

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 8 June 1988****The Council met at half-past Two o'clock****PRESENT**HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)

SIR DAVID CLIVE WILSON, K.C.M.G.

THE HONOURABLE THE CHIEF SECRETARY

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

THE HONOURABLE THE FINANCIAL SECRETARY (*Acting*)

MR. DAVID ALAN CHALLONER NENDICK, J.P.

THE HONOURABLE THE ATTORNEY GENERAL

MR. JEREMY FELL MATHEWS, J.P.

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

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

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

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

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

THE HONOURABLE WONG PO-YAN, C.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 JOHN JOSEPH SWAINE, C.B.E., Q.C., 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. PAULINE NG CHOW MAY-LIN, J.P.

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

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

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

DR. THE HONOURABLE CHIU HIN-KWONG, J.P.

THE HONOURABLE CHUNG PUI-LAM

THE HONOURABLE THOMAS CLYDESDALE, J.P.

THE HONOURABLE HO SAI-CHU, M.B.E., J.P.

THE HONOURABLE RICHARD LAI SUNG-LUNG
THE HONOURABLE DESMOND 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 RONALD GEORGE BLACKER BRIDGE, O.B.E., J.P.
SECRETARY FOR EDUCATION AND MANPOWER
THE HONOURABLE MICHAEL LEUNG MAN-KIN, J.P.
SECRETARY FOR TRANSPORT
THE HONOURABLE EDWARD HO SING-TIN, J.P.
THE HONOURABLE GEOFFREY THOMAS BARNES, J.P.
SECRETARY FOR SECURITY
THE HONOURABLE PETER TSAO KWANG-YUNG, C.P.M., J.P.
SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION

ABSENT

THE HONOURABLE STEPHEN CHEONG KAM-CHUEN, O.B.E., J.P.
THE HONOURABLE MRS. RITA FAN HSU LAI-TAI, O.B.E., J.P.
THE HONOURABLE KIM CHAM YAU-SUM, J.P.
THE HONOURABLE HUI YIN-FAT
DR. THE HONOURABLE CONRAD LAM KUI-SHING
THE HONOURABLE MARTIN LEE CHU-MING, Q.C., J.P.
THE HONOURABLE GRAHAM BARNES, C.B.E., J.P.
SECRETARY FOR LANDS AND WORKS

IN ATTENDANCE

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

Paper

The following subsidiary legislation was laid on the table pursuant to Standing Order 14(2):

Subject *L.N. No.*

Subsidiary Legislation:

Boilers and Pressure Receivers Ordinance	
Boilers and Pressure Receivers (Exemption) (Consolidation)	
(Amendment) (No.2) Order 1988.....	159/88

Oral answers to questions**Environmental pollution in Mai Po Wildlife Reserve**

1. MR. CHEUNG asked (in Cantonese): *Will Government inform this Council whether the Mai Po Marshes have been affected by environmental pollution? If so, what measures will the authorities concerned take to protect the natural ecological environment of that area?*

SECRETARY FOR HEALTH AND WELFARE: Sir, Deep Bay, like Tolo Harbour, is an enclosed body of water with limited circulation and is affected by similar pollution problems. A major study was commissioned in January this year to review the environment in Deep Bay and to assess the cumulative effects of development projects in the area. The study has shown that pollution levels in the inner part of Deep Bay are very high and that the major source of this pollution is organic waste from livestock farming.

Despite the general deterioration of water quality in Deep Bay, the study does not indicate that the Mai Po Wildlife Reserve has been significantly affected by pollution. The mangroves, which form the principal plant community, appear to be unaffected and there has been no reduction in the species and number of birds reported in the area.

To protect the wildlife reserve, the marshes have been designated as a restricted area and public access is limited. It is patrolled by nature wardens and an education centre has been established to promote environmental conservation and education.

In addition, two major initiatives are being taken to improve environmental pollution in Deep Bay. These are the extension of the livestock waste control scheme to the Yuen Long area in 1991 and the construction of a trunk sewer to carry sewage from Tin Shui Wai New Town to discharge into the Urmston Road, which is planned for completion in 1992.

The final stage of the environmental review of Deep Bay which will be completed in July this year, will recommend measures to be incorporated into the various flood control, drainage and other projects planned for the area. It is intended that these measures should provide further protection to the Mai Po Marshes and other important conservation areas in Deep Bay.

MR. CHEONG-LEEN: *Sir, can an unequivocal assurance be given by Government that it has a long-term commitment to preserving the environment at Mai Po Marshes which is now known worldwide for its variety of wildlife?*

SECRETARY FOR HEALTH AND WELFARE: Yes, Sir, I am sure I can give such a commitment. We fully recognise the importance of Mai Po Marshes in this respect, and the various measures that I have described will be taken with the aim of preserving the ecology of the area.

PROF. POON: *Sir, in view of the industrial developments in China near Mai Po and other Yuen Long areas, has Government any long-term projection as to the possible pollution effects in this area?*

SECRETARY FOR HEALTH AND WELFARE: Sir, the Environmental Protection Department does have regular meetings with the environmental agencies in Guangdong and in Shenzhen, and we do our best to keep in touch with proposals that are being made there for developments with the aim of ensuring that the joint responsibility for the preservation of the ecology of Deep Bay is maintained.

Criminal offence in private resort houses

2. MRS. TAM asked (in Cantonese): *An increasing number of private resort houses for rent are doing business in suburban areas and the outlying islands. Their operation is highly flexible, without any restrictions. In view of this, will Government inform this Council how many cases of criminal offence took place in these resort houses over the past three years, together with a breakdown on the nature of the crimes and the area where the outbreak of such crimes is most serious? Is consideration being given by the Government to adopting appropriate measures to improve the management of such resort houses?*

SECRETARY FOR SECURITY: The police have been aware for some time of problems concerning the renting out of private houses to holidaymakers. So far reports have mainly involved offences in the outlying islands, especially Cheung Chau, Lamma and parts of Lantau.

Some property owners in these areas rent out their premises overnight to visitors from the urban area. The properties are either apartments or individual rooms, usually in village-type houses. Most of the premises are owned by local

inhabitants, some of whom are absentee landlords. Problems arise when large groups, usually of young people from the urban area, rent these premises and hold noisy parties. Alcohol is consumed and there have been reports of disputes breaking out resulting in fights, sometimes serious assaults. The police have also received complaints of nuisance, most commonly about noise.

It is not possible to give accurate data for the whole territory of the types of crimes involved because separate statistics have not been kept of the number of private resort houses or the offences committed in them. The police have so far only kept records of reports involving holidaymakers in general in the Cheung Chau Division, which includes Lamma Island, where the problem appears to be more prevalent. There are 136 private resort houses in Cheung Chau and 25 in Lamma. In these two areas combined, 18 per cent of crime reports and 10 per cent of nuisance complaints concern holidaymakers, but not all of these involve resort houses. I have asked the police to provide details of these.

The problem of offences associated with resort houses has been discussed by the Islands District Board and by the district fight crime committee. Legally, any person can rent out private accommodation and no licence is required, although I am advised by the Inland Revenue Department that a Business Registration Certificate would be necessary if the renting constituted a business under the Business Registration Ordinance. The police have no special powers to enter these houses, which count as private premises. Access can only be obtained by invitation, by search warrant or by executing powers under an appropriate Ordinance, for example, the Women and Juveniles Ordinance or the Dangerous Drugs Ordinance. There is no legislation specifically governing the renting of private resort house accommodation.

I accept that there are complaints and offences arising from groups of, mostly young, people renting these houses. I am therefore referring the matter to the Commissioner of Police and the Fight Crime Committee for detailed consideration of the nature and extent of the problem and what can be done to prevent it becoming more serious and occurring in other areas. I am satisfied that the police have adequate powers to deal with serious crime in these places, but we may need to consider ways to improve the general control of these premises.

MRS. TAM (in Cantonese): *Sir, owners of such resort premises do not have to have business registration. Has consideration been given to making it compulsory for such premises to obtain business registration certificates? If not, why not?*

SECRETARY FOR SECURITY: Sir, it has not yet been considered but it will very soon be considered. Strict compliance with the requirements of the Business Registration Ordinance might certainly help as a control measure, and, as I say, I shall ensure that this is considered. Other possible areas of control are lease conditions which could be considered by my hon. Friend, the Secretary for

Lands and Works, and fire prevention measures, which of course falls in my own area of responsibility. There is, of course, always the possibility of civil action which can be taken by neighbours in cases of persistent nuisance.

Background radiation in Hong Kong

3. PROF. POON asked: *Will Government inform this Council whether it has conducted any study on the level of background radiation in Hong Kong in the past five years and if so, what are the results as compared with similar studies carried out in other countries and what impacts the level of background radiation will have on the health of the people of Hong Kong?*

FINANCIAL SECRETARY: Sir, since 1961, radioactivity in air and rainwater has been measured by the Royal Observatory. The measurements have been used by the World Meteorological Organisation, together with measurements supplied by other meteorological stations throughout the world, in order to study the global transportation of radio nuclides released into the atmosphere from nuclear tests. The data have given an indication of how atmospheric radioactivity in Hong Kong has varied over the years.

