

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 7 January 1987****The Council met at half-past Two o'clock****PRESENT**HIS EXCELLENCY THE ACTING GOVERNOR (*PRESIDENT*)

SIR DAVID AKERS-JONES, K.B.E., C.M.G., J.P.

THE HONOURABLE THE CHIEF SECRETARY

MR. DAVID ROBERT FORD, L.V.O., O.B.E., J.P.

THE HONOURABLE THE FINANCIAL SECRETARY

MR. PIERS JACOBS, O.B.E., J.P.

THE HONOURABLE THE ATTORNEY GENERAL

MR. MICHAEL DAVID THOMAS, C.M.G., Q.C.

THE HONOURABLE LYDIA DUNN, C.B.E., J.P.

THE HONOURABLE PETER C. WONG, C.B.E., J.P.

THE HONOURABLE ERIC PETER HO, C.B.E., J.P.

SECRETARY FOR TRADE AND INDUSTRY

DR. THE HONOURABLE HO KAM-FAI, O.B.E., J.P.

THE HONOURABLE ALLEN LEE PENG-FEI, O.B.E., J.P.

THE HONOURABLE HU FA-KUANG, O.B.E., J.P.

THE HONOURABLE WONG PO-YAN, O.B.E., J.P.

THE HONOURABLE DONALD LIAO POON-HUAI, C.B.E., J.P.

SECRETARY FOR DISTRICT ADMINISTRATION

THE HONOURABLE CHAN KAM-CHUEN, O.B.E., J.P.

THE HONOURABLE STEPHEN CHEONG KAM-CHUEN, O.B.E., J.P.

THE HONOURABLE CHEUNG YAN-LUNG, O.B.E., J.P.

THE HONOURABLE MRS. SELINA CHOW LIANG SHUK-YEE, O.B.E., J.P.

THE HONOURABLE MARIA TAM WAI-CHU, O.B.E., J.P.

DR. THE HONOURABLE HENRIETTA IP MAN-HING, O.B.E., J.P.

THE HONOURABLE CHAN YING-LUN, J.P.

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

THE HONOURABLE MRS. PAULINE NG CHOW MAY-LIN, J.P.

THE HONOURABLE PETER POON WING-CHEUNG, M.B.E., J.P.

THE HONOURABLE YEUNG PO-KWAN, C.P.M., J.P.

THE HONOURABLE KIM CHAM YAU-SUM, J.P.

THE HONOURABLE JOHN WALTER CHAMBERS, O.B.E., J.P.

SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE JACKIE CHAN CHAI-KEUNG

THE HONOURABLE CHENG HON-KWAN

THE HONOURABLE HILTON CHEONG-LEEN, C.B.E., J.P.

DR. THE HONOURABLE CHIU HIN-KWONG

THE HONOURABLE CHUNG PUI-LAM
THE HONOURABLE THOMAS CLYDESDALE
THE HONOURABLE HO SAI-CHU, M.B.E., J.P.
THE HONOURABLE HUI YIN-FAT
THE HONOURABLE RICHARD LAI SUNG-LUNG
DR. THE HONOURABLE CONRAD LAM KUI-SHING
THE HONOURABLE MARTIN LEE CHU-MING, Q.C., J.P.
THE HONOURABLE LEE YU-TAI
THE HONOURABLE DAVID LI KWOK-PO, J.P.
THE HONOURABLE LIU LIT-FOR, J.P.
THE HONOURABLE NGAI SHIU-KIT, O.B.E., J.P.
THE HONOURABLE PANG CHUN-HOI, M.B.E.
THE HONOURABLE POON CHI-FAI
PROF. THE HONOURABLE POON CHUNG-KWONG
THE HONOURABLE HELMUT SOHmen
THE HONOURABLE SZETO WAH
THE HONOURABLE TAI CHIN-WAH
THE HONOURABLE MRS. ROSANNA TAM WONG YICK-MING
THE HONOURABLE TAM YIU-CHUNG
DR. THE HONOURABLE DANIEL TSE, O.B.E., J.P.
THE HONOURABLE ANDREW WONG WANG-FAT
THE HONOURABLE LAU WONG-FAT, M.B.E., J.P.
THE HONOURABLE GRAHAM BARNES, J.P.
SECRETARY FOR LANDS AND WORKS
THE HONOURABLE RONALD GEORGE BLACKER BRIDGE, O.B.E., J.P.
SECRETARY FOR EDUCATION AND MANPOWER
THE HONOURABLE DAVID GREGORY JEAFFRESON, C.B.E., J.P.
SECRETARY FOR SECURITY
THE HONOURABLE DAVID LAN HONG-TSUNG, J.P.
SECRETARY FOR TRANSPORT (*ACTING*)

ABSENT

THE HONOURABLE CHEN SHOU-LUM, C.B.E., J.P.
THE HONOURABLE JOHN JOSEPH SWAINE, O.B.E., Q.C., J.P.

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL
MR. LAW KAM-SANG

Papers

The following papers were laid pursuant to Standing Order 14(2):

<i>Subject</i>	<i>L.N. No.</i>
Subsidiary Legislation:	
Public Health and Municipal Services Ordinance Public Health and Municipal Services (Public Markets) (Designation and Amendment of Tenth Schedule) (No. 3) Order 1986	289/86
Dogs and Cats Regulations Declaration of Approved Observation Kennels and Quarantine Stations Notice 1986.....	290/86
Road Traffic (Public Service Vehicles) Regulations Hire Car Permits (Limitation on Numbers) (Amendment) Notice 1986	291/86
Shipping and Port Control Regulations Shipping and Port Control Regulations (Amendment of Seventh Schedule) Notice 1986.....	292/86
Public Health and Municipal Services Ordinance Declaration of Markets in the Regional Council Area 1986	293/86
Buildings Ordinance Building (Construction) (Amendment) Regulations 1986	294/86
Buildings Ordinance Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) (Amendment) Regulations 1986	295/86
Road Traffic Ordinance Road Traffic (Parking) (Amendment) Regulations 1986	296/86
Dangerous Goods (Consignment by Air)(Safety) Regulations Dangerous Goods (Consignment by Air)(Safety) Regulations (Amendment of Schedule) (No. 2) Order 1986	297/86
Road Traffic (Parking) Regulations Designation of Car Parks (Amendment) Notice 1986.....	298/86
Supreme Court Ordinance Rules of the Supreme Court (Amendment) Rules 1986	299/86
Public Health and Municipal Services Ordinance Cremation and Gardens of Remembrance (Regional Council) (Amendment) By-Laws 1986	300/86

<i>Subject</i>	<i>L.N. No.</i>
Public Health and Municipal Services Ordinance Library (Regional Council) (Listening Areas and Viewing Areas) Fees Notice 1986	301/86
Public Health and Municipal Services Ordinance Library (Regional Council) (Amendment) By-Laws 1986	302/86
Public Health and Municipal Services Ordinance Places of Amusement (Regional Council) (Amendment) By-Laws 1986	303/86
Public Health and Municipal Services Ordinance Public Cemeteries (Regional Council) (Amendment) By-Laws 1986	304/86
Domestic Violence Ordinance 1986 Domestic Violence Ordinance 1986 (Commencement) Notice 1986	305/86
Hong Kong Airport (Restricted Areas) Regulations Hong Kong Airport (Restricted Areas) and Tenant Restricted Areas Order 1986	306/86
Regional Council Ordinance Regional Council (Amendment of Fourth Schedule) Order 1986	307/86
Companies Ordinance Companies (Interest on Investment) (No. 7) Notice 1986	308/86
Kowloon-Canton Railway Corporation By-Laws Kowloon-Canton Railway (Restricted Area) (No. 6) Notice 1986.....	309/86
Shipping and Port Control Ordinance Shipping and Port Control Ordinance (Exemption) Notice 1986.....	310/86
Merchant Shipping Ordinance Merchant Shipping (Certificates of Competency as A.B.) (Amendment) Rules 1986.....	311/86
Air Pollution Control Ordinance Air Pollution Control (Air Control Zone) (Declaration) Order 1986	312/86
Air Navigation (Overseas Territories) Order 1977 Hong Kong Air Navigation (Fees) (Amendment) (No. 2) Regula- tions 1986	313/86
Public Health and Municipal Services Ordinance Public Health and Municipal Services (Public Markets) (De- signation and Amendment of Tenth Schedule) (No. 4) Order 1986.....	314/86

<i>Subject</i>	<i>L.N. No.</i>
Library (Urban Council) By-Laws Library (Listening Areas and Viewing Areas) (Urban Council) Fees (Amendment) Notice 1986	315/86
Shipping and Port Control Ordinance Shipping and Port Control Ordinance (Exemption) (No. 2) Notice 1986.....	316/86
Public Health and Municipal Services Ordinance Library (Urban Council) (Amendment) By-Laws 1986	317/86
Public Health and Municipal Services Ordinance Declaration of Markets in the Urban Council Area (No. 3) 1986	318/86
Fire Services Ordinance Fire Service (Installation Contractors) (Amendment) (No. 2) Regulations 1986	320/86
Public Health and Municipal Services Ordinance Public Health and Municipal Services (Public Pleasure Grounds) (Amendment of Fourth Schedule) (No. 5) Order 1986	321/86
Public Health and Municipal Services Ordinance Public Swimming Pools (Designation) Order 1986	322/86
Air Pollution Control Ordinance Harbour Air Control Zone and Tsuen Wan—Kwai Chung Air Control Zone Statement of Air Quality Objectives	1/87
Sessional Papers 1986-87:	
No. 25—The MacLehose Fund Trustee's Report for the period 1 April 1985 to 31 March 1986.	
No. 26—Report of the Brewin Trust Fund Committee on the Administration of the Fund for the year ended 30 June 1986.	
No. 27—Police Welfare Fund—Income and expenditure account with balance sheet and certificate of the Director of Audit for the year ended 31 March 1985.	
No. 28—Grantham Scholarship Fund—Income and expenditure account with balance sheet and certificate of the Director of Audit for the year ended 31 August 1986.	
No. 29—The Accounts of the Lotteries Fund for 1985-86.	
No. 30—Samaritan Fund—Income and expenditure account with balance sheet and certificate of the Director of Audit for the year ended 31 March 1986.	

No. 31—Emergency Relief Fund—Annual report by the trustee for the year ending 31 March 1986.

No. 32—Hong Kong Trade Development Council—Annual report and accounts 1985-86.

No. 33—Urban Council—Estimates of revenue and expenditure for the year ending 31 March 1988.

No. 34—Regional Council—Estimates of revenue and expenditure for the year ending 31 March 1988.

Address by Member on subsidiary legislation laid on 26 November 1986

Electoral Provisions (Registration of Electors) (Amendment) Regulations 1986

DR. LAM (in Cantonese): Sir, the Electoral Provisions (Registration of Electors) (Amendment) Regulations 1986 enable eligible persons to register as voters in any month of the year. This will be very convenient for voters indeed. According to the Administration, there are already 1 441 540 registered voters and there are about 1.6 million who are eligible but have not registered. Perhaps, by 1997 the number of registered voters would increase 800 000 to 1 million.

With the development of the representative government in Hong Kong, the degree of maturity of our political culture can be reflected in the number of registered voters. Unfortunately, in this set of amended regulation, no provision is made to lower the statutory voting age from 21 to 18. This is actually an imperfection.

Sir, I believe the lowering of the statutory voting age can help promote civic education in Hong Kong and enhance the sense of belonging of our youth from this age bracket.

If, in 1988, one quarter of Legislative Council Members were returned by direct election, eligible persons would be encouraged to register as voters. This amendment contributes much to the realisation of two provisions contained in the Sino-British Joint Declaration, namely that the legislature of Hong Kong SAR should be constituted by elections and that a high degree of autonomy should be allowed for Hong Kong. The people of Hong Kong should treasure and utilise this valuable franchise.

MRS. TAM (in Cantonese): Sir, the implementation and development of representative government in Hong Kong depend to a large extent on the active participation and support of the general public. According to figures from the Census and Statistics Department, out of a total population of 5 million odd, there are some 3 million people who are eligible for voters' registration and

could cast their sacred votes at elections. However, only 46 per cent of the eligible voters totalling 1.44 million people did register as voters. The present proposed amendment in the Electoral Provisions Ordinance to enable relevant departments to accept applications throughout the year certainly helps to facilitate eligible persons to become registered as voters. I am in full support of this.

It is, however, my view that the above amendment alone cannot guarantee enhancement in the registration rate. Government should devise a set of comprehensive and lasting programmes, in both publicity and education, to encourage citizens to take full advantage of the new legislation by promptly registering as voters and actively participating in elections. In this connection, I would like to put forward the following proposals:

- (1) To those who have already reached or will soon reach the statutory electoral age of 21, Government should consider sending registration forms to them, reminding them their rights and encouraging them to become registered.
- (2) In response to the extension of the registration period to cover the whole year, Government should launch appropriate publicity programme throughout the year, whether or not an election has been scheduled for the year, in order that people are reminded to register as voters at any time of the year.
- (3) Whether an eligible voter is willing to register or not depends on the influence of his neighbours and social groups for example, parents, siblings, friends, colleagues and schoolmates. Government should therefore consider launching its publicity through a company organisation or a family by sending leaflets and registration forms to these units. This may instill a collective desire among members of the same company or family to become registered.
- (4) It is also noted that in many places including Hong Kong, the registration rate among the young voters is often unsatisfactory. The relevant authority should therefore step up publicity and education in schools so that our youngsters, who are still in school may become fully aware of their civic rights and responsibilities and the importance of voting at elections. When they reach the age of 21, they may therefore actively become registered.
- (5) To make the registration forms more easily available, the authority concerned should consider putting them in places frequented by members of the public, such as banks, in addition to district offices and post offices.

Sir, it is my belief that with appropriate and corresponding publicity and education efforts, the proposed amendment to the Electoral Provisions Ordinance will become even more effective in encouraging people to become registered.

Sir, I support the motion.

Address by Member presenting paper**Hong Kong Trade Development Council—Annual Report and Accounts 1985/86.**

MISS DUNN: Sir, tabled today is the Annual Report of the Hong Kong Trade Development Council for the financial year 1985-86.

During the period under review, from 1 April 1985 to 31 March 1986, Hong Kong's total trade increased by 2 per cent. This modest growth was attained despite an unusually difficult climate for international trade. Although our imports and re-exports increased during the period, our domestic exports declined by 6 per cent.

Not surprisingly, therefore, there was a greater demand by the manufacturing sector for our promotional assistance and services. The council adopted a two-pronged strategy of intensifying our efforts to boost the sale of Hong Kong products in established markets, such as North America and Europe, and exploring and developing new markets such as Japan and China. We lost no time in taking advantage of the announcement in Japan in mid-1985 about measures to open its markets to more imports and we organised four selling missions to various cities in Japan covering products ranging from jewellery to cameras and binoculars. In China, we opened our first office in Beijing and we plan to open a second office in Shanghai later this year.

Overseas Activities

During the year, 146 000 trade enquiries were processed by our 20 overseas offices. Some 1 700 Hong Kong companies participated in more than 80 overseas trade promotions where some HK\$3 billion worth of business were negotiated or concluded on the spot.

Local Activities

In Hong Kong, in addition to the highly publicised events such as the Casual Apparel Show and the Toy and Gift Fair, we received 206 inward delegations from 40 different countries; 43 of these delegations were from China. In support of our promotional efforts, our publicity department distributed more than 1.5 million copies of all types of trade publications about Hong Kong products to buyers in over 175 countries around the world.

Upon the retirement of Mr. Len DUNNING, the council appointed Mr. Jack So as executive director, who assumed his duties in July 1985.

To enable us to better meet the needs of Hong Kong's trade and industry, we have formed advisory committees for each of Hong Kong's major export sectors to advise the council on its work. Plans were also drawn up for an expanded programme of trade fairs to be held locally in preparation for the completion of the Hong Kong Convention and Exhibition Centre in late 1988.

Sir, this summary only touches the surface of the council's many activities during the year and I hope that Members would find time to read the annual report itself, which is in a new format this year to provide a more readable and more thorough presentation of our work. I might just add that I've just heard this morning that our annual report won the second prize in the Hong Kong Management Association's annual report contest.

Finally, although this report concerns the financial year to 31 March 1986, I wish to take this opportunity to express again my council's deep appreciation of the personal encouragement and support given to us by our late Governor, Sir Edward YOODE, throughout his governorship.

When we needed his guidance or presence, Sir Edward never failed us. Indeed, in the very last days before his untimely death, Sir Edward was with us in Beijing working for Hong Kong's trading interests. He firmly believed in the vital importance of trade to Hong Kong's long-term economic as well as political security. The Hong Kong Trade Development Council are fully committed to do its part to fulfil Sir Edward's vision for a prosperous and stable Hong Kong.

Oral answers to questions

Registration rate of young voters aged between 21 and 25

1. MRS. TAM asked (in Cantonese): *With regard to the Voters' Registration conducted in August and September 1986, will Government inform this Council of the registration rate of young people aged between 21 and 25, and what measures will Government take to further encourage more young people to register as voters?*

CHIEF SECRETARY: Sir, the 1986 Final Register of Electors which will be published shortly shows an overall registration rate of 44.2 per cent. I am unable to provide the registration rate of young people aged 21 to 25 as we have not yet analysed the electoral roll by age groups. In 1985, the registration rate of young people aged 21 to 25 was 26.1 per cent.

