

1 HONG KONG LEGISLATIVE COUNCIL -- 15 February 1989

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OFFICIAL REPORT OF PROCEEDINGS

Wednesday, 15 February 1989

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

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

THE HONOURABLE THE ATTORNEY GENERAL

MR. JEREMY FELL MATHEWS, C.M.G., J.P.

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

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

SECRETARY FOR DISTRICT ADMINISTRATION

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

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

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

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

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

THE HONOURABLE CHAN YING-LUN, J.P.

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

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

THE HONOURABLE CHENG HON-KWAN, J.P.

THE HONOURABLE CHUNG PUI-LAM, J.P.

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

THE HONOURABLE MARTIN LEE CHU-MING, Q.C., J.P.

THE HONOURABLE DAVID LI KWOK-PO, 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, J.P.

PROF. THE HONOURABLE POON CHUNG-KWONG, J.P.

THE HONOURABLE SZETO WAH

THE HONOURABLE MRS. ROSANNA TAM WONG YICK-MING, J.P.

THE HONOURABLE TAM YIU-CHUNG

DR. THE HONOURABLE DANIEL TSE, O.B.E., J.P.

THE HONOURABLE ANDREW WONG WANG-FAT, J.P.

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

THE HONOURABLE GRAHAM BARNES, C.B.E., J.P.
SECRETARY FOR LANDS AND WORKS

THE HONOURABLE RONALD GEORGE BLACKER BRIDGE, O.B.E., J.P.
SECRETARY FOR EDUCATION AND MANPOWER

THE HONOURABLE 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 CHAU TAK-HAY, J.P.
SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE RONALD JOSEPH ARCULLI, J.P.

THE HONOURABLE MARTIN GILBERT BARROW, O.B.E.

THE HONOURABLE PAUL CHENG MING-FUN

THE HONOURABLE MICHAEL CHENG TAK-KIN, J.P.

THE HONOURABLE DAVID CHEUNG CHI-KONG, J.P.
THE HONOURABLE RONALD CHOW MEI-TAK

THE HONOURABLE MRS. NELLIE FONG WONG KUT-MAN, J.P.

THE HONOURABLE MRS. PEGGY LAM, M.B.E., J.P.

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

THE HONOURABLE MRS. MIRIAM LAU KIN-YEE

THE HONOURABLE LAU WAH-SUM, J.P.

THE HONOURABLE LEUNG WAI-TUNG, J.P.

THE HONOURABLE JAMES DAVID McGREGOR, O.B.E., I.S.O., J.P.

THE HONOURABLE KINGSLEY SIT HO-YIN

THE HONOURABLE MRS. SO CHAU YIM-PING, J.P.

THE HONOURABLE JAMES TIEN PEI-CHUN, J.P.

THE HONOURABLE MRS. ELSIE TU, C.B.E.

THE HONOURABLE PETER WONG HONG-YUEN, J.P.

THE HONOURABLE ELAINE CHUNG LAI-KWOK, J.P.
SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION

ABSENT

THE HONOURABLE HUI YIN-FAT, O.B.E., J.P.

THE HONOURABLE TAI CHIN-WAH, J.P.

DR. THE HONOURABLE LEONG CHE-HUNG

IN ATTENDANCE

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

Papers

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

Subject	L.N. No.
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Subsidiary Legislation:

Hong Kong Airport (Regulations) Ordinance Hong Kong Airport (Traffic) (Amendment) Regulations 1989.....	18/89
Public Bus Services Ordinance Public Bus Services (Amendment) Regulation 1989.....	19/89
Road Traffic Ordinance (Parking on Private Roads) Regulations 1989.....	Road Traffic 20/89
Road Traffic Ordinance Road Traffic (Registration and Licensing of Vehicles) (Amendment) Regulations 1989..... 21/89	
Road Traffic Ordinance (Traffic Control) (Amendment) Regulations 1989..... 22/89	Road Traffic
Road Traffic Ordinance	Road Traffic

(Traffic Control)	
(Amendment) (No.2) Regulations 1989.....	
23/89	
Road Traffic Ordinance	Road Traffic
(Village Vehicles)	
(Amendment) Regulations 1989.....	
24/89	
Pension Benefits Ordinance	
Pension Benefits Ordinance (Established Offices)	
(Amendment) Order	
1989.....	25/89
Interpretation and General Clauses Ordinance	
Specification of Public	
Office.....	26/89
Commissioner for Administrative	
Complaints Ordinance 1988	
Commissioner for Administrative	
Complaints Ordinance 1988	
(Commencement) Notice 1989.....	
27/89	
Noise Control Ordinance 1988	
Noise Control (General) Regulations 1989.....	
28/89	
Noise Control Ordinance 1988	
Noise Control (Appeal Board)	
Regulation	
1989.....	29/89
Public Order Ordinance	
Public Order Curfew (Variation) Order 1989.....	
30/89	

Crown Land Ordinance

Crown Land (Amendment) Regulations 1989.....
32/89

Public Health and Municipal Services Ordinance

Food Adulteration (Artificial Sweeteners)
(Amendment) Regulations 1989.....
33/89

Marine Fish Culture Ordinance

Marine Fish Culture (Amendment)

Regulations 1989.....
..... 34/89

Plant (Importation and Pest Control) Ordinance

Plant (Importation and Pest Control)
(Fees) Regulations
1989..... 35/89

Public Health (Animals and Birds) Ordinance

Public Health (Animals and Birds)
(Amendment) Regulations 1989.....
36/89

Road Traffic Ordinance

Road Traffic (Safety Equipment)
(Amendment) Regulations 1989.....
37/89

Road Traffic Ordinance
(Public Service Vehicles) Road Traffic
(Amendment) Regulations 1989.....
38/89

Dumping at Sea Act 1974 (Overseas Territories)

Order 1975

Determination of Licence

Fees..... 39/89

Inland Revenue Ordinance

Inland Revenue (Interest Tax)

(Exemption) (Amendment) Notice 1989.....

40/89

Tax Reserve Certificates (Fourth Series) Rules

Tax Reserve Certificates

(Rate of Interest) Notice

1989..... 41/89

Sessional Papers 1988-89:

No. 49 -- Polytechnic of Hong Kong

Annual Report 1987-88 with Balance Sheet at

30 June 1988 and Income and Expenditure

Account for the year ended on that date

No. 50 -- City Polytechnic of Hong Kong

Annual Report with Financial Report

July 1987 - June 1988

No. 51 -- Correctional Services Department Welfare Fund

Income and Expenditure Account with Balance

Sheet and Certificate of the Director of Audit

for the year ended 31 March 1988

No. 52 -- Hong Kong Examinations Authority

Financial Statements with Programme of

Activities for the year ended 31 August 1988

No. 53 -- The Prince Philip Dental Hospital Hong Kong

Report by the Board of Governors for the

period 1 April 1987 - 31 March 1988

No. 54 -- Revisions of the 1988-89 Estimates approved
by the Urban Council during the third quarter
of the 1988-89 Financial Year

No. 55 -- Report of the Public Accounts Committee on
the Report of the Director of Audit on the
Accounts of the Hong Kong Government for the
year ended 31 March 1988 and the Results of
Value for Money Audits
January 1989
P.A.C. Report No. 12

Addresses by Members presenting papers

The Hong Kong Polytechnic Annual Report 1987-88 with Balance Sheet at 30 June 1988
and Income and Expenditure Account for the year ended on that date

MR. CHEONG : Sir, among the various papers laid on the table of this Council today
are the 16th Annual Report and Annual Accounts of the Hong Kong Polytechnic for the
year ended 30 June 1988.

As Members of this Council are aware, the Honourable Allen LEE stood down from
the chairmanship of the Hong Kong Polytechnic Council at the end of last year. I
would like to take this opportunity to express the gratitude of the Hong Kong
Polytechnic Council to Mr. LEE for his leadership of the polytechnic for the past
two years, which has been decisive and incisive and characterized by openness. Among
the major achievements of the polytechnic under Mr. LEE's chairmanship were the
implementation of a number of new first degree programmes, the introduction of a
Degree of Master of Philosophy as a research degree, increased activities in research,
consultancy and staff development, and the establishment of a number of specialist
centres, including the Jockey Club Rehabilitation Engineering Centre, the Hong Kong
Polytechnic CAD/CAM Research and Education Centre and the Plastics Technology Centre.
The latter is an independent company located on the polytechnic campus and represents
an important collaboration between industry, Government and tertiary education.

The year 1987-88 was the last year of the 1985-1988 triennium. As Members of this Council will note from the Annual Accounts of the polytechnic, there was a surplus for the whole of the triennium of \$1.3 million, and this amount is to be returned to the University and Polytechnic Grants Committee.

During the year under review, the Hong Kong Polytechnic Ordinance was amended to make it clear that the academic awards and honorary awards that may be conferred in the name of the Hong Kong Polytechnic include degrees and honorary degrees. An Honorary Awards Committee has been appointed by the Polytechnic Council. The committee has met and made its recommendations, and it is anticipated that June 1989 will see the first conferment of an honorary degree by the polytechnic.

In April last year, the Polytechnic Council approved the establishment of the title of Professor in the polytechnic and the criteria and the procedures that should be used for conferring such a title. A Professorial Selection Committee was subsequently set up and on the recommendation of this committee, the Polytechnic Council in December last year conferred the title of Professor upon four serving members of the staff of the polytechnic including that of the present director, Dr. John CLARK. They all have held professorial status in their previous employment in other renowned institutions elsewhere.

Sir, in contributing towards Government's objective of increasing tertiary opportunities to our community, the polytechnic has continued to implement its degree programmes. The year 1987-88 saw the introduction of three degree courses. These included a three-year BA degree in Language and Communication, a three-year BSc degree in Building Technology and Management, and an additional mixed-mode stream for the Bachelor of Social Work degree.

Looking beyond the year under review, five new degree courses have come into operation at the beginning of 1988-89. These are a three-year BA Honours degree in Accountancy, a four-year BA degree in Hospitality Management, a three-year BSc degree in Building Surveying, a three-year BSc degree in Land Management, and a three-year BSc degree in Quantity Surveying.

