According to the result of a survey I conducted earlier, more than 90% of members of the public indicated that they were most concerned about land and housing problems in Hong Kong. To resolve the housing problem, the land problem must be tackled first. And this is precisely the main subject of this debate on the Policy Address.

Regarding the Government's proposal of Lantau Tomorrow, many non-establishment colleagues consider land resumption a better option than reclamation, for they think that reclamation is tantamount to dumping money into the sea. Let me tell young people of Hong Kong—as people of my age know about this already—most of the land in Hong Kong was reclaimed from the sea. In Hong Kong, 7 000 hectares of land is reclaimed land, accounting for a quarter of our existing residential area. At present, 2 million people are living on reclaimed land. If reclamation had not been carried out years ago, where would these 2 million people have lived? I would like to ask non-establishment colleagues if they live in caves.

During the period of 15 years from 1985 to 2000, the SAR Government had made available 3 000 hectares of land from reclamation, that is, an average of 200 hectares of reclaimed land per year. And from 2000 to 2015, 690 hectares of land were made available from reclamation, that is, an average of 40 hectares of reclaimed land per year. In other words, the area of reclaimed land has decreased fourfold over the past 15 years. I have found an interesting data called price index, i.e. the price of residential properties in Hong Kong. In 2000, when we started to reduce 80% of our reclamation works, the price index was about 100. In 2018, there is a fourfold increase in the price index. In other words, if the price of a flat was \$2 million at that time, its current price is \$8 million. The price is very close to the reduced area of reclaimed land, both of them being fourfold. Why has the SAR Government stopped reclaiming land over the past few years? I believe all of us wish to raise this question. I have no intention of answering for the Government. Let the Government offer its own explanation.

With regard to this subject, there are many arguments in society. Let me discuss the arguments one by one. First, the argument of dumping money into the sea. This refers to the expenditure of reclamation, which ranges from \$500 billion to \$1,000 billion. According to the current plan of the Government, out of the proposed reclamation of 1 700 hectares of land, 1 000 hectares of land will be reclaimed first. To reclaim 1 000 hectares of land near Kau Yi Chau with water depth of 6.5 m, the cost is approximately \$1,300 per square foot. The total cost of reclamation will be \$130 billion. Some Members claim that this is dumping money into the sea. Fortunately, recently 38 academics estimated that 150 000 to 260 000 residential units and 4 million sq m of commercial and office spaces can be built on the 1 000 hectares of land upon completion of reclamation at Kau Yi Chau. As the existing ratio of public and private housing proposed by the Government is 7:3, 45 000 to 78 000 private residential units will be developed. As calculated by the academics, the profit of the Government will reach about \$180 billion to \$312 billion. Together with the revenue of \$360 billion from the sale of commercial land of 40 million sq ft, the total revenue will reach some \$500 billion to \$700 billion. After deducting this amount from the reclamation expenditure of some \$130 billion to \$150 billion, the Government can still make a profit.

Some friends have pointed out that the reclamation expenditure is as high as \$500 billion to \$1,000 billion. This is because they have included the construction of roads, infrastructure and hospitals in their calculation. If the Government resumes brownfield sites for housing development, will such expenses not be included in the calculation of expenditure? Thus, the two are basically different. It is not an apple versus an apple. As a matter of fact, it is some \$130 billion versus \$500 billion to \$700 billion. Hence, the argument that reclamation is tantamount to dumping money into the sea is basically unconvincing, not to mention that if reclamation is not to be undertaken, the value of that area is zero. May I ask how many members of the public have been to that place? I have never been there. If the area is not reclaimed, will members of the public swim in that area? I think only a handful of people will do that. I believe only Mr Steven HO is an exception. He claims that he has been to every place of the entire Hong Kong Island. Thus, I totally disagree with the argument that reclamation is dumping money into the sea.

Some friends have proposed that brownfield sites should be developed first and reclamation should be shelved for the time being. I wish to emphasize that there is no conflict at all between reclamation and development of brownfield sites. Both can be undertaken simultaneously. Who has said that if

reclamation is carried out, brownfield sites will not be resumed? This is impossible. In fact, the implementation of the Kwu Tung North and Fanling North New Development Areas Project commenced in 2008, but the first population intake will only take place in 2023. The project will take 15 to 18 years to complete. Members of the public may not know the reasons for this. But once we mention the North East New Territories Development Plan, they will know. I wish to ask Mr CHU Hoi-dick, what had he done when the North East New Territories Development Plan was launched by the Government? He stood at the front line and demanded "no removal, no demolition". Now he is demanding the Government not to undertake reclamation but develop brownfield sites instead. However, when the Government proposes to develop brownfield sites, will he come forward again to demand "no removal, no demolition"? Is he stalling once again? What would happen to members of the public living in subdivided units, paying high rents and waiting for public housing allocation? The pro-establishment Members often say that Members from the opposition camp create conflicts with a view to securing votes. It seems that this claim is true.

Some Members have mentioned that reclamation will bring about natural disasters and have adverse impacts on white dolphins. With regard to natural disasters, a professional has pointed out that the height of breakwater should be 12.5 m. Insofar as those waters are concerned, the height of the breakwater should be approximately 6.5 m, that is, about 20 ft. During the passage of typhoons, waves are naturally higher. But actually how high are the waves? Professionals should know that the maximum height should be two third of the water depth. Waves do not leave the surface and soar to 30 storeys high. Instead, they ride on the surface. The implication of two third is that if the water depth is about 6.5 m, the height of the waves will be about 4 m. Thus, I do not understand why the height of the breakwater should be 12.5 m. The height proposed by the Government is 2 m. A consultation on this issue is being conducted now. The data collected can also be used for reference.

As for the Chinese white dolphins and finless porpoises, a report was completed by consultants of the Civil Engineering and Development Department in 2013. It was pointed out in the report that Chinese white dolphins frequent the vicinity of Tuen Mun and Lantau Island, and not the waters around Kau Yi Chau. Finless porpoises frequent the south of Cheung Chau. Similarly, they do not frequent the waters of Kau Yi Chau. Environmentalists can thus rest assured. They can conduct a study on where dolphins frequent if they do not believe this finding.

Some people have alleged that reclamation will benefit Mainland merchants who sell sand, and that reclamation works incur huge costs. I would like to know the places where no cost is incurred for reclamation. Let me tell Members, there certainly are places where no cost is incurred for reclamation. In Hong Kong, 15 million tonnes of construction waste are generated every year, the volume of which can reclaim 60 hectares of land. Nevertheless, the construction waste has been transported from Hong Kong to Taishan of the Guangdong Province since 2007. Up until now, the waste has facilitated the reclamation of more than 600 hectares of land in Taishan. We even have to pay for the necessary shipping charges. As such, can we make better use of the construction waste for reclamation purpose? I believe we can.

Some Members allege that the policy of issuing a daily quota of 150 one-way permits has resulted in Mainlanders occupying the living space in Hong Kong. Moreover, some people say that with the decline in population, we may not need so much land by 2066. I wish to point out, while the average living space per person in Hong Kong is 161 sq ft, it is 270 sq ft in Singapore. In other words, the living space per person in Hong Kong is about 40% less than that of Singapore. By 2066, the population will be 7.72 million, only 6% less than the current population. Do Members actually think that the existing living environment of Hong Kong people is very good? I am really baffled by the views of the non-establishment Members. Would it not be better for us to have larger living space? Why should they obstruct the Government's plan of reclamation?

Returning to the issue of the daily quota of 150 one-way permits, although I was born in Hong Kong, my father was brought by my grandfather from Shanghai to Hong Kong at the age of four. If my grandfather had not brought my father to Hong Kong, I would have been born in the Mainland. I would like to ask Members present if they do not have ancestors coming from the Mainland to Hong Kong. Even if we do not come from the Mainland, our father or grandfather did come from the Mainland to Hong Kong. For those who are now residing in Hong Kong but do not wish their relatives residing in the Mainland to come to Hong Kong for reunion, do they have a guilty conscience? Do we have an adequate population and workforce in Hong Kong? Frankly speaking, I will be over 60 years old in 20 years' time. What is the present birth rate in Hong Kong? If we do not rely on people coming to Hong Kong on one-way permits to increase our population, what are we going to do?

In an article entitled "Exposing and re-exposing East Lantau", it was reported that Dr Andy KWAN exposed, during an interview, that proceeds from land sale of reclaimed land had been exaggerated by think tanks. He said that the reclaimed land in East Lantau would be able to accommodate a population of 2.2 million and not 1.1 million as provided by the Government. With 2.2 million people residing in 1 000 hectares of land, can you imagine how high the population density is? The population density is 200 000 persons per square foot. According to the report of "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030", the district with the highest population density in Hong Kong is Tin Shui Wai; but the figure is still under 90 000 people. Does he actually wish to accommodate a population of 200 000 in that place? Honestly, the place can accommodate a population of 4 million or even 8 million, but will such a proposal be supported by members of the public in Hong Kong? I find these arguments very odd indeed.

Finally, Mr CHU Hoi-dick has alleged that even primary students do not like hearing pro-establishment Members speak, for primary students only like hearing remarks made by him and others. However, as a matter of fact, the majority of Hong Kong people know what they are up to. Thank you, Deputy President.

MR LEUNG CHE-CHEUNG (in Cantonese): Deputy President, in the first debate session, I examined the issue of reclamation from an economic perspective. Now I am going to consider whether reclamation is really desirable from another perspective, that is, the living space.

In the last term of the Legislative Council, Mr Tony TSE moved a motion concerning the average living space per person, the debate of which impressed me. At present, the average living space per person for a Hong Kong family is about 15 sq m, or about 150 sq ft. In fact, it is very difficult for a family of four to live in a unit of 150 sq ft which features a room and a living room with no space left for other activities. Thus, we have been hearing a saying in Hong Kong since childhood, and that is, "offering meals but not accommodation". For Hong Kong people, treating overseas visitors to a meal is already showing respect; providing accommodation is out of the question.

From the 1940s and 1950s till now, the living space of Hong Kong people has been very small. Hong Kong, being a small place, does not have much land for housing development. The Government has now put forward an ambitious vision of carrying out reclamation near Kau Yi Chau and nearby islands.

According to Secretary Michael WONG, the 1 700 hectares provided by reclamation can accommodate a population of about 1.1 million. I believe the place will not be inhibited by 1.1 million people within a short period of time. It will take at least 30 to 40 years for the reclaimed land to reach its full capacity. As this is the case, reclamation can certainly resolve the problem of small living space dreaded by most people.

By the same token, in the long run, we should consider whether we should arrange so many people to live in the New Development Areas? Take Hung Shui Kiu New Development Area as an example. The population intake will be 170 000, but the area is small with only 100-odd hectares. The population intake is based on the current average living space of 15 sq m per person. If 170 000 people live in the area, the living space of residents is still small. With such a good vision in future, should the Government consider reducing the population intake of Hung Shui Kiu?

According to the Long Term Housing Strategy, we are short of 460 000 residential units, including private housing units. Reclamation will enable us to build residential units to meet the target, and some extra units may even be available. Should the Government make timely adjustment to the standard for average living space per person instead of continuing to adopt 15 sq m as the standard? If I remember correctly, the average living space per person in Singapore is 30 sq m. Our average living space per person may not have to be 30 sq m, but can it be 20 sq m? This will enable us to live more comfortably and lead a happier life. We wish that the 1 700 hectares of reclaimed land near Kau Yi Chau will improve our living environment and allow us to have a bigger living space. Otherwise the proposal will not be supported by members of the public.

Mr SHIU mentioned just now that the remarks made by some Members from the opposition camp will actually enable them to win on all cases. Mr CHU Hoi-dick said that he once told owners of brownfield sites of Hung Shui Kiu that he could help them get in situ rehousing. He could win in all cases as he advocated resumption of brownfield sites, and at the same time undertook to arrange in situ rehousing for owners of brownfield sites. A group had reflected this situation to me before. Will development of brownfield sites yield quicker results than reclamation? I agree with the Government that we should adopt a multi-pronged approach and should not think that all problems will be solved by developing brownfield sites, resuming the golf course or developing agricultural land.

In accordance with the latest policy of the Government, the Government will provide Zone A ex-gratia compensation on land resumption in the New Development Areas. According to this criterion of compensation, many owners in Hung Shui Kiu will get rich as they paid \$200 to \$300 per square foot for their land. Recently I heard that someone would pay \$1,000 per square foot to buy land. I do not know whether the Government has already announced the latest policy. If it has, owners will certainly refuse to sell. They will get rich. Thus, some people have proposed that the Government should resume agricultural land. If the Government resumes agricultural land, I do not know whether those who propose the resumption will get rich or whether owners of the agricultural land will get rich. A review of the resumption policy in the past should be conducted by the Government. It is not a problem if some people get rich first through normal means, but if get rich by manipulating the policy loopholes, then it is not fair.

Why do people propose to resume agricultural land? Their theory is that, on the basis of the average living space per person being 15 sq m—I certainly do not support adopting this standard—it is estimated that 1 200 hectares of land can accommodate 460 000 households, rendering reclamation unnecessary. As such, the Government should resume agricultural land, brownfield sites and the golf course while reclamation is no longer necessary. Mr SHIU Ka-fai has pointed out just now that it will take more than 10 years to complete land resumption. The biggest problem is whether such kind of land resumption will enable some people to get rich for no reason at all. This is worth pondering.

Apart from possible impacts on marine ecology, reclamation will not affect the interests of anyone. Then why do they oppose reclamation? I hope that the Government will provide us with more information on reclamation. Mr Steven HO has also indicated that he will not support reclamation if the Government fails to handle the impacts on marine ecology properly. I believe the Government has adequate professional expertise to prepare the information and then provide such information to us. However, if Members still oppose reclamation after they have read the information provided by the Government and they have an understanding of the situation, it is possible that their opposition is not based on the grounds that reclamation will create havoc to future generations but on another hidden agenda.

Even if the Government resumes agricultural land, the golf course and brownfield sites as mentioned by "Brother Fai" just now, it will still fail to improve the average living space of 15 sq m per person. Thus, we should find

out whether Members have some hidden agenda. Does a Member who puts forward certain proposal actually have interests with property developers? Does he have interests with owners of agricultural land? Is a Member's action based on having or not having an interest? This is an important factor in our present discussion on land utilization. If Members appeal to the Government to implement the policy for their own interests, members of the public should see clearly whether they are "politicos".

Deputy President, I attach much importance to living space. I hope that in the course of this process, the Government will concurrently conduct a review on whether there is a need to reform our housing policy, so that members of the public to live and work in peace and contentment. Moreover, apart from inadequate housing conditions, many services are also inadequate due to shortage of land. An example is the inadequate number of places in child care centres ("CCCs"). There are only 700 CCC places for infants aged zero to three throughout the territory. Basically this is a drop in the bucket. Thus, I hope that when planning new town, Secretary WONG will increase the number of CCC places, with a view to enabling young couples to continue working and making economic contribution to society.

Deputy President, I so submit

DR JUNIUS HO (in Cantonese): Deputy President, following my first speech on Wednesday, today I would like to discuss climate change and energy problems. I particularly appreciate the Government's determination and forward-looking attitude.

The Chief Executive said in paragraph 277 of the Policy Address: "For the private sector, we have introduced Feed-in Tariff to provide incentives for individuals and non-government bodies to invest in renewable energy. We will further provide support and facilitation to the private sector, including suitably relaxing the restrictions on installation of solar photovoltaic systems on the rooftops of New Territories Exempted Houses (also known as "village houses"), and making appropriate relaxations for other private buildings, in particular the low-rise ones. In addition, we will introduce a new programme to assist schools and non-governmental organizations in installing small-scale renewable energy systems."

Deputy President, the Government is not turning a deaf ear in this regard, but we should make our views clear. It is easy to criticize the Government; but while criticizing the Government, we can also offer specific and practicable suggestions. I do not think the Government is arrogant or unapproachable.

After the delivery of the Policy Address on 10 October, the Electrical and Mechanical Services Department explained the specific measures in relation to paragraph 277 of the Policy Address. This serves to illustrate that, as long as we are willing to make an effort, apart from levelling criticisms, we can propose specific and practicable solutions. Before that, however, we should do our best to persuade and take the trouble to approach different stakeholders or relevant government departments to draw up plans together. In addition to providing explanations and detailed information, we should quantify the feasible proposals and what is permitted under the prevailing policies, as in the case of the Government providing a clear explanation in paragraph 277 of the Policy Address. In this respect, I must commend the Government for moving forward instead of marking time.

With regard to the 19 household amenity features, there are certain grey areas that have not been clearly defined. The Policy Address, however, provides a thorough and clear elaboration on the photovoltaic system. This contends that the Government is willing to and is capable of providing a way out. When attempting to curb certain abnormal phenomena in society, we should also guide people towards a proper direction.

Let me further discuss the waste charging. Earlier, I have discussed this matter with the relevant authorities and Under Secretaries. In my view, we must first of all make the public understand that the waste charging scheme is not a pretext made up by the Government to levy a new tax or create trouble. We need to work together to implement a reward and punishment mechanism under the scheme. I have clearly expressed to the Bureau my views on the rewards, and I hope that the Acting Secretary and Secretary for the Environment WONG Kam-sing can further consider how to improve the effectiveness of the three-coloured bins in facilitating the separation of waste.

Whenever the Government introduces a policy on waste charging, the public would consider the Government tricking them into making payments. But that is not the actual situation. Some people would purposely set themselves against the Government by, for example, deliberately disposing garbage into the three-coloured bins. Should the Government allow them to do so? They

should separate plastic, paper and metal wastes, and set a good example by teaching their children how to sort different wastes. While imposing waste charges, the Government should also provide channels to enable the general public to join efforts in recycling. This will achieve synergy effect.

There are 12 000 owners' corporations ("OCs") in Hong Kong, and the establishment of OCs has to be approved by Secretary LAU Kong-wah. How can we engage the whole community in the work of OCs? We must not overlook the leverage effect created by the tripartite cooperation led by the Government with the participation of members of the public and the trades. The tripartite cooperation will surely bear fruits. If the Government imposes waste charges through OCs, people would query why they have to pay for garbage bags, given that they have already paid management fees? They will not accept this arrangement. But if the Government imposes the charge through OCs, coupled with a grant to OCs by Secretary LAU Kong-wah, the whole community will be able to take part in reducing waste at source. People can guide their children to dispose waste into the three-coloured bins. After a year or two, we may be able to reach the target, and people will not have to pay for garbage bags. Are there any benefits in doing this? Past precedents have proved this approach effective, an example being the exemption and compensation offered by the Government to members of the industry for early replacement of diesel vehicles. We must not take these incentives lightly. The industry can advance recycling through OCs by encouraging properly separation of waste and reduction of solid waste, thereby truly realizing waste recycling and providing motivation. In the course of time, everyone will benefit from this benevolent policy.

In my opinion, this is a feasible approach with limited expenses. Over the past two days, I have been listening to the speeches given by many colleagues of the opposition camp. They merely made comments and reproaches, pointing out the severity of the problem to create fear and remain stagnant. However, as I have stated the day before yesterday, a leader or official must be committed and take the lead. When criticizing others, it is easy to point fingers at others, but we must come up with solutions.

It is easy to cause disruption, but we have to produce results. I would like to thank, in particular, Secretary WONG Kam-sing and Secretary for Development Michael WONG ... I remember we started to discuss solar photovoltaic systems in May last year, and in March this year, when dining with the Chief Executive, I told her about the benefits of the system, and she said to me, "Junius, we will consider the system if you can get public support." I

promised her, "Okay, I will collect 2 000 signatures before 31 May." To my surprise, the target was overachieved and by 31 May, I have collected about 3 200 signatures. After seeing the signatures, Secretary Michael WONG suddenly realized that the structure that supports a solar energy system cannot exceed 1.5 m in height, otherwise the space beneath the structure would be wasted. Given that land is precious in Hong Kong, it is undesirable to waste space.

It is easy for colleagues to criticize, but can we pluck up the courage and use our wisdom to come up with feasible solutions? I believe the Government will not object to this. This is inopportune for the Government to stand high above the masses. Are we Honourable Members? It is not just a title that people address us. What matters most is whether we can take a realistic approach and fight for the interest of the people and relieve their hardships. Being Members, we must work with the Government to accomplish these tasks.

I support the 2018 Policy Address. I would give it a score of 99—1 mark away from full marks—as an indication that there is still room for improvement in its future efforts. Thank you, Deputy President.

MR CHAN HAN-PAN (in Cantonese): Deputy President, I wish to speak on the transport issues in this session.

Firstly, I wish to talk about the rationalization of traffic distribution among the three tunnels. The Government will have to implement this measure sooner or later, and it may even have to rationalize traffic distribution among six tunnels. The Western Harbour Crossing ("WHC") will ultimately be owned by the Government and the situation of uneven traffic flows of the three tunnels is very serious. Even if the Government does not rationalize traffic distribution among the three tunnels at the moment, it still has to face the problem in the future. There are many ways to rationalize traffic distribution among the three tunnels.

The present approach adopted by the Government is to increase the tolls for the Cross Harbour Tunnel ("CHT") and the Eastern Harbour Crossing ("EHC") and reduce the tolls for WHC. Although the tolls for WHC will be lowered by \$20 from the current \$70 to \$50, which is attractive, the toll for CHT will double from \$20 to \$40. This 100% increase is hardly acceptable for constant users of CHT. At the same time, the toll for EHC will increase from \$25 to \$40, the rate of increase is quite shocking.

Of course, the general policy of the Government is that the public should commute by public transport instead of private cars. We have never denied the different modes of transport by the public. In fact the 90% usage rate of public transport in Hong Kong is the highest in the world. However, if members of the public have to travel by private cars or even make cross-harbour trips for work or other needs, the Government should not deliberately suppress them policy-wise, or even demonize private cars.

At present, the Government only takes into account three tunnels, which I think is inadequate. Consideration should also be given to Tai Lam Tunnel ("TLT") as it forms a single routing with WHC. In fact, the travel expenses of residents in the New Territories West are very high. As the toll for TLT is \$44 and \$70 for WHC, a round trip will cost almost \$300. Hence, we think the rationalization scheme should include TLT, so that residents in the Northern District can use TLT and then cross WHC to divert the traffic flows at EHC and CHT.

Regarding this scheme, we think other means can be adopted, such as charging different levels of tolls for peak and non-peak hours to avoid an excessive increase rate; charging \$30 for the three tunnels; or even lowering substantially the proposed rate of increase for CHT and EHC and reducing the toll for WHC from \$70 to \$50. Regarding these proposals, the Government should provide statistics to convince us. Although the Government indicated that tests had been conducted with computer modelling, computer modelling can neither be distrusted nor trusted totally. As there are many inadequacies in modelling tests, the result cannot be trusted totally. We hope that the Government will provide us with more options for selection rather than just one single option.

Moreover, it is presently proposed that tolls charged on franchised buses for using government tunnels and roads will be waived, but non-franchised buses once again fail to get toll waiver. At the same time, the rationalization of traffic distribution among the three tunnels should not be bundled with the subsidies for franchised buses and non-franchised buses. The Government has all along supported and promoted the use of public transport by the public. Even if the rationalization option fails to get the approval of the Council, the tolls charged on public transport for using government tunnels and roads should be waived.

In addition, Tung Chung residents have strong views on tolled bridges and roads and they hope that tolls for the Lantau Link can be cancelled. The two-way toll for the Lantau Link is \$30, i.e. \$15 per way. As Tung Chung residents have no other alternative but to rely on this road for access, why should the Government insist on charging tolls? Moreover, almost all roads in Hong Kong are toll free, why should tolls be charged on this road in Tung Chung? Come to think about this, the construction fee of the Stonecutter Bridge is also very high, how come the "user pays" principle needs not be applied? Certain tunnels or the Central-Wan Chai Bypass to be commissioned shortly are toll free, but for the Tsing Ma Bridge, tolls which have been charged for 20 years and the Government has already recovered \$4.4 billion. We therefore think that the Government should cancel this charge to make the travel costs of Tung Chung residents more reasonable.

Next, I would like to talk about the problems of parking spaces. While the Government states that more parking spaces will be provided, it seems that the pace is very slow. We are particularly concerned about park-and-ride spaces. We hope that the Government will introduce expeditiously the automatic parking system, so that the overall number of parking spaces can be increased to a reasonable level. Meanwhile, I am very concerned about the Hong Kong Planning Standards and Guidelines ("HKPSG"). I moved a motion to amend HKPSG in 2016 when this term of the Legislative Council commenced. Two years have lapsed, it is necessary for the Transport and Housing Bureau or the Development Bureau to make changes because the current HKPSG is unreasonable in many areas. Let me give a simple example. It is provided in HKPSG that the number of parking spaces to be provided for the residential development above the MTR station has to be discounted by 30%. Why should a discount of 30% be made? The parking spaces for the residential development above the MTR station should be used for park-and-ride, but HKPSG stipulates that the number should be discounted by 30%. This is one of the areas where unreasonable requirements are imposed.

Regarding water transport, the Government will introduce water taxi shortly and will also re-commission the Hung Hom-Central ferry route, I strongly support these initiatives. Nevertheless, I am also concerned about the huge expenses of ferry services. Previously, the Hung Hom-Central ferry service had to cease operation due to a deficit of several ten million dollars a year. Hence, I really want to know how the Government will make the operation of ferry service sustainable. Of course we also hope that the Government will make more

efforts in this respect. For instance, the largest expenses for ferry operation are salaries, fuel and maintenance costs. Recently, the Government is willing to pay for the maintenance fees, but fuel charges are quite high and many ferry companies still use very old vessels. The vessels of Hong Kong are dilapidated as they have been used for several decades.

Currently, some ferry companies begin to introduce carbon composites hybrid vessels or motor vessels with oil consumption level almost reaches zero. When these vessels ply the waters of the harbour, we fail to provide them with onshore power supply facilities. In introducing water taxis and cross harbour ferries, can the Government provide onshore power supply facilities so as to encourage ferry companies to use new vessels? In the past the Government was also willing to subsidize drivers in replacing their old diesel vehicles. Can the Government also set aside provisions to subsidize ferry companies in acquiring vessels of the latest models, including hybrid vessels or motor vessels for replacement? Today, the largest source of air pollution in Hong Kong is water activities. If we can replace old vessels, the air quality of Hong Kong can also be improved.

Furthermore, we consider some charges of the Government very unreasonable, one of them is the embarkation fee. In the past if we went to Macao or Zhuhai to board a ship, we had to pay a fee, i.e. embarkation fee. The current embarkation fee is \$11 per passenger. Actually, different places will also collect such fee, but Macao abolished this fee years ago. This fee is a tax. While members of the public who depart Hong Kong by land are not required to pay, those who depart by ship have to pay. Since the commissioning of the Hong Kong-Zhuhai-Macao Bridge ("HZMB"), this charge should be abolished. The fee of \$11 seems negligible, but it is quite substantial in proportion to the fare.

Ferry operators may lack competitiveness as they cannot adjust the charges downward; hence the sustainability of their operation is uncertain. However, ferry service still has its attraction as a group of passengers prefer taking ferry. Ferry companies can even introduce more destinations for the convenience of the public. In the development of the Greater Bay Area, I think ferry service is indispensable. I hope that the Government will, in the light of the development of the Greater Bay Area and the commissioning of HZMB, abolish the embarkation fee, so that the fare can be further adjusted. Hence, ferry companies will not have to close down or reduce service frequency owing to

operational difficulties. Some passengers, including those who punctual-minded, really love to boat cruises. It is hoped that the Administration will consider abolishing the related fee.

Deputy President, I so submit.

MR KWOK WAI-KEUNG (in Cantonese): Deputy President, during the debate on the theme of "Liveable City", it is of course necessary to talk about Hong Kong's liveability ranking. The Global Liveability Index ("the Liveability Index") for 2018 published by *The Economist* has ranked Hong Kong the 35th place among 140 cities, higher than the neighbouring Singapore and also Beijing and Shanghai in the Mainland. In Asia, Hong Kong is ranked third after Tokyo and Osaka.

The Liveability Index has considered factors like social stability, security, education, health care, infrastructure, etc. It sounds like Hong Kong is really excellent in all these aspects, and thus it is a great blessing to live in Hong Kong; and all people should be glad to move to Hong Kong. However, is that really the case? If everything remains unchanged and no progress is made, will Hong Kong still continue to enjoy prosperity and stability, and will things never get worse? Deputy President, as Mr Lu Xun has put it, "excessive praises can kill". If someone is praised to the skies, he will become arrogant and complacent, and he will actually be the first to lose his life.

Chinese Vice President WANG Qishan has recently attended a new economic forum in Singapore. When lavishly praised by a foreigner as an important figure with global influence, the Vice President immediately said: "Yet another example showing 'excessive praises can kill'!" In fact, whether we are faced with excessive praises or excessive criticisms, it is necessary to remain clear-headed at all times in response to crisis. Only then can we really remain vigilant in times of safety.

In fact, is Hong Kong really a liveable city? Deputy President, every Hong Kong citizen can tell you right away about the tremendous living pressure and extremely long working hours in Hong Kong. According to a survey conducted by an international organization, Hong Kong has been named the least affordable housing market for the eighth consecutive year. It is really distressing when it comes to the housing problem. Hong Kong has even been

the least affordable housing market in the world for eight years in a row. Given such a remarkable achievement, how can Hong Kong qualify as a liveable city?

Recently, a "property slaves" index has been published. In my view, the figures and data samples are not comprehensive enough. However, the index has to a certain extent shown that the sentiment of Hong Kong people toward high property prices and expensive rentals have reached an imbalanced level, breaching the so-called safety threshold.

Deputy President, in recent years, I have collected and compared various data in relation to the difficulty for Hong Kong people to buy their first property. In the largest housing estates in Tin Shui Wai, the size of the smallest units targeting first-time home buyers is about 400 sq ft. In the past two years, property prices—I mean transaction prices but not valuations—have doubled. To purchase such a flat, a buyer has to make a down payment of at least \$1.56 million. For a couple who fortunately can both earn the median household income of \$18,000, even if they save half of their income, it still takes them 7.5 years to save up for the down payment.

I would like to point out that the "curb" measures adopted in the past, if considered to be short-term policies, have actually been effective in curbing the trend of speculation and dampening the desire of speculators to buy properties. However, given the perennial shortage of housing in Hong Kong, all speculators have taken advantage of this fatal drawback to shift the costs incurred by the "curb" measures to local users and first-time property buyers. Hence, we must have a question in mind: Was the increase in revenue arising from the "curb" measures back then contributed by the costs of speculators? Or has the increase in revenue translated into additional property prices currently paid by users? This question has to be answered.

Deputy President, I would also like to mention that nowadays many housing problems remain unresolved in Hong Kong. It takes 5.3 years to wait for public rental housing ("PRH") allocation. In my opinion, the waiting time has not reached a peak yet, and it will be even longer in the future considering that 270 000 people are now waiting for PRH units. Given the shocking sale prices of flats under the recent phase of Home Ownership Scheme ("HOS"), the Chief Executive has, for the first time, adopted the suggestion put forward by The Hong Kong Federation of Trade Unions years ago. Based on the affordability of users, the current HOS prices have been revised down to 52% of market values

with a view to attracting more applications from the public. With about 270 000 applications received, only 4 400 flats will be provided under this phase of HOS. In other words, 136 people will compete for one flat. There are still 210 000 people living in inappropriate housing (that is "subdivided units"). They have to suffer from high rents and the additional pressure of excessive fees for water and electricity charged by unscrupulous property owners.

Deputy President, the housing problem has been plaguing all members of the public in Hong Kong. It has been suggested that the development of agricultural lands and brownfield sites alone can solve the problem without the need of reclamation. However, as explained by a number of Honourable colleagues just now, the development of agricultural lands and brownfield sites can only meet the demand for the next 10 or 15 years, but how can we meet and address the demand after 20 years? The Government has to make arrangements now because reclamation requires a lot of work which cannot be completed instantly. If we do not start now, I am worried that we will find it too late to do so in the future.

Deputy President, recently, property prices have slightly dropped by only 10% to 20% to the 2016 and 2017 levels. Back then, many people thought that property prices had reached a peak; little had they expected that prices would go up further in 2018. By the same token, if some people think that the slight drop in property prices means that some government measures have attained their goals, we urge them not to make such wrong interpretations.

The Policy Address shows that the Chief Executive has finally taken the views of trade unions on board by revising the public-private housing split from 6:4 to 7:3, and increasing the overall supply of PRH housing by allocating a few private sites for the construction of PRH housing. These initiatives are commendable. Despite the short-term measures, how can the problems be resolved in the long run? In fact, the Government has started to implement the Long Term Housing Strategy since 2015. In the past three years, the original annual target was to supply 28 000 units, counting PRH and HOS housing together. However, at present, only half of the target units have been completed on average, falling far short of the target. Many people query how the target can be met upon revision of the public-private housing split? This is a very important question. Without the actual land supply for realizing the 7:3 split, I am very worried that this target will remain on paper only, shattering the good dream of successfully resolving the housing problem in the end.

In addition, I have to express my views about redevelopments. When the Government announced the redevelopment of Wah Fu Estate in 2012, we have already suggested that priority be set for redeveloping the 22 housing estates or a timetable be drawn up. At a recent brainstorming session of the Housing Authority, I have talked about the future surge of redevelopments. As redevelopments often require 5 to 10 years or more, if no planning is made at present, the Housing Department will be unable to cope with the overlapping redevelopment projects in the future. For this reason, planning must be made in advance.

After HOS prices have been revised to 52% of market values, HOS housing has become a life-saver which all people hope to grasp. However, only 26 000 subsidized housing units will be available in the next five years. Dividing the number of units by five years, fewer than 6 000 units will be available each year, falling short of our target of 8 000 units per year again. Therefore, in order to truly deliver on its pledge and meet this target, the Government should make more efforts to avoid giving the public the impression that the Government will only keep people waiting after making the suggestion.

Deputy President, I would like to talk about environmental protection for the rest of my speech. In fact, environmental issues cover such a wide range of topics and I really do not know where to start. Yet, basically I have a few points to make. First, the occurrence of global extreme weather has become increasingly frequent, and coastal and low-lying locations are faced with an increasing risk of storm surges or flooding. For this reason, we consider it necessary for the Government to holistically step up efforts to address these problems. Of course, the Development Bureau is currently conducting studies in this regard. However, we consider it necessary for them to expedite their work because weather changes will wait for no one, and typhoons will not wait to strike until we complete the studies two years later. The typhoon season of next year will arrive within 12 months' time. However, the studies will take about 18 to 24 months. I hope that the Government will share the public's urgent concern and expedite the progress of its studies.

In addition, whenever a typhoon strikes, a large amount of marine litter will be blown ashore. I have enquired the authorities about ways to identify the sources of the litter in order to clear them as early as possible. It is necessary to prevent litter from being blown ashore whenever a typhoon strikes. Marine litter has happened to be blown ashore in private housing estates such as Heng Fa

Chuen. Surprisingly, a public officer said to me: "The marine litter is now within the ambit of the private housing estates." This remark has infuriated me. I then replied: "Marine litter originated from the sea; the Government should be responsible for clearing. However, after the litter has been blown ashore, you are telling me that the housing estate is now responsible for clearing. The Government should really be castigated and condemned." Therefore, if public officers do not want to hear similar comments from me again, the Government is well advised to step up their efforts to clear marine litter.

With regard to the Charter on External Lighting ("the Charter"), we in fact doubted the effectiveness of the Charter more than a year ago. I still have to reiterate that the Award scheme will only make an impact on primary and secondary students. However, the impact on commercial electricity users will be insignificant because those users who are genuinely willing to claim the Award have, frankly speaking, made sufficient profits. Whether they switch off their lighting or not will not make a big difference to the revenue of their shops. In fact, I have asked some shops in the locality, such as estate agency shops, if they will switch off their lighting when they closed for business at night. Some residents living opposite to such shops have often complained about the glare given off by the shops. The operators said that the lighting could not be switched off because of promotional needs. Of course, given the hefty rents of the shops, they have to switch the lights on overnight for promotion. However, the situation has improved now. Some commercial users are willing to follow the requirements set out in the Charter. They previously switched off their lighting at 11:00 pm, but now they have done so earlier at 10:30 pm. However, we do not know if the residents living opposite to such shops will sleep early at 10:00 pm or possibly 9:30 pm. Therefore, we still have to tackle this problem. However, if the Government really legislates on external lighting in the future, I believe that this kind of disputes will be reduced because local residents do not know whom to turn to for assistance now. At this juncture, the Environmental Protection Department ("EPD") appears to be unable to help much other than asking commercial users if they are willing to participate in the Charter. EPD can do nothing if they refuse.

In addition, regarding the greatest controversy over municipal solid waste charging, frankly speaking, we have recently held residents' meetings in local districts and are aware that many residents have grave concerns over the issue. Of course, Members of the last Legislative Council who went overseas to study the experience of other countries should understand that Hong Kong's

environmental protection policies are extremely backward in general. We have yet to introduce some environmental protection measures which have been in place in other countries for many years. Therefore, we agree that Hong Kong should catch up expeditiously. However, people may ask: What is the purpose of municipal solid waste charging? Apparently, the Government inclines to recover the costs after all. According to a number of kaifongs, they do not oppose waste reduction, but a few practical issues have to be addressed. During the New Year, we should notice how producers package their products. For example, a small amount of chocolate is placed in a huge packaging box. Another example is bananas. In the past, there was no packaging, but now bananas are placed on a tray and then wrapped with cling film. The public cannot choose the packaging of all products. They can only buy home food or articles that they want to eat or use. How can they reduce waste later? The most fundamental approach is to separate waste at source. If supporting facilities for waste separation are available in every district, members of the public can separate waste which is still useful and valuable so as to reduce domestic waste.

At present, members of the public are unable to separate their waste. Unless they do not eat or use anything, they have to buy home food or stuff every day, and then they are required to pay waste charges. They really do not know how to reduce waste. Unlike Hong Kong, Taiwan and Japan have levied waste charges for a long time, and their waste separation has been more sophisticated and targeted. As such, we hope that the authorities will genuinely step up their efforts on waste separation. In this way, kaifongs will think that the Government is intended to help them reduce waste, instead of simply requiring the public to reduce waste by imposing a punitive levy. Many consumers and ordinary members of the public may also have the feeling that they have no other options unless they refrain from eating or using anything.

Lastly, I would like to point out that it is very visionary to talk about a liveable city. In fact, after all, is there any place where all people would like to reside in? The answer is in the negative. Every society has its own problems to be resolved. A number of Honourable colleagues who spoke just now had expressed divergent views as regards whether they supported reclamation. I have previously acted as adjudicator in debates. Very often, we have to consider how to present the argument that the merits of a matter outweigh the demerits. Some students who took part in debates would normally count the number of merits and demerits. If there were 10 merits and 3 demerits, then the advantages

would outweigh the disadvantages, and vice versa. However, this simple method of counting cannot be applied in society; instead, judgment should be made based on the long-term impact on society in the future. Simply put, if no reclamation is carried out today, there will certainly be more intense and complicated disputes over land issues in the future. If we can identify ways now to resolve the future land problem, i.e. reclamation, the dissension, disputes and conflicts in society will reduce in the future. In fact, our society will benefit most if disputes and conflicts can be reduced.

I really hope that other Members will not once again mislead the public and create unnecessary disputes. We should really focus on ways to resolve the problems. We should also understand that it is necessary for our society to pay the cost and price of development. However, as long as the environmental impact assessment report is properly compiled, the cost and price can be minimized. Members should not continue to make groundless accusations. The Government should be commended for planning the land supply for 20 years later and formulating such an important initiative. Those Members who oppose this initiative are in fact intended to prolong the disputes, and take advantage of some negative sentiments in the community to extend the life of and empower the opposition camp. I do not consider it worthwhile for them to do so.

I so submit. Thank you, Deputy President.

MR HUI CHI-FUNG (in Cantonese): Mr KWOK Wai-keung said just now that it was good to have less disputes and I certainly agree. But who proposes such a highly controversial proposal on artificial islands, thereby arousing great disputes among the public? Today, I originally intended to speak on the environmental protection policy as Secretary WONG Kam-sing is present and I wanted him to hear my views, but now I have to speak on the artificial islands.

The artificial islands project is a subject concerning city planning. It involves land and housing, the usage of public money and the allocation of major social resources, and will impact on Hong Kong's way forward in the next few decades. In respect of the use of public money and allocation of land resources under the plan, there are certain structural difficulties and problems which I want to expound one by one. Of course, I have to state my position clearly. I absolutely oppose the Government's plan to recklessly spend hundreds of billions of dollars or even \$1 trillion of public money on constructing artificial islands.