Sir, the Government aims to promote the awareness of young people of their right to register through civic education programmes in schools and seeks advice from the Committee on the Promotion of Civic Education. In the past, youth organisations and student bodies such as the Federation of Youth groups and student unions have helped in distributing registration forms and encouraging their members to register during the voter registration periods. The Government will continue to rely on their assistance in future registration drives.

The electoral laws have recently been amended to allow application for voter registration to be accepted on a year-round basis. Voter registration forms are now available at over 400 permanent distribution outlets some of which are specifically targeted at young people for example public libraries, community centres, post-secondary education institutes and colleges of education. Sir, during the identity card re-issue exercise beginning in 1987, voter registration forms will be made available at all the Registration of Persons offices so that every citizen will be given a fresh opportunity to register.

MRS. TAM (in Cantonese): *Sir, on 15 January 1986 when the Chief Secretary gave a reply to the question raised by Mr. Szeto Wah, he said that consideration would be given to writing to all people reaching the age of 21 giving them details of voter registration. I wonder whether anything has been done in this regard?*

CHIEF SECRETARY: Sir, we were originally attracted to this idea but unfortunately the computer records of the Registration of Persons office only contain the data which appear on the identity card. Other data, including addresses, are stored separately on microfilm and when we looked into this we discovered that to retrieve the addresses of those reaching the age of 21 would be truly a mammoth task. Furthermore, the high mobility of population in Hong Kong and the tendency not to report change of addresses further reduces the usefulness of this proposal. We have, therefore, with regret, Sir, decided not to pursue it.

MR. SZETO (in Cantonese): *Sir, at the Legislative Council sitting held on 15 January 1986, the Chief Secretary when answering my question said he would look into the possibility of requiring voters to put down the date of birth so that the Government would know about the age range of our registered voters. Can the Government inform this Council whether the study has been conducted and if the study has been conducted what are the findings?*

CHIEF SECRETARY: Sir, at present only the minimum information required is sought for the compilation of the Register of Electors in order to simplify the registration procedure and to reduce the burden on staff resources and on the computer. Registration rates of individual age groupings can be obtained by cross-referencing with the Registration of Persons data base without any breach of security or unauthorised disclosure of personal information. That will be apparent to Members, Sir, from the answer I gave to the first question.

MR. HUI: *Sir, will Government consider lowering the age of voters to 18 if that becomes the legal age of adulthood in Hong Kong?*

CHIEF SECRETARY: Sir, this is a matter which will be covered in the 1987 review.

Pilot scheme to improve teaching of English

2. DR. TSE asked (in Cantonese): *In view of Government's proposal to set up a pilot scheme to improve the teaching of English in public sector secondary schools by employing expatriate teachers, could this Council be informed whether the Government has any long-term policy on the improvement of the teaching of English after the completion of this pilot scheme? Will this scheme be continued and enlarged?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the scheme to which Dr. TSE has referred consists of two complementary elements. The first will bring some 90 expatriate teachers to Hong Kong to assist in the teaching of English in public sector secondary schools and the second will provide overseas training for 100 local secondary school teachers of English who have successfully completed the full-time retraining course at the Institute of Language in Education.

Both programmes are being introduced on a pilot basis and will be evaluated after a year to see whether they are achieving the desired objectives and whether they can be modified and improved. If all goes well, and we have no reason at this stage to expect otherwise, both programmes will be expanded.

I would emphasise that these are additions to a package of measures designed to improve the quality of English teaching which were originally introduced in 1981 and further augmented in the light of the recommendations contained in the Education Commission's first report in 1984.

This package includes revision of primary and secondary school syllabuses, provision of an additional teacher for remedial teaching in Forms I to III, provision of wire-free loop induction systems to enable students to listen to authentic and well-pronounced English and strengthening of in-service English language training for teachers through the various programmes run by the Education Department's Institute of Language in Education. In addition to these measures, those schools adopting Chinese as the medium of instruction will be provided with two additional teachers of English, a second loop-induction system and grants for additional reading materials and teaching aids.

The various component elements of this package are being monitored and evaluated and the need for additional measures, or improvements to existing ones, will be kept very much in mind.

DR. TSE: Sir, *I would like to ask whether the whole question of language policy including Chinese and English would be reviewed in a comprehensive way in view of the fact that some schools are already adopting the mother language teaching policy and at the same time bilingualism is being valued as a very important characteristic for Hong Kong to keep.*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the policy on language teaching is continually kept under review. We have no special review in mind apart from this continual process of evaluating the success of existing policies.

MR. SZETO (in Cantonese): *Sir, we know that in Hong Kong we value bilingualism. We welcome all the measures for improving the teaching of English that have been introduced. I wonder whether the Government will also have similar measures to improve the teaching of Chinese in secondary schools?*

SECRETARY FOR EDUCATION AND MANPOWER: The Government is committed to doing what it can to improve the standard of language teaching in both languages.

Nuisances caused by Kennedy Town Abattoir

3. MR. LIU asked (in Cantonese): *In view of the proximity of the Kennedy Town Abattoir to residential buildings and the frequent complaints received by the authorities on odour nuisances caused by flue gas emitted from its chimney, will Government inform this Council whether there is any immediate plan to relocate the abattoir so as to reduce the nuisances caused to surrounding residents?*

SECRETARY FOR HEALTH AND WELFARE: Sir, there is no plan at present to relocate the Kennedy Town Abattoir.

However, the flue gas which causes the main odour nuisance at the Kennedy Town Abattoir comes from the by-products plant and the animal cremator within the abattoir complex. These are ancillary facilities to the abattoir and could be relocated provided a suitable site with good road access could be found and provided funds for the relocation are made available. The Urban Services Department is actively looking for a suitable site.

In the meantime, an after-burner system is being installed to reduce the offensive odour. This is scheduled for completion in April of this year. In addition, two inefficient blood cookers have recently been replaced and the staff of the Environmental Protection Department are monitoring the situation closely and will suggest further measures to improve the situation as necessary.

MR. LIU (in Cantonese): Sir, although the Urban Services Department is actively looking for a suitable site to relocate the abattoir, I still hope that the Government will try to relocate the abattoir as soon as possible and I hope that we can have the date fixed as soon as possible.

SECRETARY FOR HEALTH AND WELFARE: Sir, as I have said there is no plan at the moment to move the whole abattoir. The proposal is possibly to move the ancillary facilities which could be relatively easily moved. A review is taking

place of the whole system of abattoirs in Hong Kong. That will take a considerable time to be resolved but this may well in due course result in the removal of the Kennedy Town Abattoir.

DR. HO: *Sir, may this Council be informed what the financial implications are for the installation of the after-burner system mentioned in paragraph 3 of the answer?*

SECRETARY FOR HEALTH AND WELFARE: Sir, I don't have this figure with me but I will write to Dr. Ho and give it to him. (See Annex I)

Sex education in schools

4. MRS. NG asked (in Cantonese): *Will Government inform this Council what is the existing policy on the provision of sex education in schools and the progress made so far?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the present policy, based on the advice of the Curriculum Development Committee and the Board of Education, is to encourage schools to introduce sex education; at primary level, through the subject of health education; and, at secondary level, through various relevant subjects in the curriculum such as biology, human biology, home economics, religious education and social studies; and through talks, seminars or similar events outside the formal curriculum. This approach was endorsed by school principals at a seminar held in 1985.

In support of the policy, the Curriculum Development Committee has prepared a comprehensive set of Guidelines on Sex Education in Secondary Schools and copies were distributed to secondary schools in May last year.

As to progress, virtually all primary schools and most secondary schools offer sex education in some form, and many schools provide sex education through both the formal and the informal curriculum. The Education Department will be carrying out a survey of schools later this year to find out how implementation of the guidelines is proceeding.

Various supporting services are provided by the department, including a programme of seminars and workshops for teachers. In addition, more than 300 teachers have attended courses organised by the Family Planning Association while others have attended the Certificate Course on Sex Education organised by the University of Hong Kong's Department of Extra-mural Studies. Family life education programmes are also now being produced by the Educational Television Service.

Finally I would like to mention the most recent development in this area, which was the opening last month of the Education Department's Sex Education Resource Centre at North Point. This is designed to provide advisory services, and a central library of reference materials for teachers.

MRS. NG (in Cantonese): *Sir, I am very happy to learn that both the Hong Kong University and the Family Planning Association are holding courses on sex education for the teachers but I wonder whether the Education Department could consider asking the Health Education Section of the Medical and Health Department and also Family Life Education Resources Centre of the Social Welfare Department to help with the provision of such courses; and has the Government also considered providing sex education training for teachers in their training?*

SECRETARY FOR EDUCATION AND MANPOWER: On the first two suggestions, I will certainly be very glad to pass them on to the departments concerned. On the final point, yes, the colleges of education do provide courses in health education with due emphasis on sex education topics.

MRS. FAN: *Sir, the Secretary said that virtually all primary schools and most secondary schools offer sex education in some form. Can the Secretary inform us why some secondary schools choose not to offer sex education?*

SECRETARY FOR EDUCATION AND MANPOWER: The number which don't is very small. I am afraid I don't know why they don't. I should imagine it is a matter of conservatism in the schools concerned.

MR. LEE YU-TAI: *Sir, may I refer to the third paragraph of the answer and ask for more specific information on the sex education which is provided through the informal curriculum?*

SECRETARY FOR EDUCATION AND MANPOWER: I don't have this information immediately available. I will give a written reply on that one. (See Annex II)

Commonwealth Preference Scheme

5. MR. LEE YU-TAI asked: *What are the major trading rights which have been enjoyed by Hong Kong as part of the British Commonwealth, and what steps are being taken to ensure that such rights will be retained between now and 1997 and thereafter?*

SECRETARY FOR TRADE AND INDUSTRY: Sir, I think it may fairly be said that Commonwealth Preference for the unlimited entry of Hong Kong products into the United Kingdom materially assisted Hong Kong's industrialisation from the late 1940s to the early 1970s. However, these major advantages have largely faded away in consequence of British accession to the European Community on 1 January 1973. The residual elements of the Commonwealth Preference Scheme covered less than 0.008 per cent of Hong Kong's domestic exports in 1985, and I do not see how we can qualify for even these limited benefits after 1997.

MR. LEE YU-TAI: *Sir, has Hong Kong gained any benefits for exports to Europe as a result of Britain's participation in the European Community?*

SECRETARY FOR TRADE AND INDUSTRY: Sir, Hong Kong was included as a beneficiary in the Generalised Scheme of Preferences of the European Community as a part of the accession package of Britain to the community and we do still enjoy GSP benefits in the community. In 1984 something like 5,078 million dollars worth of our exports received preferential treatment under the EEC Generalised Scheme of Preferences.

Hospice care

6. DR. LAM asked (in Cantonese): *With regard to the hospice care rendered by some medical staff in hospitals to those terminally ill and their families, will Government inform this Council:*

- (a) *the extent of provision of such services; and*
- (b) *whether it has plans to further promote such services on a territory-wide basis, and if so, what will be the financial commitments?*

SECRETARY FOR HEALTH AND WELFARE: Sir, hospice care as pioneered in the United Kingdom, is a particular type of care of the terminally ill, which requires the total involvement, physical, moral and spiritual, of the patient's family, relatives, friends, and members of the community, with the aim of keeping the patient in his home environment and out of hospital for as long as possible.

Hospice care in the full sense is not yet available in Hong Kong, although I understand that at present a simplified form of this service exists at Our Lady of Maryknoll Hospital, and that the Nam Long and United Christian Hospitals are considering variations of the same concept.

The Director of Medical and Health Services considers that terminally ill patients in public hospitals generally are adequately attended to, and while we welcome the initiative taken by the hospitals I have mentioned, there are no immediate plans to introduce hospice care in the public sector as a whole. Terminally ill patients and their families do have access to expert advice and counselling from doctors, nurses and medical social workers, all of whom have the same objective of providing support for terminally ill patients in such a way as to alleviate their symptoms and pain and to relieve the isolation, anxiety and fear associated with incurable diseases.

DR. LAM (in Cantonese): *Sir, could the Government inform this Council whether under the existing huge work pressure, the doctors, nurses, and medical social workers of public hospitals would have sufficient time to provide the sort of encouragement and care to terminally ill patients; and at present, although there are no immediate plans to introduce hospice care in the public sector, would the*

Government consider having this particular topic considered by the Medical Development Advisory Committee and would an annual review be undertaken?

SECRETARY FOR HEALTH AND WELFARE: Sir, the staff in our public hospitals do of course work under very considerable pressure and it is in any case very difficult to say exactly how much time should be devoted to the counselling and comforting of the terminally ill, particularly when other patients also require intensive care; but as I have said it is part of the duties of the staff of all hospitals to help the dying and given the limitation of the resources available and the physical constraints of our hospital wards, the service provided is considered to be generally adequate. Personally I would like to see hospice care much more widely available in Hong Kong but I feel that in our present circumstances priority must be given to the allocation of resources to such matters as the improvement of the doctor: bed ratio, provision of infirmary beds, and so on. But I certainly take Dr. LAM's point that this matter might be usefully considered by the Medical Development Advisory Committee and I will try to arrange that this shall be done.

DR. CHIU: *Sir, as there is a demand in hospice care in all hospitals, will the Government inform this Council whether it could consider this service even in its simplified form and whether its financial and manpower implications have ever been studied?*

SECRETARY FOR HEALTH AND WELFARE: Sir, we have not considered, certainly in detail, the possible cost of implementing hospice type care in all public hospitals. This I think would be a very major operation and, as I said earlier, I think that there are other matters which need to be given perhaps a higher priority than this particular aspect.

MR. CHEONG-LEEN: *Sir, in referring this matter to the Medical Development Advisory Committee, could the suggestion that the existing service be expanded to public hospitals more or less on a voluntary basis be included for consideration and as Dr. CHIU has just mentioned, could the financial implications have the support from Government?*

SECRETARY FOR HEALTH AND WELFARE: Certainly if a scheme of this sort were expanded to public hospitals, it would probably have to be on an across-the-board basis and this would have very considerable financial implications, but in the discussion in the Medical Development Advisory Committee we will certainly bear in mind the points made by Mr. CHEONG-LEEN.

Selling of public housing rental units to sitting tenants

7. MR. LAI asked (in Cantonese): *Given that the supply of home ownership flats is still insufficient to satisfy the demand, there is no chance that all public housing*

tenants who apply will be successful in the balloting for such flats. Since some of these tenants, though better-off, are still unable to afford to buy or rent flats in the private sector, will Government consider selling these modern public housing units with better design to the sitting tenants?

SECRETARY FOR DISTRICT ADMINISTRATION: Sir, the question of selling public rental flats to sitting tenants has been considered from time to time by the Housing Authority and the Government. However, this proposal is considered to be impracticable at the present time for the following reasons.

First, the solution to resolve Hong Kong's housing problem must be in increasing our housing stock to provide reasonable accommodation for those who are inadequately housed. In 1986, this figure is estimated to be over 380 000 households for all housing categories. Amongst these are 112 000 squatter households and 170 000 applicants on the general waiting list. On the basis of producing 30 000 rental public housing units a year, the demand for public housing units will be satisfied only in the mid-1990s. The proposal to sell existing public rental units to sitting tenants does not have the effect of increasing our housing stock and will not therefore assist in solving Hong Kong's housing problem. In fact, the proposal will result in a reduction of the stock of rental housing at a time when there is still a sizeable outstanding demand and it will have the net effect of delaying rehousing for those who are most in need of adequate housing.

Secondly, there are management and social problems associated with estates or blocks of flats with a mixed population of owners and tenants. It makes maintenance and improvement projects more difficult and the eventual redevelopment of such estates will become exceedingly complicated. On the other hand, if only the new and modern flats are to be sold to tenants, a situation may arise in future in which old rental public housing will represent the most socially undesirable accommodation in the territory. This will have great social implications.

Thirdly, there is really little incentive to the tenants to buy the units they are currently occupying. Housing Authority tenancies confer upon the tenants strong security of tenure. They are in fact in almost as secure a position as flat owners and they enjoy relatively cheap rents. Purchasing the flats in which they reside will only mean that they increase their financial burden without much added advantage over their neighbours who will continue to pay low rents and enjoy the same level of amenities and identical standard of accommodation.

For the above reasons, it is therefore inappropriate to embark on this proposal at this time. This might be better considered in the mid-1990s when the bulk of those awaiting public rental accommodation will have been suitably housed. In the meantime, measures have been introduced by the Housing Authority to increase the proportion of new home ownership flats to be

allocated to green form applicants, that is, public housing tenants, when necessary in order to meet the recent increase in demand for such flats. A long-term housing strategy review is also underway to consider, inter alia, how best the demand for home purchase can be met. In this context, proposals to increase the proportion of home ownership flats and the introduction of a Home Purchase Loan Scheme are being considered. The results of this review are expected to become available early this year.