Then in 1984, the Government formulated a programme to study, in detail, the background radiation in Hong Kong. The aim of this programme is to collect data over a sufficiently long period, before the commissioning of the nuclear power station at Daya Bay, so that existing levels of radiation throughout the territory can be established. This baseline information will permit subsequent changes in radiation levels to be detected.

The programme has been implemented by the Royal Observatory in co-operation with several other government departments, and monitoring stations have been set up within the territory. Measurements began in 1987.

Results to-date indicate that in general the background radiation levels in Hong Kong are comparable with those in many places in the world. In 1987, the total annual dose from external radiation at various locations in the territory ranged from 0.5 to 1.5 millisieverts. The annual average in the US ranged from 0.4 to 1.2 millisieverts.

The consensus of international opinion including that of the International Commission on Radiological Protection is that these levels have no observable impact on the health of the population.

PROF. POON: *Sir, will the Secretary inform this Council if the Government has carried out the monitoring of some specific radio nuclides, such as iodine 131, strontium 89 and caesium 137 which are directly related to possible radioactive leaks from nuclear power plants?*

FINANCIAL SECRETARY: Sir, I think it follows from my answer that the radiation monitoring is of those radioactive elements which are likely to be ones released from a nuclear power station; so, the answer is, yes.

PROF. POON: *Sir, a recent report from some academics suggests that the radon level in Hong Kong is slightly higher than that in other places in the world. In view of the fact that most of Hong Kong's inhabitants are working and living in concrete jungles, will the Government inform this Council if the Government has any plan to monitor the background radon level in Hong Kong? If not, has the Government been made aware of any systematic studies of this matter in local institutions?*

FINANCIAL SECRETARY: Sir, radon is not one of the radio nuclides which have been monitored because it is not one which would occur from a nuclear power station and so we have not been taking account of this in the monitoring programme. We understand, however, that some research has been done at the universities and that their monitoring of this particular item has actually been taking place over the last few years. But, as I say, from our point of view, we are interested in establishing base levels on which to measure what, if any, effect might arise from the nuclear power station at Daya Bay.

It is our understanding that the question of radon which is a fairly recently established source of concern is more likely to occur in areas where windows are closed. It occurs more frequently indoors than out of doors; it builds up. It is an odourless, invisible gas and the levels inside tend to be higher than outside. What research has been done in temperate parts of the world suggests that the indoor average is eight times as high as that outside. And, without any research having been done, it is believed that it is more likely to build up in the temperate regions of the world where windows are kept closed for longer periods of time, than those in the hotter areas of the world.

MR. SOHMEN: *Sir, I am not sure why the Financial Secretary should know what a 'sievert' is, but to put it in context, could he advise the Council what quantum of sieverts might become dangerous for the population at large?*

FINANCIAL SECRETARY: Sir, I do not have the answer immediately, but I will provide a written answer to Mr. SOHMEN. (See Annex I)

Accidents along the cycle track between Sha Tin and Tai Po

4. MR. YEUNG asked: *In view of the popularity of cycling in the New Territories, especially along the cycling track extending from Sha Tin to Tai Po, will Government inform this Council how many cases of injuries at the cycling track have been reported in the past six months and what facilities are available along the track to provide medical care to injured cyclists?*

SECRETARY FOR HEALTH AND WELFARE: Sir, according to police statistics, there were a total of 16 accidents involving cyclists along the cycle track between Sha Tin and Tai Po in the period from September 1987 to March 1988. Of these, seven were classified as serious and nine slight.

In view of the large numbers of cyclists who use the cycle track, a number of special measures have been introduced during weekends and public holidays, to ensure that injured cyclists receive prompt assistance. The Auxiliary Medical Service operates a first aid post at the Sha Tin Ambulance Depot, which is situated near the track, and I understand that another post will be opened later this year. In addition, the police maintain regular patrols along the cycle track. These patrols are equipped to provide on-the-spot first aid treatment and can summon further assistance by radio if necessary. Fixed police posts are manned at several points along the track to offer advice and assistance to cyclists.

There are four general out-patient clinics near the cycle track, two of which provide 24-hour accident emergency services. More serious cases are dealt with at the Prince of Wales Hospital.

In the light of the concern expressed by the Sha Tin and Tai Po District Boards, efforts are also being made to encourage better cycling standards in order to prevent accidents. The Sha Tin District Office is actively promoting greater safety in cycling through publicity campaigns in schools. In addition, an inter-district, inter-departmental working group has been established to explore the need for further facilities along the cycle track such as emergency phones and more first aid posts.

MR. YEUNG: *Sir, are the fixed police posts and first-aid posts along the cycle track also being manned during the weekdays? And what are the operating hours during weekdays, weekends and public holidays?*

SECRETARY FOR HEALTH AND WELFARE: Sir, I am not sure of the exact hours but my understanding is that they are manned mainly at the weekends and on public holidays when large numbers of cyclists use the cycle track. I will, however, check on the exact times and let Mr. YEUNG know. (See Annex II)

DR. IP: *Sir, cycling is an excellent sport and therefore should be made safe and convenient for the public. Therefore would Government consider:*

- 1. locating bicycle rental shops as near as possible to the entrance to the cycle track;*
- 2. delineating all cycle tracks for two-way traffic; and*
- 3. erecting signs at the entrance to the cycle track showing clearly a simple code of conduct?*

SECRETARY FOR HEALTH AND WELFARE: Sir, these are very interesting and useful suggestions and I will ensure that they are passed on to the appropriate authorities.

MR. ANDREW WONG (in Cantonese): *Sir, this question touches on my district so I have to ask a supplementary question. Does the Secretary for Health and Welfare or the Secretary for Lands and Works have the intention to widen the cycle track itself, because there are really many people using them? Can we have two-way traffic in order to reduce the possibility of collision?*

SECRETARY FOR HEALTH AND WELFARE: Sir, I am not sure that either myself as Secretary for Health and Welfare or the Secretary for Lands and Works would be able to do this but I will certainly put your suggestion to the Secretary for Transport. I think this will depend on the amount of space available and whether this is a practical possibility. But I would agree that this is clearly a very popular weekend and holiday activity and we ought to do everything we can to help our young people to enjoy it.

HIS EXCELLENCY THE PRESIDENT: I will ask the Secretary for Transport if he has anything to add to that answer.

SECRETARY FOR TRANSPORT (in Cantonese): Sir, we have a plan in hand to improve the situation by way of widening the track and separating the pedestrians and cyclists so as to enhance the safety of the cycle track.

MR. ANDREW WONG (in Cantonese): *Sir, my question was whether there will be two-way traffic on the cycle track, because Ting Kok Road is the most popular site for cycling and, as far as I know, the Government has planned to align a slope there to promote road safety. So, can there be two-way traffic to reduce the possibility of collision because very often you have bicycles travelling in opposite directions?*

SECRETARY FOR TRANSPORT (in Cantonese): Sir, we will be very glad to consider the widening and possibly, the arrangement of two-way traffic on the cycle track but whether that is possible would, of course, depend on the area available and other practical factors.

MR. CHEUNG (in Cantonese): *Sir, the section of the Tolo Harbour Highway cycle track from the local police station to Tai Po has guard-rails at one stretch but not the other. Can I ask when the guard-rails at the remaining section of the track will be completed so that people will not fall into the sea?*

HIS EXCELLENCY THE PRESIDENT: Secretary for Health and Welfare, are you able to answer that question, or shall I put it straight to the Secretary for Transport?

SECRETARY FOR HEALTH AND WELFARE: I think, Sir, perhaps the Secretary for Transport will be in a better position than myself.

SECRETARY FOR TRANSPORT (in Cantonese): Sir, I will be very pleased to refer Mr. CHEUNG's question to the Highways Department to see whether that can be done.

Protection of workers against employers moving operation out of Hong Kong

5. MR. CHEONG-LEEN asked: *Will Government inform this Council whether it has received complaints that some factory owners have moved their operation out of Hong Kong without paying wages due to their workers, what remedies are available to these employees, and what measures will Government take to protect workers from similar incidents in the future?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I presume Mr. CHEONG-LEEN's question has been prompted by the much publicised case of the Qualimax plastics factory, the owners of which are alleged to have moved their factory out of Hong Kong leaving a liability of about \$660,000 in unpaid wages and severance pay due to their 56 workers. This case is now being investigated by the Official Receiver's Office. Meanwhile, the workers have already received payments totalling some \$255,000 from the Protection of Wages on Insolvency Fund.

Fortunately, this case is not typical and we have received no other complaints involving comparable allegations. In the first five months of this year, the Labour Department's conciliation officers helped in 49 cases arising from factories moving their operations out of Hong Kong. In 46 of these cases, there were queries or disputes over the amount of wages or severance pay due, but there was no evidence to suggest that the employer was unable to pay or trying to evade payment. These 46 cases involved a total of 519 workers and \$5.4 million. Following conciliation by the Labour Department, 28 of these cases were amicably settled and 443 workers or 85 per cent of the claimants received payments totalling \$4.6 million. In two cases, conciliation work is continuing. Ten cases have been referred to the Labour Tribunal for adjudication. Six cases were enquiries only and have not yet led to any claims being formally lodged.