Deputy President, when we debate whether the artificial islands project is a good idea, we need to look at the Government's handling of housing and land problems and then carefully examine the data and amounts of money involved. Why do I say so? That is because the Government has been engaged in black-box operation when implementing a host of land policies. It has never made public the relevant data and reports. Let me cite a few examples. First, the dispute concerning whether the total area of artificial islands should be 1 200 hectares or 1 700 hectares has aroused great concern of the public and the media. Even if I assume the area to be 1 200 hectares In the consultation paper of the Task Force on Land Supply ("Task Force"), the option of reclaiming 1 200 hectares of land is proposed, but to what extent has the requirement of 1 200 hectares of land, as indicated in the "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030", been "inflated"? Even the relevant government department is unable to give a justification. For example, in respect of land requirement, the report has not explained the requirement of 75 hectares of land for the provision of columbaria, 130 hectares for sewage treatment works and 300 hectares for recreational and open space purpose. All in all, the demand for 1 200 hectares of land is unsubstantiated. The Secretary may respond later on this point.

The second example is the study on existing profile and operations of brownfield sites in the New Territories. Whenever the democrats ask the Government not to reclaim land but develop brownfield sites, the Government always says that the development of brownfield sites involves great difficulties. As a matter of fact, the report on the Study on Existing Profile and Operations of Brownfield Sites in the New Territories commissioned by the Development Bureau is yet to be published. Is the Government's claim groundless? Has it ever explained to the people the difficulties involved?

Third, information on lands covered by short-term tenancies has never been disclosed to the public. The short-term tenancy mechanism is operating behind closed doors and is non-transparent. Very often the Lands Department ("LD") acts on its own to grant short-term tenancies. Recently it was reported in the media that LD has renewed the lease of a site covering 80 000 sq ft on Island Road to the family of TUNG Chee-hwa for 75 years for \$10,000 a month. This is a case in point. In relation to such a sensitive decision, LD did not even have to give any explanation. I also have some experience in this area. I once asked LD about the mechanism of land premium and its workflow since Hong Kong's return to the Mainland, including when land leases should be revised, when land

premium should be paid, and how land premium was calculated. The Director of Lands only explained the workflow involved, but had not explained how land premium was calculated or disclosed the values of the leased land. Very often, the final decision is made by the Chief Executive and the Executive Council. If they give the consent, no explanation is required.

These examples give the public an impression that commercial factors are the driving force behind the Government's decision on the allocation of land, meaning that property developers have great influence on the Government. Can we put it simply that whoever joins the Executive Council and whoever involves in the election of the Chief Executive will have greater say on the policy concerning the allocation of land? It seems that this is how members of the public strongly feel.

When it comes to the systems of land allocation and town planning, we know that all members of the Town Planning Board are appointed by the Government. The Executive Council, the functional constituencies of the Legislative Council, the Land and Development Advisory Committee and also the Task Force are all composed of persons who have very close relationship with the commercial sector and property developers. Hence, it is not hard to see why the land policies of LD are so non-transparent.

Let me cite another real example. In a document recently found by an organization in the United Kingdom's declassified files, it was stated that the artificial islands project was first proposed to the British Government by property developer Gordon WU in 1986. The project was rejected by the Hong Kong Government on the grounds that the scale was too big and the cost too high. Gordon WU also revealed that the artificial islands project was put on the agenda again all because TUNG Chee-hwa asked him how to tackle the housing problem in Hong Kong. It turned out that owing to a question put to Gordon WU by TUNG Chee-hwa, the Chief Executive has discarded all the efforts made by the Task Force and the whole Government has to defend this project. Who is the Chief Executive now? Has Our Hong Kong Foundation taken over the job of the Secretary for Development? If property developers are involved in the project, which is quite likely, will the project protect the interests of property developers? If the Government relies on the opinions of property developers to resolve the housing problem, will the effect of commercialization of housing be enhanced, resulting in property prices being pushed up and getting out of the Government's control?

Can an increase in land supply ensure that property prices will be effectively suppressed, making it easier for people to buy their own home? After the reunification, the Government of various terms has time and again misled the public with various pretexts in order to justify its close relationship and cooperation with property developers. The first pretext was the policy of "building 85 000 flats", and also the claim that by increasing land supply and setting up a land reserve, property prices can be suppressed and the housing problem resolved. However, Deputy President, is an increase in land supply to suppress property prices the biggest selling point of the artificial islands project? It sounds ideal but is it really so simple? Hong Kong people have to think very carefully. As indicated from the experience after the reunification, the relationship between land supply and property prices is affected by many factors, and the situation is quite complicated. Is it absolutely true that an increase in land supply will suppress the rise of property prices? The Secretary can respond later on.

I have two papers in hand. One paper is about the Metroplan launched by the British Hong Kong Government before the reunification. It discussed how the land obtained from the West Kowloon Reclamation works and the relocation of Kai Tak Airport could be used to improve the urban problems on both sides of Victoria Harbour. It was disclosed that the West Kowloon Reclamation works would expand Kowloon by one third. According to that paper, the Metroplan mainly aimed at consolidating Hong Kong's position as an industrial, commercial, financial, tourism and administration centre, providing opportunities for the purchase of real estates, evening out the highly concentrated population, specifying the use of the land, increasing facilities and improving the urban situations. Compared with the artificial islands project, the Metroplan might be even more forward-looking. Over 20 years have passed. In retrospect, 3 000 hectares of land were created between 1985 and 2000, during which the property price index was basically on an upward trend except between 2000 and 2003 when Hong Kong was hit by one crisis after another, such as the financial tsunami and the SARS outbreak. Hence, among those who support reclamation, some think that by setting up a land reserve, the Government may influence the property market and even enhance its own influence. Is it true?

I have in hand another document also published in the 1990s titled *The Future Shape of Hong Kong* which discussed land reclamation. As stated in the document, there were criticisms at that time that excessive increase in land by

reclamation would lead to oversupply in the market, leading to the shrinkage of the real estate industry. However, the document further pointed out that setting up a land reserve and using it prudently at the right time for development was another land supply strategy of the Government to provide sufficient land to meet Hong Kong's economic and social needs. In other words, history tells us that even with a land reserve, land could also be provided according to market needs, and hence, in the end it might still be led by buyers. It is doubtful whether the reliance on a land sale mechanism to increase the Government's influence is absolutely effective.

Under the land auction mechanism in Hong Kong, new sites are released into the market at a slow pace and hence they may not be able to affect market price effectively. The sales of sites in Kai Tak Development Area in recent years have often fetched record high prices per square foot. In 2013 it was revealed in the press that at that time, of the 340 hectares of land in the West Kowloon Reclamation Area, the works of which were completed in 1999, one quarter (about 100 hectares) was still undeveloped. From this we can see that an increase in land supply may not always have effective impact on the market, let alone suppress property prices. From the perspective of land supply alone, I am still doubtful if there is a direct relationship between the construction of artificial islands and the suppression of property prices. By the way, the purpose of the Land Sharing Pilot Scheme is to speed up the release of sites held by property developers into the market. In that case, the housing supply will be led by property developers. As the situation is led by profits, will property prices fall? Does the artificial islands project aim at subsidizing property developers?

Deputy President, as regards the housing problem, we can see that Chief Executive Carrie LAM is evading the question about the Government's interference with the market. For example, she proposes to introduce vacant property tax, but the tax will only be applicable to newly completed unsold private housing units; she dares not levy tax on second-hand vacant units. This approach is symbolic in nature and very conservative. In respect of transitional housing that can help over 90 000 families living in subdivided units, the Government chooses not to provide transitional housing units, but relies on the Hong Kong Housing Society and the Hong Kong Council of Social Service to implement relevant programmes. Only some 100 units are provided, which is a drop in a bucket. The Government loudly claims that it shows great concern about tenants of subdivided units, but makes no efforts to offer help. On the other hand, in respect of subsidizing home ownership scheme advocated by Our

Hong Kong Foundation established by TUNG Chee-hwa and a bunch of property developers, Carrie LAM renders support by providing land and money in launching the Green Form Subsidised Home Ownership Scheme and the "Starter Homes". We can see that the Government only adopts fancy tactics to tackle the issue of high property prices. Instead of adopting appropriate and effective measures, it very often dances to the tune of property developers. Under such circumstances, how can the Government convince the people of Hong Kong that it will not kowtow to property developers in the implementation of the reclamation project?

Pro-establishment Members will definitely say that opposition Members always raise objection and query if they can put forward other proposals? I want to tell all Members and the Government, if we want to uphold procedural justice, we should pay heed to the report of the Task Force to be released by the end of this year and allow members of the public to reach a consensus after considering various proposals. Just now some prop-establishment Member criticized the democrats for blindly opposing the Government's proposals. I would like to remind royalist Members that they have been the ruling coalition since the reunification. Among them, there are Members of the Executive Council, they are the majority in this Council, and they also have the backing of property developers and the Liaison Office of the Central People's Government in the Hong Kong SAR. They have the most influential power in the political arena. Given that Hong Kong's housing problem remained unresolved all these years, is it due to the fact that the royalists support the Government in cooperating with property developers but not providing assistance to the public? When they support the crap artificial islands project, they are in fact asking tenants of subdivided units who are paying high rents, small families or young people who cannot have a decent home and the elderly who cannot secure a place in the elderly home to wait 10 to 20 more years till 2035.

Hong Kong people are aware that the Government does not utilize idle lands; does not utilize military sites and does not invoke the Lands Resumption Ordinance. The Government has never lost a lawsuit instituted under that Ordinance. We see that the pro-establishment camp blindly defends the Government. Hong Kong people's interests are harmed because the royalists follow the Government's practice closely, thus no matter how many vegetarian and snake feasts the royalists organize and how many seasonal delicacies they give away, the harm inflicted cannot be compensated.

To go deeper into the issue, I have to talk about the concept of development. Politics in Hong Kong reflects the fact that the future of this city is determined by those with vested power. If people with this outdated concept are the ruling team, they will hamper the progress of the community. Nowadays the whole world is promoting energy saving, emission reduction and resource integration, conservation of the environment is the trend for future development. Hence we should invest in ecological and environmentally-friendly technologies. However, the concept of artificial islands is still related to large-scale land development, constructing mega infrastructures to boost the economy with the purpose of catching up with the economic integration in the Greater Bay Area. As a result, the environment needs to give way to economic development—meaning that WONG Kam-sing has to give way to Michael WONG. Yet, they claim that there is a need to balance development and conservation. I find such a mentality obsolete. The environmental cost for constructing artificial islands will be huge.

Just now I have voiced my doubts about the effects of artificial islands on property prices. Next, I will talk about whether it is worth constructing artificial islands and whether artificial islands will meet the future needs of Hong Kong. At present, the public-private partnership approach in Hong Kong is beset with problems and needs to be reviewed. At present, a number of works projects such as the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge have been rife with problems, such as cost overruns, ineffective construction supervision and frequent occurrence of serious industrial accidents. The Shatin to Central Link has been plagued by scandals. Hsin Chong Construction Company Limited, the contractor of M+ museum in the West Kowloon Cultural District, ran into financial difficulties and the West Kowloon Cultural District Authority had to pay directly various subcontractors the construction costs of M+. Apart from the blunders and omissions during the construction process, another serious problem of these infrastructure projects is that the utilization rates are far lower than expected. A series of incidents have reflected the Government's ineffective monitoring of the outsourced works projects. Instead of reviewing the monitoring mechanism to regain public confidence in the public-private partnership approach, the Government now promotes the artificial islands project which is the most expensive works project in the history of Hong Kong. Members of the public will further query the capability of the Government in managing infrastructure works. Isn't this approach putting the cart before the horse?

Mega infrastructure projects and the public-private partnership approach have also exerted certain pressure on the construction industry. According to the report on *Construction 2.0* published by the Development Bureau, the construction industry is faced with five main challenges, three of which are related to artificial islands, namely unsatisfactory mega-project performance, unsatisfactory site safety performance and manpower shortage. According to government statistics, between 2010 and 2017, the median age of skilled workers in the construction industry rose from 48.2 years to 51.4 years, far higher than the median age of the workforce in Hong Kong, and workers aged 60 or above represent 23% of the total workforce in the construction industry. These statistics show that the industry has great difficulties in recruiting and retaining young workers. As there are already many problems related to the public-private partnership approach, if more large-scale infrastructure projects are to be implemented, will enormous pressure be exerted on the construction industry? If the performances of these projects continue to be under par, the public will have no confidence, and will this affect the construction industry?

In recent years, it has repeatedly been pointed out in the community that investments in mega infrastructure projects are highly risky. It is not that we do not have land in Hong Kong, but that the land is not fairly allocated. Future developments should focus on gradual improvement of the community and better management of resources. Large-scale land development is the worst and least ideal approach. There is another problem with the concept of artificial islands development, which is the focus on economic integration with the Pearl River Delta ("PRD"). As a matter of fact, the rose garden project and the Metroplan launched in the 1990s already aimed at cooperating with PRD. Two decades have passed, how can the cooperation between PRD and Hong Kong in the 1990s be the same as that in 2018? Hong Kong's development strategy should not only focus on economic development. We should also pay attention to the impact of the environmental problems of PRD on Hong Kong. To take forward the development in Hong Kong, the priority is not to construct artificial islands but to deal with the challenges posed by the environment and climate change. When conceiving the development blueprint, the Government has to deal with the environmental cost of economic integration. The environmental problems in PRD involve energy, food, air, and water resource. By managing resources and accumulating environmental resources, Hong Kong has the opportunity to participate in the development of PRD.

In view of the damage caused by Typhoon Mangkhut on the low-lying coastal areas of Hong Kong this year, the Government has to review afresh its work on dealing with rising sea level, protecting coastal areas and restoring order in the community. In view of the choppy sea in the Central Waters, it may not be a good idea to create artificial islands there through reclamation. This point has been widely discussed in the community. I would like to highlight that the waters off Green Island, i.e. the area for building roads connecting the artificial islands and Hong Kong Island West, is an area stipulated in the report on Hong Kong's Climate Action Plan 2030+ where the sea level should be regulated. In the face of deteriorating climate change and environmental problems, we should make all-out effort to conserve the environment. That is the most important contribution to the development of PRD and will kindle hope for Hong Kong.

How come the artificial islands project has aroused such strong opposition? After the big debate on land, people of Hong Kong come to realize that there is land in Hong Kong, but the Government, fearing to affect those with vested interest, very often dares not take actions. As a matter of fact, many people who support the construction of artificial islands agree that the proposal is a compromise under the present predicament concerning land politics in Hong Kong. The artificial islands project symbolizes unfairness and the attitude of kowtowing to property developers and the bigwigs. That is why I speak against the construction of artificial islands and I think people of Hong Kong must fight against the proposal so as to pursue land justice and safeguard Hong Kong.

Deputy President, I so submit.

DR KWOK KA-KI (in Cantonese): Deputy President, I originally thought that I did not have to speak again on Lantau Tomorrow, a ridiculous land reclamation proposal. After listening to the fallacies of pro-establishment Members, I have to rise and speak. In this session, we should discuss the Government's advocacy to "develop land resources and seek consensus" but what consensus does the Government refer to? When do people of Hong Kong agree that the Government should spend lavishly \$1,000 billion on this illusive project?

As we, including pro-establishment Members, all know, 270 000 people are now waiting for public housing allocation and there is an acute shortage of land in Hong Kong. Why do we have these problems? These problems have

arisen because of the collusion between the pro-establishment camp and the incumbent and previous terms of the SAR Government. One of the policies involved was the cessation in the production of Home Ownership Scheme ("HOS") flats in 2002. Deputy President, your political party also supported this policy. With the harbouring of the royalists, the Government has thus frequently acted against public opinions and has failed to reflect on its deeds.

The initiatives presently proposed by the Government to increase land supply have two objectives. As a matter of fact, when proposing the initiatives, the Government has slapped Stanley WONG on his face. The Government has taken a pre-emptive move to announce the initiatives before the release of the report by the Task Force led by Stanley WONG. There is no point for me to spend more time to discuss the \$1,000 billion reclamation project under Lantau Tomorrow (or "Catastrophe Tomorrow"). Instead, I would like to talk about land sharing. In the recent phase of HOS application—it is a well-known fact that not everyone in Hong Kong is eligible to apply for HOS flats—the number of eligible application is 258 000, close to 260 000, but only 4 431 HOS flats are on sale. How can the Government meet the demand? The Government sells land in a way like squeezing a tube of toothpaste. In the 2016-2017 Land Sale Programme, the land sold could only provide 18 000 flats. In the 2018-2019 Land Sale Programme, the land sold can only provide 15 200 flats. How can the Government meet the housing demand of all Hong Kong people with these flats? Let me tell these people, they will not get a flat even after 18 years. Considering that only 15 200 flats are provided a year, even if the potential railway property development projects are taken into account—I know the Government will definitely mention such projects—only 25 500 flats will be provided a year, which is less than one tenth of the number required. Where will those who are going to get married next year live? Where will people coming from the Greater Bay Area to Hong Kong live? Isn't the Government opening its door to welcome rich people from the Mainland to buy properties in Hong Kong? Tough luck, Hong Kong people!

As regards land sharing, I would like to quote from a person, Mr Augustine NG, former Assistant Director of Planning. Fortunately, there is still someone who makes a fair remark. He said that the Land Sharing Pilot Scheme was the best depiction of the corruption of the Government's ruling ethics. When the Government asks developers to join hands to implement the land supply strategy in Hong Kong, isn't it asking the tiger for its skin? The Government says to

developers, "If you wish to join, you can make proposals. Infrastructures aside, 70% of the land will be used for public housing development and 30% for private housing development." Developers may give verbal consent, but have we ever seen any of them surrender their land? They will not even bother. Owing to the high land price policy, developers have a total of 1 000 hectares of land and flats ready for sale worth tens of millions of dollars. Will they be so stupid as to surrender their land and share with the Government? Insane!

If the Government is really committed to providing housing for the public, why does it not use 6 000 hectares of land now available? Such sites include idle lands, lands hoarded by developers for "sunbathing", brownfield sites, military sites and also a golf course, and the total area is 6 000 hectares. Yet, the Government dares not use such sites. Isn't the Government incompetent?

In the next five years, fewer than 100 000 public housing units will be provided, but 270 000 households are on the waiting list, meaning that they will not be allocated with public housing after a long wait of 20 years. What kind of Government is this? Some say that the Government is asking the tiger for its skin when it launches the Land Sharing Pilot Scheme, but perhaps the Government itself is also a tiger, sharing the prey and robbing the people together with developers. Unless the Government is really determined to ensure a steady land supply, and use the "sunbathing" sites and lands hoarded by property developers for housing construction; otherwise it is just a hypocrite, making empty promises and taking no action.

Next, I would like to talk about transportation. According to some pro-establishment Members, the Government indicated that the Northwest Railway would not be constructed if artificial islands were not created. Is that a threat? The Government has always encouraged people to move to Tuen Mun, Yuen Long, Tin Shui Wai and Hung Shui Kiu, and now it is telling them, "If you agree to give me \$1,000 billion to build a mirage, I will give you a railway." We have stated very clearly that there should be a railway connecting Tuen Mun and Yuen Long to the urban areas and the Government has also drawn up a plan for that. Why has a railway not been constructed? Why does it have to make up various pretexts, saying that the railway will only be constructed if the artificial islands proposal is passed? Shame on the Government!

Lastly, I wish to say something about environmental protection. The Government released the first paper on the disposal of municipal solid waste in 1998 and after a long wait of 20 years, it finally introduces a bill on municipal solid waste. However, Korea and Taipei already implemented relevant schemes in 1995 and 2000 respectively. Is there anything wrong with the Government? What has it been doing all this time? But back to this subject, it is better to have something done than not. Some pro-establishment Members have begun to back off, saying that the Government should not impose waste charge. I have to tell the Government that if it bows to their pressure again this time, Hong Kong will continue to be a waste mound.

I have just heard a joke from the pro-establishment camp which I really want to share with you all. A pro-establishment Member from the Hong Kong Island geographical constituency said that extreme climate changes have affected Hong Kong more frequently, including the once-in-a-century super storm, which littered the waterfronts—I guess he was talking about the waterfronts outside Heng Fa Chuen and Island Resort. I expected that he would then say that he opposed the Government's plan to construct artificial islands, but he said he supported the plan. How can he be so anti-intellectual?

LAM Chiu-ying, a person respected by many Members and his remarks endorsed by senior government officials, said that it is totally unscientific to assume the waves in the vicinity of the artificial islands to be 2 m high because the waves in the vicinity of Kau Yi Chau are 5 m high and during the once-in-a-century super storm, the waves might be 17 m. Despite the substantial amount of data, the Government turns a blind eye and keeps on putting forward the reclamation plan. I do not blame Ir Dr LO Wai-kwok as he is waiting to share the \$1,000 billion; neither do I blame Mr Abraham SHEK who represents of the real estate sector, as property developers naturally want to profit from land sales. However, as for those pro-establishment royalist Members returned from direct elections who represent the general public, they should not speak such nonsense and undermine the future of Hong Kong. Once the reclamation works are carried out, Hong Kong will be doomed eternally and members of the public will have to wait probably 20 to 30 years before they can be allocated with housing. In the meantime, they still have to live in subdivided units and wait painfully for HOS flats. That reminds me of the movie *Train To Busan*: people

try by every means to squeeze, crawl or even break the glass to get into the train. Do Hong Kong people have to be degrade themselves like that? However, the Government is still indifferent to their plight and proposes this kind of heinous land reclamation plan. It should not be allowed to exist in Hong Kong!

I so submit.

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

(No Member indicated a wish to speak)

SECRETARY FOR SECURITY (in Cantonese): Deputy President, over the past year, the disciplined services under the Security Bureau have carried out various aspects of work in accordance with the governance vision and policy objectives of the SAR Government and under a solid basis for law enforcement. Effective results have been attained as Hong Kong continues to be one of the safest cities in the world. While the risk of terrorist attacks in Hong Kong ...

(Dr KWOK Ka-ki stood up)

DEPUTY PRESIDENT (in Cantonese): Secretary, please hold on. Dr KWOK Ka-ki, what is your point?

DR KWOK KA-KI (in Cantonese): Deputy President, I request a headcount.

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

(While the summing bell was ringing, THE PRESIDENT resumed the Chair)

PRESIDENT (in Cantonese): Members, according to my estimation, this motion will be put to vote at around 10:00 pm to midnight. After consulting different parties, I have decided to complete the voting before adjourning tonight's meeting.

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

PRESIDENT (in Cantonese): Secretary for Security, please continue with your speech.

SECRETARY FOR SECURITY (in Cantonese): President, while the risk of terrorist attacks in Hong Kong is maintained at a medium level, meaning there is no intelligence indicating a terrorist attack, we must stay vigilant in peace time. In this connection, the SAR Government set up an Inter-Departmental Counter-terrorism Unit in April to provide an inter-departmental counter-terrorism platform on top of the existing counter-terrorism framework to enhance the work of counter-terrorism in the areas of prevention, training, intelligence, contingency planning and public education. In order to be prepared for future challenges, we will continue to be vigilant and assess the security situation continuously.

The Security Bureau will promote the disciplined services to take forward a four-pronged strategy covering "application", "research and development", "analysis" and "fortification" of innovation and technology to enhance the law enforcement capabilities. For example, the Correctional Services Department plans to introduce smart elements at correctional facilities, including the use of video analytics and other technology to enhance the efficiency of prison management and level of security. The Customs and Excise Department plans to take a progressive approach to examine how to extend the application of technology, such as artificial intelligence, data analysis and enhanced computer forensic examination support, to enhance effectiveness of law enforcement as well as capabilities of crime detection and investigation. The Immigration Department ("ImmD") plans to introduce a Next Generation Application and Investigation Easy System in phases from 2021 onwards, in order to improve ImmD's core services. The Police plan to enhance support for digital evidence handling and reconstruction of digital crime scenes, further strengthen cyber

security protection and better safeguard critical infrastructure. The Fire Services Department plans to make use of big data in the analysis of fire incidents, fire services installations in buildings and related information and data on inspections, so as to formulate timely and appropriate strategies for fire safety inspections and education.

In respect of the handling of non-refoulement claims, since the Government commenced a comprehensive review of the relevant policies in early 2016, we have implemented a number of measures in various aspects. For example, the numbers of non-ethnic Chinese illegal immigrants and non-refoulement claims have dropped significantly by 80% from the peak. The number of claims pending screening by ImmD has also dropped significantly by 80% from the peak. As a next step, the Torture Claims Appeal Board will continue to expedite the handling of appeals, while ImmD will expedite the repatriation of the claimants whose claims have been rejected.

The Security Bureau will introduce a bill to amend the Immigration Ordinance early next year. The bill aims to bring about long-term improvement to screening procedures, eliminate deliberate stalling, further enhance overall efficiency in the screening process, and expand ImmD's powers for enforcement, detention and deportation.

On combatting trafficking in persons, a high-level inter-bureau/departmental Steering Committee, chaired by the Chief Secretary for Administration, was established in March this year, and the Action Plan to Tackle Trafficking in Persons and to Enhance Protection of Foreign Domestic Helpers in Hong Kong was promulgated. The Action Plan presents multi-faceted measures that are comprehensive, strategic and targeted. The Security Bureau will continue to work with the Labour and Welfare Bureau to promote concerted efforts among relevant government departments in combatting human trafficking and protecting foreign domestic helpers.

In respect of legislative work for enhancing the fire safety of old industrial buildings, stakeholders are in general supportive of the legislative proposal. We will expedite the drafting of the legislation and present the bill to the Legislative Council. Apart from that, applications for the \$2-billion "Fire Safety Improvement Works Subsidy Scheme" closed last Wednesday (31 October). We are currently examining the applications in detail and hope to complete the approval process as soon as possible.

Regarding Members' amendment to reduce the daily quota for One-way Permit ("OWP") and take back the power to vet and approve OWP applications, I must point out that the OWP Scheme is implemented for allowing Mainland residents to come to Hong Kong for reunion with their spouse or children in an orderly manner. People who come to Hong Kong on OWP are family members of Hong Kong citizens residing in Hong Kong. At present, the daily quota for OWP is 150. There are divergent views on the Scheme. While some oppose the Scheme, some advocate family reunion and ask for early approval of Mainland family members of Hong Kong residents to come to Hong Kong for reunion. With one third of marriages registered in Hong Kong being cross-boundary marriages between Mainland and Hong Kong residents, there is a continuous need to grant OWPs so that separated spouses and their children born on the Mainland can come to Hong Kong for family reunion. As presently I do not see the trend of cross-boundary marriage will change, there is a need to implement the OWP Scheme. The SAR Government will keep in view the views of various sectors of society and the overall interests of the local community, and will continue to exchange views with the Mainland authorities on the overall usage of OWP quota, and reflect to them the aspirations of the society.

Furthermore, in response to acts of cruelty to animals, the Police have set up dedicated investigation teams in the 22 police districts since April this year. In the coming financial year, the Police will implement the "Animal Watchers" Scheme, with a view to agglomerating the strengths of animal lovers at the community level in four directions of education, publicity, investigation and intelligence-gathering; raising public awareness on prevention of cruelty to animals; and encouraging the public to report in a timely manner as well as enhancing the communication and cooperation among relevant government departments, animal welfare organizations and animal lovers.

President, the Security Bureau and the disciplined services will continue to formulate forward-looking policies in the coming year, with a view to creating, in the light of the overall security situation, conditions conducive to regulation and law enforcement. As such, front-line personnel can be better equipped to handle challenges and can, with concerted efforts, realize the Chief Executive's vision of a "safe city".

With these remarks, President, I hope that Members will support this year's Policy Address. Thank you, President.

SECRETARY FOR DEVELOPMENT (in Cantonese): President, a number of Members have just spoken on Lantau Tomorrow, with Mr CHU Hoi-dick questioning specifically whether the future studies of Lantau Tomorrow will have any relevance with the past studies. To start with, I have to say clearly that they are related.

I am holding in my hand a booklet entitled "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" ("Hong Kong 2030+") and Members are invited to go through it carefully. In the report on "Consolidated Land Requirement and Supply Analysis" of Hong Kong 2030+, it is stated that we need about 1 million residential units to meet the housing demand for the next 30 years. Where did this figure come from? Here it goes: an increase of some 400 000 households; some 100 000 inadequately housed households; some 300 000 households pending rehousing due to redevelopment; and slightly more than 100 000 households which are mainly made up of mobile residents such as non-local students. They add up to 900 000 households or so. Meanwhile, as some private residential units may be left vacant, we thus need 1 million residential units to meet the demand.

Earlier on, some non-establishment Members have made a point that we have repeatedly mentioned, saying that rezoning and some other measures can provide us with about 380 000 residential units in the short and medium run; adding this number to the 220 000 residential units to be built in new development areas and railway projects, we will have a total of 600 000 units. In other words, we will roughly be short of 400 000 units in the next 30 years. Of course, there is some sort of housing production in the market. For example, developers now build some 4 000 to 5 000 units per year in their redevelopment projects. However, I must say that the future production of these private units is beyond our control even though we would love to see a supply totalling over 100 000 units in the next 30 years. In order to meet the housing demand projected in Hong Kong 2030+, we need to have another 200 000 units or so. Yet, as the Government pointed out repeatedly, the projection in Hong Kong 2030+ is actually quite conservative because it has not taken into account Hong Kong residents' aspiration for a more spacious home or the various housing demands arising from an ageing population. Therefore, Lantau Tomorrow, particularly its phase one project in Kau Yi Chau, is there to make up for the shortage of housing supply. According to our current estimation, the Kau Yi Chau project can provide about 150 000 to 260 000 residential units, and this housing supply can precisely make up for the anticipated shortage of some

200 000 units. If the Government can implement its New Territories North development project at the same time, another 90 000 to 130 000 units will be in the pipeline. However, as the Government stated earlier, there are many considerations as to how and when this project should be implemented.

Moreover, I would like to illustrate the relationship between the 1 000 hectares and 1 700 hectares of land stated in the section of Lantau Tomorrow Vision. The Task Force on Land Supply ("the Task Force") has clearly advised that Hong Kong is short of 1 200 hectares of land—not the 1 000 hectares of reclaimed land near Kau Yi Chau. Please do not confuse the two figures. The Task Force has also expressly indicated that the reclaimed land near Kau Yi Chau is far from sufficient, and we should think ahead and consider building land reserves for the future of Hong Kong. After conducting various studies and considering initial parameters such as water depth, water current, navigation safety and initial ecology parameters, planning and engineering professionals from the Government held that the reclamation of 1 700 hectares of land in the Central Waters would be feasible despite the need for further studies. While the Government has clearly decided to create 1 000 hectares of land near Kau Yi Chau in the first phase of reclamation, its decision coincides with the option of reclaiming 1 000 hectares of land for the then-called "East Lantau Metropolis" proposed by the Task Force in the public engagement exercise. Therefore, the relevant recommendations and observations in the Task Force's report to be submitted to the Government at the end of December are believed to have extremely high reference value.

Yesterday, both Mr HO Kai-ming and Mr WONG Kwok-kin asked the authorities to tell the public the objectives for reclamation near Kau Yi Chau and the target beneficiaries. On the first question of the objectives for reclamation near Kau Yi Chau, there are many benefits with this reclamation project. The most direct benefit, as stated by the Chief Executive, is that 70% of land so created in Kau Yi Chau can then be used for public housing. In terms of the number of housing units, assuming that 150 000 to 260 000 residential units are built in Kau Yi Chau, 105 000 to 182 000 of them will be public housing. What do these figures imply? If we put together the public housing units to be built in development projects with which we are familiar, including the development of the Tung Chung New Town Extension Area, Kwu Tung North/Fanling North New Development Areas, Hung Shui Kiu New Development Area, as well as the development of the Yuen Long South New Development Area currently underway, the total number of such housing units will only be 129 000. But

how long have these four areas been developed? Regarding the Kwu Tung North/Fanling North New Development Areas, the planning started in 2008, and we plan to submit the project to the Legislative Council for scrutiny next year, in the hope that funding approval will be given to proceed with the main development works and land resumption. As for the Tung Chung New Town Extension, with the funding approval given by the Legislative Council in the second half of last year, development works is now in progress. The planning of the Hung Shui Kiu New Development Area has completed and we hope to obtain funding approval from the Legislative Council in the latter part of next year. Meanwhile, the Yuen Long South New Development Area is now under planning. When these four areas can only provide a total of 129 000 public housing units, the reclamation project in Kau Yi Chau alone can, by comparison, provide a maximum of 182 000 units to help ease the serious shortage of public housing.

Let me explain from another perspective. At present, our annual production of public housing stands at 28 000 units. The production capacity of 182 000 units in Kau Yi Chau is, in other words, sufficient to meet our future needs for six or seven years. How can we overlook this important fact in our current discussion of this issue? Some people have suggested creating 1 000 hectares of land at some other places and questioned why there are no other options other than Kau Yi Chau. This question leads us to another strong point of Kau Yi Chau, i.e. its strategic location makes it irreplaceable. Firstly, the reclamation at Kau Yi Chau gives us an opportunity—Ms Alice MAK has put it right—to ease the heavy traffic in New Territories West, Tuen Mun and Yuen Long so that local residents may make use of trunk roads and railways to travel from Tuen Mun to the nearby urban areas via Lantau and Kau Yi Chau.

Secondly, reclamation at Kau Yi Chau allows Hong Kong to have a more reasonable population distribution. Even if no reclamation is carried out at Kau Yi Chau, the need to meet future housing demand remains. By then, we will be forced to house more population in New Territories North, even to the extent of making use of every inch of land available. Among the various new development areas, all except the Tung Chung New Town Extension Area are situated in New Territories East or New Territories West. We are now working on rezoning in the hope that housing supply can then be increased to more than 310 000 units, among which most will be situated in the New Territories. Does that mean that the New Territories will have to bear incessantly the pressure of an increasing population? What should we do to address the lack of transport and

infrastructure facilities? Reclamation at Kau Yi Chau can help us rationalize the distribution of our population. Furthermore, the close proximity of Kau Yi Chau to urban areas allows us to provide suitable housing to households affected by urban redevelopment. Members may recall that I once said, if the living density in Sham Shui Po, Yau Ma Tei, Tsim Sha Tsui and Mong Kok has to be lowered from 50 000 people per km to 40 000—only a small reduction to 40 000 people—we will have to rehouse 150 000 people, moving them to either the New Territories, which is tens of kilometres away, or a place comparatively close to the urban areas. I hope that Members will see the difference.

Besides, the excellent strategic location allows Kau Yi Chau to become our third central business district ("CBD"). Just now, both Mr CHU Hoi-dick and Ms Alice MAK mentioned Hung Shui Kiu. While the development of Hung Shui Kiu can provide 15 000 job opportunities and business opportunities for logistics companies, there is no way for Hung Shui Kiu to be developed into the third CBD. By contrast, Kau Yi Chau is only 10 km away from Central and will have all sorts of ancillary facilities in the future. Owing to the less favourable location of Hung Shui Kiu—I do not mean to belittle Hung Shui Kiu—it is wishful thinking to believe that Hung Shui Kiu would become the third CBD.

According to Hong Kong 2030+, it is clear that Kau Yi Chau will become our third CBD. Technically speaking, people are worried about the technical feasibility of the construction works and their resilience to survive extreme weather. We understand these worries and will face them up frankly. Yet, at this very moment, I would like to quote a well-written statement from The Hong Kong Institution of Engineers ("HKIE"): "In terms of the technical aspects, the engineering technology of constructing artificial islands through reclamation is mature, and has been successfully adopted worldwide, one example of which is the Hong Kong International Airport located at Chek Lap Kok." HKIE went on to say, "It has been proven that the challenges of severe weather, height of waves, and flooding have been tackled well in these reclamation projects. To further enhance the resilience of the reclaimed land against future extreme weather scenarios, measures such as building higher sea walls and placement of wave breakers could be adopted." We plan to seek funding approval from the Legislative Council for relevant studies and will certainly give full and careful consideration to such worries.

Financially speaking, as a number of Members have already expressed their opinions, I am not going to repeat their earlier viewpoints in detail. In brief, at present, we spend \$100 billion each year on public works, and the

reclamation cost at Kau Yi Chau is around \$130 billion to \$150 billion. If we spread the project costs and the ancillary infrastructure costs over a period of 10 to 20 years, the cost per year is only several ten billion dollars. Hong Kong can definitely afford this spending.

Just now, some Members have pointed out that even if we do not construct an artificial island at Kau Yi Chau, we still have to consider building some transport infrastructure, i.e. Route 11 mentioned earlier or another rail link—some people call it a semi-Tuen Mun-Tsuen Wan Line—to connect the New Territories with Hong Kong Island via Lantau Island and Kau Yi Chau. This pressing need for infrastructure further justifies the reclamation at Kau Yi Chau.

Just now, I was most surprised to hear non-establishment Members opposing the conduct of relevant studies. I have to make one point clear. We are not saying that the reclamation project will commence next year. Absolutely not. Our next step is to go through certain procedures, first of which is to conduct planning and works studies. In the course of study, we will collect a lot of data to clear doubts. Therefore, I would say that some Members are self-contradictory by accusing the Government of failing to justify its many assumptions on the one hand and objecting to conducting studies on the other. I call on Members to take a scientific approach based on facts and evidence.

As for how reclamation will affect the marine ecology or fishing industry, as mentioned by Mr Steven HO, and the public concerns over the impacts on environment and marine ecology, these issues will also be addressed properly in our studies. However, I must highlight that since the 1980s, and during the period from 2011 to 2014, a number of reclamation studies had been conducted. Why did we choose the Central Waters? Apart from the relatively shallow water in this area, the less sensitive marine life is another reason. These are the fundamental factors. Yet, we will continue to carefully consider these issues in our future studies.

Just now, Mr HUI Chi-fung talked about supply and demand, but his remarks have somehow shocked me. If the demand for housing remains unchanged, an increase in land supply will certainly push down the prices, weakening the bargaining power of sellers. This is a basic concept in economics. Since Mr HUI has condemned developer hegemony and accused certain land owners of having too much power, I really do not understand why he

queried, as a matter of principle, the Government's plan to substantially increase land supply over a period of time? Of course he may have some other reasons for opposing this plan, but from the fundamental law of supply and demand, this is a basic principle. If we fail to increase our land supply, we will not even have land for facilities such as housing and community amenities; how can we bargain with developers in this case? Just now, Dr KWOK Ka-ki righteously accused us of underperformance in a number of aspects; yet he expressed serious reservation and doubt as to our proposal to increase land supply. Why?

With regard to sites under short-term tenancy and temporary Government land allocation mentioned by some Members, the Task Force has clearly stated in its paper that most of them are used for work sites or work area. Upon completion of facility construction, these sites will usually become part of the future facilities. As for unleased and unallocated Government land, there are some 800 vacant sites but most of them are smaller than 500 sq m. In other words, very few of them can be used for high-density residential development. However, in order to make good use of communal wisdom, the Government has set aside \$1 billion in the 2018-2019 Budget to provide funding to local organizations for putting these sites or the facilities thereon for not-for-profit community uses.

Many Members have mentioned the Land Sharing Pilot Scheme and questioned why this Scheme should be implemented. Why do we not resume every single piece of land? Why do we not develop new development areas across Hong Kong? The answer to the first question is that the legal system of Hong Kong respects private property rights. Before land resumption, a number of established prerequisites must be fulfilled. For example, land can be resumed if it is for public uses such as constructing public rental housing and roads. However, public use is something to be determined in the planning process, and the Government has limited resources for planning at present. As Members may recall, I repeated time and again that some 210 sites had been identified since 2014. So far, we have finished the planning process for 50% to 60% of these sites, with more than 90 sites going through or yet to go through this process.

As for the new development areas, Members should know that we are working hard on their planning step by step. Soon after the completion of the planning for Hung Shui Kiu, we are now working on the planning of Yuen Long South, which can, however, carry only a small population. As regards New Territories North, we will see if the planning of Lok Ma Chau (San Tin) can be

started at an earlier time. Regarding the Kwu Tung North/Fanling North New Development Areas, while the previous planning documents expected the intake to take place in 2019, the latest development is that we will seek funding approval from the Legislative Council for the main development works in 2019 so as to kick start the land resumption process. That is the reality.

Therefore, just now a Member said that the time needed for developing a new development area might not necessarily be shorter than that for reclamation; I regret to say that he was right. Yet, I do not want to see the same thing happens again in future. This lengthy process, however, prompts us to make good use of the market forces. One of the advantages of the Land Sharing Pilot Scheme is that we can stop relying solely on the government-led planning which is limited by our constraints on manpower and resources; secondly, this Scheme basically does not require the Government to resume any land as private land owners have land reserves in hand; thirdly, I implore Members to think through the meaning of public interest. The Chief Executive has clearly stated in the Policy Address that 60% to 70%, which is more than half, of the increased floor areas will be used for public housing development under this Scheme, and she has already asked the Development Bureau to work out the details of the Scheme next year. We will give an account to the Legislative Council upon completion of this task.

President, lastly, I would like to speak on the revitalization of industrial buildings and the Lift Modernisation Subsidy Scheme.