MR. LAI (in Cantonese): *Sir, will the Government inform this Council what is the proportion of the public housing and Home Ownership Scheme units for the future? And to solve the housing problem one of the solutions is to encourage those with high incomes to buy Home Ownership Scheme units. How will the Government proceed with this proposal, and are there better ways to bring this about?*

SECRETARY FOR DISTRICT ADMINISTRATION: The housing and home purchase is at present 30 000 rented housing against 10 000, of which 5 000 flats are from Home Ownership Scheme and about 5 000 from the private sector participation scheme. As regards the question of improving the entry into the Home Ownership Scheme, the demand fluctuates from scheme to scheme, depending on the current interest rates, flat design, location and so on but for the moment, the 50 per cent allocation to Green Form applicants are not all taken up.

MR. CHUNG: *The Home Purchase Loan Scheme is a new idea. Can the Secretary tell us what are the main basic principles and characteristics of this scheme, for example, who can enjoy the loan and what is the size of the loan?*

SECRETARY FOR DISTRICT ADMINISTRATION: Sir, the general idea is for the Government to make loans to eligible home purchasers, to help them to purchase flats in the private sector. The initial thinking is that the loans will carry lower interest rates than those available in the market, to be repaid to Government over the mortgage repayment period. The details of the scheme are still being worked out.

MR. CHEONG-LEEN: *Sir, in the context of this reply, will there be an expansion of the private sector participation programme and after this Home Purchase Loan Scheme is introduced, will that scheme also be made available to purchasers under the private sector participation scheme?*

SECRETARY FOR DISTRICT ADMINISTRATION: Sir, as I have said, the Home Purchase Loan Scheme is still being worked out. As for the question of whether or not the PSPS will be expanded, it really depends on the demand in future years, but at the moment the target is to continue to build about 10 000 flats for sale each year.

Designating the Monday following the Festival for the Elderly as public holiday

8. MR. HUI asked: *In recognition of the contribution the elderly have made to our society and to promote respect for them, will Government consider designating the Monday following the annual Festival for the Elderly, which takes place on the third Sunday of November, to be a public holiday by utilising one of the undesignated statutory holidays for this purpose?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I am sympathetic to any suggestion designed to promote respect for the elderly. However, having looked carefully at this proposal, I am afraid that it does give rise to problems.

At the practical level, it is difficult to see which of the existing holidays provided for under the Holidays Ordinance or the Employment Ordinance could in fact be changed to the Monday following the third Sunday in November. Most of these celebrate either established western holidays, traditional Chinese festivals or specific events. One could perhaps argue for dropping the Monday following the Queen's Birthday, or the Saturday before Liberation day, but the purpose of these additional days is to provide two long holiday weekends during the hot weather.

In practice, therefore, it would be necessary to introduce an additional holiday and we already have more statutory holidays than most of our Asian neighbours, with whom we have to compete economically. Each additional holiday of course has a significant cost in terms of lost production.

The major problem, however, is the number of groups which, it can be argued, deserve recognition of this kind. Mr. TAM Yiu-chung, for example, proposed last year that May Day be celebrated as a holiday, in recognition of the contribution of Labour to society. More recently, the Association of University and College Professors proposed a holiday on Confucius' birthday in honour of teachers. If we start to grant new holidays, or designate existing ones, for this sort of purpose, it is rather difficult to see where the line could fairly be drawn.

MR. TAM (in Cantonese): *Sir, under what circumstances will the Government consider using to commemorate those occasions in the form of statutory holidays?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I find it difficult to envisage any conditions in which the Government would wish to add to the number of holidays because of the economic cost of doing so and the fact that we do have to compete with neighbouring countries, and any addition to our number of holidays will tend to put us at a disadvantage.

MR. HUI (in Cantonese): *Sir, I would like to ask the Government when it decided on what days were going to be public holidays, what criteria were adopted?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I did try to cover this in my original reply. Basically, they are Chinese festivals or Western festivals or specific events.

24-hour restrictions on public roads

9. MR. NGAI asked: *Would the Government explain to this Council the rationale behind designating certain roads 24-hour restricted zones and the criteria used in deciding which roads should be so designated?*

SECRETARY FOR TRANSPORT: Sir, 24-hour stopping restrictions are imposed on all expressways, such as Tuen Mun Highway, and certain trunk roads, such as Waterloo Road and Gloucester Road. Traffic on expressways is generally faster than on other roads, and any vehicle stopping on these roads at whatever time is a potential danger to other road users. For similar reasons, there are 24-hour stopping restrictions in and on the approaches to all tunnels.

24-hour restrictions are kept to a minimum in respect of roads other than expressways. However, it is necessary to impose stopping restrictions up to and beyond midnight in areas which have traffic congestion and safety problems. For example, portions of certain main or even side streets where traffic is heavy throughout the day would fall within this category. To ensure that the restrictions are easily understood by the public and to minimise the risk of confusion through having too many different restriction periods, a 24-hour stopping restriction is occasionally imposed when technically a shorter period might suffice. Although some road users might be inconvenienced in these instances, it is considered that as a general principle, we should, if necessary, err on the side of caution, as safety is always of paramount importance. I should however like to stress that the Transport Department is always prepared to consider suggestions for a relaxation of the restrictions in particular cases if representations are made to them.

MR. NGAI: Sir, *I appreciate the need to have those roads designated as restricted zones during daytime as a means to ease traffic, but can the Government further explain what purpose would be served to impose such restrictions for certain roads and side-streets even in the small hours, and does the Government actually deploy manpower to ensure that the restriction is observed in those hours? And, Sir, is the Government aware that some of our law-abiding citizens, some of whom are young ladies, have to work night-shifts and return home by taxi in the wee hours, and could be greatly inconvenienced if the streets where they live are designated 24-hour restricted zones?*

SECRETARY FOR TRANSPORT: I will try to answer as many points as I can, Sir. If we have too many different periods designated, it is going to cause even more confusion; therefore, if there is a need, it is appropriate to have 24-hour restric-

tions imposed, as this could be easily understood by the public; we reckon that the present system is working well. If, on the other hand, there are proposals that 24-hour restrictions should not be imposed in certain areas, then as I have pointed out, Sir, Government will be quite prepared to consider these proposals; and in each and every of our district boards, there is a Transport and Traffic Sub-Committee, and if members of the public wish to make proposals to Government, the Transport Department or to the district boards, I am sure the matter will be studied and considered very carefully.

MR. NGAI: *Sir, please would the Secretary for Transport answer my question on this specific point: does the Government actually deploy manpower to ensure that the restrictions are observed in those hours?*

SECRETARY FOR TRANSPORT: Sir, the police officers and the traffic wardens on duty obviously would ensure that the law is being observed. There are also policemen on beat duty late in the evening and in many cases throughout the night, 24 hours of the day.

MR. CHAM: *Sir, as the specific time of stopping restrictions is displayed on a relatively small sign, it is not easy for a driver to distinguish whether he can stop or not while driving. Is the Government seeking to improve this when considering restrictive zones?*

SECRETARY FOR TRANSPORT: Sir, we have been considering whether it is possible to use other means in addition to the road signs. As a matter of fact it is our intention after our review, to use the yellow-line system to give a better indication on the type of restriction referred to. If I may quote as an example, for double yellow lines, it means a continuous 24-hour restrictive period; for double lines of which one is continuous and one is broken, it means a continuous restriction but less than 24 hours—say, from 7 am to 6 pm. Then we have one single continuous yellow line which indicates busy periods only 7 am to 10 am, and 4 pm to 7 pm. There has also been other suggestions that we should perhaps be using different colours, such as red, blue or black, but I think we should be very careful before we proceed any further with these other suggestions.

MR. JACKIE CHAN (in Cantonese): *Sir, I understand that within the urban area, certain streets are subject to 24-hour restrictions and the restrictions apply only to taxis. Would the Secretary for Transport explain the rationale for this?*

SECRETARY FOR TRANSPORT: Sir, under the Road Traffic Ordinance and its subsidiary legislation, stopping restrictions can be imposed on any type or any class of vehicle. Stopping restrictions for example, on taxis are sometimes imposed for traffic control reasons. For similar reasons we have imposed restrictions on public light buses or goods vehicles; so the restrictions are not applicable just to taxis only.

PROF. POON: *Sir, the Secretary just said that 24-hour stopping restrictions are occasionally imposed. Will this occasional imposition cause the public even greater confusion?*

SECRETARY FOR TRANSPORT: Sir, if we impose too many types of restrictions the problem could be even greater. As I pointed out quite clearly in my reply, we want to cause minimum inconvenience to our citizens and therefore, we would only impose a 24-hour restriction if there is a real need, whether on safety grounds, traffic grounds, or for some other very valid reasons. This explains why a 24-hour stopping restriction is imposed occasionally when technically it is possible to have a shorter period.

MR. POON CHI-FAI (in Cantonese): *Sir, since the Transport Department has sometimes imposed the 24-hour restrictions after consultation with district boards, but sometimes the DB is not consulted, will the Government inform this Council what criteria are being followed by the Transport Department as to whether the DB should be consulted or not on this issue?*

SECRETARY FOR TRANSPORT: As I pointed out in my reply, Sir, certain places such as approaches to tunnels and express-ways it is absolutely necessary to have a 24-hour non-stopping restriction; in these cases, we would not be consulting the district board. But in other cases where on traffic grounds for example, it would be convenient for the majority in a particular locality to impose such a restriction, and if it looks as though there could be disagreement between different sectors of the community towards such designations, then in these circumstances we would be consulting the district board. But the district board on the other hand, and its Traffic and Transport Committee through their own initiative can raise queries and in fact question whether certain 24-hour restrictions should not be relaxed.

MR. YEUNG: *Sir, will the Secretary for Transport inform this Council whether the Transport Department has received any representation and if so, whether there are cases of relaxation of restriction as such?*

SECRETARY FOR TRANSPORT: Sir, we do receive such representations, written and verbal, and very often these representations are referred to the district boards for discussion; and there have been instances where relaxation on the 24-hour restriction has been granted.

'Boat-wives'

10. MISS TAM asked (in Cantonese): *Will Government inform this Council how it will tackle the problem of 'boat-wives' in Hong Kong?*

SECRETARY FOR SECURITY: Sir, I am pleased to be able to report that the 14 boatwives who were repatriated to China in August 1985 have all returned to Hong Kong after being issued with exit permits by the Chinese authorities. Meanwhile we have taken steps to deal with the greater problem.

We estimate that there are at present more than 1 000 boat-wives in Hong Kong waters. And by boat-wives I mean the Chinese nationals married to Hong Kong fishermen. The Guangdong authorities have in the past issued these boat-wives with documents called 'landing and boarding permits'. For a long time now, the Hong Kong Government's practice has been to tolerate the presence of these 'boat-wives' on fishing vessels in Hong Kong waters but not to allow them on land except in special circumstances, such as when they need medical attention.

This somewhat anomalous situation has given rise over the years to considerable problems. It has to be rectified, but in a way that did not detract from existing controls.

Discussions in recent months with the Guangdong authorities have enabled a long-term solution to be found and I would like to thank the Guangdong authorities for all their help on this issue. It is a solution that will not undermine the present system of immigration control.

The Guangdong authorities have informed us that they have stopped issuing 'landing and boarding permits' to Chinese women who married Hong Kong fishermen after 10 August 1986. By this action the problem of boat-wives has now become a finite one.

The Guangdong authorities have further indicated to the Hong Kong Government that those boat-wives who already have 'landing and boarding permits' will be allowed to leave China, if they apply for exit permits, to join their husbands for settlement in Hong Kong. The Guangdong authorities will, within a period of three years, make arrangements for the applicants to be issued with exit permits in batches according to the dates of their marriages. Applicants will need to apply in person to the Public Security authorities of the county or city in Guangdong where their households are registered, they can do this through their relatives in China or with the assistance of fishermen associations in Hong Kong or China. Once the Guangdong Security authorities have approved the exit permits the applicants will return to China, by way of the fishing port where their households are registered, to collect their permits. They will then, within a period of time prescribed by the Guangdong authorities, have to enter Hong Kong via Lo Wu. Meanwhile, until their presence here has been regularised in this manner, their status in Hong Kong will remain unchanged.

This arrangement will enable them to stay in Hong Kong waters with their families until the exit permits are ready for them in China. I must stress that other non-Hong Kong boat-wives found in Hong Kong waters without 'landing and boarding permits' will be repatriated as illegal immigrants.

Sir, the Hong Kong Government welcomes this solution. The boat-wives who qualify under the scheme will be settled here over a period in the manner I have described. The scheme can now be put in effect.

MISS TAM (in Cantonese): *Sir, I am very glad to know that the Political Adviser and the Government have already got some results in trying to solve this problem. However, I would like to ask, when the boat-wives apply for an exit permit from China, whether they have to join some fishermen's association before they can do so?*

SECRETARY FOR SECURITY: No, Sir, applying through fishermen's associations in Hong Kong or China is only one of the ways to apply for these exit permits. Boat-wives can also apply in person themselves or through their relatives in China. Membership of a fishermen's association is not a prerequisite to applying for an exit permit.

MISS TAM (in Cantonese): *Sir, right now in Hong Kong waters are boat-wives who do not have any permit allowed to go on land. What will be the Government's solution to that?*

SECRETARY FOR SECURITY: Sir, I must emphasise that as with other illegal immigrants from China, all non-Hong Kong boat-wives not in possession of a 'landing and boarding' permit will be treated in the same way, that is to say they will be repatriated to China as illegal immigrants. They will then have to do as all others have to do in these circumstances; they will have to apply for exit permits if they wish to come to Hong Kong to settle.

DR. HO: *Sir, will the Secretary for Security clarify whether this proposed exit permit scheme will use up a portion of the 75 one-way permits per day quota and if so, how many one-way permits will be reserved for these boat-wives per day, on average?*

SECRETARY FOR SECURITY: Sir, the Administration of the one-way permit scheme is not, of course, in the hands of the Hong Kong Government, but our understanding is that accepting the boat-wives through this special scheme which I have just described is unlikely to affect significantly the level of normal legal immigrants arriving from China each year, under the present well-established system.

Traffic and facilities at Man Kam To

11. MRS. CHOW asked: *Will Government inform this Council:*

(a) *the build-up in the volume of traffic at Man Kam To, and whether this is substantially in excess of forecast; and*

- (b) whether the originally planned immigration, customs and excise manpower and resources are adequate to cope with the growth?

SECRETARY FOR TRANSPORT: Sir, the build up in cross border traffic at Man Kam To in recent years has been very rapid.

In 1980 an average of 849 vehicles passed through this crossing each day. Since then it has increased by over 5 times so that the daily average is now something over 5 600. The highest number of crossings in one day so far was 8 118 on 30 December last year.

The present level of traffic is higher than previously forecast. In 1985 we predicted a daily average of 4 800 for 1986, an underestimate of around 17 per cent. It is not difficult to appreciate that it is no easy task to assess accurately what the cross border traffic precisely looks like in the years ahead, although we are confident that it will continue to grow at a rapid rate. However, our working relationship with the authorities in Shenzhen is developing all the time, and we believe that the frequent and continuous exchange of information between the two places would be of great help towards making more accurate forecasts into the future.

With regard to the customs and immigration facilities, the present control point at Man Kam To came into operation in July 1980, with four vehicle examination kiosks and 14 passenger examination counters. The number of vehicle kiosks was increased to 12 in September 1985, and the number of passenger counters was increased to 28 in February 1986. These are sufficient at present. We are also taking steps to provide two more processing lanes on the Hong Kong side to ensure a smooth and balanced flow of traffic in the foreseeable future.

The Immigration and Customs and Excise Departments have sufficient staff to deal with present traffic. We are aware, however, that an unexpectedly rapid increase in traffic could cause problems in this regard. The situation is therefore being watched carefully so that steps can be taken to increase staff and other resources in good time when required.

MRS. CHOW: Sir, given the increase in vehicle traffic at Man Kam To has been five-and-a-half times over the last five years, while the increase in examination kiosks has only tripled and passenger counters doubled over the same period, what priority is Government allotting to the necessary increase in manpower and resources and to the provision of the two more processing lanes to shorten waiting time?

SECRETARY FOR TRANSPORT: Sir, I was advised that when the current facilities at Man Kam To are fully manned, the terminal has a theoretical capacity of over 15 000 vehicles within its official opening hours of 8 a.m. to 8 p.m. The Immigration Department at present deploys 91 officers at Man Kam To: this is

sufficient for the manning of three kiosks and eight counters in two shifts. When vehicular traffic is heavy, the department will redeploy staff from the passenger counters to man extra vehicle examination kiosks; the number of kiosks varies between two and 10, depending on the flow of traffic to and from China. In view of the large increase in traffic, that department has made a request to increase its establishment in the financial year '87-88, so that it would have sufficient resources to man seven kiosks on normal working days.

MR. CHEUNG (in Cantonese): *Sir, a few months ago there was heavy congestion at Man Kam To. Did the Government take appropriate measures or does the Government have any plans to improve the situation?*

SECRETARY FOR TRANSPORT: Sir, we have certainly taken measures to alleviate the congestion problem. Perhaps I could just list out some. The new 'closed road' permits for Man Kam To were suspended on 1 December; this limits the number of vehicles using the Man Kam To crossing. But in view of the fact that the condition is now improving it is our intention that the suspension should be lifted with effect from 1 February, 1987. The second measure we have taken is that we have built a temporary vehicle holding area at Area 2-B; this provides sufficient space for 500 vehicles. There is at present no need to use the vehicle holding area, but should the congestion start building up this would be a great relief and would be acting very effectively for relieving congestion. And thirdly, the Man Kam To road-widening and upgrading project is continuing and progress has been good, and the whole exercise should be completed towards the middle of this year. Over the long term, Sir, in addition to the upgrading I mentioned just now at Man Kam To and also Shataukok, the Hong Kong Government is building a new crossing at Lok Ma Chau; as a matter of fact this new crossing is a joint project between the authorities in Hong Kong and Shenzhen, and should be completed by late 1988. It should have a capacity for 12 000 vehicles a day and should be able to cope with the additional requirements of the future demand, and we are also looking at the moment into the possibility of building a second bridge across the Shenzhen River. For Mr. CHEUNG's information, the foundation work for the second bridge is now being built as part of a current project at Lok Ma Chau.