Other courses which are planned for implementation in 1989-90 are MBA, MSc degree in Information Systems, BA degree in Chinese and Translation Studies, BA degree in Clothing Studies, and a BSc degree in Textile Technology and Management.

Sir, as the incoming chairman of the Council of the Hong Kong Polytechnic, it may be timely for me to reiterate a firm belief of the council and that of the management as well that the Hong Kong Polytechnic is here to serve the community. In this context you can rest assured of our continued alert to the changing needs of the community. We have, and will continue to develop close and useful interactions with various commercial and industrial sectors so as to provide the suitable kind of training for our students in preparing them to meet the challenges they will have to face when they graduate. Professor CLARK, the current director, and his management team fully subscribe to this objective and have done a lot of useful work. Examples of some of our future programmes fully demonstrate more intense efforts in working closely with commerce and industry.

First, plans are already well under way to introduce Surface Mount Technology facilities as well as the establishment of a Micro Electronic Design and Fabrication Centre. These would not have been possible without working closely with industry.

Secondly, in recognizing that the more advanced technology countries have moved towards developing integrated systems of manufacturing as a means to improved efficiency and thereby competitiveness, we are actively exploring ways of collaboration with the University of Warwick to facilitate the introduction of advanced courses in Manufacturing Engineering to Hong Kong as soon as possible. The availability of such concepts and courses in Hong Kong will no doubt be of tremendous value to help further develop the competitiveness of our manufacturing industry.

Thirdly, we recognize the need for Hong Kong as an international financial and commercial centre to maintain high proficiency in the use of the English language. Accordingly, we will be co-operating with our financial and commercial sector in the establishment of a Business English Centre with a view to offering appropriate courses and facilities for further training or retraining to achieve the required proficiency in English for their current and prospective employees.

Sir, the Hong Kong Polytechnic may be in existence only for a short period of time in the context of the history of tertiary education in Hong Kong, yet it cannot be denied that we have tried our best to serve the community. There is a lot more to be done and we recognize only too well that we can only continue to serve with the support and understanding from all sectors of the community and, in particular, from the policy branches of the Government. We earnestly hope that such support and understanding will continue to be forthcoming so that together we can contribute,

each in our own little way, towards building a bright future for Hong Kong in the years to come.

Report of the Public Accounts Committee on the Report of the Director of Audit on the Accounts of the Hong Kong Government for the year ended 31 March 1988 and the Results of Value for Money Audits January 1989
P.A.C. Report No. 12

MR. PETER POON: Sir, the 12th Report of the Public Accounts Committee, tabled today, has been compiled following the committee's investigations into matters raised in the Director of Audit's report on the accounts of the Hong Kong Government for the year ended 31 March 1988 and the results of value for money studies.

On behalf of the committee, I would like to pay tribute to our former chairman, the Honourable Allen LEE, who led this committee so well during his term of office. I am particularly privileged to be appointed his successor and would also like to thank my fellow members for their contribution to the work of the committee in producing the 12th Report.

Sir, the committee have been greatly encouraged by the progress made over the years in improving the management of public funds. This year, as in previous years, the committee have come across certain cases where matters have been handled in ways which they consider should be reviewed, but they believe that solutions will be found and implemented. The details are as stated in our report.

This is the first of two reports to be laid before this Council in the current Session. A second report will be compiled before the end of the Session following a further report in April by the Director of Audit on the results of value for money studies.

The City Polytechnic of Hong Kong Annual Report with Financial Report July 1987 - June 1988

MR. CHENG HON-KWAN: Sir, as the chairman of the Council of the City Polytechnic of Hong Kong, I have great pleasure in laying before this Council to-day its Annual Report and Financial Report, the fourth since its establishment in January 1984.

The report covers the development of the City Polytechnic during the period from July 1987 to June 1988, a period marked by a continued growth in the number of courses on offer and in its student population, an advancement of research work as well as remarkable progress in its campus construction work.

During the year, total student enrolment in the City Polytechnic increased by 24% to some 5 200, about half of whom were on full-time courses. Two degree and three postgraduate diploma courses were successfully introduced for admission in October 1987, making a total of 26 on offer at all levels. The year also saw the active preparation to admit the first candidates for the research degree of Master of Philosophy in October 1988, which heralds an era of advanced study and research work to which this young and thriving institution is committed.

In October 1987, the City Polytechnic held its second academic awards ceremony, presided over the first time by you yourself, Sir, at which some 500 awards were conferred. This number represented an increase of four times over the previous year, but has since itself been exceeded by the total of 1 100 awards conferred at the third ceremony last December, outside the period covered by this report. The steady build-up in the number of our graduates has made it appropriate for an alumni association to be set up.

Construction of the initial phase of the permanent campus at Kowloon Tong proceeded during the year. By June 1988, the main academic building in the first part of this early phase was near completion, with furnishing and fitting out being carried out in order for it to be brought into use in October 1988. Meanwhile, the development of the main part of the campus was well on schedule to meet the target date of full occupation in October this year, when the City Polytechnic will move there in its entirety.

Sir, under the chairmanship of my two predecessors -- Sir S.Y. CHUNG and Mr. S.L. CHEN -- the City Polytechnic has made exciting and challenging progress in its formative years. As you will find described in the report, it is now approaching a stage of strength and maturity, in which courses of diverse academic interests, at both undergraduate and postgraduate levels, will be offered to meet the growing need for tertiary education in Hong Kong in the next decade. Sir, I commend the report to you.

Oral answers to questions

Single market for the European Economic Community and its implications

1. MR. NGAI asked (in Cantonese): In view of the impending creation of a single market for the European Economic Community in 1992, will Government inform this Council whether any measures have been taken to help Hong Kong manufacturers better understand the implications of this issue on Hong Kong's export trade in general and the manufacturing industry in particular?

FINANCIAL SECRETARY: Sir, we have been keeping a close watch on the development of a single European market. Our overseas offices, together with the Trade Department, have been monitoring progress, and we have kept members of the Trade Advisory Board and the Textiles Advisory Board informed of developments.

It is, of course, incumbent upon businessmen concerned to keep themselves informed of the implications arising from the creation of a single market for the European Economic Community in 1992. They are in the best position to judge the effect of any developments on their own individual businesses. The Government cannot take on that responsibility. Nevertheless, in order to enable Hong Kong businessmen to have a more thorough understanding of the issues, the Trade Department, together with the Brussels-based Centre of European Policy Studies and the Hong Kong Trade Development Council, organized the "Conference on Europe 1992" on 4 November 1988. This conference, which was held in Hong Kong, was co-sponsored by six trade associations and was well attended by over 400 participants.

Circulars on technical matters such as product liability legislation and health and safety regulations have been issued to industrial and trade organizations. We will continue to disseminate information as and when it becomes available.

MR. NGAI (in Cantonese): Sir, in the second paragraph of Financial Secretary's reply it was mentioned that our businessmen are expected to assess on their own accord the implications of a single European market on their own trades, and that Government cannot commit itself to such a responsibility. Is Government of the opinion that it does not bear the responsibility of analysing and studying the possible implications

of a unified European market and would not even undertake, for the benefit of our small scale businessmen, to supply detailed information in order to provide guidelines through such activities as information gathering or operating information dissemination centres? Is Government content at seeing some of our businessmen embarrassed recently by allegations of dumping ?

FINANCIAL SECRETARY: Sir, the point I was making is that businessmen do have some responsibility to look after themselves. I was referring to the Government's responsibility to individual businesses. Obviously the Government has a general responsibility to keep itself informed of developments in the European Economic Community and, indeed, in any other market with which we have dealings. As I have said in my principal answer, Sir, we do take on the responsibility of disseminating information and we shall continue to discharge that responsibility.

MR. BARROW: Sir, would the Financial Secretary inform this Council if the recent dumping allegations by the European Community indicate the need for a combined effort by Government and the private sector to ensure that Hong Kong's open and free trade policy is fully understood by the European Community?

FINANCIAL SECRETARY: Sir, I think questions about anti-dumping perhaps go a little outside the ambit of the original question and my answer, but nevertheless I am happy to inform this Council, Sir, that we do indeed take a very active interest in the actions that have been taken against Hong Kong. We are in constant contact with various organizations and authorities in Europe with a view to protecting Hong Kong's interests.

MR. PAUL CHENG: Will the Government advise this Council whether it would be in order for Hong Kong to register a formal protest with the European Economic Community against the highly arbitrary nature of the constructed value of alleged anti-dumping products, the calculation of which is open to manipulation and is by no means fair to Hong Kong?

HIS EXCELLENCY THE PRESIDENT: I think that one question on dumping has already been partially answered but the question should be put down as a separate question so it could be properly answered.

MR. HO SAI-CHU: Sir, would the Financial Secretary tell this Council whether Government will consider organizing more conferences or seminars for businessmen when 1992 draws near or when we have got more information on the matter?

FINANCIAL SECRETARY: Certainly, Sir. As and when we get more information, we would be delighted to organize more conferences and seminars. Indeed, Sir, if any Members of this Council feel that a seminar on any particular subject in this area is needed and if they have some information to convey to us, we would be very happy to hear it and then we can organize a suitable seminar or conference.

Control of unauthorized building works

2. MR. CHENG HON-KWAN asked: Will Government inform this Council what improvements have been achieved in the control of unauthorized building works since the introduction of a system in 1988 to classify unauthorized building works into "high" and "low" priority groups for enforcement action?

SECRETARY FOR LANDS AND WORKS: Sir, the improvement sought in introducing the "high/low" system of enforcement priorities in March 1988 was to establish guidelines for enforcement action, which are generally accepted by the public. Staff of the Buildings Ordinance Office now have clear instructions to take action against high priority cases. Also, given the publicity that was given to this system, and the co-operation of the district boards, I am advised that building owners and occupants involved have shown greater willingness to co-operate with the Government.

The introduction of this new system also helped the Buildings Ordinance Office to plan for a series of comprehensive clearance programmes of unauthorized building works on a district by district basis. Action under this programme includes demolition of illegal structures, improving staircases and exit routes, structural repairs, removal of dangerous sign-boards, rectification of defective drainage

systems and repainting of external walls.