With regard to the wholesale revitalization of industrial buildings, Mr MA Fung-kwok has asked whether the 10% of floor area designated for specific uses prescribed by the Government can be used for recreational purpose. We are happy to consider his view. It is hoped that we will be able to give details of the revitalization scheme for industrial buildings to the Legislative Council by the end of this year. We think Mr MA Fung-kwok concurs with our view that business activities which have long existed in industrial buildings should be allowed to continue with their operation as long as they do not create fire risks or drive up the rentals of industrial building units for commercial uses. This stance is actually in line with the intention of our original scheme.

Last but not least, regarding the Lift Modernisation Subsidy Scheme, Mr LAM Cheuk-ting is concerned about the issue of bid-rigging. The Government shares his concern and undertakes to join hands with the Urban

Renewal Authority ("URA") to guard against bid-rigging properly. On Mr LAM Cheuk-ting's question about whether the consultants of URA can give support in the testing of lifts, last night, I checked to confirm that upon completion of the relevant works, the Electrical and Mechanical Services Department will be the one to take care of the safety issue, and for other issues (e.g. quality of tiling), the consultants of URA will provide Owners' Corporations with technical support throughout the process, including in the testing stage.

With these remarks, President, I hope that Members will support this motion.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, I thank Members for their views on environmental policies in the Policy Address. This year, the Government has put forward many new policies on improving air quality, waste reduction and recycling, coping with climate change, and energy and nature conservation. This shows the importance that the Government has attached on the environment. Regarding the views expressed by Members, I will respond on the main points as follows.

The first point concerns improving air quality, since all of us are concerned about roadside air quality. In the past five years, through focused efforts on reducing emissions from commercial vehicles, the key roadside air pollutants, including respirable suspended particulates and nitrogen dioxide, have reduced by around 30%. This shows that the measures are beginning to produce results. This year's Policy Address will continue to adopt this focus to improve air quality with a multi-pronged approach. Many Members, including Mr Frankie YICK, Mr POON Siu-ping, Mr CHAN Hak-kan and Mr Kenneth LEUNG, support the Government's concern and actions taken in this respect. Members also reminded us to maintain communication with them, the industries and stakeholders; and enhance regional cooperation, including capitalizing on the opportunities of the Guangdong-Hong Kong-Macao Greater Bay Area, so as to improve air quality of the roadside and Hong Kong as a whole. We will take follow-up actions.

The Policy Address this year also includes policies relating to private cars. We will consider ceasing the first registration of diesel private cars in Hong Kong. We will enhance communication with the trades in the hope that the relevant policy can be introduced as soon as possible. Mr CHAN Hak-kan is particularly concerned about electric vehicles. He expressed his concern about

electric public buses earlier and quoted some figures. I have communicated with him previously. The figures he quoted yesterday were not entirely accurate. In fact, there were 22 electric public buses in Hong Kong last year; we have 28 this year and expect to have 36 next year. In other words, the number is steadily increasing each year.

Regarding climate change and energy, Members are particularly concerned about extreme weather, such as the onslaught of super typhoon Mangkhut on Hong Kong. The Government has formulated established policy objectives, including Hong Kong's Climate Action Plan 2030+ which follows the progress tracker developed by the international world in the Paris Agreement, in the hope that with concerted efforts of all parties, the rise in global temperature will be kept within 2°C in 2030. Recent international studies suggest that efforts should be strengthened to keep the temperature rise within 1.5°C. The Government has planned ahead and invited the Council for Sustainable Development to make preparations for conducting a public engagement exercise. The relevant document would probably be submitted for Members' discussion within this legislative session (a few months later). Members would like to enhance interaction, collaboration and innovation and explore how to enable Hong Kong to further reduce carbon emissions and formulate long-term policies on reducing carbon emissions in the areas of energy supply, electricity usage, transport and waste reduction, etc.

In relation to renewable energy about which Members are concerned, the Government has planned to enhance the relevant work in the Policy Address this year. Dr Junius HO and Mr Kenneth LEUNG have expressed their concerns earlier in the Government's work in this area. Members may notice that the Government is gradually forging ahead with its work, including introducing Feed-in Tariff and providing tax concessions in this regard. The Environment Bureau is also collaborating with the Development Bureau to provide more incentives for installing facilities such as solar photovoltaic ("PV") panels for houses. The figures are encouraging. In the past, only some tens of PV systems or renewable energy facilities were registered in the Feed-in Tariff Scheme in Hong Kong. But, since 1 October this year, a total of about 700 applications have been received in Hong Kong, which is more than 10 times the number in the past. This shows the initial results of our efforts and I hope that Members will continue to support the work.

The Government will lead by example. It is mentioned in the Policy Address that we will inject resources and utilize different types of land, including reservoirs, to extend the coverage of PV systems. We will also explore how to install PV facilities in landfills to make the best use of spaces and gradually extend the coverage of PV systems.

More Members are concerned about the work on waste reduction in Hong Kong and we need to work harder in its promotion. The work relates to the pressure on landfills in Hong Kong, and it also concerns reduction of waste and carbon emissions. After the incident of Typhoon Mangkhut which I mentioned earlier, we should be more concerned about how to expedite the progress of waste reduction in Hong Kong. The Government will forge ahead with different strategies under a multi-pronged approach. As for other advanced cities in Asia, e.g. Seoul in South Korea and Taipei, they introduced quantity-based waste charging 20 years earlier than Hong Kong and achieved significant results in waste reduction. Certainly, when other cities introduced the measure, it was not without challenge. Thus, I hope we can make concerted efforts and engage all the people to create green employment together, so that Hong Kong can reduce waste and carbon emissions.

A number of Members agree that waste charging will spearhead waste reduction and change in the modes of business operation in Hong Kong. First, there is much room for waste reduction at source, including food waste, disposable plastics and other material. Waste charging can help people further reduce waste at source and encourage the trades and shops concerned to reduce the packaging of their products to promote progress in waste reduction. Besides, waste charging will also encourage people to make the best use of the existing recycling facilities and areas. In recent years, the Government is gradually enhancing its support facilities for recycling, starting with those of glass bottles and waste electrical equipment. Our next step is to deal with commercial and industrial food waste and domestic food waste, beginning with some pilot schemes and then gradually extending the scale to cover all trades. These measures will be implemented together with waste charging in a two-pronged approach.

We have a comprehensive strategy in promoting waste charging. We attach priority to education, supplement it with community support and outreach assistance and have law enforcement as backup. These areas of work will be conducted in an orderly and structured way. After the passage of the bill on

waste charging, we will give the public a preparatory period of 12 to 18 months, depending on the results of the public engagement exercise, to gradually adapt to the changes. After the commencement of the amendment legislation, there will be an adaptation period of six months to allow the general public to make further progress in respect of law enforcement and adaptation. I hope that Members will give their views to the Bills Committee in due course, so that the relevant bill can be expeditiously passed to reduce waste and carbon emissions in Hong Kong.

Furthermore, Members are concerned about the problem of disposable plastic items. Although disposable plastic items may not be the main source of waste, they appear on the shorelines of Hong Kong. In the Policy Address this year, the Government has plans to strengthen the relevant work. After studying overseas practices and considering our local circumstances, the Government will explore how the relevant legislation will be implemented in the long term to ban or replace the use of certain items. Meanwhile, the Government will first go "plastic-free", i.e. reduce the use of disposable plastic tableware, at government venues as soon as possible.

Next, I would like to talk about conservation. The Government will also strengthen its conservation efforts. In the past few years, the total area of country parks in Hong Kong has increased; in the next few years, we will plan to designate the 25th country park at Robin's Nest with a size of nearly 500 hectares. Meanwhile, we will join hands with the Development Bureau to step up our conservation efforts, including attaching priority to conserving areas of country parks and places with high ecological value to improve the environment of Hong Kong as a whole.

Finally, let me say that Hong Kong must go forward in protecting the environment. President, we will continue to do our best in promoting environmental work and I hope that all Members will walk with us. Everyone should reduce waste and carbon emissions. "Dump less, save more! Don't be a Big Waster!" I implore Members to support the Motion of Thanks moved by Ms Starry LEE. Thank you, President.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, first of all, I would like to thank Members for speaking on arts and culture and sports development. Please allow me to provide a further update on these two aspects. We will introduce a territory-wide Physical Fitness Survey for the Community

this year. The physical fitness of the public is closely related to their physical activity level, and at the same time it can reflect their participation in sports, which is in turn an important indicator of the effectiveness of our work in promoting sports in the community. As such, we have proposed to conduct a territory-wide longitudinal Physical Fitness Survey to facilitate the formulation of long-term targets and measures to promote sports in the community. We will also collaborate with relevant bureaux and departments, such as the Education Bureau, the Food and Health Bureau and the Department of Health, in our joint effort to promote a healthy lifestyle.

We are currently reviewing our Subvention Scheme for national sports associations ("NSAs"). On the one hand, we will review the scope and amount of subvention under the Subvention Scheme. On the other hand, we will examine how to enhance the corporate governance of NSAs. We plan to introduce enhancement measures of the first phase next year to allocate additional resources to subvented NSAs for participating in international sports events overseas and for squad training, and to raise the amount of subsidy to needy athletes.

Hong Kong athletes have attained great achievements in international competitions in recent years. The Hong Kong delegation has made the best achievements in history in the Asian Games and the Asian Para Games this year. We will continue to support the development of elite sports to help our athletes excel at the 2020 Tokyo Olympics and other major international games in the future. For example, we will step up our efforts in areas such as training, sports science and sports medicine, and we will proactively look into ways to enhance the facilities of the Hong Kong Sports Institute.

With regard to Mr WONG Ting-kwong's suggestion on planning and building more leisure and cultural facilities for the public and tourists, the Government has started the construction of new facilities. The Government is actively implementing the Kai Tak Sports Park project, the contract of which is scheduled to be awarded at the end of this year. Expected to be completed between 2022 and 2023, the project will provide world-class facilities to promote holistic sports development and attract more international sports events and games to Hong Kong.

Meanwhile, we will continue to take forward the Five-Year Plan for Sports and Recreational Facilities ("Five-Year Plan") to increase and enhance the provision of district recreational facilities, with a view to promoting sports for all.

In the past two legislative sessions, a total of 10 projects were granted funding approval by the Legislative Council. We will continue to submit funding applications for other projects to the Legislative Council, and we hope to get Members' support by then.

In addition, the Government has announced an allocation of \$500 million to the Major Sports Events Matching Grant Scheme, with a view to encouraging more sponsorships from the private and business sectors. We hope to get the funding approval by the Legislative Council soon so as to launch this Scheme in 2019.

Mr MA Fung-kwok is concerned about the support for arts groups. To support local arts groups in producing more high-quality performing arts programmes and cultural activities, the Government will increase the funding to arts groups of different sizes in the next financial year, including increasing the recurrent subvention of the nine major performing arts groups by 10% and increasing the funding for the Hong Kong Arts Development Council ("HKADC") by 30%. We will further increase these subsidies the following year.

In the next few years, the Government will continue to support local artists and arts groups to perform and stage exhibitions in the Mainland and overseas, so as to create more opportunities for local artists. The Government will hold the Festival Hong Kong—A Cultural Extravaganza@Shanghai in Shanghai in November 2019 for showcasing the arts and culture of Hong Kong, and arts groups from Hong Kong will take part in it.

The Government understands the community's need for the provision of additional performance venues in Hong Kong and is striving to explore new venues. Apart from the West Kowloon Cultural District ("WKCD"), the Leisure and Cultural Services Department ("LCSD") currently has 16 performance venues of varying sizes situated at accessible locations all over the territory. In order to continuously upgrade our cultural hardware, the Government has set aside \$20 billion for the improvement and development of cultural facilities in the coming 10 years. Currently, the cultural and performance facilities under planning and construction by the Government include the construction of the East Kowloon Cultural Centre in Ngau Tau Kok, the implementation of pre-construction activities of the New Territories East Cultural Centre in Area 11,

Fanling, the planning of the development of Yau Ma Tei Theatre (Phase II), the planning of the expansion of the Hong Kong City Hall, the renovation of the Hong Kong Cultural Centre, etc. It is expected that the construction of the East Kowloon Cultural Centre will be completed by 2020.

The Government has provided additional funding to HKADC to support its operation of more arts space. Under the Space Sharing Scheme for Youth ("SSSY"), HKADC has rented about 16 000 sq ft of floor area from private property owners to be leased to arts groups and artists at below market rent. HKADC will continue to negotiate with private property owners to develop arts space in other properties under SSSY.

Ms YUNG Hoi-yan has raised the issue of ticketing arrangement for LCSD venues. We will exchange views and discuss with Members in November. With regard to Mr MA Fung-kwok's proposal to support the local publishing industry, LCSD has communicated with the industry in recent months. We are exploring the feasibility to introduce a pilot scheme by deploying additional resources, with a view to promoting the development of the local publishing and cultural creative industries.

Lastly, it is worth mentioning that this year marks a significant milestone for the development of WKCD. Xiqu Centre, its first major performing arts venue which will be commissioned by the end of this year and will officially open in January next year, will help nurture young xiqu talent and promote xiqu creation, injecting impetus to the conservation and promotion of the xiqu art form. Various major arts and cultural facilities will soon come on stream: Freespace, a venue for presenting novel artistic experiences, will open next year; upon completion of the M+ Building and the Hong Kong Palace Museum, the two world-class museums will complement each other perfectly along the Victoria Harbour waterfront; the superstructure works of the Lyric Theatre Complex will also commence soon; the West Kowloon Cultural District Authority ("WKCDA") will take the next step to accord priority to the Music Centre. The Government will continue to monitor and facilitate the planning, development and operation of various arts and cultural facilities by WKCDA, with a view to realizing the vision of WKCD.

Thank you, President.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, first I would like to thank Members for their views about the policies on transport and housing. I will give a reply to the two areas successively.

The continuous promotion of smart mobility underpinned by public transport is one of our transport strategies and initiatives. Passenger trips made through public transport by Hong Kong people account for as high as 90% of the total, and over 4 million passenger trips are made through franchised bus services each day. The Chief Executive's 2018 Policy Address ("the Policy Address") proposes waiving the tolls charged on franchised buses for using government tunnels and roads. Each franchised bus operator should set aside the toll savings in a dedicated fund established by it to ease fare increase pressure, thereby alleviating the magnitude of any bus fare increase to be borne by the public. We are preparing in full speed for the implementation of the proposal. Our target is to finish amending the relevant subsidiary legislation by early next year, so as to implement the proposal.

To further enhance the operating safety of franchised buses, and enable people to enjoy safe, reliable, efficient and affordable franchised bus service, the Policy Address proposes to set aside around \$500 million to subsidize franchised bus operators for retrofitting three safety devices on appropriate existing buses, including the Electronic Stability Control which can improve vehicle stability and reduce the risk of rollover, speed limiter with slow-down function and the installation of seat belts on all seats in the upper deck of buses deployed for long-haul routes which are operated via expressways with relatively fewer bus stops. We propose to subsidize the franchised bus operators 80% of the relevant costs. The subsidy scheme is expected to be rolled out in the 2019-2020 financial year.

To further facilitate the planning of trips by passengers, the Policy Address proposes to fund and develop a data collection system and a mobile application, as well as install global positioning devices on around 3 300 green minibuses in the territory, so as to enable passengers to get access to the real-time arrival information of green minibus routes through the Transport Department's website and "e-Mobility" mobile application. The relevant data will also be released in machine-readable format via DATA.GOV.HK for public use. At the same time, green minibus operators can make use of the data for fleet management with a view to enhancing the operational efficiency, while the Government can apply the data for the purpose of traffic management or transport planning, such as making

use of big data for analysing patronage behaviour and market demand, etc. We will implement the proposal in the coming three financial years, and it is expected that the real-time information system will be launched officially in 2022.

We will implement the non-means-tested Public Transport Fare Subsidy Scheme ("the Scheme") on 1 January 2019 to relieve the fare burden of commuters. Under the Scheme, commuters with monthly public transport expenses exceeding \$400 are eligible for subsidy. The Government will provide subsidy amounting to 25% of the actual public transport expenses in excess of \$400, subject to a maximum of \$300 per month. Commuters do not have to apply for the Scheme. They can collect the public transport fare subsidy for January starting from 16 February next year. The Transport Department held a briefing on the operational details of the Scheme last Thursday. Further details of the Scheme are also available at the designated website for the Scheme.

Regarding the preparatory work for recommissioning the Central-Hung Hom ferry route and launching a pilot water taxi service, the Transport Department is formulating ferry service proposals with further details for consulting relevant stakeholders, with a view to enhancing vibrancy of the Hung Hom harbourfront.

Earlier, many Members expressed their valuable views on the toll adjustment proposal to rationalize traffic distribution among the three road harbour crossings ("RHCs"). We are pleased to see that most Members agree with the direction of rationalizing traffic distribution among the three RHCs, but there are different views as regards the implementation. I would like to point out that the proposal of the Government will bring four major benefits:

First, the proposal will effectively alleviate cross-harbour traffic congestion, shorten the total peak-hour traffic queue lengths at Cross Harbour Tunnel ("CHT") and Eastern Harbour Crossing ("EHC") by 10% to 40%, and reduce by as much as 13 minutes the tunnel travelling time. Second, it will release various traffic junctions on Hong Kong Island and in Kowloon that are now obstructed by cross-harbour traffic queues, thus minimizing the impact on non-cross-harbour traffic, including a large number of passengers who use public transport every day. Third, from 2020 until the franchise expiry of Western Harbour Crossing ("WHC"), private car drivers, motorcyclists and taxi passengers will only be required to pay prescribed tolls and no longer need to face any WHC toll increase pressure. Fourth, society as a whole will benefit. As many as 600 000 cross-harbour passenger trips are made through franchised buses during

peak hours every day, the proposal to rationalize traffic distribution among the three RHCs will facilitate smooth-flowing traffic, thus not only providing motorists with convenience but also saving the journey time of members of the public who use public transport. The proposal will bring about some \$800 million of social cost savings per year, and reduce carbon dioxide from vehicle emissions by about 3 800 tonnes per year, thus improving air quality.

I must stress that the Government used a transport numerical model with sound scientific basis and a large amount of data analysed to make projections, and thoroughly analysed various toll proposals before proposing the existing toll adjustments. We have noted that there are views that the proposal should be revised, such as lowering the proposed increases in CHT and EHC tolls, further reducing WHC tolls, or capping the adjustment at the aggregate tolls of the three RHCs. The statistics in the consultancy study indicate that such proposals will lead to worse congestion at EHC than not implementing the rationalization of traffic distribution among the three RHCs, and will also lead to blockage of non-cross-harbour traffic by traffic queues at WHC. Such proposals are thus inadvisable.

As for Members' remark that residents of the Eastern District will continue to use EHC despite EHC toll increases, I must clarify that as long as some motorists switch to other RHC or more people choose to use public transport, society as a whole and individuals will benefit.

We will brief Members in detail at the meeting of the Panel on Transport on the 16th of this month, and hold discussion with Members on the proposal to rationalize traffic distribution among the three RHCs and the relevant research data. I hope that Members will support this proposal, which will benefit society as a whole and individuals.

Regarding railway infrastructure, the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link was commissioned on 22 September 2018, and commenced operation on the next day. Since the commissioning of the West Kowloon Station, the co-location arrangement has been implemented smoothly, providing over 1.6 million passenger trips with convenient clearance of immigration procedures during the first month, and making it more convenient for passengers to travel between the Mainland and Hong Kong. We are now taking forward the Shatin to Central Link. Due to the series of incidents relating to Hung Hom Station and the relevant investigations, the target commissioning date of the Tai Wai to Hung Hom

Section will need to be further reviewed. We will continue to coordinate and oversee the construction of the Shatin to Central Link, with a view to commissioning the project as soon as possible. By then, the railway network will cover areas inhabited by more than 70% of the local population.

After nine years of construction, the Hong Kong-Zhuhai-Macao Bridge ("HZMB") was officially commissioned on 24 October this year for public use. The mainline section of the Southern Connection of the Tuen Mun-Chek Lap Kok Link, i.e. the urban-bound North Lantau Highway, was also commissioned concurrently with HZMB, making it convenient for the public to use HZMB, and alleviating the traffic pressure on roads on the Airport Island following the commissioning of HZMB. The traffic at and in the vicinity of the HZMB Hong Kong Port, the airport and Tung Chung has generally been smooth. In order to deal with the high passenger flows of shuttle buses during peak hours at the early stage of the commissioning of HZMB, the Transport Department and cross-border transport and tourism sectors introduced enhancement measures last week to better manage passenger flows. The Transport Department will continue to closely monitor cross-border traffic at the HZMB Hong Kong Port and local traffic in the neighbouring areas, and adopt corresponding measures in a timely manner, so as to respond to the needs of motorists and passengers.

As regards local transport infrastructure projects, the Central-Wan Chai Bypass and the Island Eastern Corridor Link has entered the final examination stage, and will be commissioned late this year or in the first quarter of next year, thus providing the public with a faster road linking Central and Island Eastern Corridor at North Point, and serving to alleviate the heavy traffic along the existing Connaught Road Central/Harcourt Road/Gloucester Road corridor.

The Government will continue to take forward "Walk in HK", foster a pedestrian-friendly environment, and encourage people to walk more. The initiatives include studying and testing out innovative measures in Central and Sham Shui Po on a pilot basis for a comfortable walking environment. In addition, apart from continuing to take forward items under the "Universal Accessibility" Programme to retrofit barrier-free access facilities at 250 existing walkways across various districts, the Highways Department will commence a feasibility study in the first half of 2019 on lift retrofitting proposals for the remaining some 120 walkways in total under the current ambit of the programme across various districts of Hong Kong, with a view to taking forward the feasible items expeditiously.

Next I will give a reply in the area of housing.

Housing is a livelihood issue that the current Government is most concerned about. Our housing issue is undoubtedly very severe nowadays, but the Government is determined to make the greatest effort to provide decent and affordable housing to enable people to have comfortable homes and improve their living environment.

As indicated by the Chief Executive in the Policy Address, with the persistent imbalance in housing demand and supply, the average waiting time for public rental housing ("PRH") has lengthened and prices of private housing are well beyond the affordability of ordinary families. The Government will increase the ratio of public housing and allocate more land for public housing. As regards subsidized sale flats, the median monthly household income of non-owner occupier households will be used as the reference point in the affordability test.

The Government will also review the new ratio of public to private housing supply in the future 10-year housing supply target under the Long Term Housing Strategy ("LTHS"). The Government updates the 10-year housing supply target under LTHS each year. We announced in December 2017 that the total housing supply target for the 10-year period starting from 2018-2019 is 460 000 units, and the ratio of public to private housing is 60:40. We are now working on the housing demand projections for the new 10-year period (namely from 2019-2020 to 2028-2029), and will announce the results later this year in accordance with the established procedure.

I understand that members of the community have differing views on the 10-year housing supply target under LTHS and whether the public-private split should be maintained at 60:40. When formulating the next 10-year housing supply target, the Government will certainly fully consider such views.

Some Members have queried whether the Government should provide subsidized sale flats to the public, and some Members have expressed their differing views in this connection today. For families with economic needs and without home ownership aspirations, the Government will make the greatest effort to provide them with PRH, so that they will live in contentment. However, members of the public have great demand for home ownership. As indicated by some Members just now, heavy over-subscriptions have been recorded for subsidized sale flats, including Green Form Subsidized Home Ownership Scheme flats and Home Ownership Scheme ("HOS") flats. This exactly reflects people's aspirations for home ownership, and their full support for the policy of rebuilding the housing ladder and igniting hope.

The Policy Address also advises the Hong Kong Housing Authority ("HA") and the Hong Kong Housing Society ("HKHS") to consider implementing three new initiatives to facilitate the rational and efficient use of public housing resources.

First, the Government advises HA to make reference to the operational experience of the Letting Scheme for Subsidized Sale Developments with Premium Unpaid of HKHS, and consider joining the scheme to allow owners of HA's subsidized sale flats with premium unpaid to sublet their flats to needy families. HA will examine the current operation of the scheme implemented by HKHS and make careful consideration.

I have just heard Members' views on this scheme. I will consider the ideas proposed, including letting the entire flat, with the hope of, following the review of the scheme, properly expediting and stepping up the turnover of existing public housing units, and enabling families living in poor conditions to improve their living conditions.

Second, the Government has accepted the recommendation of HKHS for launching a "Flat-for-Flat Pilot Scheme for Elderly Owners" on a trial basis for its subsidized sale flats with premium not yet paid, so that owners aged 60 or above, who have owned their flats for at least 10 years, can sell their original flats and then buy a smaller one in the Secondary Market without payment of premium. HKHS will start formulating details of the scheme.

Third, the Policy Address also advises HA to launch a new concessionary initiative whereby under-occupation households whose family members are all aged 70 or above are allowed to enjoy lifetime full rent exemption upon transferring to smaller units. HA will make preparations for implementing this initiative.

The Policy Address also mentions the six new initiatives on housing announced by the Chief Executive in June 2018. The most important initiative is the revision of the pricing mechanism of HOS. A primary change in the new mechanism is revising the method for assessing affordability, so as to ensure that the selling prices of at least 75% of flats for sale in each phase are affordable by residents whose incomes stand at the median monthly household income of non-owner occupier households.

In the case of the sale scheme of HOS flats launched in 2018, the selling prices under the new pricing mechanism will be lowered from 70% of market values as determined in March when the scheme was launched to 52% of market values. However, the 52% discount will not be a fixed discount. In the future, when each phase of HOS flats is put on sale, the overall discount on the selling prices will be determined under the aforesaid mechanism, which takes into account prevailing data such as the median income of non-owner occupier households and the assessed market values of HOS flats. For this reason, future discounts may be higher or lower than the 52% discount in this phase.

Another initiative announced on 29 June is the invitation by the Government of the Urban Renewal Authority to assign its non-joint venture project at Ma Tau Wai Road as a "Starter Homes" pilot project, so as to help higher-income families who are not eligible for HOS and yet cannot afford private housing to acquire their own homes. We estimate that the Ma Tau Wai Road project can provide 450 "Starter Homes" units, and the presale exercise will be launched in December this year the soonest.

Another initiative is that the Government has reallocated nine sites, which were originally intended for sale in the coming few years, for public housing. The sites are expected to provide some 10 600 public housing units, which will help narrow the public housing shortage in later years. The Policy Address has announced that in order to support HKHS in redeveloping its aged rental estates and thus increase the supply of public housing units, the Government has decided to allocate one of the sites in Kai Tak to HKHS for the redevelopment of Chun Seen Mei Chuen, and redevelop Lok Man Sun Chuen by phases at the original site of Chun Seen Mei Chuen. We are finalizing the specific proposals on utilizing the nine sites for public housing development.

The fourth initiative is that the Government will amend the Rating Ordinance to introduce Special Rates on vacant first-hand private residential units. The Government plans to present an Amendment Bill to the Legislative Council within the 2018-2019 legislative session. The Special Rates will take effect after gazettal of the Amendment Ordinance following passage of the Amendment Bill in the Legislative Council. Although Special Rates has not been implemented, we note that developers have become more proactive in selling their first-hand private flats in completed projects since the announcement of the new initiative. As at 30 September 2018, there were about 8 900 unsold first-hand private residential units in completed projects, 300 units less than the figure in the last quarter. We will continue to monitor the market situation.

The fifth initiative is that the Lands Department has amended the Consent Scheme, so as to improve market transparency and enhance consumer protection. The new requirement came into immediate effect on the day when the initiative was announced. Since the implementation of the new requirement, the Lands Department has, during the third quarter this year, issued 12 presale consents for residential developments involving some 7 000 residential units, which is a record high since the first quarter of 2005. Four of the developments have been launched for sale. The Lands Department and the Sales of First-hand Residential Properties Authority will continue to monitor presale activities to ensure orderly implementation.

To practically meet the housing needs of Hong Kong people in the long run, we must take every possible means to expand land resources, and thus Lantau Tomorrow is indeed the hope for us Hong Kong people. However, as it takes time to identify land for housing construction, the Government will support and facilitate the implementation of various short-term initiatives put forward and carried out by the community on top of the Government's long-term housing policy and measures, so as to increase supply of transitional housing and alleviate the hardship faced by families awaiting PRH and the inadequately housed. The Government has established a task force to further support and facilitate the implementation of more community initiatives on transitional housing.

We thank various Members for expressing just now their support for transitional housing and their concern about residents of subdivided units. The task force on transitional housing is working at full steam to enable families living in inadequate housing to see opportunities. I hope Members will continue to give us support.

President, transport and housing are extremely important to the daily life of every Hong Kong citizen. The Government is determined to address the issue and has proposed various new initiatives in the Policy Address this year to actively respond to social aspirations. Various stakeholders in society may hold divergent views on certain initiatives, but the Government has all along been working for the overall public interest, and it will continue to strive to forge consensus and move forward.

With these remarks, President, I urge Members to support the Motion of Thanks. Thank you, President.

PRESIDENT (in Cantonese): The fourth debate session ends.

PRESIDENT (in Cantonese): We now proceed to the fifth debate session. The debate theme is "Reinforcing Strengths, Enhancing Governance".

This session covers the following seven policy areas: Rule of Law, Administration of Justice and Legal Services; Executive-Legislative Relationship; Clean Government; Constitutional Affairs; District Administration; Human Rights; and Public Service.

Members who wish to speak in this session will please press the "Request to speak" button.

MR DENNIS KWOK: President, the rule of law is engrained in our city and has been so for over a century. Our common law tradition relies on our constant vigilance in guarding and protecting and defending these core values. The rule of law does not exist in a vacuum; its existence is dependent on the protection of liberal democratic values, on checks and balances, transparency, respect for individual rights, due process and freedom.

Unfortunately, there are two recent incidents which are direct attacks on the rule of law in Hong Kong. Most incidents do not necessarily come in the form of attacks on our judiciary or legal profession. Although they may come in various forms, they have the same result and consequence for our society as a whole, that is, the weakening of the foundation for the rule of law.

President, disqualifying a person from standing for political office for life because of what he or she may have said in the past is the hallmark of an authoritarian state. This act not only violates our core values, but also sends a message to the international community about the current state of "one country, two systems". It is also a real challenge for our next generation of young activists and politicians who have witnessed their political rights being arbitrarily taken away from by the Hong Kong Government, furthering doubts that the decision to disqualify candidates is politically motivated rather than based on clear established legal principles and foundations.

One of the key features of the rule of law is that public institutions and government bodies will make their decisions and exercise public power in accordance with the law. LAU Siu-lai has demonstrated time and time again that she does not support "Hong Kong independence", and she has removed the self-determination claim from her election platform, but these actions have been regarded by the returning officer as not genuine. What does that mean? As a result, she has been barred from running in the by-election.

In his decision, Mr Franco KWOK, the returning officer, said that LAU Siu-lai has completely rejected the governing rights of the Central People's Government over the Hong Kong Special Administrative Region ("HKSAR") and that she cannot possibly comply with the requirements of the relevant electoral laws since advocating or promoting self-determination or independence could be a possible option for Hong Kong is contrary to the content of the declaration that the law requires a candidate to make, which is to uphold the Basic Law and pledge allegiance to HKSAR.

Now, the returning officer has not even given the candidate a chance to defend her stance, therefore, the decision violates the basic requirements of procedural justice and due process. The candidate, at the very least, should have been given an opportunity to make submissions and provide further information to the returning officer in order to justify and explain her position, and that has not been done. The executive branch is now effectively conducting a political vetting of candidates for the legislative branch.

Now, another recent incident of grave concerns to many in Hong Kong and those in the international community who care about Hong Kong and "one country, two systems" is the decision of the Hong Kong Government to expel Victor MALLET, the senior editor of the *Financial Times* from Hong Kong and to refuse his entry to Hong Kong even as a tourist.

Recently, the Secretary for Justice and I went to Japan, telling the audience there that Hong Kong was a wonderful place, an international city where the rule of law prevailed and where people could enjoy open access to information, freedom of the press and freedom of association. Yet, what does the Japanese press see? They see the expulsion of a *Financial Times* journalist from Hong Kong. They see that the Hong Kong Government is punishing this particular person obviously for his hosting of an event in the Foreign Correspondents' Club

("FCC"), although he does not even advocate for "Hong Kong independence". How can we convince, how can we say with force, and how can we persuade our international counterparts that Hong Kong remains free under "one country, two systems" and that our rule of law is in a good healthy state? When they see the expulsion news on the front page of the *South China Morning Post*, how can they be convinced? The Government's act is counter-productive, damaging to Hong Kong and to our rule of law.

The Government has refused to provide any reasons for this decision, claiming that this is a standard international practice. If you expel someone, at least you should give a reason. No reason has been given. That is unprecedented and the implications are clear: the Administration is punishing Mr MALLET for his role at FCC, and this is a direct assault on the freedom of press and our core values. The fear is that the Beijing authorities are extending a policy of intimidating foreign journalists to HKSAR. The rejection of Mr MALLET, the expulsion of him as we have seen today, has caused substantive fears over the extent of our press freedom in Hong Kong, posing questions of whether other foreign journalists will be given a similar treatment by the Hong Kong Government if they overstep the so-called "red lines". What are the "red lines"? Who set them? Can they be moved?

It is evident that the high profile rejection of this foreign journalist's work visa is inevitably attracting strong criticisms from international bodies and foreign governments. The Government does not have a legitimate legal basis to take that action, and the bigger fear is that these so-called "red lines" set by the Central People's Government can move at any time, thereby further restricting the freedom of speech and the freedom of the press. Now, all these developments are damaging to the basic democratic principle of "one country, two systems" which we, Hongkongers, believe in and still stand by it. I strongly urge those in the Hong Kong Government and Beijing to raise their perspectives above the narrow confines of their nationalistic lenses and try to truly understand the importance of Hong Kong as an international city and the role that Hong Kong can play, especially under the current international atmosphere amidst the United States-China Trade War.

The paranoia of an authoritarian state needs not creep into Hong Kong. It is both unnecessary and counter-productive. It is not in the interest of anyone, including the Central People's Government, to damage Hong Kong's image and

status as an international city based on the rule of law, liberal democratic values, and independent institutions with checks and balances on executive power. Democracy is more than just elections, it is also about upholding the rule of law, and truly honouring the Basic Law and the original intent of the Sino-British Joint Declaration which is, I repeat, a legally binding international treaty registered with the United Nations with full force.

Now, there are some criticisms made by some against the judiciary. Some are fair; some are not. But, it is important to repeat on this occasion that there is no question that the judiciary in Hong Kong is fully and fiercely independent; that some of the best Judges in the common law jurisdiction would sit in the Court of Final Appeal. We do not only have overseas Judges, we also have local Judges, and it is unfair to them if we say they are not of a very, very high quality. The legal profession in Hong Kong is one of the best in the world. It is strong, it is independent. But simply having an independent judiciary and a strong and independent legal profession is not enough to uphold the rule of law. We need everyone, including the Government and all public bodies, to really honour and respect the principle of the rule of law in order for it to continue in Hong Kong.

MR DENNIS KWOK (in Cantonese): President, the Policy Address this year also mentions other needs of the Judiciary. In fact, as we all know, the Judiciary has to face a very serious manpower shortage problem in the recent few years. I notice that the Policy Address proposes to extend the retirement age of judges. This proposal was put forward many years ago and was supported by the legal profession and the Panel on Administration of Justice and Legal Services. I understand that the authorities are drafting a bill to amend the law, but I learn that the bill can only be presented to the Legislative Council after 2018. I hope the authorities will and I implore them to present the bill to the Legislative Council as soon as possible. Since I understand the complexity of amending the relevant laws, I hope that the scrutiny of the bill will not take up too much time. In fact, the Chief Executive has said that the bill should be presented to the Legislative Council expeditiously so that Members would have sufficient time for scrutiny. Extending the retirement age of Judicial Officers will indeed help to retain the necessary talent in the Judiciary so that it will have sufficient manpower and resources for its continual operation; and experienced judges can continue to work until 70 or 75. This is a very important measure and will have significant changes in the Judiciary.

Apart from extending the retirement age of judges, the Government must also actively recruit judges because there are still eight vacancies of Judges of the Court of First Instance of the High Court. I understand that several vacancies will be filled next year, but there are still four to five vacancies which have existed for a long time. If Members take a look at the figures, they will surely find that there is a bottleneck at the Court of First Instance of the High Court. Sometimes, one has to wait two or three years to get a judgment. Thus, lawyers will sometimes tell people who intend to institute legal proceedings that the process may take 5, 8 or even 10 years. Upon hearing that, they will very often lose interest. That is a big failure. We often say that Hong Kong has a very good system based on the rule of law and our Judiciary is very independent, but justice delayed is justice denied, as it will be meaningless if a person has to wait many years for the completion of the proceedings at the Court of First Instance and get a judgment. Thus, I implore the Judiciary—representatives from the Judiciary are absent today—to vigorously recruit judges. In fact, many overseas judges who have experience in common law are very willing to act as High Court Judges in Hong Kong and there are many talents overseas who can be recruited. Thus, I hope the Judiciary will accept this proposal.

In fact, in relation to the policy address or the budget of each year, I will ask members of the Judiciary if it has any need; if there are areas where improvements can be made, or if any resources or support facilities are required. I was told that the Government has actually been very generous in the provision of resources to the Judiciary. That is very important because the Judiciary, with adequate resources, is the most important cornerstone for the rule of law.

Furthermore, regarding the enactment of the local national anthem law, I said to the Secretary earlier that the work should not in any way undermine the rights of Hong Kong people provided by the Basic Law, e.g. freedom of association, freedom of speech and freedom of the press. Thus, the local national anthem law should be clearly drafted with no grey area to avoid people breaching the law inadvertently. I believe it will take a long time to scrutinize the local national anthem law as many Members have expressed their concerns. I hope that the Secretary will expeditiously present a bill to the Legislative Council which is clearly drafted with no grey area. I believe many Members will raise various views. I do not wish to see the local national anthem law being passed hastily without having enough time for scrutiny or being pushed through by the Chairperson of the Bills Committee in order to help the Government. I remember that the Chief Executive has pledged in the

Legislative Council that the national anthem bill should be presented to the Legislative Council immediately upon the completion of the drafting work, so that Members would have sufficient time for deliberation. I do not wish to see the scrutiny of the bill getting out of control.

In the Policy Address this year, there is no mention of the proposal of extending the applicability of sections 3 and 8 of the Prevention of Bribery Ordinance to the Chief Executive. This is very disappointing indeed. The proposal was put forward many years ago and it was also a pledge made in the Chief Executive's election manifesto. I have presented a private Member's Bill seeking to amend the Prevention of Bribery Ordinance. In fact, it is surely not difficult to amend the relevant laws, but the Government gives the excuses that studies have to be conducted; many problems have yet to be unresolved or not knowing how to be resolved; and certain legal problems are involved. Actually, is it that difficult?

I remember that Mr Andrew LI, former Chief Justice of Hong Kong, pointed out in 2012 that sections 3 and 8 of the Prevention of Bribery Ordinance should be amended to extend their applicability to the Chief Executive. The former Chief Justice proposed this view in 2012, i.e. six years ago. We know why LEUNG Chun-ying dared not amend the laws in the last term of government, but Carrie LAM said in her election manifesto that this task would be handled, why has the matter been delayed for so long? What are the difficulties? Does the Government have any unspeakable reasons which have prevented it from amending the Prevention of Bribery Ordinance?

I think we should not only amend the Prevention of Bribery Ordinance, but also consider whether the Independent Commission Against Corruption Ordinance enables the Independent Commission Against Corruption ("ICAC") to really function independently in compliance with Article 57 of the Basic Law. The Head of Operations of ICAC was only officially appointed after acting for three years, why did the acting period last for three years? Why was there such a long delay? What had happened? Was it related to the investigation of LEUNG Chun-ying and the UGL incident? Is ICAC transparent at all? Is ICAC really functioning independently? These are the questions in people's minds. The Independent Commission Against Corruption Ordinance has been in force for 40 years and there is a need to review whether the operation of ICAC is still transparent and independent.

It is time for the Administration to submit its "homework"; it should expeditiously present a bill to the Legislative Council to amend the Prevention of Bribery Ordinance.

The Policy Agenda this year also mentions legal aid services and areas requiring changes. I will read out one line from the Policy Agenda: "strive to enhance legal aid services to benefit more people who cannot afford private legal fees". Evidently, the Government has to consider extending the legal aid system to cover more people. As we all know, many middle-class people have to bear very high risks in instituting legal proceedings. Very often, they have to spend their entire fortune, or even sell their property to pay for the lawsuit. This situation is certainly not healthy. We often say that Hong Kong upholds the rule of law, which is very important, but when the majority of people cannot afford to institute legal proceedings, it is a great irony of the rule of law and has a profound impact on the foundation of the rule of law.