Written answers to questions

Implications of adopting a four-year degree course

12. DR. LAM asked: *With regard to the announcement of the Senate of the University of Hong Kong on the proposal to adopt a four-year degree course to replace the existing three-year course, will Government inform this Council:*

- (a) *of its preliminary assessment of the financial implications of such a proposal; and*
- (b) *the impact of such a proposal on the secondary, post-secondary, and tertiary education systems in Hong Kong?*

SECRETARY FOR EDUCATION AND MANPOWER: The university has yet to put details of the proposed change to a four-year degree course to the University and Polytechnic Grants Committee (UPGC). It has set up a working party under the chairmanship of the vice chancellor to assess the detailed implications. I understand that the working party plans to take about a year over its task.

Once it has received the university's proposals, the UPGC will have to examine the consequences for funding and student number targets in the tertiary system, bearing in mind competing demands for limited resources and the Government's firm commitment to double the number of first degree places, from the present figure of 4 200 to 8 300 by the mid-1990s. After taking into account these factors, the UPGC will have to advise the Administration on the acceptability or otherwise of the proposal. The Administration will then consider the committee's advice, bearing in mind the possible consequences for the whole education system, before reaching its final conclusions.

I now turn to the preliminary assessment of, financial implications. Before receiving Hong Kong University's specific proposals, such an assessment is difficult. A very crude assessment can be made on the basis of existing costs and assuming minimal changes to the existing education system. I will come later to an indication of how a more sophisticated assessment may be possible in future.

Total recurrent expenditure for Hong Kong University in 1985-86, as reflected in the university's final accounts, was \$609 million. A simple pro-rata calculation, based on an analysis of the total student population, suggests that about \$500 million of this expenditure related to first degree courses. If the university were to introduce a four-year course system while maintaining the present annual student intake, the number of first degree students would ultimately be increased by one third; if costs per student were to remain unchanged, recurrent expenditure would rise by about \$165 million per annum at 1985-86 prices. There would also be additional capital expenditure in order to accommodate the larger student population.

There would certainly be financial implications beyond the university itself. As stated in paragraph 2 above, the Government is already committed to doubling the number of first year first degree places by the mid-1990s. As part of this expansion programme, other tertiary institutions are offering an increasing number of three-year degree courses; there would be further additional costs if these institutions were to adopt a four-year degree system. Any changes now could also affect the cost of the third university.

I now come to the second part of the question. To assess the impact of the proposed change on the educational system as a whole is particularly difficult, for two reasons. First, that impact will largely depend on the details of the proposal itself and whether, as is likely, other institutions were to follow Hong Kong University's example. Second, it will also depend on whether and how we propose to restructure secondary-level education. It does, however, appear likely that the proposal, if accepted, would involve the abolition of Form VII and the restructuring of the remaining secondary forms. This in turn would have two major consequences, which, even now, may be predicted with some certainty.

The first consequence would be the abolition of the Advanced Level examination. This would have implications for admission to sub-degree courses at the polytechnics, the Hong Kong Baptist College and other post-secondary colleges. Entrance requirements of courses now based on Advanced Level results would have to be changed. The admission of students without Advanced Level qualifications would affect the recognition of exit qualifications by professional bodies, particularly those in the United Kingdom. Abolition of Advanced Level would also make it difficult for Hong Kong's students to study in universities abroad which have three-year degree programmes.

The second likely consequence of a move to a four-year system is a restructuring of the secondary school system. To retain the present sixth form structure unchanged would probably be prohibitively expensive, so that it seems likely one of the other options, '5+1' '4+2' or '3+3' would be adopted. The '3+3' option seems recently to have attracted the most attention, but it has a number of disadvantages, some of which were identified by the Education Commission in its recently published second report. They include—

- (a) the abolition of a system which provides an opportunity for students to mature and to develop intellectual and political skills;
- (b) the deferral of the present HKCEE examination for one year, with the implication that students are held back for one year with no compensating advantage. If the HKCEE were to be replaced by a new senior secondary examination, this would have to serve as a means for selection for higher education as well as a general attainment test. It would be extremely difficult to devise a curriculum which was compatible with both objectives;
- (c) the requirement for students to complete an additional year of secondary education before attaining in academic qualification. This would result in a higher drop-out rate, in turn meaning that some students would leave school without any qualification;
- (d) an increase in class size and a decrease in teacher: pupil ratio; and
- (e) a significant financial effect. Although there would be savings arising from the abolition of Form VII, this would be balanced by the extension of Form VI to all pupils.

The '5+1' and '4+4' systems also have disadvantages and any decision to move towards a four-year degree system would need to take into account the effect on the secondary school system and the disadvantages of all these various possible options.

In paragraph 3 above I mentioned the possibility of a more sophisticated assessment of financial implications becoming possible in future. In the Education Commission's Report No. 2, there is a recommendation for financial models to be developed which would help us to quantify the implications of educational changes. A steering committee has already been set up to implement this recommendation and, before the development of the models, the committee will be examining ways in which to refine our prediction of the cost of changes in the tertiary system. Thus, by the time we receive a formal proposal from the university, we should be in a better position to assess the likely financial implications.

Information on emigrants from Hong Kong

13. MRS. CHOW asked: *Will Government inform this Council whether it has information on the outflow of emigrants from the territory and, if so, what is the breakdown in terms of sex, age, income level, family size and country of destination over the past five years?*

SECRETARY FOR SECURITY: Sir, as people emigrating from Hong Kong are not required so to declare to the Director of Immigration, there are no comprehensive statistics giving the number and details of those who do emigrate.

The only statistics that give an indication of the numbers involved are the numbers of persons leaving Hong Kong each year on Hong Kong travel documents and the numbers returning. These statistics have been kept since 1964. The average net annual outflow up to the end of 1985 has been 19 385. By contrast, the average for the five years 1981 to 1985 was slightly lower at 18 848 which in turn was appreciably lower than the average of 23 295 for the five years 1976 to 1980 and of 27 741 for the five years 1971 to 1975. There is an obvious danger in comparing annual figures (travel patterns at the end of each year may vary for reasons that are nothing to do with emigration) but for what it is worth the figure for 1985 at 11 175 was the lowest since 1971 since when the population has increased by about 1.5 million, and is about a quarter of the annual figures for 1975 and 1976.

I am afraid that in these circumstances we have no accurate profile of the sort of people who are emigrating that would enable us to give the breakdown my hon. Friend has asked for. What we can say from observation is that they cover a wide cross-section of our community.

Government Business**Motions****CRIMINAL PROCEDURE ORDINANCE**

THE ATTORNEY GENERAL moved the following motion: That the Criminal Procedure (Representation) Rules 1986, made by the Chief Justice on 24 November 1986, be approved.

He said: Sir, I move the resolution standing in my name on the Order Paper to approve the Criminal Procedure (Representation) Rules 1986. These rules have been made by the Chief Justice under the provisions of the Criminal Procedure Ordinance.

The purpose of these rules is to require a solicitor who has accepted instructions to act for defendants in criminal proceedings in the high court or in the court of appeal to give formal notice of that fact to the registrar. This record will be available for inspection.

At present there is no such requirement and on occasions two defence teams have turned up at court to appear for the same defendant. Often this involves a waste of public money if the Director of Legal Aid has undertaken the defence and later, without his knowledge, a private solicitor has been separately instructed.

The Bar, the Law Society, the Director of Legal Aid, the Registrar of the Supreme Court and the Crown all consider that these rules will help to avoid such duplication of effort, and welcome them.

Question put and agreed to.

PNEUMOCONIOSIS (COMPENSATION) ORDINANCE

THE SECRETARY FOR EDUCATION AND MANPOWER moved the following motion: That the resolution made and passed by the Legislative Council on 3 December 1980 as amended be further amended by deleting '0.15 per cent' in paragraphs (a) and (c) and substituting in each case the following—

‘0.05 per cent’.

He said: Sir, I move the resolution standing in my name on the Order Paper.

The purpose of the Pneumoconiosis Compensation Fund is to provide compensation for workers, or their dependants, who suffer incapacity or death as a result of this occupational disease. The fund is administered by the

Pneumoconiosis Compensation Fund Board and its work is financed by a levy of 0.15 per cent on the value of quarry products and of construction works with a value of at least \$1 million.

When a reduction in the rate of levy, from 0.2 per cent to 0.15 per cent, was proposed in this Council in December 1985, my predecessor explained that claimants were coming forward in smaller numbers and at an earlier stage of the disease, with a consequent decline in the amount of compensation needed to be paid. This is a most encouraging trend and it has continued and, at the end of November last year, the accumulated surplus stood at \$72 million.

In order to correct the imbalance between income and expenditure and to reduce accumulated reserves, the board has recommended to the Government that the current 0.15 per cent rate of levy be further reduced to 0.05 per cent. The purpose of this resolution is to put the board's recommendation into effect.

Both Mr. Ho Sai-chu and Dr. CHIU Hin-kwong have previously suggested that some part of the funds available to the board might be devoted to education, publicity and research in connection with prevention of the disease. The board is now consulting the Building Contractors' Association and the Hong Kong Contract Quarry Association on this suggestion. Subject to the favourable outcome of these consultations, I shall in due course introduce proposals to amend the Pneumoconiosis (Compensation) Ordinance to enable the board to undertake these additional activities.

The trend of income and expenditure and the level of reserves will, of course, continue to be kept under review and further adjustments to the rate of levy will be proposed as appropriate.

Section 36 of the Pneumoconiosis (Compensation) Ordinance provides that the rate of levy imposed under section 35 of the Ordinance may be altered by a resolution of the Legislative Council. Section 36(3) of the Ordinance provides that the revised rate of levy comes into effect 30 days after the publication of this resolution in the Gazette, that is, on 9 February 1987.

Sir, I beg to move.

MR. HO (in Cantonese): Sir, when the Secretary for Education and Manpower moved the Pneumoconiosis (Compensation) Bill at the Legislative Council meeting on 4 December 1985, I proposed that the Government should continue to reduce progressively the rate of levy on the value of construction works and quarry products basing on the surplus condition of the Pneumoconiosis Compensation Fund. Furthermore, I also proposed that the Government should review the ambit of the fund so that it may be extended and applied in the promotion of education, publicity and research in relation to the prevention of pneumoconiosis. After the lapse of one year, I heartily welcome Govern-

ment's positive response to the aforesaid proposals. Up to November 1986, the Pneumoconiosis Compensation Fund has acquired a surplus of \$72 million. It is therefore most reasonable and realistic to reduce the rate of levy from 0.15 per cent to 0.05 per cent and I am sure this reduction will be extensively supported.

Sir, I am all the more delighted at Government's proposal to review the ambit of the Pneumoconiosis Compensation Fund. The original purpose of the fund is to provide monetary compensation to those who have become incapable as a result of the disease and the dependants of those who died of the disease. I believe we all agree that monetary compensation is not sufficient to alleviate the pains suffered by the pneumoconiotics themselves or their dependants. Therefore, a more positive and fundamental way to reduce the incidence of the disease is to reinforce education, publicity and research on the prevention of the disease. I have reason to believe that the Building Contractors' Association and the Contract Quarry Association would support the Government's proposals and I hope they would be implemented as soon as possible.

Sir, with these remarks, I support the motion.

SECRETARY FOR EDUCATION AND POWER: Sir, I am most grateful for Mr. HO's support both for the current motion and for the proposal to extend the scope of the fund. As soon as agreement is reached on that, I assure him that we will act on it as quickly as possible.

Question put and agreed to.

First Reading of Bills

CONTROL OF PUBLICATIONS CONSOLIDATION (AMENDMENT) BILL 1986

PUBLIC ORDER (AMENDMENT) BILL 1986

COMPANIES (AMENDMENT) BILL 1986

INSURANCE COMPANIES (AMENDMENT) BILL 1986

JUBILEE SPORTS CENTRE (AMENDMENT) BILL 1986

Bills read the First time and ordered to be set down for Second Reading pursuant to Standing Order 41(3).

Second Reading of Bills**CONTROL OF PUBLICATIONS CONSOLIDATION (AMENDMENT) BILL 1986**

THE CHIEF SECRETARY moved the Second Reading of: 'A Bill to amend the Control of Publications Consolidation Ordinance'.

He said: Sir, I rise to move the Second Reading of the Control of Publications Consolidation (Amendment) Bill 1986. I shall subsequently move the Public Order (Amendment) Bill 1986. And for avoidance of repetition, Sir, I shall deal with the two Bills together.

In his speech before this Council on 26 November 1986, the hon. the Attorney General advised that the review of the former Ordinance by the Secretary for Administrative Services and Information was well advanced and that Members could expect to see a Bill during this session. The tabling of these two Bills today follows the completion of that review.

The Control of Publications Consolidation Ordinance was enacted in 1951. Its purpose then was twofold: to embody in the substantive law the provisions of the 1938 Emergency Regulations for the control of newspapers; and to consolidate existing legislation relating to the registration, printing and publication of newspapers into a single statute.

The Ordinance therefore consists of two distinct sets of provisions: the first relates to the control of newspapers and the second to their registration.

It may be helpful to Members if I firstly endeavour to summarise the principal control sections which the Administration seeks to repeal.

Section 3 of this Ordinance makes it an offence to print or publish a publication which induces the commission of a crime or a person to join an unlawful society.

Section 4 permits a court to suppress a newspaper after the conviction of its printer, publisher or editor for certain specified crimes such as treason, criminal libel and other offences relating to the maintenance of public order and safety.

Section 5 provides powers to prohibit the importation of publications which are likely to harm local security or adversely affect public order, safety, health or morals.

Section 6 makes it an offence maliciously to publish in any local newspaper false news which is likely to alarm public opinion or disturb public order.

Sections 8 and 9 allows the Registrar of Newspapers to refuse or to suspend the registration of newspapers or news agencies which are connected with newspapers which have been suppressed under section 4.

And section 10 provides for the seizure and forfeiture of printing presses used in contravention of regulations made under the Ordinance.

Sir, since 1951, the suppression provisions have been used most sparingly and not at all since 1967 when three local newspapers were suspended for six months following the conviction of their publishers, printers and editors on seditious charges. The other control provisions have stood on the statute book but have rarely been used. Indeed, it is difficult to envisage circumstances which would justify their use, other than in an emergency situation. The existing Emergency Regulations provide similar powers should they be required.

The recent review has shown that the control provisions described above are, to a large extent, duplicated in other Ordinances. For example, the importation of objectionable publications is currently covered by the Objectionable Publications Ordinance; incitement to commit an offence by the Criminal Procedure Ordinance and inducement to join an unlawful society by the Societies Ordinance.

It is clear that the retention of the control provisions of the Control of Publications Consolidation Ordinance is undesirable. It is therefore proposed that these control provisions, together with consequential amendments to the relevant subsidiary legislation, be repealed forthwith.

Sir, the malicious publication of false news which is likely to alarm public opinion or disturb public order, under section 6 of the Ordinance, is a serious matter not presently covered in other legislation and should therefore be retained on the statute book because the press has a duty to the community not to act irresponsibly. But since this aspect of control relates to the maintenance of public order, it is appropriate that a compensatory provision be made in the Public Order Ordinance. This is achieved in the Public Order (Amendment) Ordinance through a new clause 27. The opportunity has also been taken to redraw section 30 of that Ordinance to relate the offence of public mischief more specifically to bomb hoaxes.

May I turn now to registration provisions. The provision for the registration of newspapers has a long history in Hong Kong dating back to the last century. The Ordinance and its supporting regulations require the registration of all newspapers, the licensing of local distributors of newspapers and the registration of news agencies. The particulars of the proprietors, printers, publishers, editors and other such particulars as the registrar may require are filed in registers and are admissible as evidence in court. The registration of a newspaper must currently be preceded by a deposit of \$10,000 while that of a news agency by a deposit of \$1,000.

The newspaper and news agency registers contain information which has proved useful for enforcing the criminal law (both statute and common) affecting the press, such as in cases of contempt of court under the Magistrates Ordinance, publishing obscene material under the Objectionable Publications

Ordinance and sedition under the Crimes Ordinance. The registration particulars are also useful for ordinary citizens who seek to bring civil action against publications, for example, for libel or breach of copyright. The removal of these registration provisions from this Ordinance would require compensatory provisions to be introduced into a considerable number of Ordinances. This would be clumsy. It is therefore proposed to retain the existing registration requirements.

With regard to the payment of a deposit as a prerequisite to registration, the Government is satisfied that this requirement may be dispensed with.

The definition of a ‘newspaper’ has also been revised by amending section 2 of the Ordinance to exclude certain publications which need not be registered.