In the remaining three cases, the employers are apparently unable to pay. One of these is the Qualimax case, to which I have already referred. The other two cases involve a total of three garment workers. Subject to their claims being verified, they will receive payments from the insolvency fund.

Sir, I would now like to turn to the second part of the question. We have recently had a meeting with the Labour Department, the Official Receiver's Office and the Legal Aid Department to review what legal remedies are available, if a factory owner moves his operations out of Hong Kong without paying wages due to workers. These legal remedies are:

First, if the employer is still solvent but does not pay the wages, he can be prosecuted under section 63A(1) of the Employment Ordinance.

Secondly, any employee who is owed money by his employer and who has good grounds to believe that his employer is about to abscond or transfer his assets elsewhere, can apply to the court for a warrant of arrest under section 67 of the employment Ordinance.

Thirdly, if the employer is an insolvent limited company subject to winding up, he is required under section 271 of the Companies Ordinance to deliver up all the properties of the company in his custody or under his control for disposal by the court.

Fourthly, if, when a company is being wound up, the liquidator obtains from the court a declaration that there has been any breach of trust or misfeasance involving any assets of the company, the person responsible is liable to repay or restore the value of the assets or property under section 276 of the Companies Ordinance. These assets can be sold by the Official Receiver for the purpose of paying preferential and ordinary claims to employees.

Fifthly, section 224 of the Companies Ordinance also provides for the court to order the arrest of any responsible person of a company who has absconded or is about to leave Hong Kong to evade payment of personal debts due to the company, or of avoiding examination respecting the affairs of the company.

Sir, these provisions appear to be reasonably adequate but we will continue to discuss with the departments concerned whether there are any other ways in which we can improve the situation. Meanwhile, the Labour Department's conciliation officers will do all they can to help any workers facing problems of this sort.

MR. CHEONG-LEEN: *Sir, on entering the Legislative Council Building before the start of this meeting, I received this letter from several people who said they were representatives of the Qualimax workers. I believe some other Legislative Council Members have received a similar letter.*

HIS EXCELLENCY THE PRESENT: You were going to ask a question, Mr. CHEONG-LEEN.

MR. CHEONG-LEEN: *I shall be passing this on to the Secretary after the meeting. My question is this: Can I receive an assurance that the contents of this letter will be thoroughly looked into as soon as possible and that a just and expeditious solution will be found? Could I also asked him whether he has any indication how long it will take for the Official Receiver's Office to finalise their investigations?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I will be very happy to give the assurance Mr. CHEONG-LEEN asks for. The Official Receiver's Office is following up the investigation most energetically and will welcome any evidence available to them. But the case is extremely complicated and it is not possible at this stage to say how long the investigation will take.

MR. TAM (in Cantonese): *Sir, the Secretary for Education and Manpower has given a very detailed answer to this Council but according to the workers'*

experience, after the liquidation of a company the assets left behind are usually quite little and would be inadequate to pay all the workers. What solutions will be forthcoming?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, it is because of this problem that we did, in fact, set up the Protection of Wages on Insolvency Fund in 1985 to provide some relief to the workers.

DR. HO: *Sir, may I refer to the fifth part of the penultimate paragraph of the answer and ask when the owner of a company ceases business whether the company is required to report to the relevant government department under the existing Companies Ordinance? If so, will the Government check whether the company has paid the debts owed by that company?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I am not quite sure what the legal position is on this. I will consult and give a written reply. (See Annex III)

MR. ANDREW WONG: *Sir, I am very happy that there are five legal remedies for the problem, but may I know which departments are involved in enforcing all these five remedies? If it is only the Registrar General's Department and the Labour Department, do they have adequate manpower to do so? And also is the Commercial Crime Bureau of the police force involved in any of these five remedies?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, basically the responsibility lies with the Official Receiver's Office. If in their investigation they find evidence of some criminal offence having been committed, then they will refer it to the Commercial Crime Bureau or whatever part of the police force that is relevant. I am not familiar with the manpower situation in the Official Receiver's Office. I will give a written reply on that point. (See Annex IV)

MR. JACKIE CHAN (in Cantonese): *Sir, even though employers can be punished under existing legislation, what is of importance is the protection of the welfare of the workers. So will the Government inform this Council whether the Government will enact legislation to compel the employers to take out insurance in order that the workers may be protected?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, we do not have such a proposal in mind at the moment. I will be happy to look into it and consider whether it is feasible.

MR. TAM (in Cantonese): *Sir, in reply to my supplementary question, I think the Secretary for Education and Manpower has tried to mislead this Council. At present the Protection of Wages on Insolvency Fund does not provide for repayment for severance pay. Will the Secretary please clarify this?*

SECRETARY FOR EDUCATION AND MANPOWER: It is true that the fund does not cover severance pay at the moment.

HIS EXCELLENCY THE PRESIDENT: Mr. TAM, because that went through translation there might have been errors but could I draw the attention of Members not to try to suggest that Members of this Council would seek to mislead. Do you understand, Mr. TAM?

MR. TAM (in Cantonese): *According to statistics provided by the Government, the problem is not serious, but does the Government understand that at present some employers are trying to make use of a loophole in the law? So long as a worker is employed to work six hours a day and 12 days within four weeks, the employer does not have to dismiss the worker. The worker, however, will be forced to resign because he is underemployed, and therefore the employer will not have to pay the severance pay. Has the Government studied this problem?*

SECRETARY FOR EDUCATION AND MANPOWER: Yes, Sir, we have been looking into this matter. We have heard allegations of this sort but the number of such complaints is comparatively few at the moment. In the 49 cases I have mentioned, there are only five where allegations of this kind have been brought up, but we will continue to watch the situation and see whether any changes need to be made in order to cover it.

MR. DESMOND LEE: *Sir, is it possible to carry out investigations across the Chinese border in case an employer absconds or transfers property to Mainland China?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I do not think it is possible for us to carry out investigations in China. If appropriate, we can, of course, seek help from the Chinese authorities.

Introduction of computer studies in Form VI curriculum

6. MR. SZETO asked (in Cantonese): *Will Government inform this Council whether the Education Department has any plan to introduce a computer course in the Form VI curriculum? If so, when will the plan be implemented?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, in 1986, the Education Department asked the Examinations Authority to consider introducing computer studies as an examination subject for the sixth form. The authority studied the proposal carefully, but concluded that it was not practicable to go ahead with developing syllabuses until we had taken decisions on the Education Commission's proposals for the future of the sixth form. In particular, the authority needed to know how the new I levels would relate to A levels and whether they would replace H levels.

Sir, as Members know, these decisions have now been taken and were announced on 30 May. The Education Department is now, therefore, liaising with the Examinations Authority on the formation of subject committees for new sixth form courses, including computer studies. Allowing for the normal lead time required for the planning and introduction of a new subject, the earliest computer studies can be available as a new sixth form subject is likely to be 1991, with the first examinations being taken two years later in 1993.

MR. SZETO (in Cantonese): *Sir, as the Chairman of the Chinese Textbooks Committee, I was informed earlier on by the Secretary for Education and Manpower that we should start planning to publish textbooks on computer studies for Form VI students. At that time I asked whether I need to wait for the decision of the authorities on the A level and I level examinations. At that time the Secretary told me that there was no need to wait for such a decision. He told me that the decision would not be dependent upon the decision regarding examinations. Will the Government inform this Council why we have to wait for the decision of the Education Commission before a new subject is introduced to the sixth form curriculum and why we have to wait so long?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I think Mr. SZETO Wah is confusing two different things. The conversation he referred to, if I have understood him rightly, was a comparatively recent one; at that time I was already aware of the decision having been taken about the sixth form, so I was quite confident in asking him to go ahead. I think that the position from the Examinations Authority's point of view when that position was uncertain was that it simply was not practicable for them to plan sixth form courses without knowing what the nature of those courses would be.

PROF. POON: *Sir, has the Government carried out any manpower projection to see if the supply of sixth form computer teachers will be sufficient to meet the demand in 1991? As I understand it, most of the university graduates trained in computer science can easily find attractive jobs in the commercial sector.*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, planning for teachers for the course will be part of the planning for the course.

MR. SZETO (in Cantonese): *Sir, we do not as yet have the computer studies subject in the Form VI curriculum. For those who would like to join a post-secondary college to further their studies, does it mean that there will be a truncation of their studies?*

SECRETARY FOR EDUCATION AND MANPOWER: I do not think this presents any problems, Sir, I think people can start courses at the tertiary level without having any specific background in this subject at the secondary level.

Flexitime

7. MISS TAM asked: *Will Government inform this Council whether the schemes of staggered working hours introduced in the Civil Service in 1980 and thereafter have worked out well; and whether it will encourage the private sector to consider the feasibility of introducing similar 'flexitime' arrangements?*

CHIEF SECRETARY: Sir, may I start with some definitions which may ensure we are all discussing the same thing. Flexitime is an arrangement whereby civil servants may select the starting and finishing time for themselves within certain limits. Staggered working hours is a system whereby civil servants may opt for one of a number of alternative starting-times prescribed by the departments or sections. Sir, 31 departments now operate some form of flexitime or staggered working hours for all or part of their staff.