Sir, as far as I can gather, the number of demolitions of unauthorized building works has not increased, but could do so when more of the planned programmes of improvements mentioned above have taken place. The rate should further improve when the Buildings Ordinance Office recruits some 18 additional staff for which the posts have been earmarked in the 1989-90 estimate.

MR. CHENG HON-KWAN: Sir, will the Secretary advise this Council what is the time scale for the Buildings Ordinance Office to actually begin to take action against high priority cases and to embark upon the comprehensive clearance programmes of unauthorized building works on a district by district basis?

SECRETARY FOR LANDS AND WORKS: Sir, the Buildings Ordinance Office is already operating on the high priority cases and proposes to start on the district programmes early this year.

MR. ARCULLI: Sir, will the Secretary please inform this Council whether there are any new unauthorized building works and, if so, whether these are more or less than the number of demolitions of existing unauthorized building works and what action, if any, is being taken to prevent new unauthorized building works?

SECRETARY FOR LANDS AND WORKS: Sir, I have not the material to answer that question in its actual terms. But I have been informed that at the present time there is not an exceptional amount of new unauthorized building works going on, and over the last year or so in fact demolitions have largely increased beyond the rate of new unauthorized building works. Consequently, I am reasonably confident that the Buildings Ordinance Office is keeping up.

MR. CHENG HON-KWAN: Sir, will the Secretary inform this Council how Government is prepared to deal with those cases classified into low priority, without significantly accumulating substantial backlog?

SECRETARY FOR LANDS AND WORKS: Sir, almost inevitably we will accumulate a fairly substantial number of the low priority cases because, with present resources, our only possible action regarding these cases is to actually defer them.

Movements in and out of Sha Tau Kok Closed Area

3. MR. LAU WONG-FAT asked (in Cantonese): Will Government inform this Council whether it will consider relaxing the stringent restrictions on the movements of residents and visitors in and out of the Sha Tau Kok Closed Area in order to reduce the difficulties and inconvenience encountered by local residents, and to allow better development to take place within the area?

SECRETARY FOR SECURITY: Sir, the restrictions on movement into and out of Sha Tau Kok are part of the general restrictions on the Frontier Closed Area which runs along the length of the border with China. The Frontier Closed Area is an essential part of our system for preventing illegal immigration. Although present levels of illegal immigration are relatively low, the problem still persists and we need to guard against any resurgence. In 1988 a total of 20 987 illegal immigrants were arrested, of whom over 9 000 were arrested on the land border. Without the Frontier Closed Area, the difficulties of intercepting illegal immigrants would be very much greater.

The Government is aware of the concern of Sha Tau Kok residents, and the restrictions on movement in and out of the closed area have been made as simple as possible. Any reported complaints or cases where applicants for permits experience difficulty will be investigated promptly by the police.

Some development has taken place within the closed area and Sha Tau Kok town is being greatly improved. But this redevelopment is intended only to improve conditions for existing residents and not to open up the area for general development.

The Administration keeps the need for the closed area restrictions under regular review and changes will be made where possible to minimize inconvenience to local residents.

MR. LAU WONG-FAT (in Cantonese): Sir, presently residents in the Sha Tau Kok Closed

Area are greatly inconvenienced by having to apply for closed area permits which involves complicated procedures. There is also the need to produce such identification documents as birth certificates and land title deeds, the latter happening to be not a ready item of possession. Will the Administration undertake to review the issue in near future? Meanwhile if the residents in the Sha Tau Kok Closed Area want to travel within the area in the period from midnight to 4 am, they are required to possess curfew permits in addition to closed area permits; but only limited numbers of the former are being issued. Therefore will Government consider permitting residents in possession of closed area permits free movement within the area during the night curfew in order that less restrictions on their freedom of movement are imposed?

SECRETARY FOR SECURITY: Sir, the possibility of simplifying the procedures was considered in a review which was carried out in April 1988. It was concluded then that the procedures could not be made any simpler. We are aware of the general complaints about applications and procedures and the documents that these entail. The police have promised, as I have said, to investigate such complaints as are reported to them but, as yet, no one has made any specific complaint that could be dealt with. Turning to the second part of Mr. LAU's question, the suggestion that curfew permits be abolished and the resident need only produce a closed area permit would mean that residents in possession of closed area permits would not be subject to the curfew. But in the review I have referred to which was carried out in April of last year, it was concluded that the curfew was still a valuable measure to control movement within the Frontier Closed Area at night. This is important because it means that security forces can identify persons moving during the hours of darkness which is the most popular time for illegal immigrants to enter Hong Kong.

MR. ANDREW WONG (in Cantonese): The Secretary for Security mentioned in his reply that a total of 20 987 illegal immigrants were arrested in 1988, over 9 000 of which being along the land border. Will Government inform this Council how many of them were arrested in Sha Tau Kok and how many in Ta Kwo Ling, as the question involves not only Sha Tau Kok? As to the time the arrests took place, did they fall inside or outside the curfew hours, in other words, did they take place between midnight and 4 am or in other time periods rather? If the majority were caught outside the curfew hours, then what ground does Government have to insist on having the curfew from midnight to 4 am?

SECRETARY FOR SECURITY: Sir, I am not sure that I got all that but I shall anyway be following up this particular question with a reply in writing (Annex I). But I can tell Mr. WONG that the majority of illegal immigrants caught on the land border are in the Sha Tau Kok area and that the majority are caught during the hours of darkness. As to the precise figures, I shall reply to Mr. WONG in writing.

Student Travel Subsidy Scheme

4. MRS. FAN asked: Sir, a supernumerary post has been created in the Education Department with effect from February 1989 to handle several urgent tasks, including an evaluation of the cost effectiveness and administration of the Student Travel Subsidy Scheme. Will Government inform this Council when this evaluation will be conducted; how long it will take to complete; and in what manner parents, school management and students will be consulted in the process?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, as Members know, the new student travel subsidy scheme was introduced in October 1988, following three years of Finance Committee and Public Accounts Committee criticisms of the old scheme and careful consideration of alternative solutions. The first round of applications and payments made under the new scheme was completed in December 1988.

The Education Department has recently begun an assessment of the new scheme. It will conduct a sample survey of those students who applied for travel subsidies in 1988 and consult the school councils. We will do our best to ensure that the assessment is completed within three or four months so that any improvements to the scheme can be introduced before the next round of applications is invited in September this year.

MRS. FAN: Sir, the present scheme has attracted considerable criticism from the public, many of whom are parents. Is it intended that parents' views be excluded from their assessment of the scheme? If so, why?

SECRETARY FOR EDUCATION AND MANPOWER: No, Sir, the survey form in fact will contain specific space for comments by students and their parents on the scheme.

MR. DAVID CHEUNG: Sir, will the Secretary inform this Council whether in the Education Department assessment the situation of students of the tertiary institutions will be taken into consideration as well?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the intention is to look at the scheme as a whole, including the tertiary sector.

MRS. CHOW: In the process of assessment will comparison be drawn between the old and the new schemes with regard to the public's acceptance?

SECRETARY FOR EDUCATION AND MANPOWER: In looking at the new scheme, we will be primarily looking at how we can improve it. I think we will certainly bear in mind the alternatives, including the old scheme.

MR. ANDREW WONG: Sir, the Secretary referred to reviewing the scheme to make improvements to it. Will the Secretary confirm whether or not he is prepared to consider my original proposal back in 1988 during the Budget debate when I suggested that students be given half fare with the additional cost to be borne by other commuters?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, we will first of all see whether we can improve the existing scheme but, if it is felt to be justified, we will also look at alternatives including the one mentioned by Mr. WONG.

MRS. CHOW: Sir, will Government look into whether there is any misuse of subsidy by either students or their parents under the present scheme for purposes other than travel?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, we do have at present a 5% check on misuse.

Shortage of office accommodation

5. MR. EDWARD HO asked: As the present acute shortage of office accommodation and the consequent spiralling office rentals may have adverse effects on our economy, will Government inform this Council what action it will take to address the problem?

SECRETARY FOR LANDS AND WORKS: Sir, the problem of "spiraling office rentals", which is of course a fairly familiar problem in Hong Kong, is most serious in prime locations such as Central and Tsim Sha Tsui. This has already encouraged the development of offices in secondary areas including sites along the MTR line and Sha Tin and the relocation of firms which do not really require a presence in more central areas. This is a beneficial spin-off not least because it helps to decentralize office jobs, and the Town Planning Board has taken some pains to accommodate this trend.

Any government action which would have a major immediate effect on the market would need to have been taken several years ago and initiated even further back. We have, as is well known, just sold a site in Wan Chai which should yield about 108 000 sq m of new office space. We plan to sell another site in Central very shortly which will yield about a further 110 000 sq m. But this accommodation will not be available for some years. Again Government is reviewing its own land holdings with a view to putting whatever sites it can on the market, but again the effect will be some years off. More immediately a recent minor adjustment of the Town Planning Board's policy now automatically permits up to 30% of factory accommodation to be used as ancillary office space and has avoided certain industrial and trading firms having to enter the market for separate office premises. And several applications for a greater percentage have been successful when justified. However a general relaxation of conditions of industrial lots would produce conflicts with Buildings Regulations and would result in rental pressure being transferred to the industrial sector.

In the medium and longer term there are of course land formation programmes to provide land for office development in Central District and other places, but these will provide little relief in the immediate rent cycle. They are however still vital

to Hong Kong's economic development, and in fact they are the best direct action that the Government can take to help the economy at any time.

MR. EDWARD HO: Since additional land supply would not ease the office rental situation for some years, will Government inform this Council whether consideration will be given to re-zoning industrial areas in suitable locations for commercial use in order to produce a more immediate effect?

SECRETARY FOR LANDS AND WORKS: Sir, consideration is being given already by the Town Planning Board to one or two areas of this kind.

MR. PETER WONG: Sir, as the Administration appears to be unable to do anything effective about the spiralling office rentals, should we not at least have a measure of the size of the problem? Sir, will the Administration consider the setting up of a "cost of doing business" index, which reflects the rentals, salaries, and services which the business will have to incur?