I am pleased that the Chief Executive mentions extending legal aid services in the Policy Address, but the questions are: What actually is the work involved? What is the timetable? What kind of improvements will be made? I and other members of the legal profession will arrange to meet with the Chief Secretary for Administration as soon as possible to discuss what can be done regarding the reform or extension of legal aid services mentioned in the Policy Address. In fact, a lot of work can be done, including extending the coverage of services which I mentioned. In addition, the Legal Aid Schemes can be enhanced so that they can cover more types of cases. The Hong Kong Bar Association has, for many years, pointed out in their submissions that this proposal is definitely feasible. Besides, the Legal Aid Department has a very strong financial position which can support the handling of more types of cases. I urge the Chief Secretary for Administration's Office to explore how to enhance our legal aid services as soon as possible so that the standards of services provided by legal aid and duty lawyers can be expeditiously enhanced.

Another area of work which concerns human rights is human trafficking. Exploring how to tackle human trafficking is a major trend in the international world; and many governments and international organizations are working on it. Hong Kong is an international financial centre; if there are (and in fact, there are) loopholes in our legislation and we do not have a comprehensive law on tackling human trafficking, we are actually allowing some people to manage and operate human trafficking in Hong Kong. Acts of human trafficking may take place in

Southeast Asia or other countries, but since there are loopholes in the legislation of Hong Kong, some bad elements may take the opportunity to use Hong Kong as a base for committing criminal acts of human trafficking. Even the United Nations and the United States Department of State have pointed out in their reports that Hong Kong has to enact a comprehensive law on human trafficking to ban such activities.

(THE PRESIDENT'S DEPUTY, Ms Starry LEE, took the Chair)

I and Mr Kenneth LEUNG have proposed a private Member's bill in the hope that we can enact a comprehensive law in Hong Kong against human trafficking. The bill has been drafted and submitted to the Department of Justice to apply for a certificate. In drafting this bill, we have used the Modern Slavery Act 2015 of the United Kingdom as a blueprint. Some months ago, I and Mr Kenneth LEUNG organized an international meeting in Hong Kong and invited experts in the subject of human trafficking from the United Kingdom, Australia and the United States to explain the problem of human trafficking. After the meeting, many foreigners who are concerned about the problem contacted me and Mr Kenneth LEUNG when they came to Hong Kong and they told us that Hong Kong had to work in concert with the international world in tackling human trafficking.

This year or at present, many people no longer discuss the subject of reactivating constitutional reform. Yet, I think we should hold discussion and should not be afraid of holding discussion. Constitutional reform is still an unresolved problem and we cannot turn a blind eye on it. If we do not deal with the problem, how can the pledge on universal suffrage in the Basic Law be realized in the long run? In that case, no matter how one describes the governance of Hong Kong, it will only go from bad to worse.

While many pro-establishment Members have currently started to discuss enacting laws to implement Article 23 of the Basic Law, we cannot regard the problem of universal suffrage as non-existent and dismiss the need to discuss it. Thus, we must raise the issue of universal suffrage and should not regard it as non-existent. We must continue with our work in this respect and should not stop.

I notice that the Secretary for Justice has, over the past period of time, really visited many places and made great efforts in promoting the arbitration services and legal professional services of Hong Kong. I suggest the Secretary for Justice to review, after the commencement of the legislation on third party funding for arbitration, the next course of action to be taken to promote Hong Kong as an arbitration centre. What other areas of work can be taken? Certainly, we have done very well in many respects and have surpassed Singapore in many areas. Surely, Singapore, being very competitive and flexible, may follow our steps when it sees the work we have done. I think there is still much room for Hong Kong to develop arbitration services and we have not given full play to many of our advantages. Thus, I am keen to learn from the Secretary for Justice what kind of work can be done at the international level, so as to keep enhancing Hong Kong's status in arbitration.

There are views that although Hong Kong's good performance in upholding the rule of law and implementing "one country, two systems" has been mentioned time and again, the incessant negative news about Hong Kong will affect Hong Kong's international image and its capability to develop arbitration services. Things are closely related to one another. All governance problems in Hong Kong and various problems which have occurred in Hong Kong will affect our status in the international world and the opinion people have on us.

Under the international political climate of the Sino-United States trade war, I and Members of the Civic Party will pay more overseas visits to meet with members of parliaments and public officials. We will find out their opinions on Hong Kong and the effectiveness of "one country, two systems", and will express our view that Hong Kong should not be implicated in the Sino-United States trade war. Hong Kong has all along participated in the World Trade Organization ("WTO") as a separate entity; it has all along been a society which upholds the rule of law, respects the rules set by WTO and follows the rules of the game. We will not deal with the allegations of the United States against China today because such allegations are invalid as far as Hong Kong is concerned. Thus, in our visits to overseas parliaments and government departments, we will tell the people concerned that Hong Kong should not be implicated in the Sino-United States trade war.

In the last few minutes, I would also like to ask if Hong Kong still enjoys "one country, two systems". How Hong Kong will be treated by the United States and other countries will depend on whether the differences of "two

systems" still exist. If "one country, two systems" continuous to go downward, and the differences of "two systems" become increasingly insignificant, with "one country" overshadowing "two systems", how will other countries perceive Hong Kong? They will only regard Hong Kong as part of China, an ordinary Chinese city which has lost its independence. After we have lost our independence, overseas countries' anti-China policies will also apply to Hong Kong. When overseas countries find that the rule of law, freedom of the press and freedom of association in Hong Kong have started to suffer setbacks or have been constrained, they will consider Hong Kong as an ordinary part of China with nothing special; why will they give Hong Kong special treatment then?

Anyway, Members have to understand that "one country, two systems" cannot be damaged. When this international city is subjected to more and more control, and when the foundation of "one country, two systems" has been increasingly undermined, Hong Kong's status in the international world will be greatly affected.

Thus, I implore public officers to have a good understanding of the current situation and consider how Hong Kong can effectively perform its special role under the present Sino-United States trade war. That will not only help Hong Kong, but also the country. Thank you, Deputy President.

MS CLAUDIA MO (in Cantonese): The theme of this debate session is "Reinforcing Our Strengths, Enhancing Governance". Unfortunately, the truth is just the opposite, which is, "Encroaching on Our Strengths, Weakening Governance". Hong Kong people are witnessing not only news stories but also history, witnessing the vanishing of Hong Kong day by day. The news of journalist Victor MALLET, artist Badiuciao and writer MA Jian has shocked Hong Kong over the past few weeks, telling us that freedom of the press, freedom of expression and freedom of speech are all gone under the governance of Carrie LAM. When she governs Hong Kong in this way, can she be accountable to the next generation? How dare she talk about "enhancing governance" with us?

To make Hong Kong vanish, the co-location arrangement of the Express Rail Link alone is sufficient to deform Hong Kong geographically. Next, the Hong Kong-Zhuhai-Macao Bridge is like an umbilical cord connected to the mother, connected to the Motherland. The symbolic meaning is clear to all. Ideologically, Hong Kong is facing suppression in every aspect. In terms of

culture, say, Cantonese, the Secretary for Education once said, "Cantonese basically has no prospect except in Hong Kong." While it is good for Hong Kong to build a Chinese opera centre with its own money in the West Kowloon Cultural District to promote Chinese opera, we had fought for years over the name of the centre but our efforts were fruitless. The Chinese opera centre is now named Xiqu Centre in English. "Xiqu" ("戲曲") stands for "Chinese opera" in Putonghua, but the English name is meant for foreigners. How many foreigners will know the pronunciation and meaning of "Xiqu"? What is more outrageous is that the title of FONG Yim-fun's most representative play, i.e. "萬世流芳張玉喬" ("The Legend of CHEUNG Yuk Kiu"), was translated as "The Legend of ZHANG Yuqiao". While it is acceptable to translate "萬世流芳" into "the legend of", the transliteration of "張玉喬" was not in Cantonese but Putonghua, from "CHEUNG Yuk Kiu" to "ZHANG Yuqiao". How absurd it is! All these small tricks played by the Government in secret have made Hong Kong vanish bit by bit.

Economically, even local tycoons like LI Ka-shing dare not compete with Chinese state-owned enterprises in tenders. Apart from political reasons, how can they compete financially with state-owned enterprises backed by the Chinese Government with trillions of dollars? Step by step, the Government has turned Hong Kong into a Mainland city and "Mainlandized" Hong Kong on all fronts. It is really terrible for the Government to do so.

Earlier on, when speaking of One-way permits ("OWPs"), some Members urge us to be compassionate, given that OWPs are granted to allow family reunion. Has anyone requested the Government to abolish OWPs? No. I am not calling for a complete abolition. Under the Basic Law, Mainlanders are allowed to come to Hong Kong for family reunion; however, can Hong Kong be given some say on the issuance of OWPs? Even if we cannot have full decision power, we should at least be given some vetting power to verify the applications before OWPs are issued. For OWP applications on the ground of the so-called family reunion, many of them involve fake documentary proof, fake identity documents and bogus marriage. The OWP applications and supporting documents should hence be handed to the Hong Kong Government for verification before the applicants are allowed to reunite with their families in Hong Kong. What is the problem with that? Right now, OWP approval is completely under the purview of the Mainland, giving the Mainland a complete say. We have heard that Mainlanders can buy an OWP to Hong Kong with RMB2.5 million; this scheme has become a hotbed of corruption. Yet, the

Government shamelessly claims that the OWP scheme is just fine, using family reunion as a pretext; it is us who are in the wrong by raising objection. How dare a government turning blind eyes to problems talk about "enhancing governance"? It is completely nonsense and shameless!

Lastly, I would like to clarify one point with Carrie LAM. On the day after her delivery of Policy Address, she was asked about her view on the executive-legislative relationship in a press conference. Carrie LAM made a remark which more or less goes like this: in view of Members' requests for strengthening of government's efforts on animal rights, I have devoted two paragraphs in my Policy Address to respond to this issue.

Protection of animal rights is something which should be done by all civilized societies. It should not be a condition of exchange between the executive authorities and the legislature. Although Carrie LAM has responded to my concern, it does not mean that I have to commend her efforts! She knows nothing about genuine good governance and wrongly thinks that she can win the hearts of democrats. That is wrong. Good governance has nothing to do with winning people's hearts. Please do not think that she can restore the stability of Hong Kong by giving out "candies" or favours to cheer up different sectors. It is useless to do so.

We are now having a debate in this Chamber, but at this very moment, a large number of journalists are in the Hong Kong airport, waiting for a British Airways flight to land at 5:00 pm. On this flight, there is a passenger called MA Jian. He belongs to both the literary and the arts sectors as he is a writer as well as a painter. He is going to enter Hong Kong with his British passport. Will the SAR Government once again question him for hours and reject his entry, virtually declaring that he is an unwelcome person?

Some people tell me that MA Jian should have the permanent right of abode in Hong Kong. Even so, the current Government is capable of distorting rules. As a matter of fact, MA Jian had stayed in Hong Kong for years and had always been allowed to enter and exit Hong Kong freely. But I have reasons to believe that he did not renew his Hong Kong permanent identity card in the last replacement exercise. Therefore, he may not have a valid Hong Kong identity card at the moment. The Hong Kong Government may thus declare that he has lost his right of abode in Hong Kong, given his failure to renew his identity card. Of course, it will be fine if the Government is willing to exercise discretion.

Yet, do we expect this to happen? If this is going to happen, it means that the Hong Kong Government will allow his entry on a discretionary basis but remark that his entry should have been refused given his British nationality; he is allowed entry simply because of his Hong Kong permanent resident status. However, even if he is allowed to enter Hong Kong, can his exhibition and literary seminar be held as scheduled? MA Jian is a dissident in the eyes of China.

Lastly, I would like to commend *Hong Kong Free Press*, an online news media, for its capability of obtaining and reporting some of the online messages sent by Victor MALLET—MA is a popular surname lately—to his friends. There was even a photo of MALLET in these messages. MALLET said that he had intended to do a number of things in his seven days' stay in Hong Kong: firstly, to bid farewell to friends; secondly, to get back his Octopus deposit of \$50, to sail in the Round the Island race held at the weekend, and to pay his taxes. He has not yet paid his taxes. Will he be given tax waiver? Now he can do none of these things on his list. He will be moving to Europe and, as we all know, he will be posted to Paris by the *Financial Times*. He said that he would re-read *1984*, a novel of the great writer George ORWELL. In *1984*, the most eye-catching and yet saddening phrase is "Big Brother is watching you". And that sums up Hong Kong today.

MR POON SIU-PING (in Cantonese): Deputy President, on the part concerning civil servants in the Policy Address, the Government agrees to introduce Chinese medicine as part of the civil service medical benefits. This is a measure that civil servants' associations have strived for a long time, and achievement is finally made today. I had provided assistance to the Coalition of Civil Servants on Medical and Dental Benefits and I am happy to see that the perseverance in striving with the Government for this benefit has attained a fruitful result.

The Policy Address repositions Chinese medicine and explicitly incorporates Chinese medicine into the health care system of Hong Kong, thus changing the past practice of tripartite coordination among the Hospital Authority ("HA"), non-governmental organizations and the universities. After Chinese medicine is incorporated into the health care system of Hong Kong, civil servants can, as a matter of course, enjoy the medical benefits of Chinese medicines. However, on the section of civil servants in the Policy Agenda, only a brief remark is made, that is, "including exploring an appropriate arrangement to provide defined Chinese medicine services as part of the benefits". The

meaning is unclear. I hope that the Civil Service Bureau will consult the civil servants' associations as early as possible on the specific measures to incorporate Chinese medicine as a civil servant benefit and expedite the implementation of such measures.

Furthermore, the Government has decided to extend maternity leave for all female government employees from the original 10 weeks to 14 weeks and to review the grade structures of disciplined services. I support such measures. However, the review of grade structures of disciplined services will generate two issues. Firstly, the duration of the study is long, as the review will only be completed in 2020. Yet, the wastage rates of disciplined services are high. In 2016-2017, 307 rank and file correctional staff left the service and the wastage rate was 6.48%. As at April of this year, the departure rate was 6.8% which involved 316 staff. I worry that if the review takes too long, the wastage of disciplined services staff will worsen and eventually, the quality of civil service will decline. In addition, the grade structure review should not only cover disciplined services but should be extended to other departments, as all civil servants should be treated equally.

Deputy President, the Chief Executive highlighted in the Policy Address that when Super Typhoon Mangkhut swept through Hong Kong, staff of all government departments worked hard to discharge their duties. Yet the incident has given rise to the question of working under inclement weather. The question does not only involve people employed under the Employment Ordinance but also civil servants. Although the Government had indicated that civil servants who had difficulty in going to work due to chaotic traffic could call their supervisors and would not be regarded as absent from duty, it was reported in the media that staff who were absent from duty had their leave deducted by the department head. The staff had succeeded in seeking justice through the assistance of workers unions. The situation of some public organizations such as HA was even more chaotic. Despite the instruction given by the HA headquarters, some hospital heads still insisted on deducting the leave of those staff who were absent from duty. When the staff raised objection, the hospital would only consider on a case-by-case basis. Hence, my suggestion is that the Government should not only conduct a comprehensive review of the Employment Ordinance in respect of the work arrangements under inclement weather, but should also set a good example by allowing civil servants providing non-emergency service to take leave under inclement weather or upon subsequent resumption of work, and providing those civil servants who have to be on duty with transport arrangements and work subsidy.

Deputy President, lastly I have to talk about the proposed establishment of a civil service college in Kwun Tong, as disclosed in the Policy Address. As the site involves the relocation of Shine Skills Centre, a school for the underprivileged group, a public outcry has been provoked. Some unions belonging to the civil servants and subvented organizations under the Federation of Hong Kong and Kowloon Labour Unions to which I belong, have also criticized the unsatisfactory arrangement. They think that the rights of persons with disabilities should not be sacrificed for the establishment of a civil service college. To put the two into a confronting position will lead to controversies in society and turn good things into bad. Although the Secretary for Labour and Welfare has asked us not to worry as the Government would adequately handle the Shine Skills Centre being affected, I hope that the Government will announce the relevant details as soon as possible so as to allay public concerns.

Deputy President, I so submit.

MR JEFFREY LAM (in Cantonese): Deputy President, since the Chief Executive assumed office for a year, we can see that she has made proactive effort to improve executive-legislative relationship. She comes to the Legislative Council every month to take Members' questions and respond to heated topics in the community to allay public concerns. At present, the atmosphere of the entire society is good and various livelihood-related policies can also be implemented smoothly. However, as long as the housing problem, a prime concern of the public, remains unresolved, there are still social grievances. The Chief Executive proposes the Lantau Tomorrow project in the Policy Address to resolve the housing problem by creating land through reclamation for the next generation. However, as reflected from the debates in these two days, this vision has inevitably been politicalized and becomes the ammunition for the opposition party to attack the Government. Even though the Chief Executive is proactive and has introduced numerous policies to improve people's livelihood, some Members with predetermined stances still pick bones from eggs and oppose for the sake of opposing, because they will lose their value of existence if they do not raise objection. Hence, the Chief Executive should proceed steadily, unite more people with the same stance to influence the public, so that members of the public will understand the position of the Government and eventually give support. Regarding the various policies to promote the economy and benefit the public, even if the opposition camp holds different views, the Government can

still hold discussion with the opposition camp, take on board constructive views, amend the policies and make compromises. What matters most is to benefit the public.

However, there is no room for compromise for any local remarks or actions that promote "Hong Kong independence" or the so-called "self-determination". The Government should spare no effort to oppose and ban, in accordance with the law, organizations which advocate "Hong Kong independence". It is stipulated in the Basic Law that the Hong Kong Special Administrative Region is an inalienable part of the People's Republic of China. For matters which involve the sovereignty and territorial integrity of the country, the SAR Government should stand firm and should not be weakened in taking actions. Moreover, it should also give serious thought to start enacting legislation to implement Article 23 of the Basic Law. This is also the requirement of the Central Government for the SAR and the constitution.

Deputy President, the opposition camp always says that "one country, two systems" exists in name only. Sometimes I think they are right as they always ignore "one country" and treat "one country" and "two systems" with equal weights in an attempt to attack "one country" with "two systems". They claim to oppose "Hong Kong independence", yet in fact they oppose freedom of speech, and under the banners of freedom of speech and academic freedom, they harbour advocates of "Hong Kong independence", build a platform for them with the intent of smearing Hong Kong in the international community and attacking "one country, two systems". That is why they oppose "Hong Kong independence" on one hand, but blindly object to enact legislation to implement Article 23 of the Basic Law on the other. They even describe Article 23 as scourges to mislead the public.

Deputy President, two days ago, in an article in *Sing Tao Daily*, it was reported that Mr Martin LEE, former Chairman of the Democratic Party, thought that the "two CHAs" proposal put forward by Mr Louis CHA and Mr CHA Chi-ming actually contained great wisdom. If the proposal had been implemented at that time, Hong Kong might have had democracy. As for enacting legislation to implement Article 23, I quote the report directly as follows: "Many years ago, Martin LEE said candidly in private that when the Government enacted legislation to implement Article 23 of the Basic Law in 2003, if the last three major amendments were accepted and the 'three front teeth' were removed, the legislation could actually be acceptable. He regretted that if TUNG Chee-hwa had openly declared that the three amendments were made by

accepting the proposals of the Democratic Party, Article 23 might have been passed." Of course, such words were said by Mr Martin LEE in private, I am not sure if they could be verified. However, as Martin LEE has great standing in the legal sector of the democratic camp, his words should be sensible and worthy of detailed consideration by friends of the opposition camp.

If Members of the opposition camp really want Hong Kong to become better and if they want Hong Kong people to have democracy, may I ask them: Apart from raising objection to all matters in the past, what have you done for the progress of democracy in Hong Kong? How come the legislation to implement Article 23 has been delayed time and again, giving rise to the problem of "Hong Kong independence"? At present, the problems of "Hong Kong independence" and national security are more complicated than that of 10 years ago. International terrorism has gained ground and different countries contend with one another overtly and covertly. In the past, some areas could be handled leniently in the legislation, but it may no longer be appropriate now. The legislative procedures will definitely become more complicated and difficult. Despite the difficulties, the SAR Government is duty-bound to enact legislation. Instead of waiting for an appropriate time to start the legislative process, the SAR Government should plan ahead, make detailed study to allay public concerns and fulfil its constitutional responsibility as early as possible.

Deputy President, I so submit.

MR TONY TSE (in Cantonese): Deputy President, I would like to spend my remaining speaking time to talk about issues concerning the civil service. When I stood for election, I proposed to increase recurrent expenditure to ease the manpower shortage in government departments, particularly the departments related to architecture, surveying, landscape architecture and planning. The Government has pointed out in response that there is an expansion of the civil service establishment by 3.7% in the current year, which represents the largest increase in recent years. I would like to thank the Government for this. Nevertheless, has there been any corresponding improvement in the working environment after the increase in manpower? I visited some departments earlier and found their office areas very crowded. Large piles of documents, including building plans, were kept in the offices. When new recruits report duty, do they have a place in the office? I hope that the Government will make expeditious improvements, as actions should be taken after decisions are made.

Next, I would like to talk about equipment and facilities. A smart city needs a smart government. However, many computer hardware and software of the Government are very outdated; even the relevant chairs and tables cannot meet the operational needs of civil servants. The Government advocates occupational safety and health in society, but is it not practising what it preaches for their own employees?

To tie in with the development of a smart city, apart from equipment and facilities, the mindset and awareness of civil servants are also important. Some civil servants only go by the book and refuse to accept innovative technologies and practices. Our sector often proposes to adopt some new building technologies and materials which are more environmentally friendly, economical, aesthetical and efficient. I hope that the departments concerned will not always ask the persons concerned for precedent cases on all matters. If this is the case, innovation is out of the question.

I have proposed to set up task forces responsible for innovation, research and development in certain bureaux or departments, with a view to facilitating and promoting innovation in the sectors. I hold that this initiative will be more effective than assigning the responsibility to one single bureau or to the Policy Innovation and Co-ordination Office.

The Policy Address proposes to enhance training for civil servants, and boost their implementation capabilities in the use of innovative technology. I totally agree with this initiative. Nevertheless, the relevant training should not only be conducted in the proposed civil service college. The Government should support and encourage civil servants to participate in external talks, exhibitions, seminars, courses, as well as join study visits with the relevant sectors, so that they can attend class, discuss and exchange views with members of the private sectors and professionals, thereby having a better understanding of the operation, new ideas and new trends of the sector.

The Policy Address also emphasizes the need to deepen civil servants' understanding of the country's development and the relationship between the Central Government and the SAR. It is true that, at present, some civil servants still adopt a Hong Kong-based approach in their thinking. They have little understanding of the developments in the nearby cities of Hong Kong. The best way to change this situation is to arrange them to visit different Mainland cities to gain personal experience. The Civil Service Bureau and the heads of other

relevant departments should provide support as far as possible in respect of work arrangement and leave approval, so that civil servants would not have to sacrifice their leave in order to have the opportunities to go to the Mainland for classes and studies.

Deputy President, I so submit. I support the Motion of Thanks moved by you.

DR CHENG CHUNG-TAI (in Cantonese): Deputy President, please stay and do not leave, or else you will accuse me of digressing from the subject as soon as I start speaking.

This is the second policy address of Carrie LAM, and the theme is "Striving Ahead Rekindling Hope". However, in my opinion, the slogan should be changed to "Striving Impossible Hiding Despair". How do we come up with such a view? Over the past month, I have discussed with some friends from the academia on certain issues relating to this Policy Address and they tended to analyse from an academic perspective. Their first conclusion was that if the Policy Address was delivered this month but not early October, the content might have to revise substantially, because no one would have thought that in just one month, the local economic environment has entered a downward cycle. In early October, some property owners slashed prices by 10% to 20% to sell their properties, or the selling price was less than the banks' valuation. Yet, no one would have thought that in two weeks' time, the Hang Seng index has fallen from the peak by 20%. The Hong Kong dollar exchange rate is now hovering at a level of 7.84, 7.85 or even above 8, and there is still the pressure to increase interest rates. The index of today shows that the exchange rate between United States dollars and Hong Kong dollars has struck a record high for more than a decade.

Some people have other views, saying that if the measures proposed in the Policy Address are implemented as scheduled, it is likely that economic imbalance may accelerate when discussion on the Lantau Tomorrow project is held next year. This acceleration is not only attributable to a poor economy, but also the political need to respond to the criticisms of some pro-establishment colleagues. They point out that the pro-democracy or opposition camp's frequent objection to the Government's major infrastructure projects manifest our lack of a long-term vision; our failure to consider, from a macroscopic

perspective, the role played by Hong Kong in the development of the Greater China region, especially the Pearl River Delta (i.e. the "Nine plus Two" or the window of 11 regions that are frequently mentioned in the past); and our lack of a broader vision.

There are not many times in the history of Hong Kong that hundreds of billions of dollars were invested in infrastructure projects. Among the developed regions, it is indeed rare for an international city to spend hundreds or even thousands of billions of dollars on infrastructure development, unless the country experiences serious turbulence or unrest. Hong Kong put forward the Rose Garden Project in the 1990s, which was seen by China as the last chance to "rob" Hong Kong during the British-Hong Kong era. However, there was actually a very important consideration when raising this proposal in the early 1990s, and that is, to stabilize public confidence in Hong Kong. Since no one knew what would happen in 1997, the Government thus spent a considerable sum of money to promote investment to boost the confidence of local people with vested interests, that is, local consortia, so that they would stay and continue to make money here. This is the most evident major infrastructure project in the history of Hong Kong, and it was implemented not purely out of economic considerations, but also political considerations.

It has been pointed out that, in the light of the current international situation, Secretary for Development Michael WONG might be more concerned if there is a need to expeditiously finalize all the initiatives next year. I think it is a bit too distant to talk about this now, because the problems facing us at the moment must be considered by everyone present at the meeting. In the eyes of the Government, the Lantau Tomorrow project is not only good for Hong Kong, but also good for China, and it is a major development that is good for the entire Chinese community. The amount of \$1 trillion invested by the Government in the reclamation project is equivalent to the expenditure spent by a number of countries on development for 10 to 20 years. The point is, in the eyes of the Government, this is a glorious project to be proud of. At this moment in time, is there any government bold enough to undertake to invest \$10 trillion in 10 years for launching a project? None, and no government will do so. Of course, it is also possible that such kind of bold undertaking cannot be made under a democratic system.

Why would the announcement of such a lofty project attract opposing views from the community? A normal government will naturally ask what has gone wrong in the face of this situation. A normal government will also invite

academics, especially those specialized in social studies, to examine if this is attributable to inadequate psychological preparation on the part of the public for the project, inadequate planning of the project, a pure computation problem or procedural deficiencies as commented by pro-democracy colleagues.

I think the answer is obvious to all, and that is, it is purely a matter of confidence. This lofty project has become a misery in the eyes of the public due to a lack of confidence. It is not purely a question of Hong Kong people lacking confidence in the Government, but Hong Kong people lacking confidence in society as a whole. We are supposedly very rich. Is there any other place in the world that has so much money to launch a reclamation project? The project concerned will fill up almost the entire Victoria Harbour. Why does the community lack confidence in the project? I think there is only one reason and it has nothing to do with the debate of this session, that is, the corruption of our regime, resulting in a lack of confidence of the entire Hong Kong society in the project. We are not afraid of economic looting or our public coffers being looted, but we suspect that there must be certain factors relating to public sentiment or culture, thus it is necessary for us to learn more about what is going on in our society.

Corruption has several faces. First, it can be institutional corruption. In fact, members of the public have reacted on the day the Lantau Tomorrow project was announced. Why does this project involve institutional corruption? When the project was announced, the Government stated that this was a Land Sharing Pilot Scheme and the Land and Development Advisory Committee ("the Advisory Committee") had been consulted. But just as many people have pointed out, the so-called public-private partnership approach proposed by the Advisory Committee will eventually benefit the consortia. As I said right at the beginning, this is an initiative to stabilize confidence, not the confidence of the general public of Hong Kong, but the confidence of the consortia. The Government has to stabilize the confidence of consortia because they prepared to withdraw from Hong Kong, and the more farsighted consortia had already left. I always say that "Mr LI's hasty withdrawal indicates that something has gone wrong." Deputy President, you should get what I mean. Why should the Government still invest heavily? Though the institution is corrupt, why did we direct our criticisms only at this project? That is because the Government has a bad track record. The plain truth is, public-private partnership is a kind of transfer of interests. When a certain project was announced back then, the relevant building plans showed that there were two roads connecting to the

Discovery Bay to be developed by a certain large consortium, and its share price rose by 7% amidst a fall in the prices of property shares on that day. Of course, when the project was formally discussed, those two routes, namely a railroad and a road, had disappeared from the building plan.

Why did I mention this story about that consortium? Because a few months ago, the Discovery Bay Marina Club asked its tenants to move out by the end of this year. I am not going to repeat the details as Members can look up the relevant news reports on their own. Legally speaking, there is certainly room for discussion about those tenants residing in yachts as they have actually violated the maritime laws. The question is, however, why were they coaxed or lured to live at sea for decades? Apart from insufficient land, the actual reason is the evil consequence of public-private partnership, be it the Discovery Bay or Ma Wan. The Government is powerless in urging any consortium to respond to acts that may possibly violate social justice.

Let us wait and see what is going to happen in December when 200 yachts and 170 families—more than 70% are foreigners and 50% are pilots—are forced to move out. I think the scene should be pretty funny. Deputy President, what will happen to those 200 yachts? The only result is total loss as these yachts will be left adrift in Hei Ling Chau. We do have track records of public-private partnership, but Ma Wan is yet to be included. The problem of transport franchise in Ma Wan has remained unresolved.

There are still many more examples of corruption and the most corrupt persons should be two former Chief Executives allegedly involved in the conflict and transfer of interests. One of them is even serving a sentence. Why is this Policy Address completely different from that of last year? This year, there is no mention of amending section 3 of the Prevention of Bribery Ordinance, which has nonetheless been stated in the election manifesto of Carrie LAM. She had even undertaken to draw up a timetable for the relevant legislative amendments. However, not a word is said on this issue this year, giving rise to the suspicion that the inclusion of the relevant amendments may affect future public-private partnership. Deputy President, I am only saying that this may arouse suspicion.

Why did the Government not amend the Prevention of Bribery Ordinance so that in Hong Kong, no one is superior and transcends the rule of law? This is institutional corruption, which makes us think that the public-private partnership scheme is only a means of transferring interests among senior government

officials, and it is even a kind of nepotism and political exchange. Will anyone believe that this is done for the sake of public interest or for the long-term housing planning in Hong Kong? Even the Government is totally unregulated, and this is one of the elements of institutional corruption.

The second element is that the commission of inquiry is still looking into the issue relating to the Hung Hom Station under the Shatin to Central Link ("SCL") project. The question does not merely involve an isolated incident or the monopolization of Hong Kong's major transportation by the MTR Corporation Limited, but also the contracting system of the Government after 1997.

With regard to the problem of steel bars being cut short, it is still under heated debate in the court today. Yesterday, someone even lied, saying that no steel bar had been cut short. It was only when the Judge further pursued the question that he finally admitted that he had received a letter informing him that steel bars had been cut short. This is so ugly. The contracting system involved in the incident is related to the Lantau Tomorrow project, because such development project will inevitably involve a lot of contractors' contracts. The considerations of the Government are speed and low cost, especially when it is now subject to criticisms, it therefore has to keep the cost down and award the contracts to the lowest bidder. In that case, history will repeat itself and Lantau Tomorrow will become another SCL. When problems arise, will the Government resort to procrastination again? Will there be any problem with the quality? At present, the Government's contracting system cannot address the problems, which can only be dealt with in the aftermath. Of course, this is also good for us because if the problem remains unresolved and upon the completion of the artificial islands 10 years later, we can still stand here and point our fingers at the Government. We will always be the opposition party. But should this be the way infrastructure development in Hong Kong is conducted? While politicians certainly regard this a good thing, institutional corruption is evident to all. SCL will have a patronage of 5 million people, and the issue under discussion is only related to Hung Hom Station; we have yet to discuss the settlement issue.

The same case applies to the rationalization of traffic distribution among the three tunnels. At present, five out of six tunnels are owned by the Government, with the exception of the Western Harbour Crossing ("WHC"), as the franchise cannot be revoked until 2023. Why did the Government propose to narrow the toll differences of the three tunnels? Instead of lowering the toll of WHC, the

Government proposes to increase the tolls of the other two tunnels. The Government fears that the franchisees might complain that the reduction in WHC's toll would attract drivers to use WHC instead, thereby reducing their profits. We do not know if an adjustment in toll will affect profit, but this is a basic inference in economics.

Is the Government not a "good fighter"? Its action is tantamount to condoning the corrupt system, and telling Hong Kong people either to accept the proposal or continue to endure traffic congestion. The Government has adopted such an attitude not only in handling this issue, but also in discussing paternity leave and Mandatory Provident Fund ("MPF"). MPF is actually a means to force Hong Kong people to gamble, because the present proposal to abolish the offsetting arrangement under the MPF System comes with a subsidy period of as long as 25 years. What is more, the Government has to allocate more than \$20 billion to share the necessary expenditure with the employers. I have to pay taxes to the Government and make contributions to MPF. However, when I want to get back my contributions, the Government will transfer my tax payments to that company. Is this a kind of double taxation? This is indeed blatant tyranny. Why should we condone institutional corruption? Deputy President, institutional corruption has made us think that Lantau Tomorrow is a plan that throws us into despair.

In addition to institutional corruption, I would also like to talk about corruption in public governance. The incident of typhoon Mangkhut well demonstrates the Government's corruption in public governance. The Chief Executive was informed at 5:00 am early in the morning that the two bus companies were unable to provide services, but she had no idea that a considerable amount of people in Hong Kong went to work by bus. According to the Travel Characteristics Survey 2011 conducted by the Transport Department—a survey conducted once every 10 years—in respect of public transport, 27% of people in Hong Kong travelled by bus and 30% by rail. Since the Government was informed at around 5:00 am in that morning that no bus would be running, meaning that 27% of Hong Kong people would travel by rail instead, it should have been able to assess if MTR could cope with the upsurges in demand. However, the Government had completely failed to react. Instead, it set up a disaster relief team, and Carrie LAM, a "good fighter" in the eyes of Hong Kong people, has become a completely inept Chief Executive. The incident reflected two possibilities: either she had degenerated or she had to take

a good look at the people around her. There may be the third possibility, and that is, she has now become arrogant. However, I think this possibility is unlikely because the character of a person is shaped at a tender age.

Next, I will talk about some minor issues, for example, the closure of refuse transfer stations at night. Such bureaucratic rigidity is perplexing. This is corruption in public governance, and such kind of corruption is not a historical problem. This Policy Address obviously contains corruption in public governance. For example, even if the Government has to establish a civil service college, it should not plan to use the site now occupied by Shine Skills Centre ("the Centre"). Worse still, the Centre has not been given any advance notification though Secretary for Labour and Welfare Dr LAW Chi-Kwong was aware of the relevant arrangement long ago. He even claimed that the policy objective was to help the disadvantaged. Deputy President, this is indeed aiding and abetting injustice.

I assume that people attending classes in Kwun Tong are able-bodied civil servants, so why did the Government not give advance notification to the Centre, but instead forced the disabled students of this special school to give way to civil servants? Is Admiralty not a convenient location? The Government might as well choose the site opposite to the CITIC Tower. Deputy President, this is indeed an unacceptable idea. This is precisely corruption in public governance, and the Secretary dares claim that he was a scholar of the social welfare sector. How can he do that? It really boggles my mind.

Another example of corruption in public governance is the regulation of e-cigarettes. The regulation of e-cigarettes indicates inconsistencies in her mindset of public governance, poor internal communication and a failure to draw a proper line. Worse still, the Government was pressurized by the traditional tobacco industry into imposing a total ban on e-smoking because only this interpretation would make the governance sound logical. E-cigarette is hazardous to health, so is smoking and drinking alcohol. However, instead of imposing a ban on all of them, the Chief Executive advised that things should be done in a gradual and orderly manner. So why is the rationalization of traffic distribution among the three tunnels not carried out a gradual and orderly manner?

By banning e-cigarettes, she suppresses smokers who are relatively trendy or younger in age. Of course, she has given a grand excuse of doing so for the sake of their health, so she can take whatever action she likes since Hong Kong people

attach great importance to environmental protection and health. This is inconsistent with the logic of public governance, for she has failed to explain why a total ban is not imposed on smoking, but only on e-cigarettes. Worse still, she is unable to distinguish between e-cigarettes and heat-not-burn tobacco. I would like to cite a very stupid example. Assuming that two years later, both e-cigarette and heat-not-burn cigarette can be inserted into a traditional cigarette for smoking, which is technically possible, will the Government impose a ban on it as well? This is corruption in public governance; not just corruption, but brain death.

(THE PRESIDENT resumed the Chair)

Last of all, I will spend some time discussing corruption in governance mindset, that is, corruption of thinking, and the most obvious example is the abuse of police power. After a taxi driver was arrested by police officers at the toll booth of a tunnel, he boarded a police car. He then sustained serious injuries and died one month later. The Coroner's Court ruled that he was unlawfully killed and as recounted in the Court, he died because his neck was twisted by 90 degrees. Luckily, the closed-circuit television ("CCTV") system at WHC had recorded what happened at that time. It can be said that "large though its meshes may be, the net of justice lets no criminal through". If WHC's CCTV system had not captured the scene at that time, how would we have known that the police officers had taken violent actions in the police car?

After the incident, the Commissioner of Police downplayed the case as an unfortunate incident. While everyone thought that this was a remark made by the Commissioner of Police to stabilize the morale of frontline police officers, Secretary for Security John LEE later echoed at a meeting of the Legislative Council that this was an unfortunate incident. They had heartlessly rubbed salt into the wounds of the families of the deceased thrice. President, Hong Kong has not recorded any unlawful killing for more than 20 years and the last case of lawful killing was reported 21 years ago. In this incident, however, the law-breaker can be convicted of murder. And yet, the outcome will depend on the Department of Justice. I certainly would not interfere with judicial independence; I just relay the views of a member of the public. How can the entire corrupt governance team be shielded in this way? Is the existing system subject to any regulation?

Yesterday, an incident happened in Sham Shui Po where someone holding a knife was shot by a female police officer. As we can see from the footage, the offender did run towards the police officer. He is still in critical condition, fighting for his life in hospital now. Why did the Director of Operations of the Police Force subsequently take a photo with that female police officer and give her a "Like"? The absurdity of this incident is that no police officer was injured and she only fired a shot at the suspect while on duty. It was reported that the internal organs of the suspect were all damaged, and he is still fighting for his life. How can the Police Force support their peers in this way? As police officers belong to the disciplined services, is it appropriate for them to give "Like"? This reminds me of an incident that happened a few years ago, in which the Philippine police took selfies after the incident. Following this logic, should all Hong Kong people be entitled to one day's leave after the arrest of YIP Kai-foon? President, the police officer concerned was not injured and all she did was to enforce the law.

Furthermore, how can the Police behave in this way? The Police Force should follow established guidelines and procedures, which is the practice of civilian leadership. Also, this is the only system inherited from the British for exercising control over police power, that is, police officers are required to act in accordance with the guidelines. However, at present the senior management of the Police Force asked fellow police officers not to follow those guidelines and not to think too much. Is this an army? Is this a warlord government? How can they act like that? This is corruption of thinking. It does matter if mainstream public opinion has been cleared or public opinion has not made comments, such act should absolutely not be tolerated in this Council. I am not targeting at any individual police officer, but merely want to highlight the corruption of thinking of the entire Police Force. Should there be no connivance under the governance of Carrie LAM, I am sure such corruption could not have possibly existed.

The Fire Services Department ("FSD") has recently launched a character called "Anyone", which is pretty successful from a promotional perspective. As we can see, the character has attracted numerous imitations or parody and has become the topic of discussion over meals. However, we must not forget that, firstly, FSD belongs to the disciplined services, and secondly, Hong Kong is not enjoying a peaceful and stable time. What is the point of doing this? I think there are only two possibilities: first, this is a collective creation; and second, "what the superior favours will receive excessively enthusiastic responses from

his subordinates". Since Carrie LAM's Government favours public relations, the entire Government will make contributions to social media, striving to get "Likes". However, supposedly, they should find ways to educate the public so that everyone understand the importance of acquiring some knowledge of first aid, and we all have the right to do so.

As a matter of fact, FSD has also recently introduced a service called dialing to learn first aid. About one month ago, the front page of *Oriental Daily News* criticized the misuse of the 999 hotline. Someone called the hotline for help, the new control centre then taught the caller to, first of all, check if the patient was bleeding. If he was, the caller should then press the wound to stop the bleeding. Is this against common sense to use the hotline to teach first aid? Is this corruption of thinking? This is absolutely not done merely for the sake of convenience. Have they considered that many people are afraid of blood? The idea of using "Anyone" as the mascot is indeed laughable.