The 'core' times around which government departments prescribe their staggered working hours are between 9.30 am and 12.30 pm and between 2.30 pm and 4.30 pm on a normal working day. I should stress, Sir, that these are not the working hours for the Civil Service but are the core hours around which civil servants engaged in office work are required to work a total of 44 hours per week. To give the scheme greater impetus and to make it more effective, I have asked the Secretary for the Civil Service to encourage departments to adopt greater flexibility in deciding on their 'core' operation hours. In so doing, departments will, of course, have to continue to have regard to convenience to the public and to work efficiency.

In the private sector, Sir, I have no doubt that commercial considerations will no doubt heavily influence management decisions on whether to allow their employees to work flexitime. But I hope the advantages of it are obvious. In particular, it spreads demand on public transport services and helps relieve congestion on major roads and tunnels during both the morning and evening peak hours. Many factories are of course already operated on a shift basis which in itself is a form of staggered working hours.

I have, however, asked the Labour Department and the Information Services Department to consider ways of bringing these advantages to the attention of employers so as to encourage the wider use of flexitime.

MISS TAM: *Sir, as the Chief Secretary has rightly pointed out the advantages of spreading demand on public transport services at peak hours, will the Government consider adopting staggered working hours for the staff of every government department once the core operating hours are identified for a department so that the whole scheme can be better structured and be more effective?*

CHIEF SECRETARY: Sir, it is not appropriate for some departments to introduce flexitime or staggered working hours. It must be obvious that departments that have heavy involvement with the public or disciplined services are not

appropriate for the use of flexitime. Of the 42 departments who are not presently fitting into those categories, 31 departments have already adopted some form of flexitime or staggered hours, and I will be approaching, as I have suggested, Sir, the remaining departments to see whether we can encourage them to use staggered hours.

MR. POON CHI-FAI (in Cantonese): *Sir, apart from extending the use of flexitime to government departments as well as the commercial and private sectors, has the Government extended the use of flexitime to schools? If so, how effective has it been? And if it is not effective, why is it so?*

CHIEF SECRETARY: Sir, may I defer to the Secretary for Education and Manpower?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I have not heard of such a proposal before. I will be very happy to ask the director to look into it.

DR. IP: *Would the Government encourage all public sector utility companies, particularly the transport companies like the MTRC, KCRC and the future light rail transit, to do the same?*

CHIEF SECRETARY: Sir, as I have said I have asked the Labour Department and the Information Services Department to approach employers with that in mind. I will include the public service utilities.

MR. SOHMEN: *Sir, with respect, I think the Chief Secretary has not really answered Miss TAM's question when she asked whether the flexitime arrangements had worked well. In fact, part of his answer suggests that they have not because he is giving recommendations to the Secretary for the Civil Service to introduce more flexibility to make it even more effective. Could he please clarify?*

CHIEF SECRETARY: Sir, we are never satisfied with the performance of the Civil Service in every area. We are always trying to improve. Since 1980 the number of departments who have, in fact, introduced flexitime has gone up substantially. I think the figure before we introduced flexitime was some 20 departments only; it has now gone up to 31. It seems to be working effectively and the civil servants like it, so I think it could be regarded as a success.

MR. ANDREW WONG (in Cantonese): *I may not be abiding by the rules. As far as I understand, Miss Maria TAM is the Chairman of the Transport Advisory Committee and I think she might be interested in asking questions concerning transport matters. The use of flexitime in the Civil Service is already a very good example. I think what she was interested in asking was whether this could be extended to transport service. But will the Government consider moving the offices*

of less important government departments to the New Territories such as Tai Po so that when employees report for work, they will be commuting in a direction opposite to the main flow of traffic?

CHIEF SECRETARY: Yes, Sir, I think it is up to heads of departments to look at those problems which arise within their departments and to make best use of flexitime as appropriate.

MISS TAM: *Sir, how soon will the Government expect the Labour Department and Information Services Department to come up with proposals of encouraging the private sector in the adoption or exploring the possibility of using flexitime?*

CHIEF SECRETARY: Sir, I would expect an answer in one or two months.

MR. CHEONG-LEEN: *Sir, can I have an assurance from the Chief Secretary that if the Government is able to persuade the workers in the public transport services to enthusiastically adopt flexitime, it will not eventually make the present transport situation worse than what it is already?*

CHIEF SECRETARY: Well, Sir, obviously, as I made clear in my original answer, there is a balance of advantage here; we must make sure that service to the public in whatever form it appears, either in the transport services or from the Civil Service generally, is not affected by the introduction of flexitime.

Written answers to questions

Financial implication of an additional graduate teacher of Chinese in secondary schools

8. MRS. FAN asked: *Will Government inform this Council of the total cost of providing an additional graduate teacher of Chinese in every secondary school with 18 classes or more for the financial year 1988-89 and for subsequent years?*

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the latest estimate of the total cost of providing an additional graduate teacher of Chinese in every public sector secondary school with 18 classes or more for the financial year 1988-89, that is for the seven months from September 1988 to March 1989, is \$35.8 million including on-costs. The cost for the full year 1989-90 and thereafter is estimated to be \$61.4 million per annum (excluding inflation and changes in demand).

Co-ordinating Committee on Street Sleepers

9. MR. HUI asked: *Will Government inform this Council what progress has been made by the Co-ordinating Committee on Street Sleepers since its formation in*

1987, and whether consideration will be given to reviewing its terms of reference in the near future in the light of recommendations made by various bodies following the declaration of 1987 as the Year of Shelter for the Homeless by the United Nations?

SECRETARY FOR HEALTH AND WELFARE: Sir, the terms of reference of the Co-ordinating Committee on Street Sleepers are 'to review Government's policies and programmes in order to co-ordinate action relating to street sleepers.'

The committee, in complying with its terms of reference, has conducted a review of Government's policies and programmes relating to street sleepers. This review, which was completed towards the end of last year, concluded that the personalised approach which is used in helping street sleepers remains appropriate, and that the necessary services are available for those street sleepers who wish to make use of them. In the course of the review, the committee proposed improvements to the procedures whereby street sleepers can obtain replacement identity cards and medical treatment; these improvements have been implemented.

The committee also examined possible measures which would reduce the street sleeping problem in the long term, and it has recommended that certain categories of street sleepers should be provided with some form of permanent accommodation in Hong Kong or Kowloon. These categories would probably include those street sleepers who are not sufficiently old or infirm to be rehoused into permanent accommodation on compassionate grounds, but who have an obvious housing need, and also those able-bodied street sleepers who can demonstrate a valid reason for needing to live in Hong Kong or Kowloon. We believe that the committee's recommendation has merit and we are now examining, in conjunction with the voluntary sector, the possibility of providing urban area hostels. These hostels would be different from existing hostels in the respect that they could provide long-term accommodation and would be open on a 24-hour basis. To test the feasibility of this approach, the Social Welfare Department will conduct a pilot scheme involving the establishment of one or two hostels. If the pilot scheme proves to be a success, we will consider initiating a full hostel programme.

Sir, I do not see any need to change the terms of reference of the Coordinating Committee on Street Sleepers as the committee can conduct further reviews on any aspect of Government's policies or programmes in relation to street sleepers. In this connection, Mr. HUI will be interested to know that we shall be expanding the size of the committee in order to bring in members of the voluntary sector who are knowledgeable about the problems faced by street sleepers. I am sure that they will put forward some interesting suggestions for new initiatives which the committee can examine.

Capital works to reduce pollution of the Yuen Long nullah

10. MR. TAI asked: *Will Government inform this Council what capital projects are or will be taken to improve the polluted state of the Yuen Long nullah, with particular reference to:*

- (a) the nature of each and every capital works item;*
- (b) the timing of their implementation;*
- (c) the capital expenditure involved in each item; and*
- (d) how each item can contribute to reducing pollution and improving the condition of the nullah?*

SECRETARY FOR HEALTH AND WELFARE: Sir, the Yuen Long nullah is a heavily polluted watercourse, which causes a considerable smell nuisance. The pollution originates from livestock waste, unsewered villages and isolated houses, industrial discharges, and discharges in sewerred areas that are wrongly connected to the surface water drainage system.

A number of capital works are proposed which will have the effect of reducing the pollution of the Yuen Long nullah. For this purpose, it is assumed that the nullah excludes the Kam Tin river catchment which is a tributary that joins the main watercourse near the point at which it discharges into Deep Bay. The projects already in the Public Works Programme are:

- (i) Item 41 CD (Category AB): Yuen Long nullah environmental improvement. This project is aimed at reducing the smell and visual nuisance of the Yuen Long nullah in the interim period before the livestock waste controls come into effect in this area in 1991, and the sewage treatment and sewerage schemes are completed. This scheme comprises:
 - (a) erection of an inflatable dam downstream of Yuen Long to exclude polluted tidal waters;
 - (b) construction of low flow channels to confine the flows to the centre of the nullah, maximise velocities and minimise deposition of sediment;
 - (c) construction of a pumping station to convey low flows around or over the inflatable dam: and
 - (d) construction of the concrete lining of the nullah northwards to the location of the inflatable dam.

This project is in the design stage and construction is expected to begin in September 1989 and be completed by June 1991.