SECRETARY FOR LANDS AND WORKS: Sir, an answer to that is somewhat beyond my brief and perhaps the Financial Secretary might like to take it on.

HIS EXCELLENCY THE PRESIDENT: Financial Secretary, can you add to that?

FINANCIAL SECRETARY: Very little, Sir, except I think we do publish a great deal of information and Mr. WONG could probably get sufficient information from the publications that are put out by the Census and Statistics Department. I will have a look into the suggestion made by Mr. WONG, because obviously what is suggested is of interest to businessmen.

MR. ARCULLI: Sir, in the first and last paragraphs of his answer, the Secretary for Lands and Works made a reference to spiralling office rentals as being a fairly familiar problem and to land formation programmes to be undertaken in the immediate

and longer term to provide for office accommodation developments in Central District and other places. Will the Secretary please inform this Council why spiralling office rentals have been allowed to become a fairly familiar problem, and whether such a problem is due to inadequate forward planning or programmes?

SECRETARY FOR LAND AND WORKS: Sir, in Hong Kong over the last 15 to 20 years, there have probably been about three cycles in which the office rentals have gone up. In all cases they have been associated with a very high demand, and also with the same phenomenon of concentration of demand starting in Central and fanning out down to other areas.

I suppose it would have been possible for the Government if it had forsaken many of its other priorities to put a great deal more resources into providing reclamations and land in the central areas which would have alleviated this problem. But as I say, it would have been at the expense of other priorities.

MR. MCGREGOR: Sir, since it seems clear that the problem of the supply of commercial accommodation is likely to be felt for several years from now, will Government consider urgently an extension of the present 30% allowance for commercial space in industrial buildings to 50% and in addition removing the need for an industrial connection in the buildings concerned?

SECRETARY FOR LANDS AND WORKS: Sir, the second suggestion -- removal of industrial connection -- would be critical to considering the first part. On the whole, the Town Planning Board has found that 30% plus the ability to apply for a bit more broadly satisfies the needs of industrial establishments. It is a question in fact of opening up industrial buildings to unrelated offices which the board has up till now resisted. The reason is that it feels that rental pressure upon the factories within those areas as is being put on many offices would be transferred to factories in areas closer to Central, and it feels that would be undesirable. I think this question of transfer of rental pressure to smaller factories in the central areas is a sufficiently major issue to justify the board's reluctance to change the present ratio.

MR. EDWARD HO: Sir, in view of the acute shortage of supply of office space against

demand, would the Government inform this Council what methodology is used to assess land supply for office use and whether it is an effective one?

SECRETARY FOR LANDS AND WORKS: Sir, I am not quite sure whether in fact Mr. HO probably did not mean demand, but I shall take it that he meant actually supply as he said. As far as supply is concerned, the Government is in a reasonably strong position in that it has records of building plans, records of land sales and so on and can make reasonably good forecasts. There are some points at which there is a certain amount of doubt because in some cases it may not be totally clear for forecasting three or years ahead what form a building will take and what the division between, for instance, commercial and residential will be. But on the whole I see nothing wrong with the system of estimating supply.

MR. CHEONG: Sir, could the Secretary advise whether, in the light of the changing circumstances of the nature of manufacturing businesses in Hong Kong, the Government should consider an automatic uplift of 50% of the factory space, though not, as Mr. MCGREGOR suggested, unrelated to industrial use?

SECRETARY FOR LANDS AND WORKS: Sir, I can only say that the view taken by the Town Planning Board, to which I subscribe, is that the procedures for dealing with applications for office accommodation greater than 30% are sufficiently sympathetic and relevant to a situation so that anybody who really needs it for the purposes of supporting manufacture can in fact get it.

MRS. LAM (in Cantonese): Sir, if rent continues to soar many multi-national companies may consider relocation out of Hong Kong. Will the Government inform this Council what measures it will take if this really happens? Will it consider resuming rent control?

SECRETARY FOR LANDS AND WORKS: I think, Sir, that we are most unlikely to have rent control in the commercial sector. I have not actually heard of this happening in other countries and I do not think we have ever done it in Hong Kong. I do not foresee any very extreme precautionary measures. I think perhaps in making my original reply to

the original question, I may have boasted too little -- what I said was that I thought the Government could take little action. But the market is taking action. It is taking action through actually applying for more office buildings, and through seeking to hasten the production of office buildings. And the Government, through its town planning system, is facilitating the operation of that market.

MR. MCGREGOR: Sir, would the Secretary concede that with so much of our industry moving into China the pressure on industrial floor space is very much less than it was a few years ago, given also the fact that previously we had 930 000 industrial workers at the high point, compared with only 850 000 workers and more industrial space that we now have?

SECRETARY FOR LANDS AND WORKS: Certainly, Sir, there is evidence to that effect.

MR. ANDREW WONG: Sir, is the Secretary prepared to consider the possibility of earmarking lots in the New Territories, particularly in the new towns, simply for office accommodation and nothing else, that would ease our traffic problems as a side benefit?

SECRETARY FOR LANDS AND WORKS: Certainly, Sir.

Wastage and vacancy rates of police officers

6. MISS LEUNG asked: In the light of recent statements made by the Commissioner of Police, will Government give details of the current wastage and vacancy rates for police officers, and advise whether it is satisfied with the rate of recruitment into the force?

SECRETARY FOR SECURITY: Sir, during 1988 1 639 officers left the Police Force, comprising 180 officers at the inspectorate level or above, and 1 459 members of the rank and file. The wastage rate in 1988 was 6%. This compares with a 5.4% in the

rest of the Civil Service.

The vacancy rate at present is less than 1% compared to a figure of 5% for the rest of the Civil Service. There are currently 31 vacant inspectorate posts out of a total of 2 362, and 130 vacant junior officer posts out of a total of 27 395.

The recruitment target for the fiscal year 88-89 has been set at 2 535 officers, to cope with expansion needs, taking into account the capacity constraints of the Police Training School. The target is 225 inspectors and 2 310 constables, and represents an increase of 12.5% for inspectors and 50% for constables compared with last year's levels. For inspectors the required numbers are expected to be met, but for constables there may be a shortfall of over 100, or 4% of the recruitment target. Applications to join the force increased during 1988 due to stepped up publicity and recruiting efforts. There are currently six qualified applicants for each vacancy.

The current wastage and recruitment situation does not compare unfavourably with other disciplined services and the Civil Service as a whole, but we shall be watching the situation very carefully over the months ahead, both in the light of the present tight labour market, and the effect of the new pay awards on recruitment, which have yet to be seen. Meanwhile, vacancy figures remain constant and police operational tasks are not being affected.

MISS LEUNG: Sir, will the Secretary inform this Council whether steps are being taken to reduce the wastage rate, in particular at the inspectorate level which worked out to be around 12.3% in 1988 according to the Secretary's reply, in addition to the implementation of the new pay awards?

SECRETARY FOR SECURITY: Sir, within the police force, steps are being taken to reduce the wastage rate on a personnel basis. Outside the police force, the Rennie Report, which has just been completed, is of course a government response to a situation which suggested that pay and conditions of service within the police force and indeed within the disciplined services needed review. Until we have seen the beneficial effects or otherwise of the Rennie Report, and I have every reason to believe that they will be beneficial, I think it would be premature to talk about taking any further steps.

MR. MICHAEL CHENG (in Cantonese): Will Government seek to improve the conditions of service of the police force to reduce its wastage rate and to improve the recruitment situation? Are there any specific measures and plans in this respect?

SECRETARY FOR SECURITY: Sir, I think I have answered that question in my answer to the previous supplementary.

MRS. FAN: Sir, the Secretary said that the current wastage and recruitment situation of the police does not compare unfavourably with the other disciplined services. Can he tell us what the wastage and recruitment situation of the other disciplinary services is?

SECRETARY FOR SECURITY: Sir, this would probably be set out more easily in a written reply, but I can run through very quickly the wastage and vacancy rates for the disciplined services. As I have said, the police wastage rate for 1988 is 6% and the Correctional Services is 12.7%, Immigration 10.1%, Customs and Excise 6.5%, Fire Services 3.3% and the Civil Service as a whole, minus the disciplined services, 5.6%. As regards vacancy rates, the police are less than 1%, Correctional Services 8.3%, Immigration 4.8%, Customs and Excise 3.4%, Fire Services 6.5%, and the Civil Service minus the disciplined services 6.1%.

MR. ANDREW WONG: Sir, in respect of the current police wastage and recruitment situation, although it compares favourably with other disciplined services and the Civil Service as a whole, how does it compare with previous years, particularly in respect of the level and standards of applicants attracted by the police force as of now?

SECRETARY FOR SECURITY: Sir, it is true that compared with recent years there has been some deterioration in the actual rates of wastage. But I think this must be seen in the context of Hong Kong as a whole. I do not have the standards for applicants for previous years. What I can say is that in 1988 there were 13 075 applications for constables. This represented a 67% increase over 1987. However, taking up Mr. WONG's point, the average educational standard of the applicants did decline slightly.

About 80% of them possessed only the minimum qualifications compared with 60% possessing the minimum qualifications in 1987. And the number of applicants with better qualifications is also slightly lower than 1987. But I do not think this detracts from the main thrust of both the question and the replies that I have given in that the numbers coming forward are certainly not such as to be a cause for concern at present by the Government, and there is no question of the numbers, or the vacancy rates, or the wastage rates in any way affecting police operations, either at present or in the immediate future.

MR. CHOW (in Cantonese): Sir, according to the Statesman's Year-book, the ratio of police force strength to population is on an average two to three times higher than those in other Commonwealth and Asian countries. Will Government explain to this Council how such a large establishment could be justified? Will Government take on a review with respect to this large establishment and its efficiency as well as the need during the transition period?

HIS EXCELLENCY THE PRESIDENT: That question goes considerably beyond the original question and the original answer. It would be better put down as a separate question at a later stage.