The level of fees stipulated in the subsidiary regulations under the Ordinance has remained unaltered since 1951. These fees have now been revised to bring them in line with the overall government policy of recovering administrative costs wherever possible and equate them to similar fees and charges in other legislation.

The proposed amendments will result in the Ordinance being confined to matters relating to the registration of local newspapers. It is therefore appropriate that the revised legislation be retitled the ‘Registration of Local Newspapers Ordinance’.

With these remarks, Sir, I move that the debate on this motion be adjourned.

Motion made. That the debate on the Second Reading of the Bill be adjourned.

Question put and agreed to.

PUBLIC ORDER (AMENDMENT) BILL 1986

THE CHIEF SECRETARY moved the Second Reading of: ‘A Bill to amend the Public Order Ordinance’.

He said: Sir, I rise to move the Second Reading of the Public Order (Amendment) Bill 1986. In my preceding speech I covered the proposals in this Bill, and accordingly move that the debate on this motion be now adjourned.

Motion made. That the debate on the Second Reading of the Bill be adjourned.

Question put and agreed to.

COMPANIES (AMENDMENT) BILL 1986

THE FINANCIAL SECRETARY moved the Second Reading of: 'A Bill to amend the Companies Ordinance'.

He said: Sir, I move that the Companies (Amendment) Bill 1986 be read the Second time.

This Bill seeks to amend the Companies Ordinance in relation to the presentation of accounts, the powers of inspectors, and the priority of debts of a company in receivership.

Presentation of annual accounts

First, accounts. The present time limit allowed under section 122 of the Ordinance for the submission of accounts to any general meeting of a company is nine months or, in case of a company carrying on business or having interests abroad, 12 months. In view of recent advances in accounting practice, especially those associated with computerisation, these time limits are now considered to be too generous.

The Bill therefore proposes a new uniform time limit of six months for the submission of all company accounts. And these accounts will need to be submitted to the company's annual general meeting rather than to any general meeting. But the court may extend the time limit, and approve submission to any general meeting, if for any reason it thinks it fit to do so. To allow for a reasonable transition, it is proposed that these new requirements should not apply to any period prior to the financial year beginning after the commencement of the Ordinance if enacted.

Powers of inspectors

As to inspectors' powers, section 145 of the Ordinance imposes a duty on officers and agents of a company under investigation by an inspector to produce the company's books and documents to the inspector. And the section goes on to give the inspector certain powers to examine those persons under oath. Experience has revealed that these powers are inadequate. First, the inspector has to go through the time consuming process of applying to the court if he wants to examine on oath third parties who are not officers, agents or employees of the company. And second, the court does not have express powers to order third parties to hand any books or documents to the inspector.

So, the Bill seeks to amend section 145 in order to give the inspector authority to examine on oath any person he thinks is, or may be, in possession of relevant information, and to require such person to produce books and documents to assist in the investigation. The Bill also adds a new section to enable the inspector to require a director of a company under investigation to produce documents relating to accounts which he holds in a financial institution when

the inspector has reasonable grounds for believing that any undisclosed but relevant transactions may have taken place. And clauses 7 and 8 of the Bill seek to amend sections 146 and 147 of the Ordinance to enable an inspector to inform the Financial Secretary of matters tending to show that any civil proceedings ought, in the public interest, to be brought by any body corporate. There is already a similar power in relation to criminal offences.

Priority of debts of a company in receivership

Sir, the priorities for the payment of debts in the winding up of a company are set out in section 265 of the Ordinance. Section 79 provides that these priorities should also be followed in circumstances where a receiver is appointed under a debenture secured by a floating charge. There is doubt, however, as to whether the same priorities continue to apply, as they should, when, upon the cessation of a business, the floating charge crystallises and becomes a fixed charge. The Bill seeks to amend section 79 and section 265(3B) to clarify this point.

Sir, the amendments contained in this Bill have been endorsed by the Standing Committee on Company Law Reform after consultation with those concerned.

Members may recollect that the standing committee has so far published two reports containing a number of recommendations to amend the Ordinance. Those that have not been taken up in the present Bill are being actively pursued and further amendments will be put to this Council in due course. We are making progress, and I would like to take this opportunity to thank the standing committee for the valuable, and well considered advice it has given since its inception in 1984.

Sir, I move that the debate on this motion be adjourned.

Motion made. That the debate on the Second Reading of the Bill be adjourned.

Question put and agreed to.

INSURANCE COMPANIES (AMENDMENT) BILL 1986

THE FINANCIAL SECRETARY moved the Second Reading of: 'A Bill to amend the Insurance Companies Ordinance'.

He said: Sir, I move that the Insurance Companies (Amendment) Bill 1986 be read the Second time.

Section 22 of the Insurance Companies Ordinance requires insurers operating in Hong Kong to establish a separate fund for their long-term business, and maintain accounts for identifying the assets and liabilities of that fund. These requirements relate to an insurer's long-term insurance on a worldwide basis. A

fund thus created would serve to protect the long-term policy-holders in Hong Kong on the winding up of the insurer in so far as the assets representing that fund fall under the jurisdiction of the court in Hong Kong.

Possibly a more effective protection would have been to require the insurer's assets representing the insurer's liabilities to these Hong Kong policy-holders to be located in Hong Kong so that, in the event of the insurer being wound up, the liquidator could easily secure these assets to meet the liabilities to this group of policy-holders. However, when the Ordinance was enacted it was, and still is, considered to be incompatible with Hong Kong's open economy and free investment environment to provide for localisation of assets in this way; and, given the relative lack of high quality Hong Kong dollar financial instruments, localisation of assets would not be in the best interests of policy holders.

In enacting the Ordinance, the legislature therefore adopted the approach of a qualified protection in the form of the accounting requirements in section 22. The effectiveness of this qualified protection depends upon the insurance authority's vigilance in monitoring the financial condition of an insurer and the wide discretionary powers of intervention given to him under the Ordinance.

Since the enactment of the Ordinance in 1983, it has been found that these accounting requirements pose difficult problems for a significant number of authorised overseas insurers. These insurers are not required by legislation in their respective countries of incorporation to identify separately their long-term assets to match their long-term liabilities. Sir, compliance with the requirements in section 22 would therefore require extensive changes in their worldwide accounting systems, or even a total restructuring of their business. This could be so expensive that some companies might feel obliged instead to withdraw from Hong Kong. The insurers concerned are well established and of high international standing. Their withdrawal would certainly not be in the interests of Hong Kong as a financial and insurance centre.

A pragmatic solution, which would enable these reputable overseas companies to stay on in Hong Kong and at the same time safeguard the Hong Kong policy-holders' interests, is therefore required. We have concluded that, while the section 22 requirements should be maintained as a general practice, discretion should be given to the Insurance Authority to authorise overseas insurers, on application, to maintain accounts identifying assets and liabilities attributable to their long-term business in Hong Kong only, instead of globally. This is the main object of the Bill, which also contains ancillary provisions relating to the modification or variation of the accounting requirements in the Third Schedule, if needed.

In exercising his discretion, the Insurance Authority will adopt a set of guidelines which take into account the financial condition of the insurer, the extent of its long-term business in Hong Kong, the quality of supervision by the

respective authority of each insurer's country of incorporation and other relevant circumstances. The guidelines will be made available to potential applicants.

The proposed amendments have the support of the Insurance Advisory Committee and the Life Insurance Council of Hong Kong.

I should stress, sir, that while these amendments, if enacted, will not provide improved protection for the Hong Kong policy-holders of the overseas insurers concerned, neither will they erode the existing degree of protection available. The accounts kept would equally facilitate the securing of the necessary assets by the Insurance Authority to meet these insurers' Hong Kong liabilities should this prove necessary. Protection for policy-holders has been, and will continue to be, generally enhanced through dialogue with supervisory authorities of the respective companies' countries of origin.

Lastly, the Bill also seeks to add a new provision to indemnify the Insurance Authority against claims for damages in connection with the bona fide exercise of the authority's functions under the Ordinance. This provision is on the lines of that incorporated in the Banking Ordinance.

Sir, I move that the debate on this motion be adjourned.

Motion made. That the debate on the Second Reading of the Bill be adjourned.

Question put and agreed to.

JUBILEE SPORTS CENTRE (AMENDMENT) BILL 1986

THE SECRETARY FOR DISTRICT ADMINISTRATION moved the Second Reading of: 'A Bill to amend the Jubilee SportsCentre Ordinance'.

He said: Sir, I move that the Jubilee Sports Centre (Amendment) Bill 1986 be read the Second time.

The basic objective of the Bill is to provide for the disengagement of the Royal Hong Kong Jockey Club from the Jubilee Sports Centre, and to establish a statutory trust fund to meet the centre's recurrent and non-recurrent expenses.

It has been proposed by the Jockey Club that the centre should be given an endowment of \$350 million. The endowment would be used to establish a trust fund and would meet the club's present obligation to cover the recurrent operating costs and expenses of the centre, and would also cater for an element of capital replacement and improvement for the next 20 years.

The Bill amends the Jubilee Sports Centre Ordinance by removing the need for consultation with the Jockey Club in respect of the appointment of members to the Jubilee Sports Centre Board by the Governor and removes the maximum

limit on the number of members who can be appointed to the board. It expressly provides for the Financial Secretary or his representative to be a member of the board, in view of the board's increased responsibilities arising from the creation of a trust fund and the requirement for additional expertise on finance and investment matters.

The trust fund established by the Bill will be vested in a Committee of Trustees, to be appointed by the board. Members of the Jubilee Sports Centre Trust Fund Committee of Trustees will not exceed five in number, and will include at least two members of the Jubilee Sports Centre Board.

The Committee of Trustees will be empowered to make investments as provided for in the Trustee Ordinance. In keeping with the provisions of the Trustee Ordinance, the Jubilee Sports Centre Trust Fund, which is a charitable trust, may not be pledged as security for any loan which the committee or board may seek to raise.

The Committee of Trustees will be required to lay before the Legislative Council, by 31 December each year, a signed statement of the audited accounts together with a report on the administration of the fund for the relevant financial year.

For the purpose of taxation, the Jubilee Sports Centre is an exempted person under section 88 of the Inland Revenue Ordinance. However, the Jubilee Sports Centre Trust Fund Committee will be a separate legal entity and a separate exemption will be sought in respect of the trust fund if the Bill is enacted.

Concerning the commencement date for this Bill, it is provided in clause 1 that the amendments will come into operation on a date to be fixed by the Governor. The intention is that the amendments will take effect at such time as the trust fund is brought into operation by the formal handover of the Jockey Club donation of \$350 million, and the commencement notice will be gazetted to coincide with this event.

Sir, I move that the debate on this motion be adjourned.

Motion made. That the debate on the Second Reading of the Bill be adjourned.

Question put and agreed to.

POST OFFICE (AMENDMENT) BILL 1986

Resumption of debate on Second Reading (19 November 1986)

MRS. CHOW: Sir, the most important provision in this Bill is the creation in clause 6 of a new offence outlawing the practice of inertia selling perpetrated through the sending of bills and invoices for unsolicited goods or services. There

have been numerous complaints to the Consumer Council and the police about bills from overseas for unsolicited entries in trade directories, but inertia-selling schemes originating from within Hong Kong have not, I understand, been very common. Whilst the Bill will, of course, cover schemes originating from within Hong Kong, it will also enable the Postmaster General to take action against unsolicited bills from overseas by exercising his existing powers under sections 12 and 23 of the Post Office Ordinance to stop and inspect, and, if necessary, detain incoming mail suspected of contravening the Ordinance. In making inertia selling a criminal offence in Hong Kong, the Bill will also make it possible for the authorities in a number of countries to bring charges against those who send the offending bills to addressees in Hong Kong, because of their reciprocal registration.

The Legislative Council ad hoc group which was formed to study the Bill were concerned that, while the new offence carries heavy maximum penalties of a fine of \$100,000 and imprisonment for three years, no allowance has been made for reasonable excuse and there is no requirement of mens rea: this means that if a person posts a bill in the mistaken but genuine belief that goods or services have been ordered by the addressee, he will be just as guilty as the perpetrator of the most deliberate and systematic inertia-selling scheme, even though his reason for sending the bill is an innocent one. Similarly, any variation, however slight, in the wording required to be printed on a document posted in respect of unsolicited goods or services will make the sender of the document liable to prosecution. We have, therefore, concluded that two amendments are necessary to change the offence from an absolute offence to one in which the court has full and clear discretion to acquit a person who has broken the law through an innocent misunderstanding or a careless mistake over wording. The amendments, which make allowance for reasonable excuse and for flexibility in the prescribed wording on the document, will be moved in the Committee stage of the Bill by Mrs. Rita FAN.

Sir, the Bill will serve both to deter swindlers within Hong Kong from engaging in this profitable but dishonest trade and to protect businesses and individuals in Hong Kong from falling victim to inertia-selling schemes originating from overseas. Subject to the amendments to be moved by Mrs. FAN, I support the Bill.

MR. CHEONG-LEEN: Sir, having been a near victim of overseas based inertia selling a few years ago, I am glad to support the Bill with the proposed amendments. I would also like to make a couple of observations in regard to this particular aspect of the amendments in the Bill.

Firstly, as stated by the Secretary for Trade and Industry when he introduced the Bill in Legislative Council on 19 November 1986, the Bill is intended to curtail 'inertia selling' and, in the case of local companies, to protect Hong Kong's image as a bona fide centre of commerce. I certainly agree to that.

At the same time, it would be interesting to know how many complaints have been received from local and overseas companies against Hong Kong-based companies over the past three years, and what action was taken by Government in respect of such complaints.

Secondly, I am even more interested in knowing how many complaints were received by Government from local companies against inertia selling initiated by overseas companies, and in what practical manner will the adoption of the Bill now being debated be able to give protection to local companies against such overseas companies.

To date, Hong Kong has no legislation similar to the United Kingdom Unsolicited Goods and Services Act of 1971.

Perhaps it would be a worthwhile exercise if Government should invite the comments of the local chambers of commerce on the applicability to Hong Kong of the spirit of this United Kingdom Act to see if added protection can be given to Hong Kong companies against 'inertia selling' practices, whether for goods or services originating from local companies, or from overseas companies with or without representatives in Hong Kong. Especially for those companies outside of Hong Kong engaged in inertia selling and seeking victims in Hong Kong, I would like to print out to the Administration that the Post Office Ordinance would hardly have much relevance when such overseas companies have local representatives to solicit inertia selling by calling personally on a potential victim. I would therefore emphasise the need to seek the comments of the local chambers of commerce on the United Kingdom Act.

Sir, I support the motion.

SECRETARY FOR TRADE AND INDUSTRY: Sir, I would like to thank Mrs. CHOW for her helpful analysis and to express my appreciation to Members of the ad hoc group, under the chairmanship of Mr. SWAINE, for their careful scrutiny of this Bill. I endorse Mrs. CHOW's comments and support the proposed amendment, which will be moved by Mrs. FAN, to give the courts greater discretion in respect of inertia-selling.

Mrs. CHOW's remarks have largely covered the various points raised by Mr. CHEONG-LEEN. I would only like to add two observations. First, although meaningful statistics on the number of complaints received are not available, I can assure Mr. CHEONG-LEEN that the scale of the problem is sufficient to justify the measures proposed in this Bill. The chambers of commerce and major industry organisations have been consulted and they are also in support of these measures.

Secondly, our experience with inertia-selling activities is that they tend to involve international operations and it may not therefore be fruitful to draw too fine a distinction between locally based and foreign companies. Indeed, in the world of international fraud, the place with the least regulation tends to attract

the artful dodgers. Mrs. CHOW has already pointed out how the Bill will make it possible for the authorities to take action on inertia-selling schemes originating from within Hong Kong as well as those from overseas. The creation of an offence against inertia selling under the Post Office Ordinance, rather than say in separate legislation, is considered to be more appropriate at this stage having regard to the cost-effectiveness of enforcement.

Sir, I beg to move.

Question put and agreed to.

Bill read the Second time.

Bill committed to a Committee of the whole Council pursuant to Standing Order 43(1).

TRADE DESCRIPTIONS (AMENDMENT) BILL 1986

Resumption of debate on Second Reading (19 November 1986)

MR. MARTIN LEE: Sir, the Legislative Council ad hoc group set up to examine the Trade Descriptions (Amendment) Bill 1986 supports this Bill in principle. In particular we welcome the provisions in the proposed new section 16C relating to disclosure of information to trade mark proprietors regarding suspected contraventions of the Ordinance. This will assist plaintiff proprietors to take civil action against those involved with spurious goods and accordingly will enhance Hong Kong's image in international trade. After detailed examination of the Bill, we have proposed several amendments and these have all been accepted by the Administration. My hon. and learned friend, Mr. CHUNG Pui-lam, will move them at Committee stage. I wish to elaborate only on three of them, namely, sections 16A, 16B and 30 respectively.

Section 16A deals with the Administration's power to detain suspected goods by sealing or locking in any premises or container in which the goods are. Whilst we fully understand the Administration's practical need to detain in situ certain suspected goods such as those that are perishable, heavy or bulky, we are also conscious of the need to protect the owner of the premises or container against any unnecessary losses and to keep any inconvenience caused to the minimum. We welcome the Administration's assurance that cases of detention in situ have been infrequent in the past, and that it usually needs to detain the goods for no more than a few days only. We are therefore of the view that an additional provision to require that the written consent of the owner of the premises or container, or his authorised agent be sought if the period of detention of the goods exceeds a week should be sufficient safeguard and satisfactory to all parties concerned.