The total project cost is \$48 million. However, the concrete lining, estimated to cost \$22 million, is part of the government's proposed works to reduce flooding and is already included in the public works programme under item 22 CD. Hence, the net additional capital cost of the project is \$26 million. Running costs for a period of 10 years are estimated to be \$9 million.

- (ii) Item 29 DS (Category A): Improvement to Yuen Long sewage treatment works. Total cost \$125 million. This project will upgrade the standard of treatment from primary to secondary and ensure that a high standard of effluent is discharged into the nullah. Work is already in progress on this scheme which is expected to be completed in 1989.
- (iii) Items 61 DS (Category B: \$180 million) and 63 DS (Category B: \$98 million): These projects will provide a sewerage system, pumping stations, rising mains and disposal facilities to serve the areas around Tin Shui Wai and Kam Tin. The combined sewage load from these areas will be pumped into an effluent tunnel which will discharge into a long sea outfall constructed out into Urmston Road. Provision has been made in the scheme for a sewage treatment works should that prove necessary in future. Detailed design work on this project is about to start. An alternative would be to install sewage treatment plants to serve those areas to be covered by mains sewerage. This would however increase the load on Deep Bay and the lower reaches of the Yuen Long nullah.
- (iv) Further schemes are in the planning stage to reduce the nutrient load on the nullah from the sewage treatment works and to provide sewerage systems for the villages in the flood plain of the nullah south of Yuen Long town.

Construction of additional sewerage and sewage treatment work will take a number of years and the environmental improvement scheme will alleviate the effects of the polluted nullah in the meantime.

Government Business

First Reading of Bills

INTERPRETATION AND GENERAL CLAUSES (AMENDMENT) BILL 1988

AUDIT (AMENDMENT) BILL 1988

SECURITIES (DISCLOSURE OF INTERESTS) BILL 1988

NOISE CONTROL BILL 1988

TRADE UNIONS (AMENDMENT) BILL 1988

TATE'S CAIRN TUNNEL BILL 1988

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

Second Reading of Bills**INTERPRETATION AND GENERAL CLAUSES (AMENDMENT) BILL 1988**

THE CHIEF SECRETARY moved the Second Reading of: 'A Bill to amend the Interpretation and General Clauses Ordinance'.

He said: Sir, I move that the Interpretation and General Clauses (Amendment) Bill 1988 be read a Second time.

The purpose of this weighty Bill is to amend the Interpretation and General Clauses Ordinance to permit a change in the format of Ordinances and regulations by eliminating notes from the margin and repositioning marginal notes as section headings.

This change will facilitate faster and more economical preparation of legislation by the Law Drafting Division and the Government Printer.

Recent amendments were made to the Royal Instructions to enable us to make the change and the proposed amendments to the Standing Orders to be moved later in the session, will complete the amendments necessary to put it into operation.

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

Question on adjournment proposed, put and agreed to.

AUDIT (AMENDMENT) BILL 1988

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

He said: Sir, I move that the Audit (Amendment) Bill 1988 be read the Second time.

The purpose of this Bill is to require the Director of Accounting Services to transmit account statements to the Director of Audit for funds, other than the Lotteries Fund, established under section 29 of the Public Finance Ordinance and to require the Director of Audit to certify the accounts of these funds. This will improve the procedure and bring the handling of these accounts into line with the normal practice.

The funds established under section 29 of the Public Finance Ordinance are the Development Loan Fund, the Lotteries Fund, the Home Ownership Fund, the Student Loan Fund, the Mass Transit Fund and the Capital Works Reserve Fund.

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

Question on adjournment proposed, put and agreed to.

SECURITIES (DISCLOSURE OF INTERESTS) BILL 1988

THE FINANCIAL SECRETARY moved the Second Reading of: 'A Bill to require certain persons holding shares in or debentures of listed companies to disclose their interest in those shares or debentures'.

He said: Sir, in June 1987, the Government published the Securities (Disclosure of Interests) Bill as a White Bill for public comment. During the three-month consultation period that followed, submissions were received from 20 business and professional organisations. Though the submissions concentrated mainly on points of detail, all indicated general support for the principle of disclosure. We have carefully considered all the points raised and have made a few minor changes to the original proposals contained in the White Bill. I shall come back to some of the more significant points later.

The Bill now before this Council follows closely the relevant provisions of the United Kingdom Companies Act. It has five main features. First, it forces disclosure of shareholdings of 10 per cent or more within five days of the duty arising. Once a substantial shareholding has been notified, any change of 1 per cent or more must also be notified. The aim is to look through corporate interests to get at the reality of controlling shareholders. Failure to comply with the disclosure obligations attract heavy penalties upon conviction.

Second, it gives listed companies the right to require a shareholder to provide information about his holding. If a person fails without good reason to give the necessary information, the company may apply to the High Court for restrictions to be placed on the shares in question. Similarly, a listed company may be required by 10 per cent of its shareholders, upon demonstration of good cause, to investigate into the ownership of its shares.

Third, it forces the directors and the chief executive of a listed company to disclose their shareholdings in the company and in any associated company and any dealings they may have in the relevant shares.

Fourth, it enables the Financial Secretary to appoint inspectors to investigate the ownership of a listed company or any breach of the duty of disclosure by directors and chief executives. The cost of any such investigation will be recoverable in certain circumstances from the parties involved. Where an investigation encounters difficulties in finding out relevant facts, the Financial Secretary may impose restrictions on the shares concerned.

Finally, it enables the courts or, in certain cases, the Financial Secretary to place restrictions on the transfer or disposal of shares. Where a freezing order is

made, any transfer of the shares concerned is void. In addition, no voting rights are exercisable in respect of the shares and no dividends are payable. An order may only be lifted by the relevant authority when certain conditions have been met.

Sir, as I have said, most of the comments received during the consultation exercise centred on technical provisions in the White Bill. A few points, however, were of wider importance. The first concerns the application of the Bill. While we agree in principle that the Bill should apply to all Hong Kong listed companies, both locally and overseas incorporated, there are practical and extra-territorial problems in applying the legislation to overseas companies. We prefer, therefore, to follow the United Kingdom practice, which is no limit the application of the legislation to local companies but to require all listed companies, both local and overseas, to comply with its provisions as a listing requirement. The necessary amendments to the Securities (Stock Exchange Listing) Rules are in hand.

The second concerns the notifiable percentage for substantial shareholders. In the Bill, shareholdings of 10 per cent or more must be notified. The view that this figure is too high has been expressed by some, most recently by the Securities Review Committee, and that a figure of 5 per cent would be more appropriate. While a figure of 5 per cent would be more in line with international practice, I am not in favour of any change in the present proposal at this stage. Any change to this key provision would require further extensive consultation and would unavoidably delay the passage of this important piece of legislation which has been under discussion since the early 1970s. I believe that 10 per cent is a suitable initial trigger point for disclosure for Hong Kong, bearing in mind that a company may itself require information to be disclosed in relation to any level of shareholding. We will review this provision in the light of experience of the operation of the Bill and in the course of our consideration of the recommendations of the Securities Review Committee.

The third concerns nominee companies and in particular whether or not a bank's nominee company would qualify as a bare trustee for the purposes of exemption. It is common practice in Hong Kong for a nominee company, in the absence of written instructions from its customer, to have no duty other than to hold the property to the beneficiary's order but to reserve power to vote in whichever way it considers to be in its beneficiary's or its customer's best interests. Our legal advice is that such a discretionary voting power does not prevent a company which is otherwise a bare trustee or nominee from being a bare trustee or nominee.

It is not our intention that nominee companies, whether of a bank or otherwise, should be caught by the disclosure requirements. It would place an unreasonable burden upon such companies and there are adequate safeguards against abuse. The beneficial owner remains under an obligation to disclose a notifiable interest and also remains under an obligation to comply with the

provisions designed to expose concert parties. Furthermore, where a listed company wishes to enquire into the ownership of its shares, it may require the nominee to disclose the beneficiaries involved.

The last concerns warrants and whether or not they are covered by the Bill. The short answer is that they are not. Warrants are most commonly rights or options to subscribe for future shares at a particular price within a fixed period. As such, they do not confer voting rights on the warrant holder until that right or option is exercised. However, once the right or option is exercised, the disclosure obligations then arise. The position regarding directors and chief executives is, generally speaking, the same. They must, however, notify certain information about warrants granted to them by the listed company or by its associated companies.

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

Question on adjournment proposed, put and agreed to.

NOISE CONTROL BILL 1988

THE SECRETARY FOR HEALTH AND WELFARE moved the Second Reading of: 'A Bill to provide for the prevention, minimising and abatement of noise; the appointment of a Noise Control Authority; the powers and duties of the Noise Control Authority relating to the control of noise; the creation of offences; and for connected purposes'.

He said: Sir, I move that the Noise Control Bill 1988 be read the Second time.

It is I believe very appropriate that this Bill is being introduced into this Council during the week in which we have been celebrating World Environment Day. At present, there is no comprehensive legislation on our statute book for the control of noise pollution, which is a source of great nuisance to many people in Hong Kong. As long ago as 1975, consultants were employed by the Government to make recommendations on the organisational and legislative framework for pollution control and environmental protection in Hong Kong. As a result of these consultants' recommendations, comprehensive legislation has already been enacted in three of the four main areas of environmental protection, water pollution, air pollution and waste management. The preparation of legislation in the remaining field of environmental protection, which is noise, is now complete. Piecemeal controls which are at present contained in several different Ordinances have been consolidated into a single comprehensive Bill and the current scope of noise control has been significantly expanded. The Bill deals with four main types of noise:

firstly, noise from domestic premises and public places (general neighbourhood noise);
secondly, construction noise and piling;
thirdly, noise from industrial or commercial premises; and
finally, noise from individual items of plant or equipment.