MR. BARROW: Sir, in view of the local labour shortage referred to by the Secretary, could the Secretary inform this Council if the recruitment from overseas has had to be stepped up in recent months and years?

SECRETARY FOR SECURITY: Sir, not to my knowledge, but I shall confirm that point separately. (Annex II)

MR. MICHAEL CHENG (in Cantonese): As the recruitment of police officers is not proceeding too smoothly, will Government inform this Council whether the plan of recruiting an additional 1 200 police officers in order to take over from the British garrison has been affected? How would Government manage to step up to achieve its target for expansion in time?

SECRETARY FOR SECURITY: No, Sir, the border duties which will be one of the principal, if not the principal, extra tasks for the police force after the withdrawal of the garrison will always remain a priority task, and adequate provision for this has been made in the planning and development of the police force. I should perhaps also note that the vacancy situation in the police force has not, as I said earlier, heralded in any way a threat to police operations. There is no long-term problem envisaged and police recruitment efforts are currently being renewed. In the event of any short-term problem, if it should arise, the size of the force will permit internal adjustments as may be required without affecting the implementation of the border programme which lies ahead of the police force.

HIS EXCELLENCY THE PRESIDENT: Mr. Ronald CHOW, I was not sure at an earlier stage whether you had another supplementary to ask. If you had, would you like to ask it now?

MR. CHOW: Sir, I shall ask it at a later stage.

Ex-gratia payments to departing KCRC senior staff

7. MR. MICHAEL CHENG asked (in Cantonese): In view of the public concern over the large ex-gratia payments reported to be made by the Kowloon-Canton Railway Corporation (KCRC) to its two senior staff upon termination of their service, will Government inform this Council how the determination of employment terms (including salaries and gratuities) by public corporations like the KCRC is being monitored to ensure that public money is properly spent?

SECRETARY FOR TRANSPORT (in Cantonese): The Kowloon-Canton Railway Corporation was established in 1982 as an independent statutory organization to carry out the functions and responsibilities as provided for in the Kowloon-Canton Railway Corporation Ordinance.

The purpose of creating the corporation was to provide a flexible organization structure which could operate on a commercial basis, capable of responding to rapid

changes in the market demand and meeting the full range of services expected of a modern railway. It was also intended that the corporation should have flexibility in the design of remuneration packages, so as to enable it to recruit the necessary and suitable staff under a competitive environment.

Terms and conditions of service of individual staff members, who are not civil servants, are a matter for the corporation and are not subject to Government monitoring. However, in the case of the Managing Director his appointment requires approval by the Governor, and his terms of appointment are subject to determination by the Financial Secretary.

MR. MICHAEL CHENG (in Cantonese): Sir, will Government press for a disclosure of reasons by Kowloon-Canton Railway Corporation on its handing out of such considerable amount of ex-gratia payments?

SECRETARY FOR TRANSPORT (in Cantonese): The Government has raised the question with KCRC on its arrangement of ex-gratia payments to departing staff. The answer given is that it is related to the terms of contract between the corporation and its staff and therefore cannot be disclosed to the public.

MR. PETER WONG: The Secretary has already said that the Kowloon-Canton Railway Corporation is not subject to government monitoring and, by implication, questions from this Council. To whom are they accountable?

SECRETARY FOR TRANSPORT: Sir, I did not say that the Kowloon-Canton Railway Corporation is not subject to government monitoring. What I said in my main reply was that the employment terms and conditions are not subject to government monitoring because the corporation itself, under the Ordinance, is responsible for such details of employment. The Government, of course, is monitoring the corporation through the Kowloon-Canton Railway Corporation Ordinance which sets out all the functions, duties and responsibilities which the corporation must fulfil to enable it to discharge its responsibilities. So in that context, the Government and, of course, the Executive Council, and this Council, have a role to play through the Ordinance in monitoring in general the operations of the corporation.

MR. MARTIN LEE: Sir, are the accounts of the Kowloon-Canton Railway Corporation subject to audit by the Director of Audit, and if not, does the Administration think that in the light of the recent public outcry concerning these "golden handshakes" it is desirable and in the public interest to have the accounts of the Kowloon-Canton Railway Corporation audited by the Director of Audit?

SECRETARY FOR TRANSPORT: Sir, under the Kowloon-Canton Railway Corporation Ordinance the Auditor has to be approved and appointed by the Governor, and the annual accounts of the corporation are submitted to this Council through the Financial Secretary as an annual report, and tabled at this Council very year.

MR. TAM (in Cantonese): Instead of appointing policy Secretaries to sit on boards of directors of public companies, will the Administration consider discussing with these bodies their development strategies and objectives on a yearly basis so as to strengthen government monitoring of these companies?

SECRETARY FOR TRANSPORT: Sir, I think this is a matter beyond my brief because it concerns not just the Kowloon-Canton Railway Corporation but also the other corporations and bodies. I believe that either the Chief Secretary or the Financial Secretary might have something to say on this.

HIS EXCELLENCY THE PRESIDENT: Chief Secretary, do you have something to add to that?

CHIEF SECRETARY: Sir, I think that as far as independent corporations are concerned our policy is that we should establish them under a broad charter, sometimes appointed by statute, sometimes under broad policy guidelines. Those policies are approved on a general basis by the Executive Council and are conveyed by the Secretary concerned to the corporations. We then wish them to operate in a flexible way within those broad guidelines that we have set down. I think our whole policy in establishing these corporations, Sir, is to give them flexibility in terms of their financial and staff management within broad policy guidelines, and I think that the monitoring aspect

is one which my friend, the Secretary for Transport, has adequately described.

MR. MICHAEL CHENG (in Cantonese): Will Government urge KCRC to review and strengthen monitoring of its internal operations so as to ensure that public money is wisely spent and high quality service guaranteed? If yes, how will this be done?

THE SECRETARY FOR TRANSPORT (in Cantonese): Government officials have liaised with the KCRC on the subject of reviewing the company's internal operations. It is hoped that through a strengthened board of directors government monitoring can be enhanced and KCRC's existing operation further improved.

MR. ANDREW WONG: Sir, can the Government monitor things like favouritism, nepotism, unsound management, personnel management and financial management practices or even mis-management, aside from firing the general manager and the directors of the board of KCRC?

SECRETARY FOR TRANSPORT: Sir, I think the Ordinance itself sets out quite adequately that performance of the corporation and its staff are subject to control under the Ordinance. If in fact the staff or the management did not behave as expected and their duties were not discharged efficiently, there would be sufficient power under the Ordinance which the Government could invoke to intervene and to take action.

HIS EXCELLENCY THE PRESIDENT: Chief Secretary, do you wish to add?

CHIEF SECRETARY: If I might just add one point. Of course, in many of the Ordinances which have been established you, Sir, do have the power to give directions to the corporation concerned and in extreme circumstances I am sure you will exercise that authority.

MRS. CHOW: Sir, as regards the ex-gratia payments, is Government satisfied with the reply given by the Kowloon-Canton Railway Corporation vis-a-vis the disclosure to the public, and are the details disclosed to Government satisfactory? And is Government, as the public monitor of the corporation, satisfied that these details

are reasonable and acceptable and can be commended to the public?

SECRETARY FOR TRANSPORT: Sir, to the extent that the Government has understood the packages explained to it in confidence, the Government saw no cause for intervention.

MR. MARTIN LEE: Sir, will the Secretary inform this Council whether the Governor intends to intervene in this matter?

SECRETARY FOR TRANSPORT: Sir, I think really it is a question for the Governor to decide, and not for me to say. (laughter)

MRS. CHOW: I do not think the Secretary has answered the first part of my question which is: as regards ex-gratia payments, is Government satisfied with the reply given by the Kowloon-Canton Railway Corporation vis-a-vis disclosure to the public or non-disclosure to the public?

SECRETARY FOR TRANSPORT: Sir, I think, as I said at the beginning, the Government has understood the details of the package agreed and approved by the managing board of the corporation, and the Government has also asked the corporation whether it can give the details to the public. The corporation has taken the line that it cannot because of contractual commitments, and Government accepts this explanation.

Government policy on Vietnamese refugees and boat people

8. DR. TSE asked: Sir, in view of the public concern over the confusion which seems to exist in the community about changes of government policy on Vietnamese refugees and boat people since 16 June 1988, will the Administration inform this Council :

(a) what the major reasons for the adoption of the open camp policy were;

(b) how many Vietnamese refugees the Government has accepted for permanent settlement in Hong Kong so far; what is the total quota for settlement the Government has

committed;

(c) whether the Vietnamese refugees will become permanent residents after they have stayed in Hong Kong for seven years;

(d) whether the children born of the Vietnamese refugee parents are automatically entitled to permanent residency if they so choose;

(e) how the new screening policy for the Vietnamese boat people would be monitored in order to assess its effectiveness; and

(f) whether forced repatriation would be considered if the voluntary repatriation scheme turns out to be unpopular?

Sir, I apologize for the length of the question.

SECRETARY FOR SECURITY: Sir, I think I had better apologize in advance for the length of the answer.

In using the terms "refugee" and "boat people" in my reply I wish to make clear that "refugee" means someone who arrived from Vietnam without proper documentation before 16 June 1988, or such a person who arrived after 16 June 1988 who has been classified as a refugee as a result of screening. "Boat people" is a more generic term meaning those who arrived on or after 16 June 1988 who have either not been screened or have been screened out as non-refugees.

(a) It is not strictly true to say that the Government has adopted an open camp policy since June 1988. Rather, the Government has agreed to adopt a liberalization programme applying only to the closed camps for refugees and leading to the UNHCR taking over the management role through its operational agencies. There are three main reasons for the adoption of this policy:

First, the closed camp policy was introduced in 1982 and was intended to act as a deterrent to people who were considering leaving Vietnam for Hong Kong. By early 1988, with increasing numbers of boat people arriving from Vietnam it had become clear that the deterrent effect of the closed camp policy was inadequate, and that a new initiative was required. It was therefore decided to embark on the present screening

policy for determining refugee status. In this context, it was recognized that the closed camp policy for refugees would no longer serve any useful purpose and would indeed be positively detrimental to their resettlement prospects.