Section 16B deals with the powers of arrest and entry for authorised officers, who in practice will be industry officers in the Customs and Excise Department. We trust that this provision will streamline the enforcement and administration procedures involved in implementing the Trade Descriptions Ordinance but we are also concerned with seeing to the best possible deployment of financial and human resources in the department. A value-for-money study of the department may be a first step.

Section 30 as drafted contains no obligation on the part of the Administration to inform the owner of suspected goods of any forfeiture proceedings if the owner is not prosecuted. We consider however, that unless the owner of the goods has indicated to the Administration that he need not be so informed, the Administration should provide a written notification to the owner of the goods. In cases when there may be more than one owner of the goods, it should be sufficient to inform only one of them.

Sir, with these remarks, I support the Bill.

SECRETARY FOR TRADE AND INDUSTRY: Sir, I am grateful to Mr. Martin LEE for his comments and to him and his colleagues on the ad hoc group for the careful consideration that has been given to this Bill. I confirm that the amendments that will be moved by Mr. CHUNG at the Committee stage have been worked out amicably by the ad hoc group and the Administration at two very constructive meetings. It will serve no purpose for me to comment further except to say I support them.

As regards notification to owners of goods subject to forfeiture, I can assure Mr. Martin LEE that it is a normal practice of the customs authorities to give this notification whenever possible.

The ad hoc group's concern on the need to ensure the cost-effective deployment of resources is shared by the Administration. A value-for money steering group will shortly be established within the Customs and Excise Department. This will be charged with the task of examining staffing and other provisions throughout the department.

Sir, I beg to move.

Question put and agreed to.

Bill read the Second time.

Bill committed to a Committee of the whole Council pursuant to Standing Order 43(1).

**PUBLIC HEALTH AND MUNICIPAL SERVICES (AMENDMENT) (NO. 3) BILL
1986****Resumption of debate on Second Reading (3 December 1986)**

Question put and agreed to.

Bill read the Second time.

Bill committed to a Committee of the whole Council pursuant to Standing Order 43(1)

Committee stage of Bills

Council went into Committee

POST OFFICE (AMENDMENT) BILL 1986

Clauses 1 and 6

(His Excellency the President waived the notice of amendments under Standing Order 45(2))

MRS. CHOW: Sir, I move that clauses 1 and 6 be amended as set out in the paper circulated to Members for the reasons that I explained earlier.

Proposed amendments

Clause 1

That clause 1 be amended by deleting '1986' and substituting the following—
'1987'.

Clause 6

That clause 6 be amended in the new section 32D—

- (a) in subsection (1), by inserting after 'notice' the following—
'or a notice to the like effect.'
- (b) in subsection (3), by inserting after 'who' the following—
'without reasonable excuse,'

The amendments were agreed to.

Clauses 1 and 6, as amended, were agreed to.

Clauses 2 to 5, 7 to 9 were agreed to.

TRADE DESCRIPTIONS (AMENDMENT) BILL 1986

Clauses 1, 2, 4 to 6

MR.CHUNG: I move that clauses 1, 2, 4 to 6 be amended as set out in the paper circulated to Members.

Proposed amendments

Clause 1

That Clause 1 be amended by deleting '1986' and substituting the following—
‘1987’.

Clause 2

That clause 2 be amended—

(1) by deleting the new section 16A and substituting the following—

‘Power to detain 16A. (1) An authorised officer may, for the purpose of
goods by locking detaining, under section 15—
or sealing
premises or (a) any goods in respect of which he has reasonable cause to
container. suspect that an offence under this Ordinance has been or
 is being committed; and

 (b) anything which he has reason to believe may be required
 as evidence in proceedings for an offence under this
 Ordinance,

place a lock or seal on any premises or container in which the goods
or things are.

(2) If a lock or seal is placed on any premises or container
under subsection (1), the period for which the lock or seal is
placed shall not exceed 7 days without the consent in writing of
the owner of the premises or container, or his authorised agent.

(3) If an authorised officer has placed a lock or seal on any premises or container under subsection (1), any person who breaks or interferes with such lock or seal commits an offence unless he does so—

- (a) in the bona fide belief that it is necessary immediately to break or interfere with the lock or seal in order to prevent—
 - (i) injury being suffered by any person; or
 - (ii) damage being incurred to any such premises or container, as the case may be; or
 - (b) in the exercise of his duties as a public officer.'
- (2) in the new section 16B—
- (a) in subsection (2), by inserting after 'shall' where it occurs in the first place the following—

‘forthwith’;
 - (b) in subsection (3), by inserting after 'is' the following—

‘reasonably’; and
 - (c) by deleting subsections (4) and (5).

Clause 4

That clause 4 be amended in the new subsection (1A) by deleting '16A(2)' and substituting the following—
‘16A(3)’.

Clause 5

That clause 5 be amended by deleting the new section 24A and substituting the following—

‘Rule of
evidence
regarding
imported goods
with false trade
description.

24A. In any prosecution for an offence under this Ordinance in respect of the import of goods to which a false trade description of the place or country of manufacture, production, processing or reconditioning is applied, evidence that the goods were imported from a place or country shall be *prima facie* evidence that the goods were manufactured, produced, processed or reconditioned, as the case may be, in such place or country.’.

Clause 6

That clause 6 be amended in the new section 30—

- (1) in subsection (3), by deleting ‘in any proceedings under this Ordinance or otherwise’ and substituting the following—

‘whether in the same proceedings where an offence is prosecuted or in other proceedings under this Ordinance’.

- (2) by inserting after subsection (4) the following—

‘(5) Where under subsection (3) an application is made to a court or magistrate for the forfeiture of goods otherwise than in proceedings where an offence is prosecuted, the commissioner shall forthwith notify in writing the owner of the goods or his authorised agent, unless the owner or his authorised agent has indicated in writing to the commissioner that such notification is not required:

Provided that, if there is more than one owner of the goods, it shall be sufficient for the purposes of this subsection to give notice to one such owner or his authorised agent, unless one such owner or his authorised agent has indicated that such notification is not required.’.

The amendments were agreed to.

Clauses 1, 2, 4 to 6, as amended, were agreed to.

Clauses 3 and 7 were agreed to.

PUBLIC HEALTH AND MUNICIPAL SERVICES (AMENDMENT) (NO. 3) BILL 1986**Clause 1**

SECRETARY FOR HEALTH AND WELFARE: Sir, I move that clause 1 be amended as set out in the paper circulated to Members.

I introduced the Public Health and Municipal Services (Amendment) (No. 3) Bill 1986 into this Council in December last year to make minor textual alterations to section 2 of the Public Health and Municipal Services (Amendment) Ordinance 1986.

The textual alterations were required to ensure that the section amended, in the manner intended, the definition of ‘food’ in section 2 of the Public Health and Municipal Services Ordinance, since the Public Health and Municipal Services (Amendment) (No. 2) Ordinance 1986 had inserted a new definition of ‘food’.

At that time it was expected that the present Bill would be enacted before 1 January 1987, the date on which the Public Health and Municipal Services (Amendment) Ordinance 1986 came into operation. However, circumstances arose which prevented the Bill from being enacted before the end of the year, and consequently I now need to move two minor amendments to reflect its enactment this year rather than last year.

Both amendments are to clause 1 of the Bill. They alter the title of the Bill and deem it to have come into operation on 31 December 1986, so that there can be no doubt that on 1 January 1987 section 2 of the Public Health and Municipal Services (Amendment) Ordinance 1986 amended the definition of 'food' in section 2 of the principal Ordinance as was intended.

I beg to move.

Proposed amendment

Clause 1

That clause 1 be amended—

- (a) by deleting '(No. 3)'.
- (b) by deleting '1986' and substituting the following—
‘1987 and shall be deemed to have come into operation on 31 December 1986’.

The amendment was agreed to.

Clause 1, as amended, was agreed to.

Clause 2 was agreed to.

Council then resumed.

Third Reading of Bills

THE ATTORNEY GENERAL reported that the

POST OFFICE (AMENDMENT) BILL 1986

TRADE DESCRIPTIONS (AMENDMENT) BILL 1986

and

PUBLIC HEALTH AND MUNICIPAL SERVICES (AMENDMENT) (NO. 3) BILL 1986

had passed through Committee with amendments, and moved the Third Reading of the Bills.

Questions put on the Bills and agreed to.

Bills read the Third time and passed.

4.35 pm

HIS EXCELLENCY THE PRESIDENT: I think at this moment, Members might like a short break.

4.55 pm

HIS EXCELLENCY THE PRESIDENT: Council will resume.

Adjournment

4.55 pm

Motion made. That this Council do now adjourn—THE ATTORNEY GENERAL.

HIS EXCELLENCY THE PRESIDENT: As nine Members have given notice of their intention to speak, I propose to exercise my discretion under Standing Orders 9(7) and 9(8) to allow Members such time as is necessary to complete their speeches, and such time as is then necessary for the Official Member to reply to those speeches, before putting the question on the adjournment.

Vietnamese Refugees

MRS. FAN: Sir, Hong Kong is a place of first asylum for Vietnamese refugees, and all boat people that come into our waters have been accommodated since May 1975. These refugees are supposed to stay here temporarily while awaiting resettlement in third countries. Over the years, the resettlement countries have already taken about 100 000 Vietnamese refugees from Hong Kong. However, most of the countries now will only accept refugees that satisfy their criteria for resettlement. Furthermore, virtually all countries have annual quotas. As a result, there are at present still some 8 000 refugees stranded in Hong Kong. Well over half of them have been here for more than three years, and about 17 per cent are ‘long-stayers’ of over six years. To make things worse, most of those arriving from Vietnam in boats recently appear to be economic migrants rather than genuine refugees who fear persecution because of their race, religion or political beliefs. In 1986, more than half of those arriving are from North Vietnam. They are particularly difficult to resettle as some major resettlement

countries would not consider them. While a large number of Vietnamese ‘refugees’ are stranded here, the taxpayers of Hong Kong are footing the bill to the extent of \$117 million in 1985-86 alone. Against this background, there is also the sensitive comparison of the tough stand adopted by the Government against illegal immigrants from other countries, and the exceptionally high population density of the territory.

During the past five years, major resettlement countries like Australia, Canada and United States took about 3 000, 4 900, and 13 000 refugees from Hong Kong respectively. In comparison, Britain accepted only 946 during the same period, of which nearly half were admitted in 1986. The latter group of intake was due to Britain’s commitment to allow approximately 500 family reunion cases from Hong Kong. This commitment by the British Government was in response to the recommendations made by the Sub-committee on Race Relations and Immigration (SCORRI) and the views expressed by Members of this Council during the adjournment debate on 15 May 1985. This initiative by Britain has enabled the Hong Kong Government to persuade other countries to increase their intake, with the result that 3 734 refugees departed from Hong Kong during January to November 1986 for resettlement in third countries. But in September 1986, the British Government halted their intake to review the situation. No decision has been forthcoming although Hong Kong repeatedly requested for a continuous commitment from Britain. In mid-December 1986, major resettlement countries indicated that their intake of Vietnamese refugees from Hong Kong would be reduced pending a lead from Britain. Resettlement of refugees in 1987 is expected to drop below 2 000 if Britain does not renew its commitment. Many countries expect Britain to set an example in accepting refugees from Hong Kong. This is not unreasonable as Hong Kong is a British-administered territory and therefore the responsibility of Britain. A lack of commitment by the British Government could therefore be viewed as a reluctance to shoulder this responsibility, thus increasing the social pressure and heavy financial burden on Hong Kong. The British Government must surely realise the impact and the effect of its action, and how it will be interpreted by other countries and the people of Hong Kong. Under these circumstances, the most logical and honourable thing to do is for the British Government to make a definite commitment on the number of Vietnamese refugees it will take from Hong Kong, thereby showing the people of Hong Kong and the international community its willingness to fulfill its responsibility towards Hong Kong and to contribute to an international problem.

Continuous resettlement is only a short-term solution to the problem of Vietnamese refugees in Hong Kong. The long-term solution is to repatriate economic migrants to Vietnam on the understanding that they will not be treated inhumanely. This requires agreement by the Vietnamese authorities. As this is a matter of foreign policy, Hong Kong has no right to tackle it directly. Instead, we have to rely on British Government to take this matter up with the Vietnamese authorities. Again there have been repeated requests from Hong

Kong urging the British Government to approach the Vietnamese authorities, but no initiative along this line appears to be forthcoming. It is appreciated that the task may be difficult, and quick results are therefore not expected. But this would definitely be a step in the right direction which would give at least some hopes that the problem of Vietnamese refugees in Hong Kong will be solved at a future date. It should be emphasised that this problem has been with Hong Kong for over 11 years now, and shows every sign of dragging on indefinitely if Britain chooses not to take any initiative. The time has come for the British Government to make this move.

Sir, we strongly believe that Britain must take the lead in solving the problem of Vietnamese refugees here in the short term and in the long term. We believe most strongly that Britain has a duty to take up this role. This is an opportunity for it to show the people of Hong Kong that it is genuinely concerned about the interests of Hong Kong through positive and decisive action.

We request the Government to urge the British Government most vigorously to take up the initiative in resettlement and in negotiating with the Vietnamese authorities for repatriation. Hong Kong has more than honoured its moral obligation by providing a place of first asylum as well as accepting refugees for permanent resettlement. Hong Kong can only be expected to continue to carry this burden if we are assured that Britain will do its part to seek a permanent solution to this problem.

We in this Council and the community at large have been urging for more positive measures for some years. We are deeply disappointed at the lack of positive action and the sense of urgency on the part of the British Government. It is for this reason that we now request the Government to provide this Council, within six months, a report on the progress of the search of a definite solution to the Vietnamese refugee problem.

DR. HO: Sir, for whatever reasons, Hong Kong apparently is extremely attractive to Vietnamese refugees. In 1986, boat people arriving in the southeast Asian region decreased by 9 percent as compared with the same period in the previous year. However, the number of arrivals in Hong Kong in the same year increased by almost 100 percent. Nevertheless, Hong Kong has tried its best to resettle these boat people overseas. But by the end of October 1986, Hong Kong resettled only 30 percent of its total refugees, whereas Indonesia resettled 55 percent, Malaysia 41 percent and the Philippines 39 percent. It is clear that our 30 percent is much below the regional average. As a result of the combined effects of more arrivals against a rapidly dwindling resettlement rate over the years, Hong Kong has now ended up with the 26 percent of the total refugee population in the region.

The resettlement prospects of the Vietnamese refugees in Hong Kong for 1987 are not promising. After having accepted 457 refugees from Hong Kong last year, Her Majesty's Government discontinued its family reunion

programme. This negative policy decision on the part of Her Majesty's Government is detrimental to our resettlement plans, and has made the other countries reconsider their resettlement offers. The three main resettlement countries have made it loud and clear that they would look to the United Kingdom to take the lead and would not take it upon themselves to solve the refugee problem for Hong Kong. Canada slashed the quota from 1 050 last year to 500 this year, Australia from 600 to 400, and USA from 1 500 to 700. It will be quite an achievement for the Hong Kong Government to resettle even 2 000 boat refugees this year.

In addition, Hong Kong is facing the problem of stricter resettlement criteria. Many resettlement countries have laid down a set of conditions with which the refugees must comply in order to meet resettlement requirements. Some countries discriminate against economic opportunists in favour of genuine refugees. USA, for example, has defined refugees as people forced to leave their countries due to a well-founded fear of persecution on religious, political and ethnic grounds. As a result of these restrictive screening criteria, fewer and fewer refugees from Hong Kong are eligible to fill the quotas, however shrunken they might have become.

Under these circumstances, Hong Kong must seek effective ways and means to decant the refugees now residing in our camps here and to curb the inflow of boat people. To achieve this, I propose that the following courses of action must be seriously considered:

First and foremost, Her Majesty's Government must be urged to accept from Hong Kong a realistic number of Vietnamese refugees with the following characteristics:

- (i) those having relatives (in the oriental sense of the term) in United Kingdom;
- (ii) those having been earlier selected by United Kingdom for resettlement but rejected the offers; and
- (iii) the 'hard-to-resettle' refugees, notably those from North Vietnam or economic migrants.

This gesture from the Her Majesty's Government will certainly be catalytic in encouraging other resettlement countries to take in more generously refugees from Hong Kong.

Secondly, as a long-term solution, Her Majesty's Government must be urged to initiate diplomatic negotiations with the Vietnamese Government regarding repatriation of refugees. To be effective in this diplomatic endeavour, Her Majesty's Government might be well advised to persuade other countries and the UNHCR to join in the negotiations.

Thirdly, it is time for our Government to rethink whether or not Hong Kong should still adhere rigidly to the original concept of the place for first asylum for

Hong Kong. The original agreement underlying this concept is as follows: The first asylum countries, mainly Hong Kong, Thailand, Malaysia, Indonesia and the Philippines, would accept all refugees landing on their shores; they would not tow their boats to the sea and they would not refuse them sanctuary. These refugees would be accommodated in camps administered and financed by the UNHCR. Then the main resettlement countries would process these refugees in an orderly fashion and find them permanent homes. Hong Kong is included as one of the first asylum countries by virtue of its status as a dependent territory of the United Kingdom, which is signatory to the agreement.