At present, provisions to control general neighbourhood noise are contained in the Summary Offences Ordinance. These provisions have been absorbed into the Bill largely unchanged and will continue to be enforced by the police.

With regard to construction noise, the present permit system for controlling work at night (that is between 7 pm and 7 am) and on Sundays and holidays will be retained. The controls will, however, be extended to cover prescribed types of construction work which may not necessarily require the use of powered mechanical equipment. The regulations prescribing such work will be made after enactment of the Bill.

In respect of noise from piling, the Bill makes a new and important distinction between percussive and non-percussive piling. It is proposed that restrictions on non-percussive piling, which is relatively quiet, should be relaxed while control of noisy percussive piling should be tightened. The current prohibition on such work during the restricted hours will be retained, and in addition, percussive piling will in future also require a permit during daytime hours. This will make it possible to limit noisy percussive piling to certain hours of the day in locations close to noise sensitive buildings, such as schools or residential blocks. We hope that this distinction will encourage the use of quieter piling methods.

In connection with the permit system, the Bill introduces the concept of technical memoranda which will be issued by the Secretary for Health and Welfare on the advice of the Director of Environmental Protection and which will contain detailed technical principles for the prediction, assessment and measurement of noise. These principles will be applied in order to determine whether or not a permit should be issued in any particular case and what conditions should be included.

The Bill also introduces controls on noise from commercial and industrial premises. Clause 11 provides that noise abatement notices may be served if the noise emitted is causing annoyance to any person, or if it does not comply with the technical criteria set out in the relevant technical memorandum. These notices will require owners or occupiers to ensure that their noise emissions comply with the requirements of the notice by a specified date; and non-compliance will be an offence.

New powers are included in part III of the Bill to enable the control of noise from individual items of plant or machinery, such as generators and compressors, which will be prescribed in regulations to be made under the provisions of the Bill. It is intended that these provisions will only be used when technical or administrative difficulties make other forms of control inappropriate.

The provisions of the Bill, with the exception of those dealing with general neighbourhood noise, will be enforced by a noise control authority appointed by the Governor under clause 3. The Director of Environmental Protection will be the authority for this purpose. To ensure that the provisions of the Bill will be enforced in a fair and reasonable manner, part IV of the Bill provides for the appointment by the Governor of an appeal board. Appeals can be made against the service of noise abatement notices, refusal to issue piling permits or against the conditions of such a permit.

Sir, this Bill was first published in March 1987 for public comment. Extensive consultation was carried out with interested parties including the manufacturing and construction industries, the railway corporations, and the district boards. In addition, the proposals were discussed at length with a Legislative Council ad hoc group. As a result of this consultation, a number of amendments have been made to the original Bill.

An assessment of the cost impact of the provisions of this Bill on the potentially most affected categories of manufacturing industry was carried out by the Environmental Protection Department in collaboration with the Hong Kong Productivity Council. The study showed that the cost impact on manufacturers should not in general be significant when compared with overall operating costs. With regard to the control of piling noise, the effect of tightening the controls on percussive piling during the daytime will at least partially be offset by the relaxation of controls on non-percussive piling during the night. We do not believe that the economic effects of this legislation will be serious.

Sir, this Bill is the result of a long period of detailed work and extensive consultation with those concerned. Its adequacy, effectiveness and practicability have been thoroughly considered. I believe that the people of Hong Kong have waited long enough for more effective control of environmental noise, and I commend this Bill to Members as an important and effective addition to the body of legislation aimed at reducing various forms of pollution.

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

Question on adjournment proposed, put and agreed to.

TRADE UNIONS (AMENDMENT) BILL 1988

THE SECRETARY FOR EDUCATION AND MANPOWER moved the Second Reading of: 'A Bill to amend the Trade Unions Ordinance'.

He said: Sir, I move that the Trade Unions (Amendment) Bill 1988 be read a Second time.

Section 34 of the Trade Unions Ordinance prohibits the use of trade union funds for political purposes. In 1985 when employee trade unions were included as 'electors' in the labour functional constituency for the Legislative Council elections, many union leaders asked for this prohibition to be relaxed. Following discussions with the then UMELCO, we gave a commitment to exclude from the prohibition donations to candidates standing in any constituency established for the purpose of returning a Member of the Legislative Council. Subsequently, a group of union leaders suggested that the relaxation should be extended to allow the use of union funds for district board and municipal councils elections.

We now therefore propose to amend the Trade Unions Ordinance to allow unions to use their funds for electoral purposes in district board, Urban and Regional Council, and Legislative Council elections. Electoral purposes include the use of union funds to pay any expenses incurred by a candidate in connection with his candidature or election; to hold any meeting; to prepare and distribute any literature or documents in support of a candidate; and to register electors or to select a candidate. However, such expenditure will be subject to the limits on election expenses under the Corrupt and Illegal Practices Ordinance.

To safeguard the interests of individual union members, the Bill stipulates that a union must seek the approval of its members by secret ballot before money can be spent for electoral purposes. This is provided for by the new section 33A, which requires a union to obtain the authority of the majority of its voting members by secret ballot before it sets up an electoral fund from which electoral expenses may be paid. Contributions to the fund are to be voluntary and no one is to be prejudiced in his right to join, or continue to be, a member of a union because of his refusal to contribute.

Alternatively, if a union prefers not to establish an electoral fund, the new section 33B will allow it to obtain authorisation for electoral expenditure for a particular election by a secret ballot of members present at a general meeting. The authorisation will have to specify the maximum expenditure to be incurred.

The opportunity has also been taken to replace the term 'the Colony' by 'Hong Kong' wherever it occurs in the Ordinance. This is provided for by clause 3 of the Bill.

Since the existing rules of all unions prohibit the use of funds for electoral purposes, unions will have to present suitable amendments to the Registrar of Trade Unions for registration. The Registry of Trade Unions will be happy to advise any union on the proper procedures, and a set of model rules is available for reference.

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

Question on adjournment proposed, put and agreed to.

TATE'S CAIRN TUNNEL BILL 1988

THE SECRETARY FOR TRANSPORT moved the Second Reading of: 'A Bill to grant a franchise for the construction of a road tunnel through Tate's Cairn; for the payment of a royalty for such franchise; for the maintenance of the works to be constructed; for the payment of tolls to the franchise holder for the use by motor vehicles of the tunnel and the regulation of vehicular traffic in relation to such use; and for matters ancillary thereto and connected therewith'.

He said: Sir, I move that the Tate's Cairn Tunnel Bill 1988 be read the Second time.

Tate's Cairn Tunnel will form a vital new link between the fast developing north-east New Territories and urban Kowloon and will bring long-term relief to traffic congestion at Lion Rock Tunnel. It will stretch from Siu Lik Yuen in Sha Tin to Diamond Hill in Kowloon. Its length is 3.9 km, the longest so far in Hong Kong. It will also form part of a greater network linking the Eastern Harbour Crossing which is now under construction all the way to Tolo Highway. While this \$2 billion project will be undertaken by the private sector, Government will simultaneously construct the other parts of this greater network. These include, on the Kowloon side, the Kwun Tong Bypass and the Prince Edward Road Interchange and, on the Sha Tin side, a new bridge across Shing Mun River, the T5 Highway and the approach roads to the northern portal of the tunnel.

The tunnel will be financed and constructed by a consortium of British, Chinese, Japanese and local business interests. In return, the consortium will be given a franchise to operate the tunnel for 30 years from the start of construction. By privatising the tunnel project, funds can be released for other important capital works projects which might otherwise be carried out at a later date. Government will also receive royalty payments from the company when it begins operation.

Sir, I would like to record here the keen response from the private sector when Government invited proposals for the project in May last year. All the six proposals received were of high quality, offering attractive terms. The Government set out to evaluate these proposals and to negotiate a deal with the fundamental objective of maximising the benefit to tunnel users in the form of a low initial toll and a stable toll structure. Other major considerations include a short construction period, sound engineering design, proven construction method and relevant experience in similar works. I believe, Sir, that the package now arrived at was one which mostly conforms to the fundamental objective Government set out to achieve. One particular point which merits special mention is the short construction period. The project will now be completed within 37 months, almost one year earlier than previously estimated. On the basis that the company can start work in July immediately after the Bill is enacted, the tunnel will be open to public use in August 1991.

The purpose of this Bill is to give statutory effect to the franchise and to determine the obligations the company must perform. The Bill grants the franchise to the Tate's Cairn Tunnel Company Ltd., a company formed by the consortium for the purpose of this project. It stipulates that the construction period of the tunnel is 37 months. It establishes the obligation of the company to maintain the tunnel and to provide safe and efficient facilities for the passage of vehicles. It also specifies a toll review mechanism. Any toll increase will need the consent of the Governor in Council and will not be granted as long as the tunnel company remains reasonably remunerative. The mechanism is similar to the ones governing toll increases for the existing Cross-Harbour Tunnel and the soon to be completed Eastern Harbour Crossing.