Second, for those people who have been granted refugee status, the only practical durable solution is resettlement. The intention of the programme of liberalization, that is, allowing people to take up outside employment and schooling, is to improve substantially the resettlement prospects of the refugee population and thus to hasten their departure from Hong Kong; and

Third, that the liberalization programme will be financially beneficial for Hong Kong. Once the programme has been completed and the management of the camps has been taken over by the UNHCR all operative costs will be met from UNHCR funds. This will save the Government expenditure of about \$150 million per year.

(b) Since 1975 a total of 816 refugees from Vietnam have been accepted for permanent settlement in Hong Kong. Of these, 701 have been accepted on the grounds of family reunification. The remaining 115 have been accepted under a local settlement scheme for ethnic Chinese introduced in April 1986. In addition, Hong Kong has resettled over 13 000 displaced persons from Indochina in the latter half of the 1970's following the fall of Saigon. They include former Hong Kong residents and dependents of Hong Kong residents who returned by special chartered flights.

While there is no quota on family reunification cases, there is a set quota of 250 under the local settlement scheme for ethnic Chinese who meet certain criteria.

(c) Under current legislation, Vietnamese refugees and boat people in Hong Kong are not considered to be ordinarily resident here. It is therefore not possible for such people to qualify as permanent residents even if they stay in Hong Kong for a continuous period of seven years, unless they qualify under the local settlement scheme for ethnic Chinese to which I have just referred.

(d) Children born to Vietnamese refugee parents in Hong Kong prior to 1 January 1983 automatically acquired British Dependent Territory Citizenship (BDTC) by virtue of their birth and are eligible for right of abode in Hong Kong. There are 138 children in this category remaining in Hong Kong and no further additions are possible.

On 1 January 1983, the British Nationality Act 1981 came into force and abolished the principle whereby children born in Hong Kong automatically acquired BDTC status. Children born of Vietnamese refugees and boat people in Hong Kong since 1 January 1983 do not acquire the right of abode in Hong Kong at birth and have the same status as their parents.

(e) The objectives of the new screening policy are to deter arrivals from Vietnam and to form a basis for long-term durable solutions for both refugees and non-refugees. The long-term effectiveness of the policy will therefore have to be judged in terms of deterring people from travelling to Hong Kong, the level of repatriation and the level of resettlement. It is far too early at this stage to form a judgement on the effectiveness of the policy and we must wait to see the level of arrivals over the summer of 1989 and the outcome of the international efforts now being made to find long-term solutions to this problem.

(f) Repatriation is the only logical durable solution available for those people who do not qualify for refugee status. This means both voluntary and involuntary returns. We are encouraged by the progress which has been made in establishing arrangements with the UNHCR and with the Vietnamese authorities for repatriation. We have made a start with those people who have expressed a wish to return and we hope that more will volunteer to return once this channel becomes established.

MRS. FAN: Sir, in the context of the change of policy referred to in the main question, will the Administration inform this Council what view the British Government has expressed as to its responsibility for the solving of the Vietnamese refugee and boat people problem in Hong Kong, and whether that expressed view has changed since the introduction of the screening policy in June 1988?

SECRETARY FOR SECURITY: Sir, I do not have any exact form of words with me as to the expressed intentions of Her Majesty's Government, but as I understand it Her Majesty's Government is committed to assisting the Hong Kong Government to resolve these problems before 1997, and at the same time is committed to urging and pressing the international community to play its part in what is a major international problem. As regards the second part of Mrs. FAN's question, I cannot of course speak for the United Kingdom Government, but equally I cannot see how its responsibilities could have diminished in the light of recent policies.

MR. MICHAEL CHENG (in Cantonese): Sir, has the Government raised the question of forced repatriation with Her Majesty's Government, our sovereign state? If yes, what is the response? If no, will the Government make such a request?

SECRETARY FOR SECURITY: Yes, Sir, the question of forced repatriation, or involuntary repatriation as I would prefer to call it, has been, of course, raised with Her Majesty's Government and indeed representatives of Her Majesty's Government were present at talks in Hanoi and in London with the Vietnamese authorities when this particular matter was discussed.

MR. POON CHI-FAI (in Cantonese): Sir, paragraph (e) of the main reply has mentioned that it is far too early to judge the effectiveness of the screening policy at the present stage. But would Government agree that the objective of deterring illegal entry of boat people into the territory would be better achieved if the new policy could be adjusted to give Vietnamese illegal immigrants the same treatment as that of their counterparts from China? If so, would the Administration consider changing the policy? And also, what is the basis of the Government's decision in giving privileged treatment to Vietnamese illegal immigrants when those from China are unfairly treated?

SECRETARY FOR SECURITY: Sir, these comparisons with illegal immigrants from China are, of course, very understandable and they are ones with which I have a good deal of sympathy. But the fact of the matter is that, of course, we do not have a land border with Vietnam. We are indeed removed from Vietnam by several days' travel by sea and this is, if you like, one of the major problems that we have to face. We cannot send people back within 24 hours as we do with illegal immigrants from China. We do not have a close daily contact with officials from Vietnam as we do with officials from China, and there is no alternative but to accept people coming to Hong Kong from Vietnam as entrants without proper documentation who have to be assessed on arrival as being either refugees or as non-refugees. I am afraid that is the root of the problem, Sir, and in those circumstances I can see little purpose in reconsidering at the moment our screening policy.

MR. CHEONG: Sir, with due respect, I know the Secretary is under very tough pressure, but he has not really answered Mr. Micheal CHENG's question. The fact that Her Majesty's Government representatives may be present in the discussion cannot serve as an answer to us on whether or not Her Majesty's Government is aware of and agrees with the involuntary repatriation policy. If not, would the involuntary repatriation policy be broached and cleared with the sovereign state, the United Kingdom Government?

SECRETARY FOR SECURITY: Sir, Her Majesty's Government is aware of and does agree with our policy.

MR. MICHAEL CHENG (in Cantonese): The cost of constructing open camps is enormous. It may reach hundreds of millions of dollars. Will Government consider asking the UNHCR to bear the cost?

SECRETARY FOR SECURITY: The answer to that, Sir, is "no", because that would be in conflict with the Statement of Understanding which we have concluded with the UNHCR.

MRS. CHOW: Sir, in the absence of any definitive solution to a very big problem, will the Secretary please inform this Council whether the sharing of the financial burden has ever been raised with Her Majesty's Government?

SECRETARY FOR SECURITY: Sir, I take it that Mrs. CHOW is referring to the sharing of the financial burden with Her Majesty's Government rather than the sharing of the financial burden with UNHCR. If it is the former, this is not a matter which has been formally raised with Her Majesty's Government.

MR. CHEONG: Sir, in relation to paragraph (f) of the Secretary's reply to the question, in establishing arrangements with the Vietnamese authorities, can Government inform this Council whether Hong Kong can conduct negotiations with the Vietnamese authorities without any lead from the sovereign state?

SECRETARY FOR SECURITY: Yes, Sir, it is open to the Hong Kong Government to propose bilateral contacts with the Vietnamese authorities. But in doing so we would of course inform Her Majesty's Government and, bearing in mind the interest that Her Majesty's Government has in these talks and their participation in the two previous talks, it would be entirely proper for Her Majesty's Government to wish to be represented also at these talks, and of course we could not refuse that.

MR. MARTIN LEE: Sir, since the Hong Kong Government is willing to share defence costs with Her Majesty's Government, why is it that Her Majesty's Government is not willing to share some of our financial burden over the Vietnamese refugee problem?

SECRETARY FOR SECURITY: Sir, I do not think that I am here this afternoon to answer for Her Majesty's Government. I think I will only say that the concern of Mr. LEE will be passed on to Her Majesty's Government.

MR. MARTIN LEE: May I take it that the Hong Kong Government will indeed ask Her Majesty's Government to share some of our financial burden?

SECRETARY FOR SECURITY: No, Sir. You cannot take it, Mr. LEE, that this is what the Hong Kong Government will do. The Hong Kong Government will keep in mind what you have said and if the time is appropriate it will consider this question, but I do not give any undertaking as to when that will be.

MRS. CHOW: I would just like to echo Mr. LEE. Would the Secretary please pose the question to Her Majesty's Government concerning the sharing of our financial burden?

SECRETARY FOR SECURITY: Sir, this would be a policy matter which I think goes beyond my terms of responsibility. The Government will consider the question that has been put but I can give no undertaking that such a question will be put to Her Majesty's Government.

MR. CHEONG: In relation to the Secretary's reply to my earlier question, Sir, am I correct in taking it that we can in fact conduct foreign affairs without the blessing of the sovereign state?

HIS EXCELLENCY THE PRESIDENT: It goes slightly beyond the original question, but relating to your own responsibilities, Secretary for Security?

SECRETARY FOR SECURITY: The answer, Sir, is "no".

Written answers to questions

Noise pollution caused by vehicle repair workshops

9. MR. POON CHI-FAI asked: In view of frequent complaints by residents living in the vicinity of vehicle repair workshops about noise pollution, environmental health and safety hazards caused by these workshops, will Government inform this Council whether consideration has been given to providing more designated sites within industrial areas for locating these workshops; if so, where the locations are; or if not, whether consideration will be given to siting as possible so as to minimize nuisance to residents and to safeguard their safety and health?

SECRETARY FOR LANDS AND WORKS: Sir, this is a perennial problem, which I cannot claim that Government has really solved.

Sites in Cheung Sha Wan, Lai Chi Kok Road, Sha Tin and Yuen Long have previously been sold with a requirement for a certain number of vehicle repair workshops. However, the developments have not been entirely successful, as smaller operators have been reluctant to move into the buildings. Small vehicle repair workshops are also difficult neighbours to other industrial tenants because they tend to be rather dirty and to block entrances and exits. A better solution is certainly needed, and I have asked departments to think again, not least because urban renewal schemes are likely to displace a considerable number of such repair shops whose services, though unwelcome as neighbours, are needed.