However, the agreement is breaking down and is not fully honoured. Resettlement countries have been trying to circumvent the agreement by unilaterally imposing more and more restrictive resettlement criteria. Consequently, many Vietnamese refugees in our camps are found not qualified for resettlement due to their inability to meet these stringent requirements. USA, in adopting strict resettlement criteria, did not fill up its quota last year with refugees from Hong Kong.

Furthermore, most of the first asylum countries have breached the agreement conditions by blatantly refusing boat people sanctuary and towing their boats out to sea. However, Hong Kong has faithfully abided by the agreement and has all the time been allowing boat refugees to land on our shores. Ironically, as stated in the beginning of my speech, the resettlement rates for refugees from Hong Kong are much lower than those from other first asylum countries. It appears therefore that we have been exploited and penalised for our humanitarian approach to the boat refugees!

Sir, it is difficult for us to understand how the United Kingdom can suspend its offtake of refugees from Hong Kong and at the same time, thrust upon us the obligation of observing the first asylum concept by virtue of its sovereignty authority. Sir, United Kingdom, because of its relationship with Hong Kong, has a special responsibility for, and a commitment to us. Therefore, may I ask Her Majesty's Government to permit Hong Kong to make its own decision for this issue which is of vital interest to its people?

If we want to effectively contain or alleviate our refugee problem, we must convince Her Majesty's Government to at least allow us to implement the first asylum concept in a flexible manner. I suggest that our Government set up a screening unit under the Immigration Department. Boat people arriving in Hong Kong waters will be intercepted and interrogated to establish their status as political refugees. Those arrivals, who can satisfy the Immigration Officers of their status as genuine refugees, will be given sanctuary and be accommodated in closed camps, pending subsequent permanent resettlement. Those arrivals who fail to prove their refugee status will be detained in our close camps to wait for eventual repatriation. I reckon that this measure is in the best interest of our community. If Her Majesty's Government does not heed our requests and does not do something positive towards the final solution of the boat refugees in the

next six months, we will have no alternative but to pressure our Government here to take a much harder line of action.

MR. JACKIE CHAN (in Cantonese): Sir, Vietnamese refugees have presented a distressing problem to Hong Kong for over 11 years. Initially, the Government's intention in receiving these refugees was to offer temporary asylum for those who fled Vietnam because of war and political persecution and to provide assistance for their early resettlement overseas. This policy was endorsed by the public at the time because it was assumed that their stay in Hong Kong would only be temporary. No one had ever thought that it would have become such a heavy and long-standing burden on our backs.

In the past six years, Hong Kong has spent close to \$700 million on Vietnamese refugees. More than 8 000 of them are still living in Hong Kong, many of whom have been here for over five years. So we have to ask the following questions. How much more Hong Kong taxpayers have to spend on the refugees? For how many more years do we have to look after them? How shall we deal with the continual influx of Vietnamese year after year?

Due to budgetary deficits, we have been unable to meet the need to expand education facilities, sorely-needed medical facilities, build old people's homes to care for our lonely and helpless, and provide care for the unfortunate ones suffering from disabilities. Notwithstanding these commitments, we are obliged to spend over \$100 million each year to look after a multitude of Vietnamese who do not contribute to Hong Kong and feel no sense of belonging towards Hong Kong. This is grossly unfair to the needy people in Hong Kong.

The war in Vietnam has already passed into history. It is highly doubtful whether those who arrived from Vietnam in recent years are genuine refugees. As the United Nations and other developed countries have agreed to arrange for the resettlement of the refugees, Hong Kong has tried its best to offer these refugees temporary asylum on humanitarian grounds. However, it looks as if Hong Kong has now become the only country to translate humanitarian considerations into action. There is no telling when the refugees now stranded in Hong Kong will be resettled in other countries. Relying on third countries to help solve our Vietnamese refugees problem clearly does not give grounds for optimism. The outlook is very grim indeed.

We have pinned our hope on the British Government that it would take the lead in resettling an increasing number of Vietnamese refugees. However, this seems to be too much of wishful thinking. As things now stand, we have to depend upon ourselves to resolve our own problem.

By way of this adjournment debate, I call upon the British Government to clarify its position on the issue. What is its policy towards Vietnamese refugees staying in Hong Kong? What measures will be taken by the British Government to prevent further influx of Vietnamese refugees into Hong Kong?

After being dogged by the problem for over 10 years, the public have developed antipathy towards the issue. The time has now come for a complete solution to the problem. We still hope that the British Government would conduct informal negotiations with the Vietnamese authorities and seek a diplomatic solution. We also request the United Nations to revise the definition of 'Vietnamese refugees'.

Sir, the last point I must make is, Hong Kong has now been placed on the horns of a dilemma in respect of Vietnamese refugees. If the British Government is unwilling or unable to come up with a policy to resolve the problem on the behalf of Hong Kong, then I hope the British Government would allow Hong Kong to exercise its right in devising its own solution to its own problem.

MR. CHEONG-LEEN: Sir, I don't intend to speak on all the key issues of the Vietnamese refugee problem in Hong Kong, as a number of councillors are speaking on different aspects of the situation.

But I would like to take this opportunity to emphasise in the strongest possible terms that Hong Kong has virtually come to the end of its tether in accepting any more Vietnamese refugees.

Since 1975, about 112 500 Vietnamese refugees have been accepted into Hong Kong—in fact all who arrived on our shores were allowed to land and not a single refugee was turned away.

Of this number, about 110 700 have been resettled in other countries, leaving about 8 000, out of whom about 5 500 have been here for more than three years and approximately 1 600 have been here for more than five years. Their future resettlement prospects look bleak indeed.

Of the 1 943 refugees who arrived in the first 10 months of 1986, (compared to only 968 for the same period in the previous years, that is 1985), over half are from North Vietnam as compared to just 27 per cent for the previous year.

It is now becoming increasingly difficult to resettle North Vietnamese refugees as most of them are considered to be in the category of economic migrants and not genuine refugees fleeing from persecution, and for whom, that is those refugees who are fleeing from persecution, we should have every sympathy on humanitarian grounds.

I therefore think the time has come for parallel action to be taken by both the British Government and the Hong Kong Government along the following lines:

Firstly, the British Government should more positively explore all possible avenues to urge the Vietnamese Government—which incidentally has recently had a change of leadership at the top—to accept repatriation from Hong Kong of all economic migrants who come from Vietnam, north or south.

The British Foreign Office should not only seek to put forward its views direct to the Vietnamese Government, they have in fact shown too much hesitancy in

approaching this problem and I think the time has come that they should also enlist the good offices of other countries which have an ongoing dialogue with Vietnam, such as Australia, the United States, and even Japan, in particular, to negotiate with Vietnam.

Furthermore the British Prime Minister is expected to visit Russia in the coming months, could she not raise the subject with the Russians who have strong ties with the Vietnamese Government?

Secondly, the closed-camps policy has been a deterrent to some extent in stopping the flow of refugees coming to Hong Kong from getting excessively large. But this 'closed-camp' deterrent is beginning somewhat to run out of steam, and Hong Kong must now consider firmer alternatives, since Britain at this point in time has adopted too much of a defensive and a negative stance in accepting more refugees from Hong Kong.

I would therefore urge the Hong Kong Government to consider adopting a firm stand—that, as soon as the logistic arrangements can be completed—all Vietnamese refugees coming to Hong Kong who are not genuine political refugees, will be repatriated to Vietnam just as soon as negotiations are finalised with the Vietnamese Government.

A publicly announced and clear-cut statement of policy by the Hong Kong Government to this effect should help to stem the increasing tide of Vietnamese refugees who are planning or want to come to Hong Kong.

It may be argued by the Hong Kong Government that such measures could create security risks, and that such measures ought not to be taken until after negotiations with the Vietnamese Government are more or less completed.

But it equally could be argued with force that the current situation is enough for the Hong Kong Government to consider taking stronger action in the best interests of our 5.5 million Hong Kong citizens who live in one of the most overcrowded cities in the world.

It is becoming more and more illogical and inconsistent policy-wise for the Hong Kong Government to continue with its present policy of repatriating all Chinese illegal immigrants whereas all Vietnamese refugees are taken in without exception.

Therefore, in addition to the other suggestions put forward by other councillors speaking today on the subject, I urge Government to pursue with vigour the two points I have just made.

I support the motion.

MR. HO (in Cantonese): Sir, I believe that illegal immigrants from China, especially the young immigrants from Fujian, are not unfamiliar to us. Most of these people who attempted to sneak into Hong Kong longed for reuniting with

their families here. Their feelings are understandable and they deserve our sympathy on humanitarian grounds. However, pursuant to the existing policy governing illegal immigrants, they must be repatriated to China. The above policy is formulated by the Hong Kong Government in consultation with the Chinese authorities with the latter's consent and is enforced to sufficiently safeguard the overall interest of the people of Hong Kong. Hong Kong is a small place. She can hardly endure the various pressures caused by the increase of population as a result of the influx of refugees. The acceptance of illegal immigrants will certainly result in a delay in the implementation of our improvement and development plans. It will also have an impact on the improvement of the quality of life of the local people.

Sir, I must point out that it is extremely contradictory for the Government to repatriate the illegal immigrants from China and at the same time accept the illegal immigrants from Vietnam.

The issue of Vietnamese refugees has been worrying us over the past year. The chance of overseas resettlement in the near future for many refugees who have been stranded here for years is very remote. Meanwhile, the number of Vietnamese refugees arriving at Hong Kong has significantly increased. Moreover, there are indications that most of these newcomers are not political refugees but rather economic migrants.

Based on humanitarian grounds, we should give a helping hand to those refugees who had really been living under political persecution. Yet it must be noted that due to our limitations, Hong Kong can only play the role of a place of first asylum and offer limited help to refugees during the interim period when they await for resettlement overseas. I must stress that Hong Kong must obtain recognition and moral support from the international community of its role of the place of first asylum. It would be extremely unfair to Hong Kong if Vietnamese refugees were allowed to stay here for a long time and share our limited resources. On the other hand, by repatriating illegal immigrants from China and accepting illegal immigrants from Vietnam without a good cause, Hong Kong will definitely be accused of favouring the latter and being prejudiced against the former. Sir, I would call on the Government to immediately review the repatriation policy to ensure a fair and uniform standard in its implementation. Moreover, the British Government which is in charge of Hong Kong's foreign affairs must resolve our present problem by adopting a positive and responsible attitude. The British Government should take the lead in increasing its quota for Vietnamese refugees so as to encourage other resettlement countries to follow suit. The British Government should also start to talk with the Vietnamese authorities as soon as possible in order to find a way to completely solve the problem of illegal immigrants flooding into Hong Kong from Vietnam.

Sir, before I conclude, I must point out that we may have no other alternative but consider taking together measures if there is still no sign of improvement in the Vietnamese refugee problem.

MR. HUI (in Cantonese): Sir, one might recall that during the Sino-British negotiations over the future of Hong Kong and the transition period since the signing of the Sino-British Joint Declaration, the British Government has, through her officials at various levels and on different occasions, repeatedly assured that she would remain fully committed to the responsibility of administering Hong Kong in the run-up to 1997 and would try her best to maintain the territory's prosperity and stability.

The British Governments has, however, continued to employ delaying tactics in handling the Vietnamese refugee problem of Hong Kong and has time and again ignored the resentment of Hong Kong people and the two vehement requests reflected by this Council through the late Governor, Sir Edward YOODE, and the Secretary for Security, the hon. D. G. JEAFFRESON. Such a move inevitably casts doubt upon the British Government's promise 'to look after the interests of Hong Kong people' for it is thought that such a promise has already turned into a beautiful lie. Some people also consider this as another move undermining local people's confidence following the enactment of the new Nationality Act by British.

Sir, in particular, I would like to question the credibility of the British Government's commitments to look after Hong Kong people's interests in the run-up to 1997. What would the British Government decide when there is a conflict of interests between the Hong Kong people and the British? The problem of accepting Vietnamese refugees is one of the glaring examples. Let's see how the British Government handles this problem and how she treats Hong Kong people's interests and whether she honours the promises she has made.

In order to win international prestige and to preserve her traditional image of upholding humanitarianism, the British Government has, since the influx of Vietnamese refugees into Hong Kong in 1975, obliged the Hong Kong Government to act as a 'place of first asylum' whereby all refugees landing on our shores are to be accepted. At that time, the local Government agreed to accept the refugees on the understanding that they would be resettled in other countries as soon as possible.

Unfortunately, over the past few years, the British Government has not only failed to do her best to alleviate the burden on Hong Kong by accepting a realistic number of Vietnamese refugees, but also did something which is even more resentful: while the three main resettlement countries, that is, USA, Canada and Australia, which follow Britain's lead in accepting Vietnamese refugees, indicated one after another that they would reduce the intake of Vietnamese refugees in 1987, the British Government has, to our surprise, procrastinated in making known her stance on whether she would take the lead in increasing the intake of Vietnamese refugees and how the refugee problem can finally be resolved, not to mention that she would take some specific actions.

Who would have thought that Britain, which has always been upholding humanitarianism and has time and again pledged to look after the interests of Hong Kong people can be so perfidious? Is this a tragedy or an irony?

The underlying rationale for assuming such an ambiguous attitude on this issue is that the British Government does not wish to see the prestige of the Conservative Party in power from being undermined by an increase in the intake of Vietnamese refugees just before the general election this year because refugees have always been unwelcome in Britain. In order to win more votes, it is only natural that the Conservative Party declines to increase the intake of refugees stranded in Hong Kong.

To safeguard the interests of one party, the British Government can break her promises and disregard the strong requests raised by Hong Kong people. Such acts of attaching paramount importance to 'advantages' clearly reveal the defects of party politics. Thus, it can be said that Hong Kong is harmed by party politics even before receiving any benefit from it!

On the other hand, where can public justice be found when Britain, after taking advantage of the generous refugee policy adopted by Hong Kong to win herself international applause, shut her eyes to Hong Kong people's interests subsequently? What is more annoying is that when the Hong Kong Government was obliged to adopt the closed camp policy in July 1982 in the face of a continuing influx of refugees into Hong Kong and deteriorating prospects for resettlement, some British politicians who had put on their pseudo-humane masks criticised such policy as inhumane and yet they refused to give a helping hand to the refugees. After taking away our glamour, the British Government hit Hong Kong when she is down, putting Hong Kong in a dilemma in regard to its refugee policy. Where can one see public justice when our Government, after accepting the refugees on humanitarian grounds, is criticised as being inhumane?

Sir, you had made known to the press that the Hong Kong Government was hand-tied in handling the Vietnamese refugee problem, for everything depended very much on the British Government's attitude. Since the latter refuses to take up greater commitment in regard to this issue, and yet this Council stand by with folded arms towards the endless influx of Vietnamese refugees and they being stranded here, I am of the opinion that there is a need for our Government to initiate some self-salvation measures or to compel the British Government to take specific actions within a short period of time to indicate that she is committed to looking after the interests of Hong Kong people; otherwise, people will inevitably be more convinced that ours is a 'lame-duck' government, for we have to consider the attitudes of both the Chinese and British Governments before taking any action.

I strongly demand that the British Government should speedily resume taking the lead in accepting more Vietnamese refugees from Hong Kong so as to induce the three main resettlement countries to change their minds by means of

practical actions and alleviate the pressure on Hong Kong. Meanwhile, the British Government should also take advantage of the recent political reshuffle in the Vietnamese Government to negotiate with the latter through diplomatic channels, requesting her to guarantee that refugees who return home of their own volition and those being repatriated will not be ill-treated. While entering into negotiations with the Vietnamese Government is by no means an easy job, the British Government has never been seen making any efforts in this respect.

Sir, if the British Government still declines to express her stance on the above two requests within a short time, I maintain that the Hong Kong Government should, for the sake of self-salvation, establish a stringent 'screening system', similar to the screening centres set up at the American-Mexican border and at the Thai-Laos border, to process future Vietnamese refugees flocking to Hong Kong. Only 'political refugees' will be accepted while other 'economic refugees' will be treated otherwise. I firmly believe that we will have sufficient capability and manpower to carry out this policy.

Like the 'closed camp' policy, the aforesaid screening system will be censured. Nevertheless, I consider that when our community is unable to make both ends meet with her limited resources and when there is no sign that the Vietnamese refugee problem will be resolved, if our local Government, fails to take appropriate and timely action to cope with the situation, how can she be accountable to the people of Hong Kong, especially to those residents whose immediate relatives from China are 'repatriated instantly upon arrest' for illegal entry into the territory?

Sir, the above are my remarks.

MR. LEE YU-TAI: Sir, it is widely recognised that Hong Kong became a prosperous business centre built up by refugees, who arrived here after the World War II. These refugees came from across the Lo Wu Border and were refugees in the true sense of the word. Many of them brought to Hong Kong skill and capital which developed industries and the local economy. They were all Chinese who integrated into the community without difficulty. In spite of the contributions of these people, this Council decided in 1982 that illegal immigrants arriving from mainland China would have to be repatriated. This decision received support from the entire community, because there was no alternative option which would not pose a danger to the prosperity of the territory.