Turning now to the main features of the Bill, I shall highlight a few important points. This Bill has 11 parts and is modelled on the Eastern Harbour Crossing Ordinance. Parts I to V deal with the length of the franchise, the company structure and the method by which the company shall pay royalties to Government. The rate of royalty is 2.5 per cent of operating receipts for the first five years and 5 per cent thereafter. In addition, the company shall pay a further royalty if the net operating receipt exceeds the amount projected. Government will have the right to appoint two directors to the board of the company. Parts VI and VII provide for the remedy of defects by the company and its obligation to keep the tunnel in a state of repair to the satisfaction of the Director of Highways. They also empower the Governor in Council to make regulations governing the safe and efficient operation of the tunnel, and to take over the tunnel in the interest of public security. They also provide the Commissioner for Transport powers to inspect the tunnel and for by laws to be drawn up and applied in the tunnel area, subject to approval by this Council. Part VIII deals with tolls. The initial tolls, ranging from \$4 for private cars to \$8 for heavy goods vehicles, are specified in the schedule. As I said before, this can only be varied with the agreement of the Governor in Council, failing which both Government and the company may seek arbitration. Part X contains an important provision for the revocation of the franchise if the company is in default. It lays down, in detail, the circumstances under which the company will be regarded as being in default as well as the procedures which have to be gone through before the company's franchise could be revoked. Revocation will be the ultimate sanction against the company if it fails to fulfil its primary obligations.

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

Question on adjournment proposed, put and agreed to.

SECURITIES (AMENDMENT) BILL 1988**Resumption of debate on Second Reading (27 April 1988)**

Question proposed.

MISS TAM: Sir, the Securities (Amendment) Bill 1988 seeks to introduce changes to the Securities Ordinance mainly on the provisions regarding official secrecy and disclosure of information along the lines similar to those contained in the Banking Ordinance. A Legislative Council ad hoc group has been formed to study this Bill and the Insurance Companies (Amendment) Bill 1988. And as the two Bills are closely related, my comments on the Securities (Amendment) Bill 1988 will also apply to the Insurance Companies (Amendment) Bill 1988.

It is an increasing trend for regulatory authorities of different territories to co-operate with one another and share out information to their mutual benefit. In the United Kingdom, the United Kingdom Financial Services Act 1986 provides for the exchange of information among regulatory authorities within and outside of the United Kingdom. Similar pieces of legislation also exist in the United States and Australia. At present, requests for information have to be turned down by authorities in Hong Kong because of the restrictive nature of the current legislation. By introducing the new proposals in the Bill, it will be possible for the Hong Kong regulatory authorities to entertain such requests under prescribed conditions and also to encourage overseas regulatory authorities to reciprocate in a more favourable manner, thus to secure further Hong Kong's status as a financial centre.

The group has held a total of three meetings, two of which were with the Administration. In addition, it has received a representation on the Insurance Companies (Amendment) Bill 1988 from a local insurer. The group's particular task is to ensure that parties concerned would not suffer unnecessarily from any indiscriminate disclosure of sensitive information of individual companies or their directors or controllers in the exercise of the discretion by our regulatory authorities or in the handling by the third party, local or overseas, of such information.

In general the group has found the principles of the two Bills worth supporting. As regards the details, the group has, in the course of the study, identified a number of areas which require further refinement and as a result of which, we have agreed to a number of amendments with the Administration which I will move in Committee.

The major amendment will be to insert a new section 19(2)(h) which provides that the Commissioner for Securities will have to be satisfied that there are adequate secrecy provisions in the jurisdiction of the overseas regulatory authority before disclosing to them the information requested.

Sir, this Bill and the Insurance Companies (Amendment) Bill 1988 are but two out of a series of legislation introduced to improve our prudential control. The ad hoc group is fully aware, also, of the publication of the report of the Securities Review Committee on the Operation and Regulation of the Hong Kong Securities Industry. We fully support the Administration's efforts to examine the shortcomings in the operation of the securities industry so as to bring in the necessary reforms.

With these remarks, I support the motion.

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).

INSURANCE COMPANIES (AMENDMENT) BILL 1988

Resumption of debate on Second Reading (27 April 1988)

Question proposed.

MISS TAM: Sir, the remarks I made on the Securities (Amendment) Bill 1988 also apply to this Bill.

In the course of the study of the Insurance Companies (Amendment) Bill 1988, the group has also considered the question as to whether there is a need to provide insurers with a chance to be heard before information affecting them is disclosed by the Insurance Authority. The Administration's view is that if a hearing is provided this would likely cause delay in actions which would require to be taken by supervisory authorities concerned. Moreover, there is also the possibility that insurers under investigation may exploit such delay to the disadvantage of policy holders. It has also been pointed out that the Insurance Authority will exercise great care before disclosing any information and in any event, the disclosure, if challenged, could still be subject to judicial review. In this connection, the group has also noted that abuses by overseas authorities of information given to them could be prevented as the discretion to disclose information still lies with the local authority which, according to the present Bill, will have to be satisfied that there are adequate secrecy provisions in the jurisdiction of these overseas authorities before releasing the information to them.

According to the Administration, the disclosure provisions as are now proposed have been generally considered by the insurance industry as reasonable and I have been given to understand that the Financial Secretary would during

this debate reaffirm that these provisions would not be implemented at the expense of the interests of the local insurance industry. I therefore look forward to the Financial Secretary's reaffirmation in this regard.

With these remarks, Sir, I support the motion.

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).

PNEUMOCONIOSIS (COMPENSATION) (AMENDMENT) BILL 1988

Resumption of debate on Second Reading (25 May 1988)

Question proposed, put and agreed to.

Bill read the Second time.

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

ROAD TRAFFIC (AMENDMENT) BILL 1988

Resumption of debate on Second Reading (25 May 1988)

Question proposed, 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.

SECURITIES (AMENDMENT) BILL 1988

Clauses 1 and 3 were agreed to.

Clause 2

MISS TAM: Sir, the Legislative Council ad hoc group has discussed clause 2 and reached agreement with the Administration on the following amendments:

New section 19(2)(c)

It has been agreed that the section be amended to extend the disclosure provision to cover all relevant civil proceedings.

New section 19(2)(h)

This will be brought in line with the Insurance Companies (Amendment) Bill 1988 and will hence be amended to the effect that the Commissioner for Securities will have to be satisfied that there are adequate secrecy provisions in the jurisdiction of the overseas supervisory authorities before information is disclosed to such authorities.

Section 19(7)

The group pointed out to the Administration that the penalties for breach of secrecy provisions were lower than those prescribed in the Banking Ordinance and Insurance Companies (Amendment) Bill. Section 19(7) will accordingly be amended to bring the penalties into line with the banking and insurance legislation.

Sir, I move that clause 2 be amended as set out in the paper circulated to Members.

FINANCIAL SECRETARY: Sir, I am grateful to Miss TAM and members of the ad hoc group for the consideration they have given to this Bill. I fully support the Committee stage amendments proposed by the ad hoc group.

As Miss TAM has pointed out, we should seek consistency between the relevant provisions on secrecy in the Banking, Securities, and Insurance Companies Ordinances. There is obvious merit in making sure that, as far as possible, our regulatory authorities have the same freedoms and safeguards in the exercise of their duties under their Ordinances.

I accept, therefore, that the Commissioner for Securities should be required to satisfy himself as to the adequacy of secrecy provisions in the overseas jurisdiction before releasing any information to the respective overseas regulatory authority. In practice, the Commissioner for Securities will perform this duty by seeking and obtaining an assurance from the overseas regulatory authority that it will protect the information to be disclosed to it. In the event of a breach of this undertaking, the commissioner will withhold their co-operation in future.

Proposed amendments

Clause 2

That clause 2(a) be amended, in the new section 19(2)—

- (a) by deleting paragraph (c) and substituting—
 - ‘(c) in connection with any civil proceedings arising out of this Ordinance;’;
- (b) in paragraph (h) by adding after ‘in the opinion of the Commissioner,’—
 - ‘such authority is subject to adequate secrecy provisions in that place and’;
- (c) in paragraph (i)—
 - (i) by deleting ‘such organizations’ and substituting ‘any organization in a place’;
 - (ii) by adding after ‘in the opinion of the Commissioner,’—
 - ‘such organization is subject to adequate secrecy provisions in that place and’.

That clause 2(b) be amended, by deleting subclause (b) and substituting—

- ‘(b) by deleting subsection (7) and substituting the following—
 - “(7) Any person who contravenes subsection (1) or (3) shall be guilty of an offence and shall be liable—
 - (a) on conviction on indictment to a fine of \$100,000 and to imprisonment for 2 years; or
 - (b) on summary conviction to a fine of \$50,000 and to imprisonment for 6 months.
 - (8) Any person who, without lawful authority or reasonable excuse, contravenes subsection (4) or (6) shall be guilty of an offence and shall be liable on conviction to a fine of \$10,000 and to imprisonment for 6 months.”’.

Question on the amendments proposed, put and agreed to.

Question on clause 2, as amended, proposed, put and agreed to.