We understand that Hong Kong people should always strive for improvement and cannot depend on the Government for all things, but I really feel very miserable now as the situation has become so distorted. After the onslaught of a natural disaster, many people joined hands to clear fallen trees and broken branches, and a District Council member hurt his hand. Why did people take this action? Because members of the public think that the Government is unreliable and they must therefore help themselves. This is nonetheless our illusion. Is this a healthy civic society? I do not think so. Taking such action under a government that condones totalitarianism and ignores public feelings is, to a certain extent, self-torturing.

Acting on impulse and momentary emotional reaction, 1 million people cleared fallen trees altogether. This is really a very touching scene. However, when we calm down, we would think whether this is reasonable? Is it reasonable for FSD to use a mascot? While education is essential, the quality and enrichment of society is also important. But as I said earlier, owing to the corruption of the system, the corruption of public governance mindset and corruption of thinking, we would consider that Lantau Tomorrow is a project can hardly make any advancement and designed to hide despair. Worse still, the project will bring more regrets to Hong Kong people and even pass on the burden of this generation to the next.

I absolutely object to this Motion of Thanks. I so submit.

MR JAMES TO (in Cantonese): President, I have the opportunity to listen to the speech of Dr CHENG Chung-tai just now. I endorse almost 90% of his views. I thank Dr CHENG very much for making a speech which has systemically covered several main themes, with a view to reminding us and the Government, the Chief Executive in particular, of the current situation, values, mentality, etc., of Hong Kong.

President, the theme of this debate session is Enhancing Governance. My speech will cover several main themes under governance. First, when members of the public are asked which part of the Policy Address they are most impressed with, I guess they will only focus on the reclamation project of Lantau Island. Had the Lantau Island reclamation project not been included, will the public consider the remainder of the Policy Address desirable or non-controversial? Will they think that the Government has made progress in various aspects and commend the Government for introducing the various projects? In fact, I believe that the Chief Executive should be aware that after proposing such a large-scale reclamation project in her Policy Address as a long-term solution to the land problem, the project will certainly become the focus of attention. When assessing the performance of the Chief Executive, the whole society will consider questions such as: Has she properly discharged her duties while in office? Has she proposed any new ideas and suggestions? We will all use this project as the criteria for assessing her performance.

I will analyse the project from the perspective of governance. This project should have been discussed in detail in the previous debate session; and other Members have already talked about all the details. In my view, by proposing such a large-scale and irreversible reclamation project, the Chief Executive has to put in all fiscal reserves of Hong Kong as bets or—to put it more positively—as construction expenses. In my view, two points are extremely important. First, as I had also said during the debate on last year's Policy Address, it was most unfortunate that the incumbent Chief Executive was not elected by Hong Kong people. Under the current system, the Chief Executive was indeed not elected by Hong Kong people, but appointed by Beijing. I know that Mrs LAM would strongly dislike my comment, but I have to point out that she was not elected by Hong Kong people.

Some people may ask: Since the Chief Executive was not elected by Hong Kong people, does it imply that she cannot undertake any task? Of course not. Given that the Chief Executive was not elected by Hong Kong people, she should

at least have provided an incubation period before introducing the project. Although she was elected by a 1 200-member Election Committee, she should at least have been accountable to the entire community during her election campaign by clearly explaining to all members of the public about this project in her election manifesto. Given the large scale of the project, detailed analysis should have been conducted. I am not asking the Chief Executive to set out all the details, but at least she should have informed the public of the general framework, so that the public would know that this project would deplete our fiscal reserves and would be implemented upon her winning the election. In this way, the public would have been able to provide feedback back then, and her opponent would have been able to conduct an in-depth debate. However, she had failed to do so. Instead, she only indicated that reclamation was an option. Viewing from this perspective, she was not given the mandate in the first place. In addition, she had failed to follow the procedures by making any reference to this project in her election manifesto. I therefore think that this project is entirely illegitimate.

I have just given an account of the background. The Chief Executive has just announced the project; after she had walked alongside President XI Jinping for a few steps at the opening ceremony of the Hong Kong-Zhuhai-Macao Bridge, the pro-establishment camp dared not make any comments and has even made an about-turn to support the project. In the meantime, is the project supported by many people in society? Many surveys have been conducted. Just to name a few, a survey conducted by a pro-establishment camp found that a great majority of the people opposed the project. Similarly, according to a survey conducted by the Civic Party, most people found the project unacceptable. The public opinions have been very clear. In the view of members of the community, the Government should exhaust the methods previously used to identify sites, instead of simply telling the public that it would implement the reclamation project. Despite the extensive explanations recently given by the Government, the public have still found the project unacceptable. Of course, given that the Chief Executive was not elected by the public, if her decision to spend all the reserves on this project is endorsed by the Central Government, she will definitely be able to implement the project.

President, not many Honourable colleagues have commented on the constitutional system and matters relating to universal suffrage so far. Some Members from the pro-establishment camp have even opposed their implementation. However, I have to remind Members that President XI Jinping

has instructed Hong Kong to "take well-ordered steps to advance democracy" in his report delivered at the 19th National Congress of the Communist Party of China. Taking well-ordered steps to advance democracy is not only the long-term vision set out in the Basic Law, but has also been proposed by President XI at the 19th National Congress of the Communist Party of China held after Carrie LAM's assumption of office. In other words, taking well-ordered steps to advance democracy is a national policy which must be implemented, and this policy has not violated the "one country, two systems" principle.

By my reckoning, frankly speaking, if the Government still fails to start taking well-ordered steps to advance democracy in the next couple of months, it will be impossible for the policy to be implemented during the five-year tenure of Carrie LAM. Given the many processes involved, including consultation and submission of the consultation results to the Central Authorities which will then promulgate its instructions to Hong Kong, it will be technically impossible for Carrie LAM to finish taking well-ordered steps to advance democracy during her five-year tenure. We have to bear in mind that taking well-ordered steps to advance democracy does not necessarily imply the need to implement universal suffrage. However, if the Government does not even attempt to take well-ordered steps to advance democracy, it will definitely violate the major national policy.

President, in order to take well-ordered steps to advance democracy, universal suffrage should be implemented not only in the selection of the Chief Executive, but also in the Legislative Council election. In other words, it will soon be a foregone conclusion that Chief Executive Carrie LAM will not be able to take well-ordered steps to advance democracy under the current term of Government. If she does not introduce the policy in the next few months, the policy cannot possibly be implemented during her term of office.

Third, I would like to talk about the implementation of "one country, two systems", freedom and the rule of law. The effectiveness of the implementation of "one country, two systems" cannot be solely determined by a few remarks made by Chief Secretary Matthew CHEUNG at the United Nations. Chief Secretary Matthew CHEUNG said that everything has been a misunderstanding. The international community do not know or understand Hong Kong. Please bear in mind that the implementation of "one country, two systems" certainly has implications at the local and national levels. The views of both the Chinese nationals and the international community are very important. Yesterday, the

Hong Kong Government rejected the application of Mr Victor MALLET to come Hong Kong as a visitor. The Government has further explained that it has sufficient justifications, and it even said that other governments would have done the same. However, more and more foreign governments, media and non-governmental organizations have considered that freedom, the rule of law and the implementation of "one country, two systems" have faded in Hong Kong; they have even suggested that Hong Kong has been relegated as a Chinese city. This will have a significant bearing on Hong Kong.

As pointed out by an Honourable colleague just now, a multi-national company has abruptly put a halt to an investment project of tens of billions of dollars after the rejection of Mr MALLET's work visa application. This shows that more and more foreign governments ... Of course, the SAR Government could defend itself by saying that the multi-national company played tricks on Hong Kong as the company simply did not know Mr MALLET, or the Government could even say that the company and Mr MALLET were both against China. However, I hope to remind Members that this problem has long existed. I believe that when senior government officials visit other countries, foreign government officials and foreign journalists will also ask them questions about the matters which they are concerned about. They do not have the intention to play tricks on the visiting Hong Kong officials. At present, in the international community, apart from the United States and the European Union, other countries have started to show concern about whether Hong Kong has truly implemented "one country, two systems" and whether freedom and the rule of law have retrogressed. We should no longer blow our own trumpet and claim that other people have misunderstood Hong Kong. This is not a complete answer.

An Honourable colleague questioned just now why the scope of the Prevention of Bribery Ordinance has not yet been extended to cover the Chief Executive after more than 10 years. Former Chief Executive LEUNG Chun-ying had delayed the execution of the Prevention of Bribery Ordinance while he was in office. As he had stepped down, it is no longer possible to hold him liable now. Carrie LAM, who was the Chief Secretary for Administration back then, should know the full picture. She has taken office as the Chief Executive for two years, but she has not mentioned a word about this Ordinance in the Policy Address. It is understandable that some Honourable colleagues have questioned: As the Lantau Tomorrow Vision project involves investments on a multitude of projects costing thousands of billions of dollars, why shouldn't the Chief Executive be regulated?

I think it will do no harm to tell you that a Mainlander once asked me: "Will Carrie LAM take bribes?" I replied: "You must be mistaken. While many people are corrupt in China, why do you suspect our Chief Executive? I have known her for decades. I believe that she is only headstrong, and right now, I do not believe that she will take bribes." That person asked me then: "So how about former Chief Executive Donald TSANG, and how about the former Chief Secretary for Administration?" What he said next was the key point: "Chief Executive Carrie LAM cannot even afford a flat in Hong Kong after retirement. As a preventive and control measure, we have the obligation to suspect and keep a close watch on bureaucrats." These are my exchanges with some Mainlanders.

From the perspective of national governance, I understand why they would hold such a view. Of course, high property price is not something which our Chief Executive wishes to see. However, if she does not have a place to stay after retirement ... I told the Mainlanders that state-level cadres are provided with accommodation in the form of suites. In summer, they are provided with accommodation on the islands of Hainan province, with secretaries, drivers and cooks at their disposal. As long as the Central Authorities accord them a high standard of treatment, corruption can be prevented. However, when someone has suspected our Chief Executive, I really find it difficult to respond. I can only say is that I have known her for decades and I do not believe that she will take bribes. The only thing I can say is that Mainland officials can just keep a closer watch on her.

We have never thought of having "jerry-built" works in Hong Kong; the reality is really worrying. When I raised this issue more than one year ago, I was severely criticized by pro-establishment Members from professional sectors for questioning their professionalism. According to them, the sector has put in place established codes, rules and multiple monitoring to guard against "jerry-built" projects. They accused us of smearing them. I do not know how those few Honourable colleagues will respond now. Perhaps they may change their rhetoric by saying: We have discovered the "jerry-built" projects now. These projects should have been uncovered a bit earlier. However, after receiving an email complaint, Secretary Frank CHAN has simply brushed the news under the carpet.

Recently, rumours of government reshuffle have been floating around. Purportedly, Carrie LAM would follow the examples of mid-term elections overseas and reshuffle her Administration by replacing Secretaries with low

popularity ratings. In my view, Secretary Frank CHAN should be the first to be sacked. President, at present, Hong Kong people are most concerned about the impact of the Sino-United States trade war on Hong Kong's economy and people's livelihood, which may even lead to large-scale unemployment in the future. In fact, all people are very worried. My feeling is that the people at the grass-roots level are not as concerned about the current issue as the middle class and members of the business sector. I have had extensive discussions with the middle class and members of the business sector on this issue. So what has been the response of our Chief Executive? I consider it acceptable if she does not know how to handle the issue because no one can be well-versed in all areas. She only has two options: First, seek advice; or some experts have already advised her. President, she actually has "four guardians", namely Bernard CHAN, Laura CHA, Joseph YAM and CHOW Chung-kong, who should have held a number of Executive Council meetings during the recent period. However, her public remarks have failed to convince the public that the Government has launched any preparatory work. I have tried to retrieve any advice given by them but in vain. What I have found was only Joseph YAM's proposal to scrap the Hong Kong dollars. Buddy, if that had been the only advice the four major financial guardians can give the Chief Executive, we will be doomed.

Other people may refute by saying: "James TO, the Chief Executive has a number of measures to address the issue, only that she has not announced them yet." However, Hong Kong people may not be convinced. Imagine the Chief Executive says that she has a secret plan up her sleeve but she cannot reveal anything for the time being, and she only reassures the public that the problem will be solved. I do not believe that Hong Kong people will have that much confidence in the incumbent Chief Executive. At present, I can feel that the business sector is gravely concerned, as if a catastrophe may happen anytime. They expect the situation in the next one or two years to be very worrying. However, the Chief Executive and government officials have never shared their concern. They may say: "Sorry, we do not share your feeling." They may remain calm and keep their composure when changes take place. They may completely fail to notice the angst of other people. I do not know if they purposely behave in this way to reassure the public.

President, in fact, we should comment on the system but not the individuals. However, when it comes to a discussion on governance, it is necessary to touch on the issue of style. Recently, I have read an article by Mr Jasper TSANG. I

believe that he intentionally wrote that article. His remarks have brought a smile to my face. In the latter paragraphs of his article, he cited comments from an ancient book on giving superiors frank advice. He wrote: If people in power only have yes-men around them, they would be at risk of making big mistakes. Most people in high positions of power love flattery but not criticisms. In this way, no subordinates will dare give frank advice. Even if they do, all frank advice will fall on deaf ears. Therefore, it is not a coincidence for people in power to have no frank subordinates around them. It all comes down to the character of the people in power.

We are now in a serious predicament. While our Chief Executive is highly intelligent and competent, she is not absolutely intelligent. It is not possible for her to have all wisdom, nor is she completely objective and impartial. On the contrary, many people, including a number of pro-establishment bigwigs, have unanimously told us in private that the Chief Executive was not amenable to other people's views. Based on my observation, she is conceited and condescending. She does not even consider it worthy to listen to the views of any officials in her Administration; or she might just take on board some views of LAW Chi-kwong. In her view, efficiency is absolutely important, and all normal procedures can be bypassed. In fact, we are now in a perilous position. The Chief Executive is not incompetent; but based on my observation so far, she has actually reached a point where she will turn deaf ear to all views. In their replies, various Secretaries of Departments and Directors of Bureaux often said that the Chief Executive has listened to the views of certain groups. However, those views are all technical in nature. She does not take heed of views on macro policies. A few leading figures of the pro-establishment camp, who are not members of the pro-democracy camp, once met her at a cocktail reception, and she shown no interest to talk to them. She was not interested in listening to their views and might even ask them: "You want me to step down, don't you?"

Living in such an environment, can Hong Kong people still harbour any hopes? Will our young people be more optimistic about the future due to Mrs LAM's governance in the past two years? Will the older generation be more hopeful about the future of the young generation? For the time being, I can envisage a mediocre future only. While fewer people have the intention to migrate to other countries, they still do not pin much hopes on Hong Kong. At this stage, since the honeymoon period following the Chief Executive election is over, the popularity rating of the Chief Executive has returned to the lowest point. If she intends to create favourable conditions for the enactment of legislation to

implement Article 23 of the Basic Law, I believe that Beijing will be more frightened than her and would rather she not act hastily for the time being. That said, she has already spent two years creating the favourable conditions. Furthermore, frankly speaking, the Government has repeatedly given cash handouts. In order to boost public confidence in the promotion of constitutional reforms and universal suffrage, how much more favourable conditions do the Government have to create? In fact, the Government does not have much time left.

I have no idea if reshuffling her governing team is one of the ways out. However, if her character remains unchanged, and if she still refuses to listen to the views of others and even consider all other people not as intelligent as she is, it is futile to reshuffle her governing team, isn't it? Will those people who are known to be capable be willing to join the Administration of our Chief Executive? For example, given the ongoing trade war between China and the United States, Hong Kong will likely get involved in the future. What is the way out for Hong Kong? Is it necessary to hold a summit for more Hong Kong people to express their views?

Forgive me for venturing to say that the community still trusts John TSANG more than Paul CHAN so far. After all, John TSANG has been in office as the Financial Secretary for 10 years. In order to draw on collective wisdom in addressing the future crisis, apart from the four guardians, will the Chief Executive consult other Hong Kong people whom she considers to be competent and whose views she is willing to trust? I guess the Chief Executive will not do so. When it comes to matters she thinks she understands, she certainly will continue to work on them; she will even send emails to various Secretaries of Departments, Directors of Bureaux and heads of government departments in the middle of the night. When it comes to matters she admits that she does not understand, she assumes that the four guardians will take care of them. In this way, Hong Kong people will really have to keep their fingers crossed.

President, I use harsher words in my speech today. I truly believe that Carrie LAM is not corrupt, and I have told Beijing officials accordingly. In the meantime, as I have also stated, if XI Jinping has full confidence in Carrie LAM in her implementation of "one country, two systems", even if the Chief Executive finds James TO's comments extremely unpleasant to her ears, I still hope that she will consider the fact that I am the most senior Member and my views may be of some help, to her personally and to Hong Kong. Never mind. It does not

matter whether she will take on board my views or not. I will continue to speak here in the Chamber. I will even tell her in private that I believe that we should work together now to address a major crisis. I certainly do not endorse the reinstatement of LEUNG Chun-ying—in fact I have been very polite to put it that way. Otherwise, I can use harsher remarks. I really do not hope to see LEUNG Chun-ying or any of his allies govern Hong Kong with the same mentality and competitive mindset.

MR AU NOK-HIN (in Cantonese): President, the theme of this session is on "Reinforcing Strengths, Enhancing Governance". For the current-term Government, what is meant by "Reinforcing Strengths, Enhancing Governance"? Firstly, I do not like the Chinese term "Enhancing", I consider "Improving" better. I think the term "Enhancing" will, to a certain extent, cause the degradation of Cantonese. Let me first of all talk about the question of the rule of law.

Mrs Carrie LAM always likes to say that we should be proud of our law enforcement agencies and she even asks members of the public not to insult law enforcement officers. I also do not support insulting law enforcement officers. However, has the Chief Executive ever considered why members of the public have, in recent years, incessantly criticized law enforcement agencies, in particular, why the popularity rating of the Police is the lowest each year? The reason is that the SAR Government has constantly exploited the authority of law enforcement agencies to carry out political missions in the name of national security or other reasons that cannot be revealed. Eventually, the reputation of the disciplined services has been sacrificed. Law enforcement and the rule of law are closely related, the rule of law is related to sentencing, but if law enforcement is not properly exercised, how can the legal system be convincing?

I will quote some examples. First, in the 4 June gathering this year, some plainclothes policemen had, without disclosing their identity, asked students participating in the gathering which school they came from. They even computed the number of participating students in an attempt to deter the younger generations from joining the 4 June gathering. At first the Government refused to admit, but admitted subsequently. Second, on 24 September this year, the Security Bureau formally declared that the Hong Kong National Party was an illegal society and banned its operation; yet the Bureau has never explained what was meant by the so-called endangering national security. Was the issuance of a declaration a threat to national security? Another example was mentioned by

two other Members just now. Earlier, the Government refused to renew the work visa of Victor MALLET and subsequently refused his entry to Hong Kong this morning. Why not deport him, right? Can this practice be acceptable? Many people were also refused entry by the Government, but no reasons have been given. Benedict ROGERS, members belonging to the New Macao Association and Democratic Progressive Party, as well as democracy activists were refused entry, but the Government has never explained the reasons over the years.

The Chief Executive said that giving no explanation was an international practice. May I ask the Government for how long does it intend to use this pretext as a shield? As pointed out by Mr James TO a moment ago, we are not saying whether this is a practice, but what are the practices of the international community? When the Government fails to follow the practices of the international community, it will be queried by the international community. For example, the United Nations and Japan have queried why the SAR Government was so ridiculous as to refuse the entry of some people. This is very simple matter, just stop whitewashing. At a press conference held in Japan, all the Japanese media asked the Chief Executive why Victor MALLET was refused entry. The outcry from international community has been getting louder and louder. An international newspaper today queries whether Hong Kong has become one of the cities in China, just like any other cities? Will the United States cancel the Hong Kong Policy Act; will the relationship between the United States and Hong Kong aggravate; will foreign investors lose confidence in Hong Kong; will Hong Kong as a whole have to pay a price for such a stupid act? Can the Chief Executive bear such accusations?

The law enforcement problems do not only confine to refusing the entry of certain people without explanation, but also the continuous harbouring of the Police in several cases. Two cases occurred recently but the Police have no intention to conduct reviews. In one case, a taxi driver had his neck twisted by 90 degrees in a police van and died subsequently. In another case, a suspect committed suicide in a detention room. Actually, the Coroner's Court had proposed installing closed circuit televisions in the Emergency Unit vehicles and detention rooms so that the video clips could serve as evidence in courts. Despite the repeated request of the Coroner's Court for the installation of closed circuit television, given that its proposal has no binding effect, the Police have been delaying and turned a blind eye to several cases. Please tell us how can we be proud of the law enforcement agencies?

Secondly, though there is an Independent Police Complaints Council ("IPCC"), many proposals have likewise been unheeded. The Police acquired three water cannon vehicles and some pepper-balls early this year. As international conventions or precedents have proved that these weapons would cause serious harms and stringent guidelines and training are required, we have therefore asked the Police to disclose the codes on the use of force and water cannon vehicles. Yet, the Police refused, saying that the disclosure would affect their operation deployment. Nevertheless, the web pages of the police force in many countries contain guidelines on the use of force and the requirements are quite strict. The IPCC Chairman has also indicated that the Police should make public the codes on the use of water cannon vehicles, so as to safeguard the right to information of the public. When the case is tried in court, the judge may request the Police to provide the usage guidelines, but we cannot get such guidelines through open channels. If the person in question knows about his rights, law enforcement agencies will be fairly assessed.

Let me speak further on how Hong Kong is perceived by the United Nations. In this session, we talk about constitutional development, human rights etc., and very often, we have to comply with international standards. The United Nations conducted periodic reviews on the implementation of the International Covenant on Civil and Political Rights and the Convention on the Elimination of All Forms of Discrimination against Women. Chief Secretary Matthew CHEUNG is not present today because he has to attend the hearings of the United Nations and answer the questions raised. What are the requirements of the relevant documents? The last hearing was held in 2013. In 2013, the relevant documents raised two requirements and mentioned constitutional reform, pointing out that universal suffrage was a political right that Hong Kong people were entitled to. However, today we do not even have any voice calling for the reactivation of constitutional reform. Regarding human rights, what has been covered by the relevant documents? Regarding the refugee problem, the relevant documents stated that the Human Rights Commission of the United Nations found it regrettable that Hong Kong, China has yet to apply the Convention Relating to the Status of Refugees and its 1967 Protocol.

In respect of racial discrimination, the relevant documents asked Hong Kong to enact anti-discrimination legislation. How much have we done to ensure the rights of ethnic minorities to receive local language education? Up till today, we have yet to finalize the new curriculum, resulting in many ethnic minorities in Hong Kong failing to attain the local language proficiency. Regarding the rights of domestic helpers, have we treated them well?

Legislation on sexual orientation discrimination is still all thunder but no rain. Moreover, the relevant documents have also mentioned disability discrimination. After so many years, what kinds of achievements can be reported by representatives of the Hong Kong Government in Geneva?

In the past few years, our political system has been sinking into depravity. It had degenerated in numerous aspects. The failure of "one country, two systems" has made the international community further lose their confidence in Hong Kong. To our great regret, on the one hand we cannot implement democratic universal suffrage because, as pointed out in this year's Policy Address, it is not an opportune time to reactivate constitutional reform; and on the other hand, the so-called new governance of Carrie LAM merely involves the setting up of one committee after another, circumventing the general administrative procedures and the Legislative Council. Why not form a military government? Why not form a new Executive Council to handle all the issues? Monitoring will not be required by then.

An important example is the Land and Development Advisory Committee ("the Advisory Committee"). In granting land to property developers, the Government has to comply with the town planning procedures. Even though we often say that the town planning procedures are riddled with problems, including meetings not being transparent; the Secretary for Development also serving as Chairman of the Town Planning Board will give rise to conflict of interests; members of the public have no idea about the stances of Committee members, etc., members of the public at least have the right to lodge appeals, and can voice their views on planning applications. Yet, the Government has appointed a new term of Advisory Committee with more powers. Originally, the Advisory Committee is only responsible for approving footbridges and tunnels built by developers at their own expenses, but now it has attained a great leap forward and a second team is formed. I do not know whether that is the e-channel for property developers. Many private developers submitted their development projects for agricultural lands in the New Territories to the Advisory Committee for consideration. Upon consideration by the Advisory Committee and approval by the Chief Executive in Council, the projects can be implemented.

This practice has apparently circumvented the established procedures. Many members of the Advisory Committee have connections with the property, construction and engineering sectors. It has even been reported in the media that the family of Dr Greg WONG, Chairman of the Advisory Committee, owns

36 000 sq ft of agricultural land in Sheung Shui. In the web pages of the Development Bureau, we cannot find the relevant minutes of meetings. This is a case of having transparency in the past but not having transparency now. Other public development projects such as the Development of the Hong Kong-Shenzhen Innovation and Technology Park in the Loop, the West Kowloon Cultural District and the Wang Chau Development are all dealt with in similar ways.

Another committee we often mention is the Labour Advisory Board ("LAB") which has been manipulated by the Government to bypass the Legislative Council. When will the Government stop manipulating the committee politics? The Government set up the Youth Development Commission in April with all members coming from the establishment camp, including elites and children of wealthy parents. We know nothing about its meeting agenda, minutes of meetings, arrangements for public observation, etc. As such, how can young people participate in politics and discuss politics? With so many committees, can they really address the aspirations of the public? Even if the policies are considered by the Legislative Council, the Government will turn these committees into "supreme rulers". Hence, not only will no progress be made in respect of democracy in Hong Kong, but governance will become more and more confined.

Finally, I wish to say a few extra words. Just now Members talked about the civil service college, which will take up the site now occupied by the Shine Skills Centre. Are there no other vacant school premises available? My secondary school premises is vacant now, and it is located right on the side of the selected site. Why not consider using vacant school premises instead of the site of Shine Skills Centre? I hope Secretary for Civil Service Joshua LAW will consider using other places for building the college. Does "Reinforcing Strengths, Enhancing Governance" mean "Reinforcing Authority, Enhancing Public Resentments"? In the Policy Address, all we can see is planning in the abstract.

DR JUNIUS HO (in Cantonese): President, in order to enhance governance, the SAR Government must expeditiously enact legislation to implement Article 23 of the Basic Law, otherwise we will gradually lose our edge in governance. Just now Mr Dennis KWOK and Mr AU Nok-hin criticized the Hong Kong Government for failing to safeguard judicial independence and freedom of the

press. Their arguments are completely erroneous and fallacious. In fact, Members of the opposition camp have been attacking Hong Kong's rule of law and abusing freedom of the press. We will do ourselves a disservice by not "disqualifying" them.

Unlike the Americans, we are living in a free and safe environment where a high degree of rule of law is upheld. Mr Dennis KWOK adores the United States and its President Donald TRUMP the most. Yesterday, two cases took place ...

(Mr AU Nok-hin stood up)

PRESIDENT (in Cantonese): Dr Junius HO, please hold on. Mr AU Nok-hin, what is your point?

MR AU NOK-HIN (in Cantonese): On what basis did he say we should be "disqualified"?

PRESIDENT (in Cantonese): Dr Junius HO, do you wish to make a clarification?

DR JUNIUS HO (in Cantonese): Mr AU Nok-hin is a relatively new Member. However, if he has some knowledge about politics and Hong Kong news, he should know whom I was referring to as those people who should be disqualified.

PRESIDENT (in Cantonese): Dr HO, please continue with your speech.

DR JUNIUS HO (in Cantonese): President, excuse me. Will you please make up for the time I had lost? I still have a few words to say.

PRESIDENT (in Cantonese): You still have speaking time left. The timer was paused just now. Please continue with your speech.

DR JUNIUS HO (in Cantonese): Thank you. In the United States which Mr Dennis KWOK adores, President Donald TRUMP evicted CNN correspondent James ACOSTA and suspended his news coverage at the White House yesterday. Is freedom of the press still upheld in the United States? In addition, a shooting took place at a bar in California at midnight, leaving 13 people dead and 10 injured. Is personal freedom and safety still guaranteed in the United States? *(The buzzer sounded) ...*

PRESIDENT (in Cantonese): Dr HO, please stop speaking.

MR HOLDEN CHOW (in Cantonese): President, regarding the question concerning the rule of law, I wish to express the following points in this session.

Firstly, I wish to discuss about the introduction of a mechanism for consumer class actions. As a matter of fact, whether a mechanism for consumer class actions should be introduced in Hong Kong has been discussed for years. As we all know, the Law Reform Commission of Hong Kong ("LRC") released a report in 2012 proposing the introduction of a mechanism for class actions, starting with handling consumer disputes. After the proposal put forth by LRC, the Department of Justice subsequently set up a Working Group to examine class actions.

Although the Working Group has met as many as 23 times, and its subcommittee has also held 28 meetings, members of the public know nothing about the discussions made at meetings, the direction of development, whether legislation will be enacted for consumer class actions, what kind of mode will be taken into consideration, and if legislation will not be enacted, the reasons for that. The Government has not disclosed any information. Even though I have pursued time and again for more information at meetings of the Panel on Administration of Justice and Legal Services, the Government has yet to give an account. Hence, I could only hope to get more information from the Secretary for Justice at the briefing for this year's Policy Address. Regrettably, the Secretary for Justice was unable to give a specific account for the time being, hence we still know nothing about the progress of the Working Group. Up till now, the Working Group has held more than 20 meetings, I really hope that the Secretary for Justice can inform us of the progress. We really want the Government to give an account, or at least, it should tell us clearly whether the

mechanism for consumer class actions will be introduced, or why it will not be introduced.

Regarding class actions, we have stressed time and again that the mechanism for class actions will first be introduced for handling consumer cases, and will not be extended to other areas. As we are well aware that the establishment of a mechanism for class actions will trigger the nerve of the business sector or other stakeholders and may also affect business environment, we have thus highlighted repeatedly that the focus is solely on class actions for consumers. I earnestly hope that the Secretary for Justice will respond and inform us expeditiously of the findings of the Working Group.

President, some days ago, a police officer shot to subdue a suspect in Sham Shui Po. I wish to express my view on this incident. Many members of the public queried why that police officer decided to shoot or whether the decision to shoot was correct. In this connection, I have reviewed some information and made some observations. Actually, police officers have to comply with very stringent guidelines in shooting. Let us look at some past cases. For example, in the Mong Kok riot that happened two years ago on the second day of the Chinese Lunar New Year, a police officer fired gunshot into the air. Why did he fire? When reviewing the video clips, we saw rioters charging incessantly at police officers; though some police officers had fallen on the ground, they were still being charged at continuously. If that police officer did not fire gunshot into the air, the lives of his colleagues might be at stake. Under such a situation, it was an urgent need to fire, at least, it would have a deterrent effect on the culprits and the lives of his colleagues would be saved. If he did not fire, his colleagues might be beaten to death by the culprits at any time.

Speaking of this incident, according to the news report, the culprit held a knife and obviously he had the intent to assault the police officer. Seeing that her advice was not heeded, the police officer decided, in a split second, to fire in order to subdue the culprit as soon as possible. Let us put ourselves in her position and think, if the police officer did not subdue the culprit, the culprit, with a sharp knife in hand, might have assaulted the passers-by, causing injury or death. Police officers have received training and will not fire recklessly. They will only fire when the culprit, if not stopped effectively, will threaten their lives or the lives of other people. Hence, I think it is imperative or reasonable for the police officer in this incident to make such a decision.

I understand that we are very concerned about the incident of police officer opening fire, but I think we should understand the underlying situation first. I have confidence in the Police Force as police officers have received training for a long period of time. I think we should comment on this incident in a very objective way. I also want to take this opportunity to express this point. I have absolute confidence in the Police Force.

President, I would also like to talk about the issue of "Hong Kong independence" which we often mention recently. I want to point out the obvious fact that "Hong Kong independence" has contravened the Constitution of the country and the Basic Law. Hong Kong is an alienable part of the People's Republic of China. In dealing with the issue of "Hong Kong independence", I hope that the Secretary for Justice will, if time allows, explain to us how "Hong Kong independence" has contravened the Basic Law and the Constitution of the country. Further explanation from the Secretary for Justice will surely contribute to public education. These are the points I would like to raise on this issue. The Chief Executive has already expressed a lot of views on the issue of "Hong Kong independence", I hope that other government officials (including the Secretary for Justice) will give further explanation on the relevant legal basis so as to enhance public education.

President, I notice that a lot of colleagues have focused on discussing Lantau Tomorrow in this debate. Though the theme of this session is the rule of law, since this is the last session of the whole debate, I wish to express my views on the reclamation projects of Lantau Tomorrow in the remaining time.

Regarding the reclamation arrangement of the artificial islands in the Central Waters, the decision is not made rashly today. The last-term Government already had this plan and had conducted studies. As an Islands District Council member, I have time and again expressed my view to increase land supply effectively and speedily through reclamation so as to solve the structural problems of land in Hong Kong,

Regarding the reclamation details of Lantau Tomorrow, we may still wish to clarify a lot of queries. That is not a problem as we can address the issues through future discussions, but I think the overall direction of reclamation projects of Lantau Tomorrow is correct. Why do I think so? In assessing various options, we naturally have to consider the effectiveness, the time required and costs, etc. Other options such as developing brownfield sites or urban

redevelopment will not be shelved as I believe that the SAR Government will still carry out the related work. Nevertheless, given that there are many unsuccessful cases in the past, such as the North East New Territories Development which still cannot be implemented after arguing for 10 years, if we still continue to idle away the time and fail to implement the development projects, I am afraid that the structural problems of land in Hong Kong cannot be resolved. We are also being irresponsible to the next generation. Among the numerous options, some can hardly be implemented owing to the extended time required and the controversies involved, hence I hope that we can adopt an option which is effective and can substantially increase land supply relatively quickly, so as to resolve the problem. Hence, I think the option of reclamation is the right choice.

As for the cost of reclamation, we are surely concerned and worried. In this regard, I hope that the Government will make public the project costs. Many colleagues of the opposition camp always say that the reclamation projects of Lantau Tomorrow will cost \$1,000 billion. I do not know how they arrive at this figure, but I hope that the Government will, after prudent assessment, inform us of the project costs. In addition, the selling of land created upon reclamation will bring revenues to the Government. The Government may as well make public the projected revenues from land sales, the economic benefits and employment opportunities. If the Government can provide more specific information, the public will not be worried. Otherwise, if each time we talk about Lantau Tomorrow, the opposition camp says that the cost is as high as \$1,000 billion, members of the public will surely be worried. After all, public money is involved and everyone is concerned about the cost. Hence, I hope that the Government will give a clear account of the relevant information to allay public concerns.

The fisheries industry is a stakeholder of the reclamation projects. The Government must explain to the industry the impacts of reclamation on the sustainable development of the fisheries industry and the compensation offered to the industry. Discussion must be held with the industry to settle these issues. In this connection, Mr Steven HO of DAB has done a lot of work. I think the Government should maintain close contacts with the industry and enhance communication.

No matter how, I think Hong Kong should move forward. Our present responsibility is not only resolving the current problems, but also resolving the problems for the next generation. Hence, we have to make up our mind and

move ahead. If we often get bogged down in arguments without getting any results or without making any progress during the implementation of the project, we are being irresponsible to the community.

President, I so submit.

MR CHAN CHI-CHUEN (in Cantonese): We have waited for one full year and finally in this year's Policy Address, Carrie LAM mentioned equal rights for sexual minorities, which was not mentioned in her maiden Policy Address. In the maiden Policy Address of LEUNG Chun-ying, there was a paragraph about equal rights for sexual minorities, setting out what he would do and would not do, and why some work could not be done. Carrie LAM's Policy Address of last year was nonetheless silent on this matter, and this is why we have reproached her for one whole year, saying that she was even worse than LEUNG Chun-ying. Any normal person would surely feel hurt when being described as even worse than LEUNG Chun-ying and was unable to refute the hard evidence. Therefore, she finally devoted one whole paragraph to this matter in this year's Policy Address, i.e. paragraph 251 on page 77. That paragraph contains 20-odd lines, which is even longer than the paragraph in LEUNG Chun-ying's Policy Address.

However, before suggesting any solution, Carrie LAM was trying to play safe; hence when people who are concerned about equal rights for sexual minorities start reading the paragraph, their passion is dampened. (I quote) "The HKSAR Government has been committed to promoting equal opportunities for people of different sexual orientations and transgenders on the basis of upholding the existing institution of monogamy and heterosexual marriage." This sentence is superfluous. Many homosexual friends asked me if she was shutting the gate to gay marriage and the rights of homosexual couples. Let me tell you all, the truth is, the gate has never been opened.

Earlier on, when I discussed the Policy Address at the meeting of the Panel on Constitutional Affairs, I asked who decided to include the phrase "monogamy and heterosexual", in the Policy Address. Such words are superfluous, bearing no meaning to non-discrimination and equal opportunities. On that day, even Mrs Regina IP of the pro-establishment camp could not help rising to speak in support of me. Members can listen to Mrs Regina IP's speech as it is excellent.

When it comes to non-discrimination, equal opportunities and the rights of homosexual couples, in the past the Government considered such matters as separate issues. I once joined the Government's Advisory Group on Eliminating Discrimination against Sexual Minorities, when members proposed to discuss same-sex marriage or civil union, how did government official respond? He said that we had digressed from the subject, saying that the discussion was about equal opportunities and non-discrimination but not same-sex marriage. Furthermore, Carrie LAM had issued a blank check during the election campaign. She said she would not rule out the possibility of conducting a consultation on same-sex marriage, but she also advised that the introduction of same-sex marriage depended greatly on the acceptance of society as a whole. If a legislative exercise was launched when the time was not ripe, the work might backfire, causing counter-productive results and subjecting these people to discrimination and hostility. Carrie LAM then went on to say that this was not an undertaking, but just a polite remark. She played safe before assumption of duty.

In my open letter to Carrie LAM, I ask her to be aware that we are striving for the enactment of anti-discrimination legislation. According to the latest opinion poll conducted by the University of Hong Kong ("HKU"), 70% of people supported the enactment of legislation on sexual orientation. The Government said it was important to foster consensus on such matters. At the last Chief Executive's Question and Answer Session, Carrie LAM asked me to provide proofs. She said, "Mr CHAN, if you want me to take action, please provide proofs. If you think there is a unified view or a broad consensus in Hong Kong today that the Government should do what you think we ought to do, please prove it to me." I asked if she believed the results of HKU's opinion poll, which showed that 70% of members of the public supported the enactment of legislation on sexual orientation. Is 70% regarded as a consensus? If 70% is not regarded as consensus, what percentage is required? If she does not trust this poll result, she might as well consult the public on her own. Why is she still staying put and doing nothing?

Some officials said, "'Slow Beat', do not rush, be relaxed." Relax? We have been waiting for more than 20 years. Before the reunification in 1997, the anti-discrimination bill failed to get through because of a few votes short, but then no progress has been made over the past 20 years. We have only one humble request that a consultation would be launched. I am very sensible because even in the motion that I am going to move next week, I only request the Government

to study the right of homosexual couples to enter into a union and how the right of homosexual couples to enter into a union can be protected. I have not mentioned same-sex marriage at all. The performance of the Government in respect of equal rights for people of different sexual orientations has indeed failed in the past few years.

With regard to the right of homosexual couples to enter into a union, I would describe the discussion with her as climbing a tree to catch fish. In the end, we can only resort to judicial review. Of course, I am not going to discuss the judicial review case here. If the Government only takes action after it has lost the judicial review case, then this is not a policy address as it is not about governance.

Lastly, I would like to point out that even if the Government loses the judicial review case, it will not willingly and gladly comply. At the last meeting of the Panel on Security, I asked the Secretary for Security: After the Government has lost the "QT case", apart from allowing the homosexual partner of a foreign talent, with whom a union has been entered into abroad, to enter Hong Kong on a dependent visa, will the homosexual partner of a Hong Kong permanent resident, with whom a union has been entered into abroad, apply to enter Hong Kong on a dependent visa? Guess how the Secretary for Security responded. He said, "Mr CHAN, you should know the answer and there is no need for you to ask." Secretary, the point is not whether I know the answer or not, but many Hong Kong people are not sure about it. They hope that government officials can tell them publicly that the policy has changed, so that the homosexual partners of Hong Kong residents, with whom a union has been entered into abroad, can now apply to enter Hong Kong on a dependent visa. No matter what, the Secretary refused to say so. He wanted to make the policy unclear and obscure because if opponents are not clear about the policy, they will not oppose the Government.

DR PRISCILLA LEUNG (in Cantonese): President, Hong Kong has all along been world famous for its three cornerstones, namely the rule of law, effective governance and a civilized society.