In the meantime, it is very difficult to prevent small workshops operating particularly in the older urban districts. This is because the lease conditions in these older areas are often not framed in such a way as to exclude this use. In the new towns and where a lease modification or Conditions of Exchange can be imposed on redevelopment in the older urban areas, conditions are or can be included in the lease to prevent the premises being used for a vehicle repair workshop. It is certainly Government's intention, when planning future land use, not to permit such activities in close proximity to residential developments.

Safety measures for school athletic meets

10. MRS. LAM asked: In view of the fact that three students were injured in different school athletic meets last year, will Government inform this Council whether or not existing safety measures for school athletic meets have been reviewed and how these measures will be strengthened to avoid similar accidents in future?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the Education Department advises schools on safety measures at athletic meets by means of an annual circular issued to all schools, a booklet on safety precautions in physical education, regular seminars for physical education teachers, and advice given by PE inspectors during school visits and inspections.

Safety measures were reviewed following a serious accident at a school athletic meet in January 1988, and the following action has been taken to strengthen awareness among school authorities and teachers of the need for safety precautions:

(a) A revised circular on safety precautions in the conduct of school athletic meets was issued to all schools in November 1988;

(b) The booklet on safety precautions in physical education has been revised, and the updated version was issued to all schools in November 1988;

(c) A 20-minute television programme on safety precautions in physical education has been produced. This was broadcast four times in November 1988. Video tapes of the programme are available for schools to borrow;

(d) Three seminars were held in July 1988 for primary and secondary PE teachers and were attended by 212 primary and 187 secondary teachers;

(e) The department encouraged schools to take part in the Land Sports Safety Campaign and Conference organized in November 1988 by the Council for Recreation and Sport in conjunction with the Education Department and other government departments.

The department will continue to advise schools through circulars and seminars, and will continue to check during school visits and inspections that this advice is followed closely.

Public footbridges and subways

11. MRS. TU asked: Would the Government inform this Council what steps have been taken by the various government departments to ensure that the walls and ceilings of public footbridges and subways are kept in good condition, and that public escalators are maintained in clean and therefore safe mechanical order?

SECRETARY FOR LANDS AND WORKS: Sir, there are 338 public footbridges and 183 subways widely dispersed throughout urban and rural areas. At present several government departments are responsible for carrying out cleansing and maintenance tasks on these.

The Urban and Regional Services Departments are responsible for the manual sweeping of paved surfaces, including ramps and stairs, and for the removal of posters.

Highways Department is responsible for the structural maintenance and painting of public footbridges and subways and for cleaning dirt or graffiti from the walls and ceiling. They clean the walls about once a year or in response to public complaints.

The Electrical and Mechanical Services Department is responsible for maintaining all lighting and pumps in subways. It is also responsible for overseeing the maintenance of all public escalators by specialist escalator contractors, who are required to carry out weekly servicing and attend to fault calls on a 24-hour basis.

The performance of these public escalators is monitored through telephone links to a monitoring control centre with breakdowns recorded and relayed to the respective contractors for immediate rectification.

The present situation is satisfactory regarding safety, but for cleansing it is not. Several government departments are responsible for carrying out different tasks, but none has the staff resources to clean these facilities sufficiently regularly, and no single department is responsible for co-ordinating the work done by each of the other departments. So it has newly been decided that Highways Department should assume total responsibility for cleansing at the beginning of next year when it has obtained the necessary staff to organize and supervise a full cleansing contract.

Provision of bus-stop shelters

12. MR. CHAN asked: With regard to the provision of bus-stop shelters on Hong Kong Island by the China Motor Bus Company, will Government inform this Council when an agreement can be reached with the company on the design for such shelters so that the construction of new shelters can proceed?

SECRETARY FOR TRANSPORT: Sir since mid-1987, improved designs for passenger shelters have been discussed with the franchised bus companies. Various design proposals were examined in detail but found unsatisfactory. In January 1989, Kowloon Motor Bus produced a revised shelter design which offers greater protection to passengers. It was endorsed by Government's internal Advisory Committee on the Appearance of Bridges and Associated Structures. China Motor Bus has agreed to adopt such design.

The bus companies can now proceed to construct the new type bus stop shelters. It is expected that China Motor Bus will soon resume its shelter development programme.

The Government will continue to monitor the provision of passenger shelters at bus stops and termini.

Measures to increase flight capacity

13. MR. DAVID CHEUNG asked: In view of the heavy demand for aircraft seats on some of the airline routes, will Government inform this Council what measures it has taken or proposes to take to increase the flight capacity between Hong Kong and other destinations; and whether such measures might include the designation of more than one Hong Kong airline to operate on those routes where the demand outstrips existing capacity?

FINANCIAL SECRETARY: Sir, it has not always been easy to obtain seats at short notice on flights on certain routes between Hong Kong and other cities in recent times. This has been a result of the rapid and unexpected increase in passenger demand in the past two years or so, and this situation affects not only Hong Kong but also many other places. Efforts to deal with this situation have been made by both the airlines and by the Government.

To meet demand, Hong Kong's airlines have expanded their scheduled services on the routes in question, where the rights to do so were available. This has also meant that the airlines operating the routes from the other end have also increased the number of their services correspondingly. A case in point is the expansion of services between Hong Kong and Japan.

Additionally, both Hong Kong and foreign airlines have operated extra scheduled services to meet demand, for example, the Hong Kong-Australia routes in recent months. Moreover, one Hong Kong airline has increased its charter operations, in particular to points in China for which there are no rights to scheduled operations. This airline has also inaugurated charter services in certain cases where capacity on scheduled services between Hong Kong and those cities was, for the time being, inadequate to meet demand.

It should also be noted that Hong Kong's passenger airlines have expanded their fleets, and there are plans to acquire more aircraft in 1989.

At the same time, the Government has been seeking, through negotiations, rights for additional capacity on certain routes. It is possible that, in some cases, more capacity could have been provided if the Government had been willing to conclude unbalanced arrangements in favour of those negotiating partners concerned, but that would have been detrimental to Hong Kong's overall, longer-term interests, and contrary to normal principles of reciprocity governing scheduled services.

I now turn to Mr. CHEUNG's suggestion that more than one Hong Kong airline should be designated "to operate on those routes where the demand outstrips existing capacity". On the face of it, that might appear to be a simple, speedy and easy solution, but it ignores the complexities of the situation. Briefly, the factors to be considered include --

(a) whether there is more than one Hong Kong airline licensed for the route. (Here I must point out there are only two routes, Peking and Shanghai, for which more than one Hong Kong airline is currently licensed);

(b) whether the right exists under the relevant air services agreement for a second Hong Kong airline to be designated;

(c) whether, if there is such a right, there is available under the relevant agreement any unused capacity for the second airline to take up;

(d) whether additional rights can be obtained from the bilateral partner, at a price that Hong Kong can reasonably afford in exchange for those additional rights; and

(e) whether, assuming that capacity is available and it is in the interests of Hong Kong that a second airline be designated, that airline has the aircraft capable of operating the route.

In other words, Hong Kong does not have full and unilateral freedom of action. Nor does designating more than one airline by the Hong Kong Government automatically lead to more capacity.

On the question of seeking additional rights and all that that entails, I refer to the statement on the subject made by my predecessor on 20 November 1985 and my own statement on 18 February 1987 in the Legislative Council.

In conclusion, I wish to assure Members that on the basis of normal principles governing exchanges of rights, and assuming that airlines are in a position to operate extra services, the Government will continue to seek to obtain the extra traffic rights needed to provide the right air transport network essential to sustain the territory's economy and to enable residents to travel abroad for business or pleasure.

Medical service in refugee camps

14. MR. CHOW asked: In the light of the recommendation by the jury at the recent coroner's inquest into the death of a baby girl at Chi Ma Wan Refugee Camp that a qualified medical practitioner or at least an experienced registered nurse be stationed at the camps on a 24-hour basis, will Government inform this Council whether it accepts the recommendation and, if so, how it proposes to provide such a service, bearing in mind the current shortage of doctors and nurses?

SECRETARY FOR HEALTH AND WELFARE: The former Chi Ma Wan Closed Centre for Refugees was converted into a detention centre for Vietnamese boat people in August 1988. It remains under the management of the Correctional Services Department.

Medical services at the Chi Ma Wan Detention Centre are provided by the Medical and Health Department. A doctor and two nurses are on duty during normal clinic hours (9 am to 5 pm from Monday to Friday and 9 am to 1 pm on Saturday). Outside clinic hours, a doctor and two nurses are available on an "on-call" basis, but they are stationed at the staff quarters at Pui O and Cheung Sha, about 20 minutes away from the centre.

Following the recommendation by the jury at the recent Coroner's inquest, medical coverage at the two detention centres which are situated on remote islands, namely, Chi Ma Wan and Hei Ling Chau, will be improved with effect from 27 February. Clinics will be manned by at least one registered nurse 24 hours a day, every day of the week, and another nurse will be on-call in each centre to provide back-up service, if necessary.

The presence of an experienced registered nurse on duty, on a 24-hour basis, will ensure that potential emergencies are identified promptly and immediate treatment arranged, if necessary. It is not considered necessary to station a doctor in the centres on a 24-hour basis. As at present, a doctor will continue to be on duty during normal clinic hours and available on an "on-call" basis at other times.

To implement the above improvements in nursing services, the current six nursing staff in each centre will have to be increased to nine. As a number of nursing staff can be released from the three refugee centres which are being taken over by the United

Nations High Commissioner for Refugees, these additional posts can be provided without detriment to the overall nursing service in the Medical and Health Department.

Other centres accommodating Vietnamese refugees or boat people are situated in areas served by hospitals or clinics with a 24-hour Accident and Emergency service. For these centres, it is not considered necessary to provide a 24-hour coverage by doctors but consideration is at present being given to strengthening the nursing coverage of one of them.

Illegal immigrant mothers

15. MR. HUI asked: Will the Government inform this Council whether, since the repatriation of illegal immigrant mothers to China last year, it has contacted the relevant Chinese authorities with a view to expediting, on humanitarian grounds, the issue of one-way permits to these mothers and, if so, what progress has been made so far?