INSURANCE COMPANIES (AMENDMENT) BILL 1988

Clauses 1 to 5 and 7 were agreed to.

Clause 6

MISS TAM: Sir, the Legislative Council ad hoc group has discussed clause 6 and reached agreement with the Administration on the following amendments:

New section 53A(2)(d)

This section specifies that in general civil proceedings, it is for the Insurance Authority, not the court, to decide whether information in his possession should be disclosed. In the group's view, it is generally undesirable for legislative provisions to empower the executive to decide what evidence should be withheld from the court.

The Administration has accepted the group's view and agreed to have the section amended in line with the provisions of the Banking Ordinance.

New section 53A(3)(b)

This provides that the secrecy provisions shall not apply to 'the disclosure of information with a view to the institution of, or otherwise for the purposes of, any criminal proceedings or investigation whether in or outside Hong Kong'. However, this extension to criminal investigations and proceedings outside Hong Kong does not appear either in the Banking Ordinance or the Securities (Amendment) Bill 1988.

The Administration has accepted that for the sake of consistency, the extension should apply to criminal investigation and proceedings in Hong Kong only.

New section 53B and 53C

The Administration has, in the course of the discussion, identified the need to reconsider the term—'authorized insurer'. In its view, the Insurance Authority (which at present is the Registrar General) should not be restricted in his actions to authorised insurers only but should be able to disclose information, as appropriate, on all insurers operating in Hong Kong whether or not they are authorised. As a result, it is now agreed that references of 'authorized insurer' should be replaced by 'insurer' whenever they appear in the two sections.

Sir, I move that clause 6 be amended as set out in the paper circulated to Members.

FINANCIAL SECRETARY: Sir, I must again thank Miss TAM and members of the ad hoc group for their careful scrutiny of this Bill. I fully support the Committee stage amendments now proposed.

As in the case of the Commissioner of Banking and Commissioner for Securities, the Insurance Authority will be under a statutory duty to satisfy himself as to the adequacy of secrecy provisions in the overseas jurisdiction before he may release information to the overseas regulatory authority in question. In practice, the Insurance Authority will perform this duty in the same manner as the Commissioner for Securities.

As to the assurance sought by Miss TAM in her speech on the Second Reading of this Bill, I can confirm that in addition to ensuring that information provided to overseas supervisors is adequately safeguarded, the Insurance Authority will

have careful regard to the interests of the local insurance industry in determining how he exercises his powers to disclose information.

Proposed amendments

Clause 6

That clause 6 be amended—

- (1) In the new section 53A—
 - (a) in subsection (2)—
 - (i) by adding ‘or’ at the end of paragraph (b);
 - (ii) by deleting ‘or’ at the end of paragraph (c);
 - (iii) by deleting paragraph (d);
 - (b) in subsection (3)(b) by deleting sub-paragraphs (i) and (ii) and substituting ‘under this Ordinance or otherwise, in Hong Kong;’;
 - (c) by adding after subsection (3)(b)—

‘(ba) in connection with any civil proceedings arising out of this Ordinance;’.
- (2) In the new section 53B—
 - (a) in subsection (1) by deleting ‘restrictions’ and substituting ‘provisions’;
 - (b) in subsections (1) and (2) by deleting ‘authorized’ wherever it occurs;
 - (c) by deleting subsection (3) and substituting—

‘(3) This section shall apply to Lloyd’s as it applies to insurers.’.
- (3) In the new section 53C—
 - (a) in subsection (1) by deleting ‘authorized’;
 - (b) by deleting subsection (3) and substituting—

‘(3) This section shall apply to Lloyd’s as it applies to insurers.’.

Question on the amendments proposed, put and agreed to.

Question on clause 6, as amended, proposed, put and agreed to

PNEUMOCONIOSIS (COMPENSATION) (AMENDMENT) BILL 1988

Clauses 1 and 2 were agreed to.

ROAD TRAFFIC (AMENDMENT) BILL 1988

Clauses 1 and 2 were agreed to.

Council then resumed.

Third Reading of Bills

THE ATTORNEY GENERAL reported that the

PNEUMOCONIOSIS (COMPENSATION) (AMENDMENT) BILL 1988
and the

ROAD TRAFFIC (AMENDMENT) BILL 1988

had passed through Committee without amendment and the

SECURITIES (AMENDMENT) BILL 1988 and the

INSURANCE COMPANIES (AMENDMENT) BILL 1988

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

Questions on the Bills proposed, put and agreed to.

Bills read the Third time and passed.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT: In accordance with Standing Orders I now adjourn the Council until 2.30 pm on Wednesday, 15 June 1988.

Adjourned accordingly at four minutes past Four o'clock.

(*Note: The short titles of the Bills listed in the Hansard 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 Financial Secretary to Mr. SOHMEN's supplementary question to Question 3

According to advice that the Government has received from the United Kingdom Atomic Energy Authority, exposure to acute high doses of radiation, say within a few hours, can produce health damage which appears rapidly and, at very high doses, can cause death. The table below illustrates the health effects. (The doses are all in millisieverts (mSv) which are thousandths of a sievert).

Doses in excess of 10 000 mSv will cause death.

Doses of 3 000-10 000 mSv will cause injury and may cause death.

Doses of 1 000-3 000 mSv may cause injury but are unlikely to cause death.

Doses of 300-1 000 mSv will cause temporary physiological changes.

Doses below 300 mSv are unlikely to cause any noticeable health effects.

If, however, the exposure is protracted, and not over a short period, then the response to a given dose will normally be less severe.

Although for doses below 300 mSv there are unlikely to be any noticeable health effects, all doses of ionising radiation are assumed to be associated with a risk of developing a fatal cancer, after a latent period of about 10 to 30 years. There is also a risk of hereditary ill effects. These long-term effects, known as 'stochastic effects', are assumed to have no threshold and a risk proportionate to dose. However, studies of populations exposed occupationally to low doses of radiation, typically a few tens of millisieverts, have been unable to confirm or disprove that there is any significant risk at such low doses. The current accepted estimate of the risk of developing a fatal cancer as a result of exposure to radiation is about one in 80 000 per millisievert. In the case of hereditary ill effects the risk in all subsequent generation is about two in 100 000 per millisievert.

The principal International Commission on Radiological Protection (ICRP) recommendation for the protection of workers exposed to radiation—who are assumed to be ready to accept some occupational risk—is that no worker should be committed to receive an annual effective dose equivalent exceeding 50 mSv in any year. In general, the average annual dose equivalent received by radiation workers is considerably lower. The corresponding limit recommended for exposure of members of the public is 1 mSv per year averaged over a lifetime (in excess of background radiation), but 5 mSv per year in some years is still acceptable.

WRITTEN ANSWERS—Continued**Annex II****Written answer by the Secretary for Health and Welfare to Mr. YEUNG's supplementary question to Question 4**

I am now providing the information as follows:

Police posts

- (a) The only fixed police post along the cycle track is at the Tai Po Kau Marine Base which is manned 24 hours a day,
- (b) in addition, the cycle track is patrolled on Saturdays, Sundays and Public Holidays by officers on bicycles from Tai Po Division and Sha Tin Division starting from 0800 hours. The hours at which such patrol will cease depend on weather, time of nightfall, number of users still on the track and so on. Current manning is one sergeant and four constables. Personnel are deployed on weekdays as well if track usage so warrants.

First aid posts

The Auxiliary Medical Services' First Aid Post at Sha Tin in Ambulance Depot is manned on Sundays and Public Holidays only, during 0900-1700 hours.

Annex III**Written answer by the Secretary for Education and Manpower to Dr. HO's supplementary question to Question 5**

According to the Registrar General, there is no legal requirement for an owner of a limited company to notify any government department that the company has ceased business, except to advise the Commissioner of Inland Revenue that its business registration certificate should be cancelled. The Government does not check whether the company has paid its debts after it has ceased business. However, the provisions of the Bankruptcy Ordinance and the winding-up provisions of the Companies Ordinance enable creditors to protect themselves as far as possible in these circumstances.

Apart from winding-up, a limited company can also be dissolved by requesting the Registrar of Companies under section 291 of the Companies Ordinance to strike it off the Register of Companies. The registrar will request the company to submit audited accounts and will refuse to deregister the company if it appears that there are debts or liabilities outstanding, or if he has any other doubts as to the status of the company.

WRITTEN ANSWERS—*Continued*

The Registrar General has pointed out that the powers of the court under section 224 of the Companies Ordinance can be invoked against the responsible person of a company who has absconded or is about to leave Hong Kong for the payment of personal debts due by him to the company. These powers do not apply in respect of the general debts owing or other liabilities of the company to its creditors.

Annex IV**Written answer by the Secretary for Education and Manpower to Mr. Andrew WONG's supplementary question to Question 5**

The Registrar General has confirmed that the Official Receiver's Office will have adequate manpower to enforce the three remedies under sections 271, 276 and 224 of the Companies Ordinance when 30 additional staff are recruited in the current financial year. These resources will also be used by the Official Receiver acting as Trustee in Bankruptcy under the Bankruptcy Ordinance. There is also close co-operation on enforcement procedures between the Official Receiver's Office and the Commercial Crime Bureau of the police.