In 2014, a massive illegal Occupy Central movement took place which later evolved into Occupy Mong Kok, followed by riots in Mong Kok. People taking part in "shopping tours" protests had acted in a naïve, ignorant and rough way, causing nuisances to a lot of Hong Kong people. The greatest harm of

such actions was that young people mistakenly thought that by voicing a political slogan, they could do anything, even illegal acts. Some adult politicians had seemingly conveyed such a message to young people. However, recently a series of trials and judgments have proved to the public that rule of law prevails in Hong Kong, thereby restoring the confidence of the majority of the public on the Government's commitment to enforce the law. Though court judgment has come late, at least penalties have been imposed.

Actually, we definitely do not want to see these young people being punished, but if their acts have shaken the foundation of our rule of law, the court judgment should contain a clear message. Recently, more and more people talk about self-determination of Hong Kong and "Hong Kong independence", some have even colluded with "Taiwan independence" advocates. Some days ago, some persons-in-charge of the Foreign Correspondents' Club, Hong Kong disregarded the advice of the Ministry of Foreign Affairs of China and insisted on holding some activities, hence elevating the incident to the national level. The Ministry of Foreign Affairs issued a declaration to denounce them for their "lack of awareness". Out of a good intention, I use "lack of awareness" to describe these people. If they are aware of the situation, the incident would reflect problems concerning their standard and knowledge.

Mr Victor MALLET may be one of the people in question. In his view, since the Government has not legislated for Article 23 of the Basic Law and has adopted an evasive or even a conniving attitude, some people might think that there is no legislation in Hong Kong to safeguard national security. Hence, after this incident, some people asked the Government why it had ruined the rule of law, and some foreign journalists even queried whether Hong Kong was now under the rule of man. I said to them: How could Hong Kong be under the rule of man, the occurrence of the incident was a manifestation that Hong Kong was under the rule of law. Many members of the public are expecting the court judgment these days and they support the Government's enforcement of the law. There were people who were punished for throwing shells of dried melon seeds onto the ground, and we did offer help to these people. Hence, we should not say that people with political motives can be exempted from punishment. Initiators of Occupy Central and a huge group of people who urged young people to take to the streets and break the law have not yet been tried and punished. People have been waiting for judgments to be passed on these people.

Though Hong Kong has not yet legislated for Article 23, does it mean that there is no law to safeguard national security? The Policy Address this year is right in saying that the existing law should not be put aside and never be applied. Hong Kong has the relevant legislations, but they are not comprehensive and cannot fully manifest the responsibilities and rights vested in Hong Kong in Article 23. For instance, according to section 9 of the Criminal Offence Ordinance, a seditious intention is an intention to raise discontent or disaffection amongst inhabitants of Hong Kong, however, an act, speech or publication is not seditious by reason only that it intends to point out any matters which are producing or have a tendency to produce feelings of ill-will and enmity between different classes of the population of Hong Kong. In fact, our laws are quite strict, and people can certainly be sentenced for imprisonment, but some people turn a blind eye as such laws have been put aside and have never been applied.

This year, the Chief Executive has picked up her courage to mention legislating for Article 23 in paragraph 33 of the Policy Address. She mentioned that a favourable timing was required for the legislative work. First of all, we have to clearly understand the nature of Article 23. In the past 15 years, no one, including politician or the Government, is willing to mention Article 23 again. Without "Hong Kong independence", nobody will mention Article 23. The Central Government has in fact delegated the SAR Government to enact its own legislation to implement Article 23. As the legislation mainly involves national sovereignty and interest, it should be drawn up by the Central Government. The USA PATRIOT Act was a federal law. As China has immense trust in Hong Kong, it is willing to delegate the power to the SAR Government, hoping that Hong Kong will treasure this chance and, in the light of the political and legal culture of Hong Kong, legislate for Article 23. I recalled that in 2003, the Hong Kong Government had drawn reference from the common law system, and had applied many common law concepts to legislation for Article 23. It was a pity that the Hong Kong people did not accept the legislation even after the "three tiger teeth" were removed.

At present, the problem has not yet been resolved. Are Hong Kong people willing to treasure this opportunity? People with influential power in the opposition party have to consider whether they should persist in refusing to enact legislation. If their refusal continues, how long will the Central Government still trust Hong Kong? Should no legislation be enacted for 21 year, 25 years or 50 years? Will any country (including our country) allow one of its territories

not to enact legislation on national security, giving people an impression that the territory can do whatever it likes? I believe it is absolutely impossible to wait for 50 years.

Without a relevant legislation, the Ministry of Foreign Affairs took action first without waiting for the SAR Government to issue a statement, pointing out directly from the national level that the Central Government would not tolerate anyone crossing the red line in respect of national sovereignty. In fact, if Hong Kong people still lack this sensitivity and fail to enact local legislation to safeguard national sovereignty, should similar incident recur in the future, will the Central Government think that Hong Kong fails to safeguard national sovereignty again and hence it goes ahead and states its view? I do not know. I hope that we will think about this question.

If the Chief Executive thinks the opportune time is to wait for the opposition camp to change their heart or come around and no longer strongly opposes enacting legislation, I think such a time would not come by. To me, any time can be the opportune time. I personally think that it is now the opportune time because with the emergence of "Hong Kong independence", many members of the public begin to understand the international situation. Hong Kong has the responsibility to safeguard national security and fulfil its major responsibility towards the country. Under the "one country, two system" principle, only when Hong Kong people, including the opposition camp are willing to safeguard national security can we talk about constitutional reform. This is the best way for attaining a high degree of autonomy. If we give up safeguarding national security, the Central Government will think that the SAR does not respect the Central Government and does not pay heed to national security, both parties will continue to distrust each other.

President, I think we should revisit the enactment of legislation for Article 23 and work further on civic education. *(The buzzer sounded)* ... I ...□

PRESIDENT (in Cantonese): Dr LEUNG, please stop speaking.

MR LAM CHEUK-TING (in Cantonese): President, I have listened to the speech of Dr Priscilla LEUNG attentively.

First, she said that some people encouraged young people to violate the law by sending wrong messages to them, making young people believed that they could break the law and did not have to bear any consequences. As far as I know, at that time the initiators of the Occupy Central movement said time and again that one might be held criminally liable or bear legal consequences if they participated in this civil disobedience movement. These initiators have surrendered themselves to the Police and are still under investigation. For this reason, I think what Dr Priscilla LEUNG said are not the facts or not the full facts.

Second, she said that given the problem of "Hong Kong independence" in Hong Kong, we must enact legislation to implement Article 23 of the Basic Law. Is there really any problem of "Hong Kong independence" in Hong Kong? In fact, it boils down to the Hong Kong National Party ("HKNP"). What has HKNP actually done? Its public activities can be counted on the fingers of one hand. How many members does it have? Apart from the spokesperson, no other representative figures can actually be named, not to mention any organized activities.

Certainly, some young people hold that the Central Government undertook that Hong Kong would enjoy "Hong Kong people ruling Hong Kong", "a high degree of autonomy" and universal suffrage, but over the many years after the reunification, the Central Government has broken its undertaking time and again and delayed the implementation of universal suffrage. These young people are thus infuriated or frustrated, and they tend to adopt a confrontational or belligerent attitude. As the Government disapproves of them talking about "Hong Kong independence", they talk more instead. However, if one asks these young people and even ordinary Hong Kong people whether they believe Hong Kong has the conditions to achieve independence, I can tell you that not even two or three among 100 people believe so. This is basically a hypothetical political scenario, which a majority of Hong Kong people do not recognize. HKNP has no blueprint, means, resources or network to achieve the so-called "Hong Kong independence".

Mr Andy CHAN gave a speech at the Foreign Correspondents' Club, Hong Kong ("FCC"). When many journalists asked him about the means to achieve his ideal, he could not provide a specific blueprint. Unfortunately, the host of the forum has his work visa rejected and even his entry into Hong Kong was denied.

I would like to ask the SAR Government, if the host of that forum is subject to such punishment, shouldn't the Government likewise refuse to issue a work visa to the President of FCC? Should the Government refuse his entry to Hong Kong after his departure, or should he even be deported? Apart from the President, as all members of the Board jointly administer FCC, should they likewise be sanctioned for giving permission to hold that forum and discuss that topic?

The Hong Kong Government often boasts that Hong Kong is an international city. When Hong Kong sanctioned a renowned journalist for performing his duty as a journalist, has it violated the principles that should be upheld by an international city? This move has exactly damaged the reputation of Hong Kong in the international community.

President, in this session I will also talk about issues such as governance, probity and constitutional development. I will express my points of view one by one.

I will first talk about probity. We have noted that the top echelon of the SAR Government was involved in a series of corruption cases in recent years, and former senior officials such as Rafael HUI were even convicted and severely punished. We have also noted the personnel changes in the Independent Commission Against Corruption ("ICAC") in recent years. The Rebecca LI incident was followed by the departure of a number of directorate officers. Due to the boycott of ICAC staff, the Annual Dinner of ICAC, which is an annual event, has been cancelled three years in a row. In addition, ICAC had delayed the appointment of the Head of Operations and the Deputy Commissioner of ICAC for a good three years, and Mr Ricky YAU was only recently appointed to fill such an important position. The series of cases have made us worried about the severe situation and immense pressure faced by ICAC. Has the SAR Government been supporting or affecting and even undermining their work?

On the other hand, three Chief Executives of the SAR Government, namely Donald TSANG, LEUNG Chun-ying and Carrie LAM, have all said publicly that they support amending sections 3 and 8 of the Prevention of Bribery Ordinance ("the Ordinance") and placing the Chief Executive under the regulatory scope of the two sections. The reason is that all civil servants and political accountability officials are governed by section 3 of the Ordinance. In other words, any prescribed officer who, without the permission of the Chief Executive, accepts

any advantage shall be sanctioned under section 3 regardless of what public office he or she holds, but only the Chief Executive is not regulated by this section probably due to his or her superior status.

Donald TSANG read the report of Chief Justice Andrew LI and said that he would request the Government to conduct a legislative amendment exercise. LEUNG Chun-ying had delayed the work for five years, and Carrie LAM has delayed the work for more than a year. It is most outrageous that little progress has so far been reported to the Legislative Council, and the Government keeps saying that this issue involves complicated constitutional problems. How complicated are the problems?

Since all civil servants and accountability officials are governed by the Ordinance, and the Chief Executive is not above the law, the Chief Executive should naturally be covered by a Schedule to the Ordinance, and a mechanism for declaration of interests and approval procedure should be formulated, so that the Chief Executive will be regulated under an open and transparent system. In that case, we will be able to determine whether any advantage accepted by him is reasonable and whether it will affect his work. Why has the Government failed to do so? The matter has been delayed the matter for seven years. What is the Government waiting for? Is it that the Chief Executive hates to be regulated as he or she has been accepting advantages? The Government often says that it will improve its governance and enhance its credibility, but it has been avoiding the legislative amendment exercise for seven years. How can it be accountable to the public?

(THE PRESIDENT'S DEPUTY, MS STARRY LEE, took the Chair)

On the other hand, I will commend Ms Teresa CHENG, the Secretary for Justice, and the Department of Justice for doing a good job. During the Lunar New Year holiday this year, it was reported on television that the investigation into LEUNG Chun-ying's UGL incident had completed. The Department of Justice immediately issued a statement to deny the news report. I hope that the Government will seriously and thoroughly investigate LEUNG Chun-ying's UGL incident, as many members of the public and professionals hold that the incident involves a serious corruption offence and the offence of misconduct in public office. If the case of Donald TSANG is a benchmark, there is no reason not to institute prosecution against LEUNG Chun-ying.

Deputy President, I would also like to talk about the Chief Executive's style of governance. I have just listened to certain views of Mr James TO on this point, and I agree with him. Chief Executive Carrie LAM gives me the impression that she is the best of the best in all areas, and she has a good grasp of all matters. In this connection, many pro-establishment Members have given a knowing smile. She simply has no intention to listen to the views of most Members, not even senior government officials.

A Chief Executive must have his/her strengths and weaknesses. He or she is not necessarily the best in all areas. From our observation, Carrie LAM made the final decision on the development of the Hong Kong Palace Museum, and she also made the final decision in respect of Lantau Tomorrow. She is the one who has set up the Task Force on Land Supply ("the Task Force") and asked members of the Task Force to conduct a consultation. She has identified the members, written the script, formulated the proposal and asked the Task Force to conduct a consultation. She acts like a director; after the Task Force has performed three or four scenes, she hastened to "cut" their performance even before the last scene, saying that the ending must be revised. The conclusion is to reclaim 1 000 hectares of land. No. It should be 1 700 hectares. Will reclamation really be carried out? Certainly. She shows no respect for members of the Task Force, and hastened to express her own views even before they finished performing the last scene. When she shows no respect for people who have helped her, how can she unite the different voices from the general public of Hong Kong?

Furthermore, Mrs LAM has said time and again that she works until late at night and gets up early next morning. In a TVB interview, she says that she sleeps for only five hours. How can a Chief Executive work 19 hours every day? She is not diligent but rather taking on too many responsibilities. If she has read *The Romance of the Three Kingdoms*, she should have read SIMA yi's comments on ZHU Gelian: "can he live long when he eats little and performs so many tasks?" As the Chief Executive, she distrusts her subordinates and forbids them from sharing her tasks. She believes that she is the most capable in dealing with all issues as she has worked in various Policy Bureaux. Nothing can escape her watchful eyes. As such, how can the Government have good governance?

Finally, Deputy President, I would like to talk about constitutional development. For so many deep-rooted conflicts in Hong Kong, a most important cause is our unfair political system. The Chief Executive is not returned through "one person, one vote" by members of the public. As for Legislative Council Members, people are able to cast their votes to elect them.

However, only half of the seats are returned by them and the other half are reserved for a handful of people, who are representatives of functional constituencies, vested interest groups, the commercial sector and large consortia. Such an unfair system has made it impossible to solve so many social conflicts in Hong Kong. Not only is this a problem with our system, but it also relates to the constitutional responsibility imposed on us by the Basic Law. The Basic Law stipulates that universal suffrage should be implemented in a gradual and orderly manner. We have acted in such a manner for so many years, but why has universal suffrage not been implemented?

The most absurd thing is that the Chief Executive is reluctant to even conduct a consultation. Should she at least consult people about the election arrangements after 2022 and after 2024? She is not even willing to put up a show. This is a grave dereliction of duty, and she is immensely irresponsible. The Secretary for Constitutional and Mainland Affairs is present. I am truly perplexed as to why the entire Government can evade such an important task. The Government keeps accusing the pro-democracy camp of vetoing the so-called universal suffrage package. Was that a universal suffrage package? Ask yourself in all conscience. Under that package, candidates must be screened before being able to run in the election or be elected by members of the public. That was by no means a universal suffrage package under any basic concepts of democracy. If that could be treated as a universal suffrage package, even North Korea could implement universal suffrage, and KIM Jong-un could be elected through "one person, one vote" by the North Koreans, right?

That should not be the case. As the Government has been evading this constitutional responsibility and the unfairness of the current political system, we will fail to solve many highly controversial social problems of Hong Kong in a civilized, democratic and reasonable way.

As regards internal attrition that is frequently referred to, I have been living in Hong Kong for 41 years since my birth, and I see more and more young people getting very frustrated. I see many of my peers, who are professionals, feeling disappointed or even desperate about Hong Kong. Many of them choose to leave Hong Kong and emigrate to Taiwan, the United Kingdom or other countries. I do not think they really want to leave, but they feel hopeless in Hong Kong. Television news often covers people making fallacious arguments, and newspapers carry stories of those who are suppressed or denied entry. This is not the Hong Kong that we Hong Kong people have been accustomed to over the years. Why has Hong Kong come to such a pass? Everyone in society has

his or her responsibility, but the Government and members of the pro-establishment camp carry a heavier responsibility than others. They have caused the degradation and retrogression of Hong Kong. They have disappointed the general public of Hong Kong, driving them to despair and forcing them to leave their native Hong Kong. I hope that our Hong Kong will not continue to degrade in this way. I hereby do my part and urge members of the public to pay attention to the governance of our Hong Kong. We must not allow our Hong Kong to continue to decline or degrade.

Deputy President, I so submit.

MR CHEUNG KWOK-KWAN (in Cantonese): Deputy President, from the speech of Mr LAM Cheuk-ting, people would think that only Members of the establishment camp are Members, while those of the opposition camp are not Members, and the implementation of constitutional reform in Hong Kong is the sole responsibility of the establishment camp. Though we both sit in the Chamber, yet he thinks that the responsibility falls only on us and has nothing to do with him. This logic is quite interesting.

Several Members of the opposition camp spoke in this session, and they have highlighted a number of issues. First, Mr LAM Cheuk-ting once again kept talking about the UGL incident. In fact, he can rest assured that he can continue to pursue this topic during his remaining term of office. During the past period of time, money raised from public donations not only can pay for his visits to the United Kingdom and Australia, but also pay for his visits to Hokkaido, Guam or other European countries if he so intends. He can even tie in his schedule with the matches of the UEFA Champions League Final, so that he can take the opportunity to go to Europe to further follow up on the UGL incident.

Deputy President, other than the UGL incident, Members from the opposition party have spoken extensively on a number of other issues, including the Victor MALLET incident which we wasted a lot of time in our discussion last week. Earlier, Mr Dennis KWOK, Ms Claudia MO and Mr AU Nok-hin have mentioned this issue, repeating mostly the points covered last week. Mr KWOK pointed out that the importance of the MALLET incident was not only confined to the visa issue, but also the "red line" which can be moved at any time. Mr KWOK said that following MALLET's expulsion, some other people might be expelled next time. His alarmist words intended to cause panic among the

public. However, Mr KWOK can rest assured because this "red line" will not, as he said, be moved at any time. Article 1 of the Basic Law clearly stipulates this "red line": "The Hong Kong Special Administrative Region is an inalienable part of the People's Republic of China." This "red line" has existed since the endorsement of the Basic Law, only that some people—Mr KWOK may be included—think that this "red line" only appears recently. Nevertheless, I urge him not to obscure the fact and cause misunderstanding in society. This "red line" has existed since the establishment of the SAR Government and the commencement of the Basic Law, only that someone has time and again, stepped over this "red line" deliberately. That is the issue faced by Hong Kong at the moment.

Several Members of the opposition camp stressed that the MALLET incident has undermined freedom of the press in Hong Kong, and in turn affected the international community's perception of Hong Kong. As a matter of fact, we stated clearly last week that the incident was not related to news reporting by Mr MALLET in his capacity as a news reporter. When we talk about freedom of the press being undermined, the MALLET incident is not a typical example. The best example is President TRUMP's suppression of the press when he met with the press at the White House yesterday, as reported by the online news. During the interview, a CNN reporter asked the President whether he had demonized the immigrants in the election, TRUMP immediately got angry and said to the reporter, "That's enough. That's enough. Put down the mic." A White House intern then snatched the microphone. That is not the end of the story. Other reporters who wanted to speak in support of that reporter were banned. Subsequently, the CNN reporter was not allowed to re-enter the White House and his reporter card was being confiscated. That is a genuine example of undermining freedom of the press. However, Members of the opposition party have not mentioned this incident. May be as we said last week, this involves the question of having double standards.

When speaking on the China-United States trade war, Mr Dennis KWOK said that Hong Kong has all along complied with World Trade Organization ("WTO") agreements, and hence should not be implicated in the WTO trade dispute. According to Mr AU Nok-hin, after the MALLET incident, the United States might think that freedom of the press no longer existed in Hong Kong, and hence might cancel the Hong Kong Policy Act, and Hong Kong might suffer from economic losses in the future. In fact, Members of the opposition party should abandon such stupid thinking. As a matter of fact, Hong Kong has all along complied with WTO agreements, and the outbreak of the China-United States

trade war is not attributable to China's failure to comply with WTO agreements. Those who have followed closely international news would know that the United States basically does not want to follow the rule of the game of WTO, giving rise to the current problem. Even if we indicate to the United States that Hong Kong will comply with WTO agreements, and urge the United States Government to treat Hong Kong separately from the People's Republic of China, will the United States listen? Suppose Members from the opposition camp really go to the United States and have succeeded in convincing the Congress and the President—though I do not believe they will succeed—that Hong Kong is different from the People's Republic of China, will Hong Kong not be affected by the China-United States trade war? Don't be silly. As we all know, many Hong Kong products are made in the Mainland and many Hong Kong factories or businesses are established in the Mainland. If the China-United States trade war persists, how can Hong Kong possibly not suffer losses? A large amount of goods are exported through Hong Kong, how can we not suffer losses? Hence, their thinking is absolutely wrong. Since the outbreak of the China-United States trade war, the opposition party always thinks that if Hong Kong distances itself from China, it will not be drawn into the dispute and can resolve the problem. This view is absolutely wrong.

Apart from the MALLET incident and the trade war, many colleagues have talked about dual universal suffrage. As pointed out clearly in paragraph 34 of the Policy Address, the Chief Executive understands the aspirations of the community, in particular our young people, for universal suffrage. Yet she cannot ignore the reality and rashly embark on political reform again as this will divert the attention of our society from development. Just now Mr James TO also stated that the Government has put in huge resources to implement other social policies and has created a very good opportunity, but if the Government does not implement political reform, will it violate the national policy? In fact, the premise is that we cannot ignore the reality. What is the reality? Mr LAM Cheuk-ting has revealed a clue in his speech. If we are not forgetful, we must remember that the last constitutional reform package could not get passed because the opposition party did not accept the 31 August Decision made by the Standing Committee of the National People's Congress. That was the political reality at that time. Up till now, is there any change in this divergence? Mr LAM Cheuk-ting also indicated a moment ago that the 31 August Proposal was not a proposal to implement universal suffrage, and it was no different from the North Korean policy. The opposition camp stated in the past that it would not accept the North Korea mode behind the 31 August Proposal; I believe they still think the same today.

If the SAR Government does nothing to address problems relating to education, reclamation, Mandatory Provident Funding offsetting mechanism, etc., and merely proposes a constitutional reform proposal, by then Mr LAM Cheuk-ting will also rise to condemn the 31 August Proposal, saying that it is a bad proposal, a lousy proposal, a proposal adopting the North Korean mode. By then, society will be in a deadlock, as in the case of the present situation. I do not know if someone will initiate Occupy Central again. Can Hong Kong bear another Occupy Central incident? Should we let Hong Kong keep on being divided while constitutional reform cannot be passed? The worst scenario is that if the Government totally ignores other policies in these few years and only proposes the constitutional reform proposal, should no agreement can eventually be reached on constitutional reform, other areas will also come to a standstill. This is the political reality that we mention.

Hence, I hope that Members of the opposition camp will face the political reality calmly and discuss with us the constitutional reform proposals. We hope that they can think about this point with a clear mind.

Finally, with one minute or so left, I wish to talk about the issue of district administration. I am also a District Council ("DC") member apart from being a Legislative Council Member. Over the past period of time, we have, in the capacity of DC members, raised various proposals to improve local facilities, such as minor works like construction of rain shelters or flyovers. However, as known to all, the function of DC is restricted to putting forward proposals that will bring convenience to the public. If the proposal is accepted by the Government, the entire project—including financial arrangements—will be totally decided by the Government. At the final stage of the project, we often find problems such as high project costs and failure to meet practical needs. It is reported in the press today that the construction of a rain shelter is a stupid proposal. Given the limited space between pillars, a bus will crash into the rain shelter during parking. The project is designed by the engineering staff of the Government, but not by DC members. The designs will very often deviate from the original ideas of DC members. Hence, I really hope that the Government will pay more heed to the views of DC members in respect of district administration, so as to truly meet public needs. This point is very important to members of the public.

Deputy President, I so submit.

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

DR ELIZABETH QUAT (in Cantonese): Deputy President, disciplined services are the cornerstone of Hong Kong's administrative stability. No matter how harsh the situation is, disciplined services staff have always performed their duties faithfully. As they are responsible for upholding the rule of law, providing emergency rescue services, saving lives, fighting fire and protecting Hong Kong, maintaining their morale and attracting and retaining talent for the disciplined services are hence of vital importance to Hong Kong.

To all disciplined services departments, the Policy Address has brought them a piece of good news as the Government finally undertook to conduct a comprehensive grade structure review. I would like to commend the Secretary for his tremendous efforts made lately in pushing forward the review. I also wish to thank the Secretary for taking our views on board by introducing Chinese medicine as part of the civil service medical benefits and promising to increase the provision of car parking spaces at disciplined services quarters. These initiatives can help boost the morale of the disciplined services.

Disciplined services departments are deeply concerned about their respective grade structure review in addition to the aforesaid initiatives. Disciplined services staff understand that some elements of their grade structures warrant detailed discussion and study. Recently, I have worked hard to look into this issue and I would like to raise a few points in this connection. Each disciplined services department claims that its role is distinctive and has to face different challenges. In order to facilitate the long-term development of disciplined services, allowing more flexibility and room for development, these departments call for an independent grade structure for each department and an independent pay survey committee for conducting annual pay surveys.

Some disciplined services departments have also highlighted the unequal treatment among different units of the same department. Take the Government Flying Service as an example, working hours are different for frontline staff and clerical staff. The unduly long working hours have deprived staff of rest time and family time. Therefore, they would like to have working hours standardized at 44 hours.

While each disciplined services department has its own aspiration, they also share some common aspirations. A case in point is the provision of quarters. According to the data in 2017, the overall vacancy rates of disciplined

services quarters were 25% (rank and file grade) and 16.6% (officer grade). Increasing the provision of quarters is thus crucial to boosting staff morale and retaining and attracting talent.

The quarters for Customs and Excise Department at Yau Yue Wan Village Road have recently been completed for intake. While the quarters are nicely built, it would be more desirable if more storeys can be built, and hence more units for allocation. As it is difficult for the Government to secure land for quarters, I hope that the Government will increase the overall plot ratio in its future construction of disciplined services quarters to provide as many units as possible.

Besides, as reflected by a number of disciplined services departments, if their officer grade staff joined the service after 1 June 2000, basically they will not have any chance to be allocated with quarters. Disciplined services officers will no longer be eligible for quarters after reaching the maximum pay point and normally they will reach the maximum pay point after eight years. Owing to the long-term shortage of quarters for officers, the waiting time usually exceeds eight years. In other words, basically they will not have a chance to move into the quarters. I therefore urge the Secretary to consider building more quarters for disciplined services officers.

Insufficient public housing quotas have also caused disciplined services staff to worry about their future. They hope that the Government will increase quota of public housing for retired staff. I urge the authorities to step up their efforts in this regard.

In this Policy Address, the Government has promised to increase the provision of car parking spaces at disciplined services quarters. Some disciplined services departments reminded the Bureau the importance of increasing parking spaces. During the onslaught of Typhoon Mangkhut, most of the disciplined services staff had to make arrangement on their own to go to work. As some of their workplaces were in remote areas, if they did not have a car parking space at their quarters, they would not be able to be on duty. I hope the authorities will provide additional car parking spaces as soon as possible.

As for medical benefits, at present disciplined services staff have to wait for a long time to receive treatment at public hospitals. They also worry that members of the public may regard them as competing for health care resources. I wish to ask the Government for allocating additional resources to shorten the waiting time.

Moreover, the problem of deducting vacation leave remains. Also, correctional staff still cannot benefit from the five-day work week. As I have elaborated on this point earlier, I am not going to repeat today.

I am glad to learn about the plan of developing smart prisons. New technology, which can facilitate frontline staff in duty performance, is important to the improvement of work environment. I therefore hope that the Government will also tap into technology to improve the work environment of other disciplined services departments and give support to their law enforcement duty.

The problem of manpower shortage is yet to be solved. While some disciplined services departments have recruited additional staff, some others, such as the Immigration Department ("ImmD"), are still short-handed. In view of an increase in inbound visitors, a number of new control points are now in operation, but it takes time to recruit and train new staff. Meanwhile, ImmD has to strengthen its efforts to combat abuse of non-refoulement claims by bogus refugees. The undermanned ImmD thus hopes that the Government will provide additional manpower.

Secretary, in order to uphold the dignity of disciplined services in the performance of duties, it is necessary to legislate on the offence of insulting public officers. In addition, if Hong Kong has an anti-mask legislation in place, it will be more effective to discourage, deter and combat crimes.

Deputy President, apart from maintaining administrative stability, disciplined services also play a crucial role in upholding the rule of law in Hong Kong. Noting that the Secretary for Justice is present today, I would like to point out once again that the initiators of Occupy Central are still at large years after the Occupy Central incident in 2014. Back then, they opened a Pandora's box of "achieving justice by violating the law". On the other hand, some Members claimed that going behind bars could enrich one's life. These fallacies still harm our young generation. Just now, Mr LAM Cheuk-ting shouted loudly the slogans "Hong Kong has fallen" and "No hope for the young in Hong Kong". The more I listened, the angrier I became. They put the blame on the Government and pro-establishment Members for young people losing hope. However, have they ever realized that they are the main culprits for young people losing hope?

Young people in Hong Kong have long been brainwashed by the toxic media. The anti-government doctrine preached by opposition Members day and night has also distorted their values and misled them for long. Sometimes, when

I chat with young people, I find that their hearts are filled with hatred. They think they are always right and it is others who have failed them. They will not actively fight for what they want; instead, they will ask others to give them what they want. This is actually a distorted value. They even believe in the vague idea of "Hong Kong independence", which will never come true. These are the problems facing us today.

The reason for Hong Kong to lose hope is that its development remains at a standstill. Some opposition Members are always against development projects. They oppose the construction of the third runway at the airport, the building of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and the development of the Express Rail Link ("XRL"). They raise objection by resorting to various intimidation tactics. They go so far as to describe the XRL trains as trains attacked by zombies and claim that public security officers would walk out of the XRL station to arrest people at will and that using Facebook at the station would lead to arrest. They also claim that HZMB would collapse during typhoon, calling it a "tofu-dreg" project and a "white elephant" project. They smear the efforts of the Government day and night, delaying the progress of all projects in the Council. A number of works and development plans are hence up in the air. Many government officials may, however, be happy to do nothing to avoid mistakes. They may just look on with folded arms, and a vicious cycle is thus created. This is exactly what the opposition camp wants. When problems linger on, they can continue to criticize the Government and its poor performance.

The Lantau Tomorrow Vision is a long-term plan proposed in the Policy Address. Everyone in Hong Kong wants to have a better living environment. We often say: Many people lead a miserable life in subdivided units; many people have housing needs; more than 200 000 people are waiting for public rental housing; our young people need to have hope for the future. Land is required for developing business, innovation and technology, but where does land come from?

When the Government proposed a reclamation plan, they raised objection and requested the development of brownfield sites. The Government then held further discussion with them and they requested the resumption of the golf course. In fact, they are against all proposals. When we want to develop North East New Territories, Mr CHU Hoi-dick insists on "no relocation and no demolition". In the course of time, many projects cannot be launched. Today, we may put the blame of Hong Kong's land shortage on the failure to reclaim land some 10 years ago. If we do not take any action for reclamation now, some 10

years later, Members in this Chamber today will be held responsible for the future land shortage. In the past, if the British Hong Kong Government could find a large site for new town development, it would not have to reclaim land for the development of Sha Tin or the construction of the airport. We are now indeed standing on reclaimed land. For people of my generation, we have actually benefited from the past reclamation and new town development projects. Today, some Members are standing in the way of large-scale reclamation, opposing the project which gives the next generation larger room for development. Can Members opposing reclamation be accountable to the future generations of Hong Kong?

Many of their arguments are actually refutable. But I find it most absurd to see some opposition members lashing out at some economists who have stepped forward to express their support for the Lantau Tomorrow reclamation project over the past couple of days. They consider the remarks of these 20-odd famous economists from different universities in Hong Kong unpleasant to the ears. When these economists do not side with them, opposition Members will tell them off and launch personal attacks against them in the Chamber, accusing them of citing wrong data and bootlicking, so on and so forth. They always applaud agreeable remarks to the skies but tear into unpleasant remarks. Freedom of speech is their exclusive right; they are always right and others are always wrong. If we do not support developing new towns or look for new land, how can Hong Kong have hope in the future?

Opposition Members love to say that Hong Kong people have lost hope and have emigrated. However, have they ever realized that their constant procrastination of works projects in the Council has caused the slow development of Hong Kong and the stalling of all matters? Over the past few years, their incessant filibustering has been witnessed by all. Many people do not want to stay in Hong Kong because there are far too many meaningless arguments. When we switch on the television, we will see opposition Members arguing in the Legislative Council; their justifications for filibustering are revolting and no one wants to hear them anymore.

When the Legislative Council is beset with meaningless arguments, how can Hong Kong have good prospects and development? Countless projects have been delayed by filibustering over the past few years. Right now, the Finance Committee still has a backlog of delayed projects. If Hong Kong has to develop, we must solve these problems.

Just now, a number of Members criticized the Government for being incompetent and cold-blooded. Did they feel ashamed when they made such criticisms? They have kept delaying the development of Hong Kong and their presence in the Council is always destructive and never constructive. They are the ones who let Hong Kong people down; they are the ones who are cold-blooded and irresponsible.

I do not think we should reject the entire Policy Address owing to one single item. The current Government has worked with heart and soul. The Chief Executive has proposed many new ideas, put in huge efforts and made a lot decisions to address the matters that we have failed to address in the past eight or ten years. Controversy, in my view, is unavoidable if the Government really wants to get things done. To be frank, if the current Government does not propose the Lantau Tomorrow project, reclamation will continue to be delayed; yet, the Government can avoid disputes and win applause. Today, the Government proposes the Lantau Tomorrow Vision and it is inevitable that controversies will be aroused. That is exactly why the proposal has to be tabled for discussion. I look forward to a more detailed explanation from the Government to allay public concerns. (*The buzzer sounded*)

DEPUTY PRESIDENT (in Cantonese): Dr QUAT, your speaking time is up.

DR ELIZABETH QUAT (in Cantonese): Thank you, Deputy President.

DR CHIANG LAI-WAN (in Cantonese): Deputy President, I speak on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB") on the civil service in the Policy Address.

First of all, I am grateful for the decisions made by the Civil Service Bureau in this year's Policy Address. These decisions have met the aspirations that DAB and some Members have been striving for the civil servants over the years, which include conducting a grade structure review for all disciplined services and incorporating Chinese medicine services into the medical benefits for civil servants. As a matter of fact, Chinese medicine services are quite popular now, there are nearly 2 million people seeking consultation from Chinese medical practitioners in Hong Kong each year. Many people having serious illness also rely on Chinese medicines to regulate their physical health on a long term basis.

I mentioned about eczema at the meeting yesterday. People suffering from severe eczema will find life a torture. Yesterday, I appealed to the Government to strengthen the support for patients with eczema. Today, I received phone calls from the public saying that Dr CHIANG had spoken out their aspirations. They really want to cure eczema by integrating Chinese and Western medicines. Western medicine alone may not be able to cure severe eczema. In China, many eczema cases actually got cured by integrating the treatments of Chinese and Western medicines. Hence, DAB welcomes the formal incorporation of Chinese medicine service into the medical benefits by the Civil Service Bureau. We hope that the Bureau will finalize the details so soon as possible so that civil servants in Hong Kong can enjoy the benefits at an earlier date.

On matters relating to the civil service, I also wish to raise some points. In fact, it can be said that civil servants in Hong Kong are one of the best teams in the world. However, in recent years, it seems that civil servants are berated for whatever actions they take, hence some of them are perplexed as regards whether they should take action or not. Actually, all people joining the civil service are elites, especially young Executive Officers or Administrative Officers who are selected through stringent screening. They are full of passion in serving the community and the public. However, they may feel that whatever new initiatives they make, it may fail to obtain the satisfactory result. Of course, every new policy needs a period of integration before perfection can be attained. Nevertheless, sometimes before the implementation of a policy, it is thoroughly denounced by the opposition party. As such, civil servants may as well avoid making mistake by doing nothing.

I hope that the Secretary will enhance training, so that civil servants will know that nobody is flawless and nothing is perfect. More importantly, if they think that the initiative is good to the general public and the community, they should have the determination to go ahead without having to be fear of being denounced.

Certainly, before the Government decides to do something, it should consult various political parties to listen to their views. Government officials should go to the districts to consult District Council members and talk to the public. Civil servants have conducted district visits in recent years, but I think the number of visits is inadequate. I hope that the Government will encourage government officials to pay more district visits to listen to the views of kaifongs. I urge civil servants not to retreat, be brave to innovate and pay more district

visits to understand more accurately public sentiments and public views, so that the policies formulated and implemented can be down to earth and people oriented.

As Secretary for Justice Secretary CHENG is now present, I wish to discuss one thing. We learn today that the United States Government will reject the illegal immigrants' applications for asylum. The relevant legislation is being drafted by the United States Department of Homeland Security and may be formally announced in a day or two. The bogus refugee problem in Hong Kong is very serious. The Hong Kong Government is very humane as "going-out" passes are issued to people who make torture claims. Yet, we all know that the rate of successful claim is very low. Should the relevant party consider tightening the policy in the long run so as to stop bogus refugees from exploiting or abusing the current policy loopholes of Hong Kong? I hope the Secretary for Justice will give due consideration to this issue. I so submit. (*The buzzer sounded*)

DEPUTY PRESIDENT (in Cantonese): Dr CHIANG, your speaking time is over.

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

DR KWOK KA-KI (in Cantonese): Deputy President, in this final session, before I talk about governance, let me first respond to the ignorant views raised previously by the Members of the establishment camp. Mr CHEUNG Kwok-kwan said that freedom of the press in Hong Kong has not being affected but freedom of the press of the United States has been affected. I do not understand why he cares about the United States more than the Motherland. In terms of freedom of the press, among 180 countries over the world, China ranked 5th from the bottom, i.e. 176th. Hong Kong's ranking fell from 69th in 2017 to 73rd and then to 70th in 2018. The highest ranking in Asia is Taiwan, ranking 42nd. If we really want to learn, please learn from these places. The United States ranked 45th, even lower than that of Taiwan and South Korea. I would like to remind Mr CHEUNG to watch out because TRUMP always says that XI Jinping is his friend, that is, the friend of his boss, so he should not make too many comments.

Many people say that the current situation of Hong Kong is bad because some people have filibustered, so on and so forth. I just heard Dr Elizabeth QUAT say so. She even quoted the examples of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and the Express Rail Link as examples. I just want to settle the score with her. When the Government applied to the Legislative Council for funding to construct HZMB and XRL, it had made up some data and had overestimated the passenger flows and economic returns, and such estimates cannot be realized now. When the Government applied to the Legislative Council for funding to construct HZMB, it stated that freight transport would take up the largest proportion. Nevertheless, only one container truck passed HZMB on the third day upon its commissioning. We all know that these are political projects. Under the situation of "Central Government taking precedence" and "dominance of one party", these projects must proceed because in this way, the Central Government would think that it has tight control over Hong Kong and Hong Kong can, in no way, get away from its grip.

While young people of Hong Kong feel hopeless, the establishment camp is most promising. Why? They can spend money offering free "snake banquets, vegan feasts, moon cakes and rice dumplings" and they are well taken care of. They think that there is freedom of the press in Hong Kong as they watch China Central Television and they read *Wen Wei Po*, *Ta Kung Pao*, the overseas version of *People's Daily* and *Global Times*. Is this freedom of the press? Will they feel shameful to say so?

The SAR officials keep lobbying for Hong Kong, saying that "one country, two systems" is implemented in Hong Kong. They travel to overseas countries to meet many ambassadors, telling them that they must maintain the independent trading status of Hong Kong. Many countries in the world recognize Hong Kong's unique trading status as they believe that Hong Kong is still an independent place with independent administration and separation of powers. Hong Kong is a place under the rule of law with an independent judiciary, and people have freedom of speech, of the press and of assembly as stipulated in the Basic Law.

Nevertheless, as we can see, all these freedoms have gradually been eroded. In the Mainland, people may be charged with the offence of picking quarrels and provoking troubles, and inciting subversion of state power. People may even be deprived of their political rights. However, people who are charged in the Mainland, such as Mr LIU Xiaobo, will not be deprived of their political rights for life, sometimes they will be deprived of their rights for five to

seven years. However, if a person has been deprived of his/her qualification as a Member in Hong Kong, he/she will no longer have any chance to stand for election. The Secretary for Justice has hid behind the Returning Officer and has made no response in public. Though legal advice has been given, but is that freedom of election? Has Article 25 of the International Covenant on Civil and Political Rights been implemented in Hong Kong? Victor MALLET or MA Jian is just the tip of an iceberg. The Basic Law pledges to give freedom to Hong Kong people but many people have been deprived of freedom. Many of the mainstream media in Hong Kong are either controlled by the Chinese authorities through various means, or controlled by red tycoons who side with the Chinese authorities. Journalists in Hong Kong can only get a tinge of freedom, which does not come by easily.