On the other hand, Vietnamese refugees arriving in recent years appeared to have come for economic reasons, searching for a place with a better standard of living. The majority (that is 53 per cent in 1986) of these migrants came from North Vietnam, which annexed South Vietnam in 1975 and emerged as the victor in the unification of the country. It is difficult to accept that these Vietnamese have suffered from political persecution. They speak neither English nor Chinese, and there is no way they can integrate with the community of

Hong Kong. Some major prospective resettlement countries, such as the United States and Australia, do not recognise them as refugees. For this reason, they are likely to be left behind in Hong Kong for prolonged periods and constitute a heavy burden on our resources, which, in monetary terms, will be in the order of hundred million dollars per year. It is blatant injustice to the people of Hong Kong that Vietnamese have come here with the motivation of a better life, but the enormous burden they impose on our resources may lower our own living standard. In my election constituency, there are people whose family members and children have been repatriated. How can they accept that Vietnamese should be allowed to stay?

At this point in time, we still have more than 8 000 Vietnamese refugees in open and closed camps awaiting resettlement. Britain has never been helpful in granting resettlement. In the last three years, for example, Britain took a total of 604 Vietnamese refugees from Hong Kong, but USA took 4 536; Canada 3 285 and Australia 1 752. Hong Kong has only 1 067 sq km of land and a population of 5.4 million. This is equivalent to an overall population density of 5 012 person per sq km which compares with 230 in the United Kingdom. Visitors from Britain have however harshly criticised our closed camp policy, in public documents such as the Refugee Action Report. It is easy to say kind things by word of mouth, and denounce other people but give them no help at all. Nobody wants to accommodate a stranger at home and provide him with board and lodging for years.

Since I joined this Council 15 months ago, Britain has let down the people of Hong Kong on at least two major issues. The Order in Council went through Parliament last April, which deprived the minority people of Hong Kong of their only hope for an effective nationality. This irresponsible decision of the British Government was taken in spite of a unanimous demand by this Council, and strong representations by the Indians. Now Britain is again trying to back out from a commitment. No answer has yet been given to the request of Hong Kong for the continuation of resettlement for Vietnamese refugees. Having been let down on two important issues, how can the people of Hong Kong have confidence in the British Government which represented them in the negotiation of the future of the territory? How can people believe that the Hong Kong Government is not a lame duck government, if it cannot change the attitude of the British Government? I would therefore propose the following:

- (i) that the Hong Kong Government persuade the British Government to continue to take Vietnamese refugees from Hong Kong, at an annual quota of not less than that of 1986, that is 500;
- (ii) that the Hong Kong Government ask the British Government to obtain assurance from Vietnam that refugees will not be treated inhumanely upon repatriation to the country and, following the assurance, that all future refugees be repatriated to Vietnam.

Sir, may I now conclude my speech and ask for a response from the official side?

MR. LIU (in Cantonese): Sir, since the beginning of an influx of Vietnamese refugees, Hong Kong has been adopting a lenient and humane policy to provide shelter for them. Although the United Kingdom, USA, Canada and Australia have already absorbed a number of refugee immigrants who satisfied their respective requirements over the past few years, there are still more than 8 000 Vietnamese refugees who are stranded in Hong Kong. Based on the current absorption rate of various countries, the Vietnamese refugee problem cannot be solved within a short time. Recently, the United Kingdom is reducing its intake of refugees and other countries are also reducing their quotas for refugee immigrants. This has brought about great pressure on Hong Kong. Over the years, Hong Kong has spent a lot of public funds on refugees who are stranded here. At the same time, she has to tackle all kinds of social problems relating to these refugees. Under present circumstances, the Government should take on a tougher stand to urge the United Kingdom to increase its intake of Vietnamese refugees and expedite the processing of applications for emigration lodged by refugees. Even though the United Kingdom will hold a general election next year, the Government should proceed positively in the hope that the United Kingdom will take the lead in urging other countries to increase their quotas for Vietnamese refugees.

The closed camps currently run by our Government will not achieve a great effect in deterring refugees from entering Hong Kong. Most of the Vietnamese refugees who have arrived recently are economic migrants and not political refugees. Since the political situation in Vietnam is becoming more stable and political persecutions are being toned down, it is unlikely that a big exodus of refugees would recur. Hence, even if Hong Kong declares that she will no longer provide any shelter for refugees, I believe she will not be accused of being inhumane by other countries. It is only by so doing that an effective deterrent effect can be achieved. The remaining problem is how to deal with those Vietnamese refugees who are not able or perhaps will never be able to leave Hong Kong. This problem cannot be resolved simply by the passive approach of the establishment of closed camps. The Government should adopt a more positive approach in the long run.

To set up closed camps is not economical. Since the refugees are not allowed to work, naturally they are non-productive and have no income, thus becoming a heavy burden for the Government. The Government already spent more than \$100 million on Vietnamese refugees last year. If the refugees are allowed to seek employment under controlled conditions, the Government may save the above expenses while the refugees can earn their own living. In view of the economic recovery and the high employment rate in Hong Kong, I believe the proposal will not affect the employment prospects of the local people.

Moreover, among the refugees are children reaching school age. Other younger ones will also have to receive education soon. If these children are not

allowed to attend school, they will become illiterates who will have difficulties in seeking jobs and adjusting to the social environment no matter whether they are to emigrate overseas or stay in Hong Kong.

The longer the refugees live in the closed camps, the more difficult it will be for them to adapt to the outside world. On humanitarian grounds, we cannot let them live in these closed camps forever. In view of the prevailing policy adopted by the various countries, I think the problem of Vietnamese refugees will not be solved in the near future. The departments concerned should conduct studies now with a view to finding some proper solutions because eventually, Hong Kong has to tackle the problem on its own. It should be the right time to start planning now.

MR. POON CHI-FAI (in Cantonese): Sir, Hong Kong has no legal obligation to accommodate and take care of Vietnamese refugees. But over the past 11 years, she has been magnanimously and continuously accepting them on humane grounds, and so Hong Kong has become their first asylum.

Hong Kong itself however, is already rather over populated and being such a small place, her economic capability is but limited. Vietnamese refugees have now become a heavy burden which affects, to a certain extent, our social welfare, medical services, education, transport, housing and even our overall stability and prosperity. At present, there are still tens of thousands of Hong Kong people living in adverse and overcrowded squatter and temporary housing areas. Many of them live in huts erected on dangerous slopes. They are desperately longing for the Government to allocate more resources to improve their living conditions and to resettle them in places far away from such dangerous sites. Apart from this, Hong Kong still has plenty of urgent issues waiting to be solved: the long waiting list of public housing applicants, the endless queues at the outpatient departments of hospitals, the numerous canvas beds jamming hospital wards and corridors, as well as the grievances of parents of handicapped and disabled children caused by insufficient special school places. Therefore, how can Hong Kong, in the midst of all these problems, afford to be humane to outsiders and continue to take good care of Vietnamese refugees while other countries slash their quota of immigrants for Vietnamese refugees? This would only be done at the expense of Hong Kong and prevent her from devoting all her resources to tackle or solve her own problems. If it really has to be done like this, then it is contrary to the principles which we always try to uphold: that the interests of Hong Kong should be of utmost importance, that better benefits should be enlisted for our people, that the living standard of the middle/lower classes should be improved and that a stable and prosperous society should be maintained.

Since 1975 when Vietnamese refugees first arrived in Hong Kong, the nature of such refugees has been gradually changing; they are now mostly economic refugees rather than the original political refugees. Recent arrivals from Vietnam are mostly economic refugees who want to seek a better life. As a

matter of fact, more refugees are from North Vietnam than from the war-torn South Vietnam. Moreover, these refugees are more selective in choosing their resettlement countries; they would prefer to settle in a country with better economic conditions and refuse to settle in those with ordinary economic achievements. This is obviously a characteristic of economic refugees. Under these circumstances. we must review our present policy of accepting all Vietnamese refugees coming into Hong Kong. Actually, some countries have already reduced their intake or refused to increase their intake of Vietnamese refugees at all.

Sir, when I think of the boat-brides who were required to leave Hong Kong and thus had to endure the grief of being separated from their husbands and children, I feel very sorry for them. I also cannot understand and cannot accept why they cannot receive the same treatment as the Vietnamese refugees, even though their husbands and children are in Hong Kong and their livelihood are supported by their husbands. Sir, it is human for parents to take care of their children. It is thus a pity to see those child illegal immigrants, who have risked their lives sneaking into Hong Kong to reunite with their parents, are not allowed to stay here while the Vietnamese refugees could. Sir, if the Vietnamese refugees are given the same equal treatment as the boat-brides and the child illegal immigrants, then repatriation of the latter to mainland China would not give rise to dispute. Otherwise, the people of Hong Kong would find it hard to accept such a policy.

Sir, in view of the above reasons, I think the Government should review the policy on Vietnamese refugees and on the long-term basis, find ways to cut down or even refuse to continue to accommodate economic refugees from Vietnam. If such refusal is alleged as inhumane, I would like to ask whether it is humane to use the existing closed camps and to repatriate the boat-brides and child illegal immigrants. The Government has all along hoped that the closed refugee camps will deter Vietnamese refugees from coming to Hong Kong. But on the contrary, Vietnamese refugees keep rushing in. In 1986, a total of 2 063 Vietnamese refugees came to Hong Kong, as compared with 1 112 in 1985. This shows that closed refugee camps have failed to achieve any deterrent effect. During the 11 years since 1975, Hong Kong has already spent hundred millions of dollars and resources to accommodate and take care of Vietnamese refugees. Hence it can be said that we have done our very best and all that we can do.

Sir, I am not against humanity. But in deciding on the policy on Vietnamese refugees. we should also take into consideration the problems faced by Hong Kong at present, the capability which Hong Kong can afford and whether such a policy would be harmful to the improvement of Hong Kong's stability and prosperity. To allege that Hong Kong is inhumane just because she would not continue to accept Vietnamese refugees is unrealistic and unfair. In fact, the most inhumane countries are those which caused the exodus of Vietnamese refugees in the first place, and are thus most worthy of criticism. Second on the

list would be those countries with vast expanse of lands and resources, yet which declined to accept more refugees. Sir, I am disappointed and dissatisfied with those countries which emphasise humanity on the one hand while refusing to accept more refugees on the other. I also wish that the Government will, as soon as possible, formulate a more appropriate policy on Vietnamese refugees.

Finally, I hope that the Hong Kong Government will urge the British Government to take the lead and accept more refugees staying in Hong Kong, and also to work out an appropriate and long-term policy on Vietnamese refugees in order to prevent more refugees from coming to Hong Kong so that our overall prosperity and stability will not be adversely affected.

Sir, the above are my remarks.

5.55 pm

SECRETARY FOR SECURITY: Sir, I would first like to thank hon. Members for giving us this afternoon a particularly comprehensive summary of the background to this very difficult problem and indeed the details of these difficult problems themselves.

Generally, Sir, hon. Members have strongly supported today what the Government has already been trying to do in order to solve these problems and hon. Members have done so in the strongest possible terms. There are two things in particular that we have been trying to do to solve these problems.

The first is that we have been asking Her Majesty's Government to continue to resettle more Vietnamese refugees from Hong Kong, in particular, the three categories which my hon. Friend, Mr. HO, particularly referred to. These are: family re-union cases under the relaxed criteria for determining the eligibility for family re-union which Her Majesty's Government introduced I think it was at the end of the year before last. The second group is what is known as the United Kingdom refusals. These are about 160 refugees who were offered resettlement in the United Kingdom sometime ago but for one reason or another refused it and have thus rendered themselves unresettlable anywhere else. And thirdly, it would be a tremendous help to us if the British Government could resettle some of the so-called hard-to-resettle cases.

As Mr. CHEONG-LEEN pointed out, we have some 5 500 refugees who have been here for more than three years and as many as 1 600 who have been here for as long as five years. Now there can be no doubt whatsoever that the extremely helpful British initiative, that is to say to take about 500, at the end of the year before last, stimulated an extremely good response as far as resettlement generally was concerned in the year that has just passed. It is difficult to say how large that response was because it is not that easy to determine how many would have been resettled had this initiative not taken place. But we, Sir, are pretty sure that the British initiative resulted in an

extra thousand being resettled and we will put it, frankly, at near 1 500. I would like to give the British Government our thanks for this particularly valuable contribution which had this particularly valuable consequence as far as resettlement was concerned last year and I would also like to thank on behalf of the Hong Kong Government all those resettlement countries that responded so nobly, and the Office of the United Nations High Commission for Refugees here for the very great help it gave us also in this context. But that said, I must agree with hon. Members that the prospect for 1987 does not look good. And it is difficult, as hon. Members pointed out, for a place like Hong Kong, whose population has gone up from 500 000 to 5 500 000 over the past 40 years, to understand quite what the difficulties of many of these resettlement countries are, given the relativities of their space and their populations. But that does not alter the fact, nevertheless, that we appreciate that they do have difficulties, particularly political ones and we do appreciate very much the help that they have given us so far. In the context of 1987, from our experience in 1986, we have no doubt whatsoever that a good example by the British Government in regard to the resettlement of Vietnamese refugees from Hong Kong will trigger off another good response from the other resettlement countries.

Now Sir, the second line that we have been pursuing is the possibility of repatriation which virtually all hon. Members who have spoken this afternoon have pressed the Hong Kong Government to pursue. This is the only long-term solution that we see as viable and indeed it is the solution that Hong Kong has for any other travellers who arrive here illegally and they include of course a very large number who arrive here illegally from China. Travellers who arrive here illegally are sent back. Full stop.

Why must there be repatriation? Why is that the long-term solution? And the answer is, I am afraid, that as again hon. Members have pointed out very forcefully this afternoon, whereas we, at the moment, under international obligations, have to accept all arrivals as we are a place of first asylum, nevertheless most resettlement countries have criteria which they apply to determine which refugees they will take for resettlement and that is why we have these so-called hard-to-resettle cases and have them in such rather substantial numbers for so long. Other countries will only accept those who, as another hon. Member pointed out, can establish that they have suffered persecution or have a well-founded fear of persecution in the countries from which they have fled.

Our long-term solution is to repatriate to Vietnam all those who cannot establish that they are refugees in terms of the definition I have just quoted, provided that, and this is an important point, provided that we can be reasonably satisfied that they will not be treated inhumanely on their return to Vietnam and we have been asking in really quite forceful terms Her Majesty's Government to pursue this possibility. And in that context, incidentally, I am very pleased that hon. Members have confirmed a point that we have been making and we have made indeed many times: that it is difficult for Hong Kong to agree that it must accept Vietnamese non-refugees, in other words those

who cannot establish that they have refugees status, those that are economic migrants, when it has to return, as I have just said, all other illegal arrivals to Hong Kong including close relatives of people already here who have arrived from China. And I might add that there is a movement outside Hong Kong, which I hope will not prevail, that repatriation must be voluntary, in other words, that those who are established as non-refugees must volunteer to return. I just cannot frankly see anyone who has got the guts to get in the sort of boats that Vietnamese refugees arrive in Hong Kong and which frankly none of us in this room would dream of taking to go from Hong Kong Island to Kowloon in, who has taken these really extremely dangerous vessels, has sailed all the way from Vietnam to Hong Kong. These are not the sort of people who are going to agree to return there voluntarily.

Sir, we much appreciate the support that Members have given us this afternoon and we will be reporting on what they have said to London as soon as we possibly can.

Finally, I can assure hon. Members that we will also be considering or in many cases re-considering the various other points they have raised. Some indeed we can already answer. For example, Mr. LIU Lit-for who has asked for employment opportunities and education in the closed camps. In fact, we have already established employment opportunities for the Vietnamese refugees in closed camps; and are extremely grateful to voluntary agencies for the very good efforts they are putting into education in these camps. The object, of course, of both, is to make sure that the Vietnamese refugees are resettlable when they are eventually resettled. And I am grateful for hon. Members for the great boost they have given us for our case this afternoon.

Thank you, Sir.

Question put and agreed to.

Next sitting

HIS EXCELLENCY THE PRESIDENT: In accordance with Standing Orders I now adjourn the Council until 2.30 pm on Wednesday, 14 January 1987.

Adjourned accordingly at eight minutes past six o'clock.

Note: The short titles of motion/bills listed in the Hansard Report have been translated into Chinese for information and guidance only; they do not have authoritative effect in Chinese.

WRITTEN ANSWERS**Annex I****Written answer by the Secretary for Health and Welfare to Dr. HO's supplementary question to Question 3**

The estimated cost of this improvement is \$417,213. It is expected that the Urban Council will fund this project, although final approval has not yet been given.

Annex II**Written answer by the Secretary for Education and Manpower to Mr. LEE Yu-Tai's supplementary question to Question 4**

Normally, this is achieved through the inclusion of various issues related to sex education in appropriate extra-curricular activities in schools. The exact format and arrangement, of course, differs from school to school but, in general, such activities are designed to heighten awareness and understanding of the problems associated with personal development, particularly during adolescence.

Such activities may take the form of panel discussions on issues of social concern, small-group projects on specific topics like pornography, talks in morning assemblies, seminars, film shows, essay/drawing competitions, board displays or exhibitions on topics such as dating and marriage, questionnaire surveys, health education project competitions and so on.

To assist schools in planning and organising these programmes, advice and information are provided by the Curriculum Development Committee in chapters III and VII of the Guidelines on Sex Education in Secondary Schools issued by the Education Department in May last year.