What is the political future or political prospect of Hong Kong? I believe most Hong Kong people do not strongly endorse "Hong Kong independence", but the Hong Kong National Party formed by a few people just serves as the best scarecrow. Under the so-called "Hong Kong independence" trend, they can righteously ban other people from participating in politics, or even force Carrie LAM's Government to legislate for Article 23 of the Basic Law immediately, and the slightest delay is not allowed. Why do young people or the new generation feel disappointed about Hong Kong? Originally, it was said that dual universal suffrage would be implemented in 2007 and 2008, but later the Government said it had to be postponed to 2012, subsequently it was further postponed to 2016, now even indefinitely. In accordance with the 31 August Decision made by the Standing Committee of the National People's Congress, the Government put forth a proposal to "shut the gate" and implement fake universal suffrage. We were asked to accept the proposal; if we did not accept the proposal, no other proposal would ever be made. Under that proposal, the nominating committee, with more than half of its members being pro-China, would put up a show. Could such an election proposal be acceptable? Was that the so-called political improvement for Hong Kong in the future, was that universal suffrage? How can it be? People with some knowledge will know that this is fake universal suffrage.

The Democratic Party is still willing to speak out the truth but the establishment camp dares not make a fair comment. They will say whatever "grandpa" asks them to say, this is really miserable. When the principles of "one country, two systems" and "Hong Kong people ruling Hong Kong" are being undermined continuously, the status of Hong Kong is at stake. The trading status of Hong Kong will change at any time. A United States Senator indicated that the special status of Hong Kong is not as of right. If "one country, two

systems" stipulated in the Basic Law no longer exists, Hong Kong will lose its independent system and will no longer be entitled to the unique trading status. We hope that young people can have the opportunity to go out, act according to their wishes and make free choices. However, organizations formed by young people, such as the Demosistō, are banned by the Government. So how can young people have any hope on the SAR Government and the Mainland Government?

Therefore, this chaotic and defective situation is created entirely by the principal officials of the SAR Government and the Mainland Government. I recall that when Chris PATTERN left Hong Kong, he said that Hong Kong would lose its freedom and lose its uniqueness. His words have come true one by one today. Among people who are born and grown up in Hong Kong, some are former high ranking officials, some are incumbent high ranking officials; some who used to follow the British Government in the past have now followed the Mainland Government, wearing different hats. These snobs took the initiative to discard one by one the core values of Hong Kong which did not come by easily. What expectation can the younger generation have? In respect of education, they are required to stop speaking Cantonese and speak Putonghua. When they go to universities, most places for research programmes are catered for Mainlanders. They know that the Government has been lying, finding excuses and making up reasons to implement "white elephant" political projects. For example, the East Lantau reclamation project is carried out for the political task of the Greater Bay Area planned by XI Jinping personally.

Hong Kong will have no future but Hong Kong people will not give up. We will surely change the situation and drive away all royalists and members of the establishment camp who have harmed the people of Hong Kong. Please remember to vote on 25 November (*the buzzer sounded*) ... □

DEPUTY PRESIDENT (in Cantonese): Dr KWOK, your speaking time is over.

MR CHRISTOPHER CHEUNG (in Cantonese): Deputy President, in the last debate session on the Policy Report on "Reinforcing Strengths, Enhancing Governance", I also wish to speak on the work concerning legislating for Article 23 of the Basic Law and the problem of universal suffrage.

Regarding these two issues which we are very concerned about, the Chief Executive said in the Policy Address that we should "act prudently". In other words, the Chief Executive will not rashly legislate for Article 23 of the Basic Law. The Chief Executive says that she will continue to make effort to create a favourable environment and will listen seriously to the views of all sectors in the community on how to fulfil this constitutional responsibility. I think legislating for Article 23 of the Basic Law and introducing universal suffrage have significant implications. It is necessary for us to grasp precisely the pulse of community and foster people-to-people bond, so as to ensure that the implementation of the two policies will achieve greater effects in the community and enable Hong Kong to become the most liveable modern city having the best economic development prospect.

Deputy President, regarding legislating for Article 23, it should not be enacted by the Central Government to be applicable throughout the country; instead we should enact a legislation having regard to our own special circumstances. I believe once we embark on the work on legislating for Article 23, the Government will surely conduct extensive public consultation again, and the relevant legislation will have to comply with the provisions on protection of human rights in the Basic Law, the requirements of the international covenants on human rights and the Hong Kong Bill of Rights Ordinance. Hence, legislating for Article 23 is basically neither a scourge nor a draconian law, it will not deprive us of various kinds of freedom. On the contrary, legislating for Article 23 can enable the public to live in peace and contentment, bring stability to the community and stop "Hong Kong independence" advocates with malicious intent from taking advantage and creating social turbulence. It will help improve our relationship with the Central Government.

Let us look at the places around us. If society is unstable, economic development will become stagnant and investors will lose their confidence, consequently economic development will not be sustainable. I hope that pan-democratic Members will not mislead the public with specious arguments and incite the public to oppose legislating for Article 23.

(THE PRESIDENT resumed the Chair)

Undeniably, after State President XI Jinping's visit to Hong Kong last year to explain once again the core definition of "one country, two systems" and a batch of people being sentenced to imprisonment for occupying Central illegally

and stirring up troubles in the Mong Kok riots in 2016, the momentum of "Hong Kong independence" has been restrained. However, there are still some people who try unceasingly to promote "Hong Kong independence" by all means either openly or covertly. They have even made use of the room for academic freedom and spread the "independence" message in university campus to poison the minds of the younger generation.

Two months ago, on the first day of school, student leaders of several universities openly advocated "Hong Kong independence", totally ignoring that Hong Kong is an inalienable part of China and disregarding the requirements of the country's Constitution and the Basic Law. Why do young people born after the unification feel so remote from the Central Government? This is closely related to the failure of the Government to legislate for Article 23. They act in concert with those who openly advocate "Hong Kong independence" under the guise of self-determination and localism. Apparently, the education system of the SAR has failed to perform. The Government should practicably review and implement actively and seriously the education reform.

Moreover, the SAR Government should make more effort to instil a sense of national identity to the next generation and all members of the public, in particular, to dispel a sense of apathy towards the country during the British-Hong Kong era, and to enhance the public's understanding of national affairs and their sense of identity and belonging to the country. If the SAR Government makes more effort to dispel the various misunderstandings of Hong Kong people on Article 23, success will naturally come with regard to the legislation work.

President, the pan-democrats want to bundle together the work on universal suffrage and legislating for Article 23 and engage in another round of political gambling. I urge them not to have any fantasy or mislead the public. There is no correlation between universal suffrage and legislating for Article 23. The stance of the Central Government is crystal clear and there is no ground for negotiation.

Regarding the issue of constitutional reform, I wish to quote the words of Mr Martin LEE, named by some people as the father of democracy in Hong Kong. The famous writer Mr Louis CHA was once the person in charge of the Special Group Concerned with the Political Structure under the Basic Law Drafting Committee. After Mr CHA passed away lately, Mr LEE, a former

Basic Law drafting member, was interviewed by a radio station. Martin LEE warned the pan-democrats not to crave for success without realizing the possibility of failure in respect of constitutional reform. He also reflected on the "two CHAs" proposals which he once strongly opposed: Louis CHA, a man of great wisdom, knew where the bottom line lied, but I failed to see it at that time. If the "two CHAs" proposals had successfully been implemented then, Hong Kong should have had democracy now.

I think he has hit the mark, revealing the truth which the pan-democrats dare not say it out, i.e. they had discarded the progress in democracy which was already in their hands. Take the 31 August Decision made by the Standing Committee of the National People's Congress as an example, the procedures, details and timetable for universal suffrage had been drawn up, the only step missing was the passage of the Legislative Council with two-third majority votes. However, the opposition party did not accept and vetoed the constitutional reform proposal. It is believed that if they look back now, they will surely have the "lament of Martin LEE". If they had accepted the constitutional reform proposal at that time, the Chief Executive should have been returned by universal suffrage today.

Unless the opposition party is willing to change completely and accept the proposal made under the 31 August Decision, otherwise all efforts will be fruitless and further constitutional reforms will also be in vain. It is better to put our effort on improving people's livelihood and fostering social development than engaging in the never-ending quarrels on constitutional reform which causes continuous internal attrition in the community.

Finally, I wish to warn friends of the pan-democratic camp: members of the public are fed up with your political game of rejecting or opposing everything related to China. This will bring disruptions to the community and run contrary to the aspirations of the public.

President, I reiterate again that I support this Policy Address under the theme "Striving Ahead Rekindling Hopes".

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

MS STARRY LEE (in Cantonese): President, first of all, I would like to respond to the Victor MALLET incident. Dr KWOK Ka-ki has just diverted our attention again. In fact, we spent a lot of time debating the Victor MALLET incident last week but this incident has nothing to do with freedom of speech and of the press. Please stop linking this incident to freedom of speech and of the press.

President, we all understand that the SAR Government has been reluctant to state the fact, but during the debate, many Members and I had clearly pointed out that the incident was related to zero tolerance for "Hong Kong independence". The opposition camp has overplayed the incident by relating it to freedom of the press. I understand that they can only occupy moral high ground by doing so. Yet it is known to all that the acts of the Foreign Correspondents' Club ("FCC") in this incident had been extremely provocative. As I said last week, after the Secretary for Security announced the prohibition of the operation of the Hong Kong National Party, FCC unexpectedly invited Andy CHAN to give a speech during the sensitive period of representation. It ignored the advice of the Ministry of Foreign Affairs of China and violated the moral responsibilities of international organizations.

Moreover, many journalists told me that FCC not only invited Andy CHAN to give a speech but also edited and revised his speaking notes. I remember Mrs Regina IP said during the debate that the speaking notes seemed to be written by native speakers. As told by some journalists, Andy CHAN's speaking notes had been revised by the organizer, and his image had also been improved. His declaration of "Hong Kong independence" on that day was broadcast live worldwide. President, what kind of acts are these? Obviously, a platform for promoting "Hong Kong independence" was provided and these activities were carried out during the time when the Government prohibited the operation of the Hong Kong National Party.

Later, some people played down the role of Victor MALLET, saying that he was only responsible for hosting the press conference. However, as we all understand, as the Vice President of FCC, he could not be unaware of the severity of the incident. How much information has the Security Bureau grasped? We are not sure, but one point I am sure about this incident is that the red line has actually been laid down in Article 1 of the Basic Law. If someone engages in "Hong Kong independence", trying to undermine the integrity of the country

under "one country, two systems" in Hong Kong, allow the flame of "Hong Kong independence" to burn continuously in Hong Kong or put pressure on Hong Kong through the international community, I am sorry that the Hong Kong Government has the responsibility to stop such acts. Therefore, I absolutely support the decision of the Immigration Department.

Mr Victor MALLET can appeal if he is dissatisfied but he is well aware that his purpose cannot be attained through an appeal. I think his intent of re-entering this time is to embarrass the SAR Government and cause a sensation of this incident again. President, I hope our attention should not be diverted by the opposition camp again. Evidently, this incident demonstrates zero tolerance for "Hong Kong independence" and for people engaging in "Hong Kong independence" under "one country, two systems". In fact, many overseas people are now working in Hong Kong, including foreign journalists, and staff in foreign consulates in Hong Kong take up the largest proportion. It should be understood that as long as the red line of "one country, two systems" is not undermined, Hong Kong is still a free place where people can denounce the Government and criticize the Central Government. Government officials and Members are often denounced by the public. Thus, I hope that Members will no longer hoodwink the public.

President, after responding to the Victor MALLET incident, I would like to take this opportunity to talk about political issues, seeing that several Secretaries are present. President, the Constitutional and Mainland Affairs Bureau has proposed to further improve the electoral arrangements and conduct studies on the elector eligibility requirements of permanent residents who are not living in Hong Kong. I believe this is worthy of support and we have repeatedly made such requests in this Council before.

President, the Government asks the public to provide proof of residential address during voter registration. I think the main purpose of this requirement is to dovetail with the district-based geographical constituencies elections, so that electors can vote in their places of residence. Therefore, the practice of providing proof of residential address in Hong Kong during voter registration is to dovetail with geographical constituencies elections; yet, Hong Kong people working in the Greater Bay Area or in the Mainland will lose their voting rights.

There are views that since these people are not living in Hong Kong, they may not have very close relations with Hong Kong and they may not be allowed to exercise their rights to vote. President, sorry, I beg to differ. With the development of the Greater Bay Area, if Hong Kong people have to work or live in the Mainland but are not allowed to vote in Hong Kong, there is a lack of support policy-wise. If we, on the one hand encourage people to spend their twilight years in the Greater Bay Area or integrate into the country's development, but deprive them of their rights to vote on the other, I think this is totally unreasonable.

Hong Kong and the Mainland have always maintained a very close relationship. At present, about 520 000 Hong Kong people are long-term dwellers in the Guangdong Province and many Hong Kong people choose to live in the Mainland but they still work in Hong Kong. In fact, they are also concerned about politics, parliamentary elections and policies in Hong Kong. Therefore, no matter they are living in the Mainland or in Hong Kong, I think we should try our best to ensure that they have the right to vote. Losing the right to vote for even one day is already too long. Therefore, I hope the Secretary will conduct a study as soon as possible and submit the results to the Legislative Council, so that we can grasp the relevant situation. It will be best to implement new practices before the 2019 District Council elections; otherwise, I hope that they can be implemented before the 2020 Legislative Council elections.

The Secretary is now present and I would like to seek his help. Earlier, I have asked, on various occasions, about the latest personal income tax law as the general public are gravely concerned about the impacts of the tax law on the future development of the Greater Bay Area. The Democratic Alliance for the Betterment and Progress of Hong Kong held a round table conference earlier and friends from the business community and the professional sector were invited to express their views. We also thanked the Government and various parties for their efforts. In fact, the current tax law has a five-year grace period. Simply put, if members of the public do not have residence on the Mainland, they only need to take a long vacation once every five years and leave the Mainland for 30 days, then he will not be subject to the global taxation requirement. Nevertheless, people are still worried because some Hong Kong people have residence on the Mainland. In this connection, I hope that the Secretary will help to strive for allowing the public to present their Home Visit Permits as proof. As long as they have Home Visit Permits, they do not need to pay global tax. I

believe this will be conducive to our promoting the Greater Bay Area policy in the future and encouraging people to choose to spend their twilight years on the Mainland.

Furthermore, Hong Kong people are also worried about the reporting requirements because they are not used to it. Given that there may be errors and omissions in capital gains or losses, Hong Kong people do not want to be pursued for errors or omissions. Mr Christopher CHEUNG understands very well that many Hong Kong people often engage in stock trading. If capital gains and losses must be reported, this is actually very troublesome. I know that the Secretary is responsible for tasks concerning the Greater Bay Area and I hope that he will clarify these concerns as early as possible, so that work on promoting integration into the Greater Bay Area will become smoother.

President, I also want to tell the Secretary that young people in Hong Kong do not have a proper concept of nationalism. The most rebellious or radical young people are born and brought up after the reunification and they are educated under the governance of the SAR Government. As officials of the SAR Government or Members, we really have to seriously reflect on why young people in Hong Kong do not have a stronger sense of national awareness 20 years after the reunification. Some young people have even been poisoned and manipulated by certain people with ulterior motives, such that they have acted most radically at the expense of their prospects.

In an article I have written earlier, I mentioned that I saw national flags being hoisted in some parks when I visited the United States. In my view, to raise national awareness, we should not rely solely on the Chinese History subject or Chinese history education, and we should have a comprehensive plan instead. Since Hong Kong is already a part of the country, why can't national flags be hoisted in some parks? I do not think this is something that cannot be discussed.

In this respect, I think that the Secretary should be commitment to considering a comprehensive plan to enhance the public's national awareness, so that the general public, young people in particular, will not be easily incited to undermine "one country" by "two systems". If this issue is not dealt with, it will be very difficult to promote dual universal suffrage and legislate for Article 23 of the Basic Law in the future.

The Chief Executive often talks about creating conditions but in fact, livelihood issues should first be dealt with. I agree with this. What plans does the Secretary have for the future? Can the Secretary respond later? I hope that the Secretary will give his views in respect of creating conditions later.

As regards legislating for Article 23, I think the Secretary had in the past, acted in accordance with the Chief Executive's ideas, but at present I think there is a sense of urgency. I have always wanted the SAR Government to review the existing legislation to ensure that there is zero tolerance for any acts of "Hong Kong independence" or "self-determination". The Government should first review the existing legislation and send out a clear message, and it should also make full preparation to legislate for Article 23.

President, lastly, I would like to share my views with the Secretary for Justice. I raised my views at a meeting of the Panel earlier and I am pleased to see that Secretary for Justice is present today. On major policies or public incidents, the public hope that the Secretary for Justice will have more opportunities to state her position or the Government's position through the media. Just now Dr Elizabeth QUAT mentioned that many supporters were furious that the trio of Occupy Central have yet been brought to justice after a long period of time. I know that the case is under trial, and hence it is inappropriate for the Secretary for Justice to make comments. However, many members of the public have constantly asked me to relay their views to the Secretary for Justice.

Secretary LAU Kong-wah has just left the Chamber. I would like to say to him, having been a District Council ("DC") member for more than 10 years, I found that the functions and roles of DCs have not changed much after the abolition of the Urban Council. I hope that this Council will someday discuss the functions of DCs. In the past, DCs had an additional function of participating in the management of recreational and cultural facilities. Other than recreational and cultural facilities, I think the problem of environmental hygiene is pressing. This problem may not seem very serious, but let me tell the Secretaries of Departments and Directors of Bureaux, as told by many people, cleanliness in the communities is getting from bad to worse.

According to the Government, the reasons for this situation are recruitment difficulties, the outsourcing system and other reasons. Nevertheless, if the Government fails to review the issue more thoroughly, I am worried that minor

problems can invoke public dissatisfaction with the Government. I hope that this issue will first be tackled at DCs and I also hope that the Secretary will consider some Members' proposal of enhancing the functions of DC, so that they can monitor the performance of outsourced service providers and reflect their performance and public views to the Government.

President, I so submit.

MS YUNG HOI-YAN (in Cantonese): President, I welcome the new initiatives in the Policy Address on civil service benefits and remunerations, including conducting a grade structure review on the disciplined services and introducing Chinese medicine as part of the civil service medical benefits. I dare not say that spring has come late but since the Government has not conducted a grade structure review on the disciplined services over the past decade, I hope the Government will conduct a comprehensive review expeditiously with a view to improving the remuneration packages of the disciplined services.

Regarding medical benefits and protection, as civilian staff members of a number of law enforcement agencies and many disciplined services staff need to work shifts, I hope that the Government will further improve the medical and dental benefits for civil servants and eligible persons. Improvements include providing expeditiously evening and overnight general outpatient services on the Hong Kong Island and in Kowloon and the New Territories, increasing the number of families clinics so that civil servants can receive timely and necessary treatment and providing diversified choices, thereby boosting the morale of the civil service.

As regards the morale of civil servants, a lot of disciplined services staff have relayed to us in the past that their benefits had not been substantially improved, and the meagre benefits had resulted in the wastage of disciplined services staff. I hope that the Government will pay more heed to their voices, conduct studies and implement the proposals to provide suitable benefits to civil servants as soon as possible.

Lastly, on the problem of quarters falling short of demand, there are at present six disciplined services and the Government has indicated that it will continue to build quarters for these staff members; yet, only 3 000 hostel units are

available. I hope the Government will speed up the identification of sites and the construction of more departmental quarters (*The buzzer sounded*) ... Thank you.

PRESIDENT (in Cantonese): Ms YUNG Hoi-yan, please stop speaking.

Mr Paul TSE, do you wish to speak?

MR PAUL TSE (in Cantonese): President, on this third day of the policy debate, I believe Members must be very tired and hope to cast their votes the soonest possible. Initially, I prepared to give a short speech so that Members can cast their votes as soon as possible. However, I understand that some Members are now having dinner and some have left the Chamber for a meeting with the British Consul-General and other British Government officials. Under the circumstances, I may as well let my speech flow naturally.

President, I notice that the Legislative Council Secretariat has worked out that the expenditure incurred in connection with Members' delivery of speeches and operation of the Legislative Council is \$272,000 per hour. I hope Members will not consider my speech a waste of time. I remember that two evenings ago, Mr SHIU Ka-chun was the only Member who stayed in this Chamber with six public officers. After Mr SHIU had spoken hastily and six public officers had read out their scripts, the meeting was suspended. The ratio of Members to public officers tonight is higher. Members know that I enjoy doing a lot of things, with the exception of reading from scripts. I speak as if I am chatting with Members and so we can relax.

President, the Chief Executive has demonstrated an out-of-the-box approach in presenting the policy addresses in these two sessions of the Legislative Council, as she did not read out the address word by word like her predecessors. Last year, the time spent on presenting the policy address was shorter than previous years, and the time spent this year is even shorter. I did not expect the Chief Executive to finish presenting the Policy Address so soon. Initially, I hope that I will speak for less than 30 minutes, but owing to the reasons mentioned above, I will give a more detailed speech.

Some new Members may not grasp the tradition and nature of debates in the Legislative Council. These Members, particularly those of the opposition camp, have a hard time, trying hard to point out the ratio of people who support, oppose or have no comments on the Chief Executive's Policy Address, and then they make a decision on whether they would support the Policy Address in general. Some Members do not only take into account the ratio. For example, Mr IP Kin-yuen has made great efforts to communicate with the education sector to find out the level of support for each proposal before reaching a conclusion. He said that 80% of members of the education sector supported the education policies of the Government, but only 30% supported the Lantau Tomorrow project. On the whole, the opinions were divided and the level of support for each proposal on average was only 30%, and so he might as well abstain from voting. This kind of struggle is totally unnecessary.

I do not know if Members play mahjong or poker; if they do, they should know there is a wild card. I do not play mahjong, but I know that the Joker card is basically a wild card which can be used in any way. The Policy Address is a wild card. Theoretically, it provides a platform for people to discuss and debate on any subjects without the need to accurately state the number of proposals supported or opposed, or the number of supporters or opponents before deciding to vote in favour of or against the motion. I think some people are creating troubles for themselves. In fact, among the many proposals, policies and recommendations in the Policy Address, there must be policies which command strong support; policies which most people oppose; and policies which people have strong views. Thus, the entire debate is for Members to discuss issues. As Members will know, we often have the chance to hold adjournment debates. These debates also provide a platform for public officers to respond on subjects of public concern. That is a tradition which I hope new Members will understand and know what is happening. As such, they will not fall into a trap, doing unnecessary and baffling calculations and use the results as the basis for deciding how they will vote.

President, let me state at the outset, as I said earlier, I think a large part of the Policy Address are benevolent measures which deserve our support. Certainly, I also understand that in these few weeks, or even two months, the community has strong views about some particularly important subjects, such as the Lantau Tomorrow project mentioned earlier. At this stage, it is unnecessary

for me to state my stance on this very important subject because the policy debate is actually not a suitable occasion. I must assimilate many figures and arguments, and I do not have the chance to listen to the views of the public. Thus, I think there is no need for me to state my stance at this stage.

However, on the whole, why is there so much controversy about the Lantau Tomorrow project? Is it related to the vision of the proposal or the risks involved? Apart from the huge amount of money involved, are the disputes related to smaller issues such as environmental protection or other technical issues, or the geographical site of the project? These are certainly very important issues, but more important still, President, there is the problem of confidence. I have quoted a very impressive example before. When the Asian financial crisis broke out, many Korean nationals melted down their gold treasures or any other items at home which could be melted down for sale and donated the cash to help their country. If the nationals of a country have this sense of belonging and love for their country, they have nothing to fear. On the contrary, although Hong Kong is a robust place with huge fiscal reserves and colossal wealth, if we have no confidence in the Government, it will be very hard to implement any policy. This is just cliché which everyone knows.

Nevertheless, have we focused on dealing with problems in governance, or have we adopted a perfunctory attitude? To put it bluntly, will we turn pale at the mere mention of "基"?¹ I am not referring to Mr CHAN Chi-chuen's type; and I am talking about infrastructure. Will we oppose any infrastructure proposal, be it big or small? However, we cannot blame members of the public or their representatives. Considering the performance of the Government in the past few years, there are problems of cost overruns, delays, tendering arrangement and construction works, coupled with the Government's response to and handling of crisis, the whole community has been very disappointed. Certainly, we will soon vote on the motion relating to Legislative Council (Powers and Privileges) Ordinance next week and Members can have a focused discussion on the subject then. But, tonight, I just want to say that if we cannot properly deal with the problem of public confidence, we are actually neglecting a critical problem.

¹ The Chinese character "基", pronounced as gei1, can mean homosexual. It is also the first character of the term "基建" (infrastructure).

President, I would like to mention in passing that I appreciate the efforts made by the Project Cost Management Office ("PCMO"). I understand that since its establishment, PCMO has reviewed many cases. Although PCMO does not incur much expenditure and is not a big department, it has apparently produced good results. I know that the Policy Address has not placed much emphasis on PCMO, but at least in paragraph 285 and page 40 of the Policy Agenda, it is mentioned that PCMO will be upgraded. Besides, more resources will be provided to it and at least, among the additional provision of \$64.7 million under Intra-Governmental Services, about \$1.8 million is for PCMO. That is a piece of good news. I hope that PCMO will continue to perform its functions.

As I often say, staff members of government departments may not like the Audit Commission and the Public Accounts Committee. In fact, these two establishments have given the Government significant pressure and have made appropriate and well-intended criticisms, so that the authorities can pay attention to problems and blind spots in implementing policies. I hope that the establishments will not make over harsh criticisms or will not be over meticulous. Instead, they should provide advice and objective figures to government departments and public officers with the aim of presenting a clearer picture to facilitate policy implementation. Similarly, I hope that PCMO can perform such a role.

By the way, I would also like to talk about the problem of tendering arrangement raised by many Members. While we should not be too harsh, the Government has actually not allayed public concerns in this respect. Though the Government's tendering mechanism may not be so poor as to give rise to corruption, psychologically, or from the perspective of human nature, will the Government sometimes be too keen to obtain an advantageous position in inviting tenders, in the hope that the Legislative Council will quickly pass ...

(Mr Jeremy TAM stood up)

PRESIDENT (in Cantonese): Mr Jeremy TAM, what is your point?

MR JEREMY TAM (in Cantonese): President, I beg your pardon. I notice from the live broadcast of the proceedings that Mr Paul TSE said he turned pale at the mere mention of "基" and then he used Mr CHAN Chi-chuen's inclination

to hurl a personal attack at him. Mr TSE would certainly say that he was not referring to Mr CHAN Chi-chuen's type of "基", but I consider his remarks very insulting. I thus ask Mr Paul TSE to withdraw those words and not to discriminate against anyone because of his sexual inclination. Thank you, President.

PRESIDENT (in Cantonese): Mr Paul TSE, are you willing to withdraw those words?

MR PAUL TSE (in Cantonese): President, I certainly have no intention to discriminate against any person's sexual inclination. If what I said made anyone with such a sexual inclination or anyone who unknowingly has such an inclination upset or unhappy, I am surely willing to withdraw those words, but that is not the main point of my speech.

Nevertheless, I think Mr Jeremy TAM seems to be a bit too sensitive. I initially intended to speak in a casual way, but certainly, I understand that one has to be careful with his words. I hope that Mr Jeremy TAM understands that he also has to be careful with his words. Anyway, if Mr TAM or other Members think that my words have given rise to a problem, I must say that was not my intended meaning.

(Mr Jeremy TAM stood up and walked out of the Chamber)

PRESIDENT (in Cantonese): Mr TSE, please continue.

MR PAUL TSE (in Cantonese): I thought Mr TAM would rise to speak again. In fact, he has helped me in giving me more time to speak. Thank you, Mr TAM.

President, I will return to the subject now. Members have different views on three areas in the Policy Address, though the scale and nature of which are different. At least that is what I have noticed objectively. Let me spend some time on these three areas which are more controversial. I have to stress again that I am not stating my stance. Nevertheless, since there is so much controversy, it deserves our discussion.

First, Lantau Tomorrow. President, I would like to thank many scholars, specialists, Members and project planners for their views. At this stage, more effort and time have to be spent on studying the feasibility and details of the project.

Let us not consider whether we support the concept of reclamation, or the proposal of providing more land for housing development for the moment, the question is: have we considered other options? Certainly, I understand that a task force is doing the relevant work at present and we are waiting for the final report. But in fact, the Chief Executive has been criticized for having the movie script written long ago. Mr LAM Cheuk-ting even said that when the director said "cut", the Task Force could no longer continue to perform because the director has announced the outcome that he wanted. That is a very clear accusation.

However, I am thinking about an issue which I have always shown concern. Have we made the best use of the Cruise Terminal at the old Kai Tak Airport in Kowloon East? I have proposed time and again to build a bridge there to enhance connectivity. In fact, to put it bluntly, the entire Kwun Tong Typhoon Shelter is like a pond. If we fill that pond, the whole Kowloon East can be remarkably energized. It will not only provide land for various uses, but also solve transport problems. Certainly, I understand that the Protection of the Harbour Ordinance is a big obstacle. I have talked with many public officers in private in the past, and they indicated that the application of the Ordinance was bound by the judgment and justifications of the Court of Final Appeal. As a result, the protection may be excessive, and the testing standards may be too high, rendering it difficult for Hong Kong to move forward. A retired Secretary of Department once said that the conditions were so stringent that even a nail might not be hammered. Certainly, that was an exaggeration. In fact, these problems have created many unnecessary obstacles to the development of Hong Kong. Instead of spending so much money on building an island by reclamation amid the controversies, can the Government consider other directions?

President, there are other suggestions which are certainly not my own ideas. Many people have put forward different views and proposals, including Mrs Regina IP's Guishan Island proposal or the proposal of Dr Victor NG, brother of Mr NG Ming-yam who was a political leader of the democrats in the early days. Dr NG put forward a suggestion about Futian, which I think is quite interesting and worth discussing. I do not know whether Dr NG is serious or

being sarcastic, but basically, his suggestion is that the Hong Kong Government can lease Futian, which is 12 times as big as Taikooshing, from the Chinese Government and build housing units there. That will solve the problems arising from the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the co-location arrangement, and problems of Mainland-China cooperation or conflicts. It seems to be an ideal solution. No matter whether Dr NG is serious about the proposal or not, it is basically an option which we can explore, instead of building an island in the middle of the deep sea which involves great risks and there is no turning back once the first bucket of sand is poured into the sea. Will the latter proposal involve a bigger risk? That is an issue worth discussing.

President, the second issue is basically much smaller in scale, but it has aroused the concern of an exceptionally large number of different people. Perhaps the Government's 180-degree change in its policy has made it difficult for people to accept or understand, and the issue I am talking about is the policy on electronic cigarettes. President, let me declare that I do not smoke at all and for me, there is no conflict of interests. I only wish to discuss the logic and comprehensiveness of this policy. I have particularly noticed that a senior member of the legal profession has written an article on this issue, which is a rare deed. The article is quite interesting. I am referring to the English article written by Mr CHENG Huan on 5 November 2018. He talked about the situation in Britain, but I did not have the chance to verify the information. I hope that the contents, including the figures, are correct. Mr CHENG mentioned that the percentage of smokers in Britain has dropped in the past six years, from 26% to 19%, and there are over 3 million vapers (smokers of electronic cigarettes) in Britain at present, and more than half of them have wholly given up tobacco.

Certainly, the Secretary's argument is that such a causal relationship is yet to be proven by scientific evidence. I can grasp and understand this argument. By the same token, we lack very clear justifications that electronic cigarettes can induce people to smoke, and may turn them into tobacco smokers within a short period of time. I think if there is a chance, we should put forward clearer justifications supported by figures. Nevertheless, I will not make strong accusations like Mr Tommy CHEUNG who said that religion has its demerits too—Mr Jeremy TAM may rise later to say that I have offended people with religious belief. We must discuss the comprehensiveness and logic of the policy more clearly. Nonetheless, as the Chief Executive has proposed this policy at

this stage, I do not know if she can secure enough votes because it seems that this issue is rather controversial, although the policy itself should not create any big problem.

President, next, I would like to discuss the issue of rationalization of traffic distribution among the three road harbour crossings ("RHCs"). This is the third issue which has aroused much controversy, although this should not be the situation. I would like to share my personal experience and I hope that Members will not rise to raise their objections. I would like to talk about the real beneficiaries of the Western Harbour Crossing ("WHC"). On the issue of King Yin Lei, why did I say I had the relevant experience? At that time, a person who knew that I loved antiques and loved collecting inexpensive items phoned me and asked whether I or anyone I knew would be interested in buying all the aged furniture and fittings of King Yin Lei. That was because the place had to be demolished according to the contract. With no offense, I would describe the approach as "act first and report later", with the intent of exerting pressure on the Government to save King Yin Lei, so that a more favourable land exchange proposal could be reached. In fact, objectively, the land exchange proposal would benefit the consortium and the people concerned. Some say that the financial gain amounted to \$1.9 billion. I do not know how they calculated that figure, but I think the gain would more or less be that amount. Under the circumstances, let us not discuss whether the rationalization of traffic distribution among the three RHCs complies with economic interests, bringing more advantages or disadvantages. More importantly, I think we must carefully examine whether the proposal to subsidize WHC by the Government is worth considering. I think we should have a good discussion about it when there is an opportunity.

President, at the outset of my speech, I said I did not wish to waste too much time because the expenditure incurred for the operation of the Legislative Council is \$272,000 per hour. I understand that a quorum is now present in the Chamber, and so I will stop speaking now. Finally, let me stress that I hope that our voting direction would be like a wild card. It does not mean we support the majority or a percentage of the Government's proposals; it merely provides a platform for Members to discuss the relevant issues.

Thank you, President.

PRESIDENT (in Cantonese): I will invite the five public officers to speak. On the basis of the 15-minute speaking time for each officer, they may speak for up to a total of 75 minutes.

SECRETARY FOR JUSTICE (in Cantonese): Thank you, President. First of all, I thank Members for their views. The Department of Justice has heard their views and will consider them carefully. In view of the time constraint, I will make a brief response.

First, on the rule of law, I must stress again that the rule of law is manifested through practice. Apart from lawyers and judges, the Government also seriously implements the rule of law and we hope that the general public will also abide by the law and respect the rule of law.

Just now, a Member talked about the issue of procedural justice and I wish to take this opportunity to talk a little about procedural justice. We must take note that there are two kinds of procedures which are of different natures. One is confrontational procedures, such as litigation or mediation, the requirements of such procedural justice or of the so-called natural justice may not be exactly the same as the requirements of the procedure related to an administrative decision. I wish to make a brief response on this point.

Besides, many Members mentioned whether our unique strengths under "one country, two systems" would be weakened. President, from our observation, our unique strengths under "one country, two systems" have remained as strong as ever. The Basic Law was passed and promulgated by the National People's Congress in 1990 in accordance with the Constitution of the People's Republic of China. Since the Basic Law was implemented in 1997, Hong Kong has capitalized on its edges provided under "one country" and "two systems" in its development. As mentioned in the Policy Address, Hong Kong's competitive edges as a centre for international legal and dispute resolution services in the Asia-Pacific region have been built on its unique strengths under "one country" and "two systems". Here I would like to speak briefly on two general directions: first, the cooperation between Hong Kong and the Mainland, and second, Hong Kong's direction in internationalization.

In respect of Hong Kong's cooperation with the Mainland, there are three points that we should pay attention to. First, under the Mainland and Hong Kong Closer Economic Partnership Arrangement ("CEPA") and through the

special arrangements under "one country, two systems", special policies have been formulated to allow lawyers from Hong Kong, both solicitors and barristers, to cooperate more easily with lawyers in the Mainland.

Second, in respect of the arrangements for mutual legal assistance, very often under the principle of "one country", we can have certain relatively special arrangements or arrangements more favourable to Hong Kong in respect of reciprocal recognition and enforcement of judgments, or arrangements for judiciary procedures. That is also our advantage under "one country, two systems".

Third, regarding exchanges, through different Central ministries, a systematic platform is put in place to enable lawyers of Hong Kong to have exchanges with various state-owned enterprises. This is one of the strengths enjoyed by Hong Kong under "one country, two systems".

The other major area is internationalization. I wish to take this opportunity to respond to a Member who asked what could be done to enhance Hong Kong's status as a dispute resolution centre. Concerning internationalization, I would like to share three points with Members.

First, it is hoped that through policies on LawTech, Hong Kong can further raise the level of its international legal and dispute resolution services, and hopefully it can serve as a platform providing online dispute resolution services for various enterprises.

Second, building on our unique strengths under internationalization and "one country, two systems", we hope to establish a set of dispute resolution rules and systems for the development under the Belt and Road Initiative. Through cooperation with various parties, we can establish an institution and a system with creditability and showing respects for the cultures of various countries and places.

Third, in respect of arbitration, after the implementation of third party funding, we will promote the development in intellectual property, with a view of capitalizing on Hong Kong's advantages to resolve disputes arising from intellectual property. This initiative is closely related to the development of the Greater Bay Area.

Finally, there are two aspects concerning dispute resolution. The first relates to the international level of prompting investors and their host countries to resolve their disputes in the form of mediation of investment disputes. This is also the system involving investment arrangements between Hong Kong and the Mainland under CEPA. As regards the other aspect, with the opening of the West Kowloon Mediation Centre, it is hoped that it will provide a more specific venue and mechanism for community mediation.

Just now a Member asked about the progress of class action. In respect of that, the Class Actions Subcommittee under the Working Group has held 28 meetings and made specific and detailed studies about the subject. They have also discussed the draft bill containing about 43 provisions. The Working Group will propose recommendations, and when more solid progress is made in the next step, we will provide information to Members.

Lastly, the colleagues of the Department of Justice and I will continue to steadfastly uphold and safeguard the rule of law. We hope that through our communication with the legal profession, younger lawyers will have more opportunities to enhance their knowledge in the legal realm, and pay close attention to international developments so as to consolidate the strengths of the rule of law in Hong Kong.

With these remarks, President, I hope that Members will support this motion. Thank you.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, first of all, I would like to thank Members for speaking in this session. I want to first respond to the amendments proposed by Mr WU Chi-wai and Dr Fernando CHEUNG to the Motion of Thanks about reactivating constitutional reform. Just now, a number of Members have also spoken on reactivating constitutional reform.

The selection of the Chief Executive and the election of all Legislative Council Members by "one person, one vote" is the ultimate goal laid down in the Basic Law. As mentioned by the Chief Executive in the Policy Address, the Government fully understands the aspirations of the community, particularly young people, for selecting the Chief Executive through "one person, one vote".

In accordance with the Basic Law and the relevant interpretations and decisions of the Standing Committee of the National People's Congress ("NPCSC"), the successful implementation of the selection of the Chief Executive by universal suffrage requires the endorsement of a two-thirds majority of all Members of the Legislative Council, the consent of the Chief Executive and the approval of NPCSC. The SAR Government will not underestimate the complexity and difficulty of the constitutional reform issue. Mr LAM Cheuk-ting said that the Government has evaded the issue and queried "why does the Administration not even bother to put up a show by at least conducting a consultation exercise?" President, I must point out, as indicated by Mr CHEUNG Kwok-kwan in his speech, despite the fact that the last-term Government had spent 20 months, it was regrettably unable to implement the selection of the Chief Executive through "one person, one vote". Worse still, the occurrence of the unlawful "Occupy Central" during the process had aroused social conflicts and seriously undermined the development of Hong Kong.

(THE PRESIDENT'S DEPUTY, MS STARRY LEE, took the Chair)

Therefore, as a responsible Government, we must not be unrealistic and arbitrarily reactivate constitutional reform such that the community cannot focus on development. The Government will do its utmost to create an atmosphere conducive to the promotion of constitutional reform and then press forward constitutional development in accordance with the Basic Law as well the relevant interpretations and decisions of NPCSC.

Just now Dr KWOK Ka-ki pointed out in his speech that both the Basic Law and the Sino-British Joint Declaration ("Joint Declaration") stipulated that Hong Kong shall implement dual universal suffrage in 2007-2008, which obviously disagrees with the truth. There is no mention of universal suffrage in the Joint Declaration, which only provides that the Chief Executive shall be selected by election or through consultations held locally, whereas Annex I to the Basic Law stipulates that if there is a need to amend the method for selecting the Chief Executive for the terms subsequent to the year 2007, such amendments must be made with the endorsement of a two-thirds majority of all the members of the Legislative Council and the consent of the Chief Executive, and they shall be reported to NPCSC for the record.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS:

Deputy President, Mr Dennis KWOK raised a question on the nomination of a candidate for the Legislative Council election. I would like to reiterate that, in accordance with the Legislative Council Ordinance and Electoral Affairs Commission regulations, the Returning Officer is required to decide whether a candidate of a Legislative Council election is validly nominated. The Government supports the Returning Officer to exercise his statutory power to discharge his duties under the law, so as to decide whether a nomination is valid. In accordance with the requirement under the law, the Returning Officer must endorse his decision on the nomination form. Copy of the nomination form is available for public inspection.

Decisions made by the Returning Officer aim to ensure that the Legislative Council election is held in strict accordance with the Basic Law and other applicable laws in an open, fair and honest manner. There is no question of any political censorship, restriction of the freedom of speech or deprivation of the right to stand for elections as alleged by some Legislative Council Members. Hong Kong has a well-established judicial system. In fact, the existing electoral law has provided for the mechanism of election petitions to handle possible disputes arising from public elections.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): Deputy President, just now you mentioned the voter registration arrangements for Hong Kong permanent residents not residing in Hong Kong. We understand that with the increasingly close relationship between Hong Kong and the Mainland and the development of the Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area"), the definition of "maintaining connections with Hong Kong" is no longer limited to "ordinarily resides in Hong Kong". We will look into the relevant issues, but I would also like to point out that careful consideration will be given because any proposal to change the eligibility criteria of voter registration involves complex issues.

With regard to the development of the Greater Bay Area, including taxation, I thank Ms Starry LEE and the Democratic Alliance for the Betterment and Progress of Hong Kong for proactively making recommendations. We will relay their concerns and suggestions to the parties concerned. The Government will also strive to promote policy breakthroughs and innovations with the relevant ministries of the Central Authorities and the Guangdong Provincial Government, and make the best use of the opportunities arising from the development of the Greater Bay Area.

Some Members mentioned the implementation of "one country, two systems", the understanding of the country's Constitution and the Basic Law as well as promotion and education. I would like to quote from President XI Jinping's report to the 19th National Congress of the Communist Party of China, which states that "[t]o maintain long-term prosperity and stability in Hong Kong, it is imperative to fully and faithfully implement the policies of 'one country, two systems', 'Hong Kong people administering Hong Kong', a high degree of autonomy, to act in strict compliance with the Constitution and the Basic Law, and to improve the systems and mechanisms for enforcing the Basic Law", "must organically combine the upholding of the Central Authorities' overall jurisdiction over the Hong Kong Special Administrative Region with the safeguarding of a high degree of autonomy of these special administrative regions, so as to ensure that the principle of 'one country, two systems' remains unchanged and unshaken, and that the practice of the 'one country, two systems' policy remains intact and undistorted".

The Government attaches great importance to the promotion and education of the Constitution and the Basic Law, and has been actively promoting the Constitution and the Basic Law through various channels so that members of the public can have a more comprehensive and in-depth understanding of the Constitution, the Basic Law and the principle of "one country, two systems".

Just now, Ms Starry LEE also mentioned the concept of nation. The Government is committed to raising awareness among young people about the nation and cultivating in them a sense of national identity through education, community promotion as well as Mainland exchange and internship programmes for youths.

Some Members mentioned the local legislation to implement the National Anthem Law. On 4 November 2017, NPCSC adopted the decision to add the National Anthem Law to Annex III of the Basic Law. In accordance with Article 18(2) of the Basic Law, the national laws listed in Annex III to the Basic Law shall be applied locally by way of promulgation or legislation by HKSAR. Therefore, the Government is obliged to enact local legislation to implement the National Anthem Law and the implementation of the National Anthem Law by local legislation is consistent with the principle of "one country, two systems".

With regard to the work of local legislation, we consulted the Legislative Council Panel on Constitutional Affairs on the legislative proposals in March this year and attended two public hearings of the Legislative Council lasting nearly 16

hours in April and May. The voices of the people were fully heard. We are in the process of drafting the National Anthem Bill ("the Bill"), which will be introduced into the Legislative Council for scrutiny as soon as it is completed. Our legislative principle is to maintain the purpose and intent of the National Anthem Law to fully reflect its spirit and to preserve the dignity of the national anthem, so that Hong Kong citizens would respect the national anthem, whilst taking into account the common law system and local circumstances. In the course of drafting the Bill, we will take into account the provisions of the Basic Law which protect human rights and freedom.

With regard to the sexual minorities, we reiterate that under the overall policy, the Government is committed to promoting equal opportunities for people of different sexual orientations and transgenders under the existing marriage institution, with a view to fostering the culture and values of inclusiveness, mutual respect and non-discrimination.

We are following up on a range of strategies and measures, which include promoting the Code of Practice against Discrimination in Employment on the Ground of Sexual Orientation to employers. Training resources targeting medical and health care professionals would be launched later this year to enhance their knowledge of and sensitivity towards sex minorities. We are also drawing up a charter on non-discrimination of sexual minorities covering various domains for voluntary adoption by service providers. In addition, we are conducting a further study on the experience of other jurisdictions in the use of legislative and administrative measures to eliminate discrimination. The study is expected to be completed in the first half of next year. The findings will facilitate discussion in the community on whether legislation should be introduced to protect people of different sexual orientations and transgenders against discrimination.

Deputy President, with these remarks, I hope Members will support the Motion of Thanks.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Deputy President, district administration is an important part of the governance of the SAR Government and is closely related to people's livelihood. Over the years, District Councils ("DC") have been key partners of the Government in district administration, working with the Administration to serve the public and foster community development.

In order to enable DC members to adequately and effectively give full play to their role and discharge their functions, the Government has devised an effective mechanism to review regularly the remuneration package for DC members, thereby keeping up with the times. We will soon complete the review of the remuneration package for DC members for the next DC term, and plan to announce a series of improvement proposals in the first quarter of 2019.

Apart from this, the Government will continue to work hand in hand with DCs. In 2018-2019, the 18 District Offices implemented a total of 48 projects under the District-led Actions Scheme to resolve issues such as district problems, environmental hygiene, mosquito infestation, illegal shop extensions and illegal parking of bicycles. The relevant projects can better cater for local needs and improve the environment of the districts.

In order to have a comprehensive grasp of district affairs, public sentiments and views, the Chief Executive has, after her inauguration, asked each Secretary of Department and Director of Bureau to visit all 18 districts in the first two years after their assumption of office. The Secretaries of Departments and Directors of Bureaux have subsequently undertaken this task very diligently. As at the end of October 2018, 184 district visits were conducted, that is, on average, a principal official visited a local community every two working days to better gauge district sentiments and the aspirations of DC members. This is very useful for policy formulation.

Mr CHEUNG Kwok-kwan mentioned just now the functions of DC members. Actually, Mr CHEUNG Kwok-kwan should not belittle himself unduly as DC members play a very important role in DCs. The Government has also taken on board the views of DC members when formulating policies. Let me cite some examples. The Central and Western District Promenade, a newly completed facility well-received by local residents, was constructed by the Central and Western DC with \$100 million funding under the Signature Project Scheme. In the Southern District, i.e. the constituency of Mr CHEUNG Kwok-kwan, it was recently announced that the works of constructing an elevator at the Wind Tower Park and a heated swimming pool at Wong Chuk Hang would be launched. In the Eastern District, planning is underway for a sports centre at Aldrich Bay. These livelihood-related projects are proposed by current-term DC members in the hope of being implemented by the Government. Commencement of works has recently been announced. Therefore, DC members play an important role in the implementation of government policies, and I also look forward to working with DCs in the future.

Finally, many Members have attached great importance to building management matters. In the past year, we updated the Code of Practice under the Building Management Ordinance in order to improve building management regulations, introduced various new support services and made proactive effort to allocate additional resources and strengthen manpower, such as liaison officers. For the coming year, we will proactively follow up the amendment of the Building Management Ordinance and introduce more services in a timely manner to help owners in managing their buildings more effectively.

Thank you, Deputy President.

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): Deputy President, to begin with, I wish to thank Members for their concerns about civil service affairs, and would like to respond briefly to several major areas here.

A professional and efficient civil service is vital to the implementation of the new style of governance and the new roles of the current-term Government. In the face of diverse public aspirations, the civil service will continue to strive for excellence and adhere to the "people-oriented" principle in order to provide quality services to the public. The Government, as an employer, fully understands the work pressure on civil servants and will provide necessary manpower support and training.

First, as regards the civil service establishment, in order to effectively implement the new policies and initiatives proposed by the current-term Government and to tie in with the commissioning of various large-scale cross-boundary infrastructures, we have expanded the civil service establishment substantially by 3.7% in 2018-2019, far exceeding the average year-on-year increases in the past 10 years. Looking ahead, the Government will uphold the prudent principle in the management of the civil service establishment to ensure that our civil service will continue to develop in a steady and orderly manner and cater for the needs of social development. We anticipate that the civil service establishment will be suitably expanded in the next financial year, details of which will be announced in the Budget in late February next year. In the meantime, when expanding the civil service establishment, the Government will definitely make proper arrangements on office space requirement, equipment and facilities according to the actual situation.

Regarding training, the Chief Executive proposed in her last year's Policy Address to establish a new civil service college. Accordingly, we have identified a "Government, Institution or Community" site with an area of about 11 000 sq m in Kwun Tong for redevelopment. In addition to the civil service college, our preliminary proposal is to provide a District Health Centre ("DHC") and other community facilities in this composite development project under the themes of "healthy living" and "lifelong learning". This project is going to be the new landmark of Kwun Tong.

(THE PRESIDENT resumed the Chair)

Since the announcement of the site for the new civil service college, I notice that some Members and members of the community have expressed concerns over the selected site. I would like to reiterate that the composite development project aims not only to provide land for constructing the civil service college, but also comprehensively revitalizing the area with optimized utilization by providing more public facilities for the local communities such as a new public transport interchange, a DHC, a green walkway and more public open spaces. We will consult the Kwun Tong District Council later to gauge views from members of the local community.

Concerning the arrangement for the Shine Skills Centre of the Vocational Training Council in Kwun Tong ("the Centre"), as stated earlier by my colleague, the Secretary for Labour and Welfare, the Centre only needs to return its present site to the Government in the fourth quarter of 2021. Therefore, trainees currently enrolled in the two-year programmes of the Centre or to be enrolled in 2019 will not be affected. The Government will find a site in the urban area for the reprovisioning of an integrated vocational training centre to provide vocational training services for more persons with disabilities. The Government will strive to ensure that the new integrated vocational training centre will come into operation before the Centre returns its site to the Government.

We anticipate that the civil service college will be completed in 2026. In the meantime, the Civil Service Training and Development Institute ("CSTDI"), currently under the Civil Service Bureau, will continue to enhance training for civil servants, including training in innovation and use of technology to tie in with the Government's Smart City Blueprint for Hong Kong. It will also continue to enhance training for civil servants in national studies and the Basic Law to better

tap the important opportunities in the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area development. CSTDI will also promote exchanges with visiting civil servants from the Mainland and other places by sharing with them the administration and management experience of the Government of the Hong Kong Special Administrative Region.

We will set up a civil service training advisory board comprising professionals and government officials to give guidance on training programmes for the civil service and its long-term development strategy, and to prepare for the development of the new civil service college.

Many Members are particularly concerned about the Government's innovation and technology ("I&T") training of civil servants, so please allow me to provide some additional information. The Government has all along been providing training for civil servants, including training in innovation and use of technology, so as to tie in with the Government's I&T policy and enhance the quality of public services. Apart from programmes on innovative leadership, design thinking, big data analysis, smart city and social media organized by CSTDI on a continuous basis, the Office of the Government Chief Information Officer also offers training in advanced topics such as cloud computing, information technology ("IT") security, Internet of Things and artificial intelligence to civil servants with working needs. Individual departments will also provide training to their staff members based on operational needs. Last year, some 40 000 participants enrolled in different kinds of IT training.

In the next five years, we will provide IT training to some 17 000 managerial staff, with the focus of enhancing the potential of senior personnel in understanding new technology to plan for innovative services; we will also allow middle-level managerial staff to learn practical skills in executing and managing digital services. We will also arrange civil servants to visit local and Mainland start-up and scientific research enterprises for interactive exchange with the industry, so as to understand the latest development of scientific and technological innovation and smart city. Furthermore, we will enhance web learning resources to facilitate civil servants' grasping of digital knowledge and skills in the new era.

By collaborating closely with famous universities of different places, professional bodies, the industry and government departments, civil servants will continuously receive enhanced training in I&T, thereby promoting more new I&T projects for the benefit of the public.

President, regarding the benefits civil servants, we have received many views from the staff and Legislative Council Members on incorporating Chinese medicine into the scope of civil service medical benefits. Following the development of Chinese medicine in Hong Kong, the Government has decided to explore an appropriate arrangement for providing Civil Service Eligible Persons with defined Chinese medicine services as part of the civil service medical benefits. We have started the relevant work, including exploring the scope and form of service as well as the financial and operating arrangements, with the view to implementing the initiative as early as possible. Furthermore, the sixth Families Clinic in Sai Kung will commence operation next month as scheduled to enhance general outpatient service dedicated for Civil Service Eligible Persons.

Since the announcement of extending maternity leave for government employees in the Policy Address, more than 200 colleagues have already taken the benefit of 14-week maternity leave under this initiative so far, they can have more time to spend with and take care of their newborns.

As for the remuneration for civil servants, it is our long-standing policy to offer sufficient remuneration to attract and retain talents to provide the public with effective and efficient services. We have decided to conduct grade structure reviews for all disciplined services at an interval of 10 years, so as to ensure that their grade structure and remuneration are effective in attracting and retaining talents.

To this end, we have invited the Standing Committee on Disciplined Services Salaries and Conditions of Service ("Standing Committee") to conduct a grade structure review for the disciplined services grades, and the Standing Committee on Directorate Salaries and Conditions of Service ("Directorate Committee") to advise on the salaries and conditions of service of heads of the disciplined services or agency. We expect that the review will be completed in mid-2020.

Some Members are concerned if the review process takes too long. I wish to point out that when last grade structure review for the disciplined services grades was conducted 10 years ago, the review period was relatively short, but there were views that there was room for improvement in respect of consultation. Hence, we consider that enough time should be set aside for the current review, such that sufficient and comprehensive consultation can be conducted.

The Standing Committee and the Directorate Committee will, in accordance with their terms of reference, conduct the review independently, and consider the appropriate pay scales and grade structures for various disciplined services grades and ranks. They also even consider the changes in work nature, duties and workload of the disciplined services and public expectation; the staff recruitment and retention of the disciplined services; and other factors involving wide public interests, such as financial and economic considerations. In the course of review, the Standing Committee and the Directorate Committee will sufficiently consult the management and staff of the disciplined services.

As for the arrangements for post-typhoon resumption of duty, the Government all along has clear guidelines for general reference on the arrangements for resumption of duty of government staff after tropical cyclones. Bureaux/departments have also drawn up their own departmental instructions and work plans to suit their operational requirements, and brought them to the attention of all their staff.

According to the guidelines issued by Civil Service Bureau, when No. 8 or higher Tropical Cyclone Warning Signal is cancelled within office hours, staff should report for duty as soon as practicable. Where there is road flooding, landslide or heavy rain, or non-availability of public transport services, etc., and affected staff experience delay in reporting for duty, they should inform their supervisors as soon as practicable and supervisors should give due consideration to the circumstances of individual affected staff and handle each case with flexibility.

Given the unprecedented impact brought by Super Typhoon Mangkhut, the Government has decided to review the aforementioned guidelines. To this end, the Civil Service Bureau is now working with other bureaux and departments to examine them with a view to considering any areas for enhancement. We hope to complete the review as soon as possible. We understand the concerns of staff being affected. In reviewing the guidelines, we shall strike a balance between the need to maintain the provision of public service and the circumstances of individual affected staff.

President, I thank Honourable Members once again for their concern of civil service affairs, including their support rendered to the various requests from colleagues of the disciplined services and civilian grades. We will continue our efforts in maintaining communication with various civil servants' organizations

and stakeholders, including relevant bureaux and departments, management and staff, as well as frontline staff members, on individual issues. With these remarks, President, I urge Members to support the Motion of Thanks.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): President, I am grateful to Members for their valuable views in the five sessions of debate on the Motion of Thanks in the past three days. The areas covered include diversified economy, improving people's livelihood, liveable city, quality education, nurturing talent and connecting with young people, reinforcing advantages and good governance. The Secretaries of Departments and Directors of Bureaux have also given responses in different policy areas. I will first respond on the executive-legislature relationship, the rule of law and independence of the Judiciary, as well as a clean government, and then I will sum up the whole debate on the Motion of Thanks.

In respect of the executive-legislature relationship, the Basic Law stipulates the respective powers and functions of the Executive Authorities and the Legislature of the Hong Kong Special Administrative Region. Since its inauguration, the current-term Government has repeatedly stressed that the SAR Government respects the function of the Legislative Council to keep the Executive Authorities in check. A year has passed, I am convinced that the Government has proven through actions our determination and sincerity towards improving and consolidating the executive-legislature relationship.

Since January this year, in addition to attending the Question and Answer Sessions four times a year, the Chief Executive also attends the Chief Executive's Question Time on a monthly basis to answer Members' questions in a "short question, short answer" format. In addition to strengthening accountability, the Government can, in the course of questions and answers, better grasp the pulse of society and respond quickly to the concerns of the general public. The Government will also actively follow up on the valuable comments made by Members on these occasions and submit regular progress reports to the Chief Executive. For example, in the Policy Address this year, the Chief Executive introduces the \$2.5 billion Lift Modernization Subsidy Scheme to subsidize needy owners in modernizing old lifts, so as to respond to the suggestions made by Members during the question and answer session. The Government also attaches great importance to and cherishes these opportunities for direct interaction with Members. I would like to thank all Legislative Council Members, especially the President of the Legislative Council, for enabling the Question and Answer session and the Question Time to conduct smoothly.

With the concerted efforts of the Government and Honourable Members, the executive-legislature relationship has improved in the past year. The style of governance and approach of the Government have also produced practical results in the Legislative Council. Let us take the Finance Committee as an example. The Government met with Members in March this year to exchange views on the agenda of the Finance Committee and its two subcommittees, and decided to reschedule the remaining agenda items on the principle of "dealing with livelihood-related and straightforward issues first". The deliberation work has since then become smoother. At the beginning of this legislative year, the Legislative Council passed a number of important bills, including the implementation of an enhanced tax deduction regime for qualifying research and development, and the provision of tax deductions for those who purchase eligible Voluntary Health Insurance Scheme products, etc. I hope the Legislative Council will continue to deliberate policies in the coming year and consider measures that benefit the people in a smooth and efficient manner.

The cooperation between the Government and the Legislative Council is not restricted to this Chamber. For example, early this year, four Secretaries joined the Legislative Council cross-party delegation to visit various Mainland cities in the Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area"). The visit not only enabled the Secretaries and Members to have deeper understanding of the development strategy of the Greater Bay Area, but also strengthened communication between the Secretaries and Members. According to my understanding, the reactions of Members have been positive. Another example is that, after the onslaught of super typhoon Mangkhut in September, in view of the concern of the public about the serious and extensive damages caused by the typhoon, the Government took the initiative to write to the House Committee and asked for convening a special House Committee meeting to discuss related issues, even although the Legislative Council was in recess at that time. Subsequently, the Chief Secretary for Administration led a delegation of nine Secretaries and a number of Directors to attend a special meeting of the House Committee in early October to explain the Government's contingency and remedial measures after the typhoon, and listen to Members' views on how to improve the relevant work. This fully reflected that the Government's active handling of major livelihood issues involving different departments in a speedy and effective manner through direct dialogues between senior officials and Members.

In the second Policy Address of the Chief Executive, decisive and pragmatic actions have been taken to strategically handle a series of "long-standing, major and difficult" issues, which fully manifest the new style of governance and new way of thinking of the current-term Government in being proactive and avoids no difficult tasks. Adhering to the principle of being proactive and pragmatic, the Policy Address makes daring proposals in various areas such as people's livelihood, the economy, innovation and technology, and environmental protection. However, even the best proposals will only be empty talk without the support and advice of the Legislative Council. Therefore, I hope that Members of the Legislative Council with different political spectrums can seek common ground while reserving differences, continue to maintain good communication with the Government, establish a basis for cooperation, seek consensus with the Government and focus on the overall interests of Hong Kong. We should do something practical together and strive hard for the well-being of the general public, so as to decide and proceed after discussions.

In terms of the rule of law and the independence of the Judiciary, the Chief Executive emphasized again in this year's Policy Address that "the rule of law is the most important core value of Hong Kong, and independence of the Judiciary is the key to embodying the rule of law". The Basic Law stipulates that Hong Kong has independent judicial and legal systems and this has all along been the foundation for Hong Kong's success. The SAR Government will do its utmost to ensure that the rule of law maintains steadfast and respected, so as to safeguard public interest.

In fact, the level of judicial independence in Hong Kong is obvious to all and is highly recognized internationally. In the World Economic Forum's Global Competitiveness Report published recently, the ranking of Hong Kong's judicial independence rose to the eighth in the world and remained the first in Asia. Our courts are strict and impartial and cases are tried independently in accordance with the law without other considerations. The SAR Government has unparalleled determination to defend the rule of law and the independence of the Judiciary and it will never accept any acts or remarks that interfere with the exercise of independent jurisdiction by the courts.

The SAR Government has been committed to providing the Judiciary with all the required support. In the last eight consecutive financial years, the Government fully accepted the requirements for grants and new positions proposed by the Judiciary to ensure that it had sufficient and appropriate resources for effective operation. To help the Judiciary increase manpower,

retain talent and recruit new blood, the Government has also accepted the recommendations of the Judiciary and proposed legislative amendments to extend the statutory retirement age of judges and judicial officers. It is expected that the relevant Bill will be introduced into the Legislative Council in this legislative session. This proposal has significant practical benefits for Hong Kong and I hope that the Legislative Council will pass the Bill.

In addition, it is announced in the Policy Address last year the new High Court project adjacent to the Central Government Offices at Tamar and the District Court project at Caroline Hill Road to meet the long-term needs for court facilities. The Policy Bureaux and departments concerned are actively working with the Judiciary to roll forward these two major projects. The Government will also continue to support the Judiciary's plans to expand existing court facilities to meet short- and medium-term needs. Through the comprehensive upgrading of court facilities, we believe the Judiciary will provide the public with better court services.

On a corruption-free government, the Chief Executive pointed out in the Policy Address that a corruption-free government and society has always been among Hong Kong's key competitive edges. The Independent Commission Against Corruption ("ICAC") has worked tirelessly for 45 years to combat corruption, which manifested the determination of the SAR Government to maintain Hong Kong as a corruption-free and fair society.

ICAC will, as always, remain steadfast and continue to impartially and professionally enforce the law and fully achieve its mission of combating corruption and advocating probity through in-depth education and preventive work and continuous introduction to the international community Hong Kong's anti-corruption work and achievements. The SAR Government will continue to fully support ICAC's efforts on promoting anti-corruption in Hong Kong and the international arena.

In conclusion, the Policy Address this year is pioneering and innovative and it fully demonstrates the political courage and determination of the Government. The Government's proactive and pragmatic approach to governance is manifested in a number of important measures such as extending the statutory maternity leave, abolishing the arrangement for "offsetting" severance payment and long service payment with Mandatory Provident Fund benefits, proposing that all teachers in public sector primary and secondary schools should be degree holders, enhancing primary health care services,

proposing waiving the tolls charged on franchised buses for using government tunnels and roads, to be paid by the Government, legislating for banning e-cigarettes and other new smoking products, and spending more than \$500 million on strengthening support for ethnic minorities, etc.

The SAR Government will continue to adhere to the "people-oriented" governance vision, and work with various sectors of the community to improve people's livelihood, which includes making efforts in respect of education, health care and welfare to create a caring and harmonious society. We will also continue to play the roles of "facilitator" and "promoter" to promote Hong Kong's long-term sustainable development and invest heavily in education, innovation and technology, so as to promote a better and more environmentally friendly lifestyle.

We will continue to listen carefully and discuss with the public. We will seriously, pragmatically and actively follow up on various initiatives in the Policy Address and strive to promote cooperation among the community, the business sector, the Government and the academic sector. We hope that various sectors of the community will strive ahead and promote Hong Kong's sustainable development. I urge Members to support the Motion of Thanks moved by Ms Starry LEE.

President, I so submit. Thank you.

PRESIDENT (in Cantonese): The five debate sessions on Motion of Thanks end.

PRESIDENT (in Cantonese): Ms Starry LEE, you may now speak on the amendments. The time limit is five minutes.

MS STARRY LEE (in Cantonese): President, this year a total of seven Members have proposed amendments to the Motion of Thanks to express their stance on matters that they are concerned about. Under the Rules of Procedure, Members can propose amendments to the Motion of Thanks. These amendments are proposed by the seven Members in their personal capacity, and these amendments have not been discussed by the House Committee. They thus do not represent a consensus among Members.

Since I am now speaking in my capacity as Chairman of the House Committee, in accordance with the established practice, I should not and will not express any views on the amendments of the seven Members or urge Members to support or not to support the amendments of the seven Members.

President, I so submit.

PRESIDENT (in Cantonese): I now call upon Mr WU Chi-wai to move an amendment.

MR WU CHI-WAI (in Cantonese): President, I move that Ms Starry LEE's motion be amended.

The amendment moved by Mr WU Chi-wai (See the marked-up version at Annex 1)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Mr WU Chi-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 WU Chi-wai rose to claim a division.

PRESIDENT (in Cantonese): Mr WU Chi-wai has claimed a division. The division bell will ring for five 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:

Mr James TO, Mr LEUNG Yiu-chung, Prof Joseph LEE, Mr Kenneth LEUNG, Mr IP Kin-yuen, Mr SHIU Ka-chun and Mr KWONG Chun-yu voted for the amendment.

Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Mr Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Dr Pierre CHAN, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted against the amendment.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr WU Chi-wai, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Dr CHENG Chung-tai, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the amendment.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted against the amendment.

Mr CHAN Chi-chuen abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 32 were present, 7 were in favour of the amendment and 24 against it; while among the Members returned by geographical constituencies through direct elections, 32 were present, 14 were in favour of the amendment, 17 against it and 1 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.

MS STARRY LEE (in Cantonese): President, I move that in the event of further divisions being claimed in respect of the "Motion of Thanks" 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 Starry LEE 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 motion passed.

I order that in the event of further divisions being claimed in respect of the "Motion of Thanks" 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): Ms Claudia MO, you may now move your amendment.

MS CLAUDIA MO (in Cantonese): President, I move that Ms Starry LEE's motion be amended.

The amendment moved by Ms Claudia MO (See the marked-up version at Annex 2)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Ms Claudia MO 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)

Ms Claudia MO rose to claim a division.

PRESIDENT (in Cantonese): Ms Claudia MO 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:

Mr James TO, Mr LEUNG Yiu-chung, Mr Kenneth LEUNG, Mr IP Kin-yuen, Mr SHIU Ka-chun and Mr KWONG Chun-yu voted for the amendment.

Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Dr Pierre CHAN, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted against the amendment.

Prof Joseph LEE abstained.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr WU Chi-wai, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Dr CHENG Chung-tai, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the amendment.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted against the amendment.

Mr CHAN Chi-chuen abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 32 were present, 6 were in favour of the amendment, 24 against it and 1 abstained; while among the Members returned by geographical constituencies through direct elections, 32 were present, 14 were in favour of the amendment, 17 against it and 1 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.

PRESIDENT (in Cantonese): Dr Fernando CHEUNG, you may move your amendment.

DR FERNANDO CHEUNG (in Cantonese): President, I move that Ms Starry LEE's motion be amended.

The amendment moved by Dr Fernando CHEUNG (See the marked-up version at Annex 3)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Dr Fernando CHEUNG 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)

Dr Fernando CHEUNG rose to claim a division.

PRESIDENT (in Cantonese): Dr Fernando CHEUNG 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:

Mr James TO, Mr LEUNG Yiu-chung, Mr Kenneth LEUNG, Mr IP Kin-yuen, Mr SHIU Ka-chun and Mr KWONG Chun-yu voted for the amendment.

Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Dr Pierre CHAN, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted against the amendment.

Prof Joseph LEE abstained.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr WU Chi-wai, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Dr CHENG Chung-tai, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the amendment.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted against the amendment.

Mr CHAN Chi-chuen abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 32 were present, 6 were in favour of the amendment, 24 against it and 1 abstained; while among the Members returned by geographical constituencies through direct elections, 32 were present, 14 were in favour of the amendment, 17 against it and 1 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.

PRESIDENT (in Cantonese): Dr KWOK Ka-ki, you may move your amendment.

DR KWOK KA-KI (in Cantonese): President, I move that Ms Starry LEE's motion be amended.

The amendment moved by Dr KWOK Ka-ki (See the marked-up version at Annex 4)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Dr KWOK Ka-ki 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)

Dr KWOK Ka-ki rose to claim a division.

PRESIDENT (in Cantonese): Dr KWOK Ka-ki 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:

Mr James TO, Mr LEUNG Yiu-chung, Mr Kenneth LEUNG, Mr IP Kin-yuen, Mr SHIU Ka-chun and Mr KWONG Chun-yu voted for the amendment.

Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Dr Pierre CHAN, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted against the amendment.

Prof Joseph LEE abstained.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr WU Chi-wai, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the amendment.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted against the amendment.

Mr CHAN Chi-chuen and Dr CHENG Chung-tai abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 32 were present, 6 were in favour of the amendment, 24 against it and 1 abstained; while among the Members returned by geographical constituencies through direct elections, 32 were present, 13 were in favour of the amendment, 17 against it and 2 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.

PRESIDENT (in Cantonese): Mr Andrew WAN, you may move your amendment.

MR ANDREW WAN (in Cantonese): President, I move that Ms Starry LEE's motion be amended.

The amendment moved by Mr Andrew WAN (See the marked-up version at Annex 5)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Mr Andrew WAN 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 Andrew WAN rose to claim a division.

PRESIDENT (in Cantonese): Mr Andrew WAN 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:

Mr James TO, Mr LEUNG Yiu-chung, Mr Kenneth LEUNG, Mr IP Kin-yuen, Mr SHIU Ka-chun, Dr Pierre CHAN and Mr KWONG Chun-yu voted for the amendment.

Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted against the amendment.

Prof Joseph LEE abstained.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr WU Chi-wai, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the amendment.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted against the amendment.

Mr CHAN Chi-chuen and Dr CHENG Chung-tai abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 32 were present, 7 were in favour of the amendment, 23 against it and 1 abstained; while among the Members returned by geographical constituencies through direct elections, 32 were present, 13 were in favour of the amendment, 17 against it and 2 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 negated.

PRESIDENT (in Cantonese): Mr Kenneth LEUNG, you may move your amendment.

MR KENNETH LEUNG (in Cantonese): President, I move that Ms Starry LEE's motion be amended.

The amendment moved by Mr Kenneth LEUNG (See the marked-up version at Annex 6)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Mr Kenneth LEUNG 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 Kenneth LEUNG rose to claim a division.

PRESIDENT (in Cantonese): Mr Kenneth LEUNG has claimed a division. The division bell will ring for one minute.

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

PRESIDENT (in Cantonese): Prof Joseph LEE, are you going to vote?

(Prof Joseph LEE cast his 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:

Mr James TO, Mr LEUNG Yiu-chung, Mr Kenneth LEUNG, Mr IP Kin-yuen, Mr SHIU Ka-chun, Dr Pierre CHAN and Mr KWONG Chun-yu voted for the amendment.

Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted against the amendment.

Prof Joseph LEE abstained.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr WU Chi-wai, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Dr CHENG Chung-tai, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the amendment.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted against the amendment.

Mr CHAN Chi-chuen abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 32 were present, 7 were in favour of the amendment, 23 against it and 1 abstained; while among the Members returned by geographical constituencies through direct elections, 32 were present, 14 were in favour of the amendment, 17 against it and 1 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 negated.

PRESIDENT (in Cantonese): Mr Gary FAN, you may move your amendment.

MR GARY FAN (in Cantonese): President, I move that Ms Starry LEE's motion be amended.

The amendment moved by Mr Gary FAN (See the marked-up version at Annex 7)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Mr Gary FAN 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 Gary FAN rose to claim a division.

PRESIDENT (in Cantonese): Mr Gary FAN 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:

Mr James TO, Mr LEUNG Yiu-chung, Mr IP Kin-yuen, Mr SHIU Ka-chun and Mr KWONG Chun-yu voted for the amendment.

Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Dr Pierre CHAN, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted against the amendment.

Prof Joseph LEE abstained.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr WU Chi-wai, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the amendment.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted against the amendment.

Mr CHAN Chi-chuen and Dr CHENG Chung-tai abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 31 were present, 5 were in favour of the amendment, 24 against it and 1 abstained; while among the Members returned by geographical constituencies through direct elections, 32 were present, 13 were in favour of the amendment, 17 against it and 2 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.

PRESIDENT (in Cantonese): Ms Starry LEE, you still have 9 minutes 33 seconds to reply. Then, the debate will come to a close.

MS STARRY LEE (in Cantonese): President, Members have actively participated in the motion debate on the Policy Address, which has expended a total of 34 hours 55 minutes. During the debate, 66 Members have expressed various views, including many criticisms, on the policy areas of their concern. The Policy Address has put forward a number of policies which are beneficial to the overall development of the community in areas of land and housing, the development of a diversified economy, labour welfare, education and health care. The Lantau Tomorrow Vision has also become the focus of attention. While some people support it, other people have expressed divergent views.

In any case, I hope that the Government (comprising the Chief Executive and all principal officials) of tomorrow will listen to these views with an open mind, so that the implementation of policies can be supported by the Legislative Council and the public. I also hope that when the "legislature tomorrow" deliberates the policies submitted by the Government, Members can be rational and impartial so as to create a better tomorrow for Hong Kong and the legislature.

President, the debate on the Motion of Thanks mainly seeks to provide a platform for all Members to express their respective views on the Policy Address. The motion itself is neutral in nature. I hope that Members will vote for the motion. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Ms Starry LEE be passed. 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 CHAN Chi-chuen rose to claim a division.

PRESIDENT (in Cantonese): Mr CHAN Chi-chuen 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:

Mr Abraham SHEK, Mr Tommy CHEUNG, Prof Joseph LEE, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan,

Mr Jimmy NG, Mr HO Kai-ming, Mr Holden CHOW, Mr SHIU Ka-fai, Mr CHAN Chun-ying, Mr LUK Chung-hung, Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Tony TSE voted for the motion.

Mr James TO, Mr LEUNG Yiu-chung, Mr SHIU Ka-chun, Dr Pierre CHAN and Mr KWONG Chun-yu voted against the motion.

Mr IP Kin-yuen abstained.

THE PRESIDENT, Mr Andrew LEUNG, did not cast any vote.

Geographical Constituencies:

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr Paul TSE, Mr Michael TIEN, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Ms Alice MAK, Mr KWOK Wai-keung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Dr Junius HO, Mr Wilson OR, Ms YUNG Hoi-yan, Mr CHEUNG Kwok-kwan and Mr Vincent CHENG voted for the motion.

Ms Claudia MO, Mr WU Chi-wai, Mr CHAN Chi-chuen, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Dr CHENG Chung-tai, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted against the motion.

THE PRESIDENT announced that among the Members returned by functional constituencies, 31 were present, 24 were in favour of the motion, 5 against it and 1 abstained; while among the Members returned by geographical constituencies through direct elections, 32 were present, 17 were in favour of the motion and 15 against it. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the motion was passed.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn this Council until 11:00 am on Wednesday, 14 November 2018. By then, the Chief Executive's Question Time will be held, immediately followed by the regular meeting of the Legislative Council.

Adjourned accordingly at 9:50 pm.

Annex 1

**The marked-up version of the amendment moved by Mr WU Chi-wai
(Translation)**

That this Council thanks the Chief Executive for her address, *but expresses deep regret that the Chief Executive has failed to undertake to reactivate constitutional reform, so as to achieve the ultimate aim of selecting the Chief Executive and electing Legislative Council Members by universal suffrage as set out in the Basic Law; this Council also urges the Chief Executive to examine afresh Hong Kong's population carrying capacity as well as review the existing One-way Permit ('OWP') Scheme, including making a request to the Central Government for reducing the daily quota for OWP and striving for the power of Hong Kong to vet and approve OWP applications, so that the SAR Government can manage and control Hong Kong's population growth more effectively.*

Note: Mr WU Chi-wai's amendment is marked in *bold and italic type*.

Annex 2

**The marked-up version of the amendment moved by Ms Claudia MO
(Translation)**

That this Council thanks the Chief Executive for her address, *so as to follow the convention of the Legislative Council; but as the address proposes the Lantau Tomorrow Vision to take forward the alarming reclamation project to construct large areas of artificial islands at an estimated cost possibly reaching \$1 trillion, and the implementation of this long-term plan is not conducive to alleviating the current pressing housing problem, nor is it a responsible way of doing things for the next generation; and the Government still has no intention to take back the power of vetting and approving applications for One-way Permit and disregards the intensifying erosion of Hong Kong by 'Mainlandization', this Council expresses deep regret and dissatisfaction.*

Note: Ms Claudia MO's amendment is marked in *bold and italic type*.

Annex 3

**The marked-up version of the amendment moved by Dr Fernando CHEUNG
(Translation)**

That this Council thanks the Chief Executive for her address, *so as to follow the convention of the Legislative Council; but as the address proposes the Lantau Tomorrow Vision to take forward the reclamation project that will cause damages to the ecological environment and incur a substantial amount of public money, has not strived to improve the rights and interests of people in poverty, persons with disabilities and chronic diseases (including patients of rare diseases), has not implemented a universal retirement protection scheme to alleviate elderly poverty, has not addressed the issue of unsatisfactory remuneration packages for the working class, and instead proposed to expand the importation of labour, adding to the misfortunes of the working class, and the Government has no sincerity to implement universal suffrage, refused to reactivate constitutional reform and disregarded public aspirations so as to create conditions for enacting legislation to implement Article 23 of the Basic Law, this Council expresses deep regret.*

Note: Dr Fernando CHEUNG's amendment is marked in *bold and italic type*.

Annex 4

**The marked-up version of the amendment moved by Dr KWOK Ka-ki
(Translation)**

That this Council thanks the Chief Executive for her address, *but as the Chief Executive has, before the submission of a recommendation report by the Task Force on Land Supply, put forward the Lantau Tomorrow Vision in the address and planned to construct artificial islands of about 1 700 hectares by reclamation, yet the Government has not implemented measures such as invoking the Lands Resumption Ordinance to resume agricultural lands being hoarded, 'drawing a line' for small house and resuming the land occupied by the Fanling Golf Course to increase Hong Kong's land supply; coupled with the possibility that the Lantau Tomorrow Vision may empty the public coffers, this Council expresses deep regret; in this connection, this Council urges the Chief Executive to withdraw the reclamation project under the Lantau Tomorrow Vision, and undertake not to consider the option of constructing artificial islands by reclamation before optimizing the use of all land resources of Hong Kong.*

Note: Dr KWOK Ka-ki's amendment is marked in *bold and italic type*.

Annex 5

**The marked-up version of the amendment moved by Mr Andrew WAN
(Translation)**

That this Council thanks the Chief Executive for her address, *but opposes the Chief Executive's promotion of the larger-scale Lantau Tomorrow Vision before the submission of a recommendation report by the Task Force on Land Supply and against the backdrop of not having a public opinion basis, not having specific data analyses, breaching procedural justice and forcibly making a final decision; in this connection, this Council requests the Government to take other measures to increase land supply, such as developing new development areas, invoking the Lands Resumption Ordinance to resume idle agricultural lands and brownfield sites in the New Territories, resuming the site of the Fanling Golf Course, striving for the Central Government's release of idle military sites in Hong Kong, and expeditiously developing lands currently granted by way of short-term tenancies or other vacant lands.*

Note: Mr Andrew WAN's amendment is marked in *bold and italic type*.

Annex 6

**The marked-up version of the amendment moved by Mr Kenneth LEUNG
(Translation)**

That this Council thanks the Chief Executive for her address, *but expresses grave concern that the Chief Executive proposes the Lantau Tomorrow Vision before the Task Force on Land Supply ('Task Force') submits its recommendation report upon coordination of public views on the land development mode; in this connection, this Council urges the Government to temporarily shelve the reclamation project under the Lantau Tomorrow Vision, and conduct a comprehensive assessment on various land supply options after the submission of a recommendation report by the Task Force.*

Note: Mr Kenneth LEUNG's amendment is marked in *bold and italic type*.

Annex 7

**The marked-up version of the amendment moved by Mr Gary FAN
(Translation)**

That this Council thanks the Chief Executive for her address, *so as to follow the convention of the Legislative Council; but the address has not put forward measures to restrict the purchase of Hong Kong properties by people from abroad and curb property speculation, and the reclamation project to construct artificial islands under the Lantau Tomorrow Vision will substantially deplete Hong Kong's fiscal reserves; in this connection, this Council urges the Chief Executive to adhere to the principle of 'putting Hong Kong people first' by introducing policies to restrict the purchase of properties by non-local individual and company buyers, take back the power to vet and approve One-way Permit applications, and shelve the reclamation project under the Lantau Tomorrow Vision, so that the fiscal reserves can be used to improve people's livelihood, which include buying back the Link Real Estate Investment Trust and implementing a universal retirement protection scheme, thereby relieving the burdens of the costs of living of Hong Kong people and enabling them to live and work in contentment.*

Note: Mr Gary FAN's amendment is marked in *bold and italic type*.