SECRETARY FOR SECURITY: One-way exit permits are issued in China and are entirely a matter for the Chinese authorities. Members will understand therefore that the Hong Kong Government can do no more than draw the attention of the Chinese authorities to these illegal immigrant mother cases, and in the course of last year this has been done.

Government Business

First Reading of Bills

LEGAL PRACTITIONERS (AMENDMENT) BILL 1989

LEGAL OFFICERS (AMENDMENT) BILL 1989

LIFTS AND ESCALATORS (SAFETY) (AMENDMENT) BILL 1989

PHARMACY AND POISONS (AMENDMENT) BILL 1989

PUBLIC HEALTH AND MUNICIPAL SERVICES (AMENDMENT) BILL 1989

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

Second Reading of Bills

LEGAL PRACTITIONERS (AMENDMENT) BILL 1989

The ATTORNEY GENERAL moved the Second Reading of: "A Bill to amend the Legal Practitioners Ordinance".

He said: Sir, I move that the Legal Practitioners (Amendment) Bill 1989 be read a Second time.

In May 1986, following consideration of a petition from a number of Australasian lawyers employed by the Government, the then UMELCO Standing Panel on Security recommended that the law be amended to allow certain Commonwealth qualified barristers to be admitted to the Hong Kong Bar on specified conditions.

Later on in that year, on 9 August, the Governor appointed a committee under the chairmanship of the former Chief Justice to conduct an overall review of the admission and practising criteria for barristers and solicitors in Hong Kong and to make proposals for the implementation of the recommendations of the UMELCO Panel. They were also asked to conduct a review of the Legal Officers Ordinance and to consider what qualifications and experience are desirable for a legal officer. A lawyer joining the Attorney General's Chamber is, under the Legal Officers Ordinance, appointed as a legal officer and, by virtue of that appointment, has all of the rights of a barrister and solicitor in Hong Kong. Although there is, in fact, no requirement in the Legal Officers Ordinance that he be a qualified lawyer, the Council will be relieved to learn that in practice only qualified lawyers are appointed as legal officers.

The aim of the Bill is to give effect, with some modifications, to most of the recommendations of the committee. In general terms, it aims at strengthening both branches of the legal profession in Hong Kong by imposing some restrictions on the present unfettered right of United Kingdom barristers and solicitors to come here

to practise. At the same time, the Bill would permit a small number of lawyers who have worked for a substantial number of years in Judicial or Government Legal Service to become Hong Kong barristers or solicitors. The Bill recognizes the fact that these are experienced lawyers who have been practising law in Hong Kong for many years.

Sir, the opportunity presented by the Bill has been taken to broaden and strengthen the Advisory Committee on Legal Education, to increase the fines prescribed for offences under the Legal Practitioners Ordinance which have remained unchanged since 1968, to make a technical amendment to ensure that where a solicitor is declared bankrupt he or she will not be permitted to continue in practice and to make a number of minor amendments found to be necessary in the light of experience.

Turning to the detail of the Bill, I take first the provisions dealing with the admission of solicitors.

A solicitor qualified in the United Kingdom is currently entitled to be admitted as a Hong Kong solicitor and thereafter to practise on his own account or in partnership regardless of how long he has lived in Hong Kong and without further examination or qualifications. By comparison, a newly admitted Hong Kong solicitor must have been employed for two years before being so entitled to practise. The committee thought it desirable to impose a minimum residential requirement for United Kingdom solicitors wishing to practise in Hong Kong as such a requirement would, in the words of the committee, "accord with the wider public interest which argues that those practising law in Hong Kong must first obtain the knowledge of local conditions and demonstrate their commitment to Hong Kong". Clauses 3 and 4 of the Bill provide that a United Kingdom solicitor should be required to have resided in Hong Kong for at least three months immediately before he can apply for admission as a Hong Kong solicitor and for at least 12 months (which can include the period of three months) before he can apply for an unconditional practising certificate.

Within the Judicial and the Government Legal Service (that is service in the Attorney General's Chambers, the Legal Aid Department and the Registrar General's Department) there are lawyers qualified in Commonwealth jurisdictions who, by virtue of the Legal Officers Ordinance, and the Legal Aid Ordinance, are entitled to practise Hong Kong law within the Government. This arrangement is long-standing and under it some lawyers qualified in the countries listed in the Schedule in clause 19 of the Bill have practised Hong Kong law for many years. Unless they obtain a Post Graduate Certificate of Laws from the University of Hong Kong and serve as articled clerks

they are not, however, entitled to be admitted as Hong Kong solicitors to practise outside the Judicial and the Government Legal Service. As the requirements of the Post Graduate Certificate of Laws and service in articles are designed to teach the practice of law in Hong Kong and to prepare students for practice, the Government considers that it is unnecessary to apply those requirements to lawyers who already have substantial experience in the practice of Hong Kong law.

The Bill therefore provides that these lawyers should be eligible to be admitted by the Chief Justice as Hong Kong solicitors, subject to certain conditions being met. These conditions are set out in clause 3 of the Bill and include a requirement of seven years' employment in Judicial or Government Legal Service, three of which must have been spent on work appropriate to the practice of a Hong Kong solicitor. Clause 4 of the Bill imposes, in effect, an annual quota of 10 on the number of solicitors who can enter private practice by this route.

A number of the lecturers in the Department of Professional Legal Education of the University of Hong Kong are lawyers qualified in countries other than Hong Kong. They teach subjects related to the practice of law here and it would be in the best interests of students if their lecturers have actual experience of practice in Hong Kong. This principle is recognized already by the university which permits lecturers to have a limited right of private practice. Accordingly, clause 3 of the Bill provides that those lecturers qualified in the countries listed in the Schedule should, under certain circumstances, be eligible to be admitted by the Chief Justice as Hong Kong solicitors. Those so admitted will not be permitted to practise on their own account or in partnership. And if a law lecturer, who has been admitted as a solicitor under clause 3, ceases to be a law lecturer, then he will cease to be a Hong Kong solicitor.

I turn next to the admission of barristers. A barrister qualified in the United Kingdom is currently entitled to be admitted to the Hong Kong Bar regardless of how long he has lived in Hong Kong and without further examination or qualification. The Chief Justice's Committee recognized the apparent concern of the UMELCO Panel of the danger that the admission of such barristers, if so readily granted and particularly in large numbers, might deter young Hong Kong people from becoming barristers and thus inhibit the development of a strong, independent local Bar. It is also recognized that, due in part to the pressure on places in the Law Faculty of the University of Hong Kong, there is a number of Hong Kong residents who, with a view to returning to and practising as barristers here, obtain their qualifications in the United Kingdom and are called to the Bar there. They should be encouraged to return to Hong

Kong.

Clause 9 proposes to restrict admission to the Hong Kong Bar by United Kingdom barristers by requiring an applicant:

- to have had at least three years' practice in the United Kingdom; or
- to be a Hong Kong permanent resident; or
- to have Hong Kong as his natural place of domicile; or
- to have been ordinarily resident in Hong Kong for at least seven years.

For the reasons I have already described, the Bill proposes that certain lawyers within the Judicial and the Government Legal Service who have, in effect, been practising in Hong Kong as barristers should be eligible to be admitted by the Chief Justice as barristers without being required first to obtain the Post Graduate Certificate of Laws, subject to similar conditions to those required in the case of solicitors. These are set out in clause 10 of the Bill. As with solicitors, the Bill sets an annual quota for the number of lawyers who may become Hong Kong barristers under this provision. Clause 11 of the Bill fixes that quota at five.

I turn now to the Advisory Committee on Legal Education which is established by section 74A of the Legal Practitioners Ordinance. The advisory committee has brought to notice some imperfections in the present system. These are identified as : unduly narrow terms of reference; rigid provisions for membership; the absence of provision for alternate members; the lack of a power of co-optation; the lack of any reference to the obligation of the committee to report from time to time to the Governor; and the need for the City Polytechnic and the Secretary for Education and Manpower to be represented. Clause 17 of the Bill seeks to remedy these shortcomings.

Finally, I would like to deal, briefly, with the amendment relating to bankrupt solicitors. Recently, a solicitor, the subject of a receiving order in bankruptcy, was charged under section 45(1) of the Legal Practitioners Ordinance with being an unqualified person who acted as a solicitor in a criminal cause. The charge failed because the person concerned was still on the roll of solicitors and was not suspended from practice. Clause 5 of the Bill therefore seeks to amend the Ordinance to make it clear that a solicitor who is subject to a receiving order in bankruptcy is not

qualified and thus commits an offence if he acts as a solicitor.

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

Question on adjournment proposed, put and agreed to.

LEGAL OFFICERS (AMENDMENT) BILL 1989

The ATTORNEY GENERAL moved the Second Reading of: "A Bill to amend the Legal Officers Ordinance".

He said: Sir, I move that the Legal Officers (Amendment) Bill 1989 be read a Second time.

The UMELCO Panel to which I have already referred when introducing the Legal Practitioners (Amendment) Bill 1989 recommended that the Legal Officers Ordinance should be reviewed to specify the qualifications and experience required of a legal officer. The Chief Justice's Committee endorsed that recommendation, which the Government accepts. Accordingly, the Bill, when read with the proposed new Schedule to the Legal Practitioners Ordinance, would provide that only lawyers qualified in Hong Kong, the United Kingdom, Australia, Canada (except Quebec), New Zealand, The Republic of Ireland and Zimbabwe would be eligible for appointment as legal officers.

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

Question on adjournment proposed, put and agreed to.

LIFTS AND ESCALATORS (SAFETY) (AMENDMENT) BILL 1989

The SECRETARY FOR LANDS AND WORKS moved the Second Reading of: "A Bill to amend the Lifts and Escalators (Safety) Ordinance".

He said: Sir, I rise to move the Second Reading of the Lifts and Escalators (Safety) (Amendment) Bill 1989.

The Lifts and Escalators (Safety) Ordinance was originally enacted in 1960. In

July 1987 an amendment Bill was enacted which improved and updated procedures and standards. This was necessary to match the increase in use and sophistication of lifts and escalators.

When this was introduced to this Council, an OMELCO panel generally supported the Bill. The panel was, however, concerned that the continuing exclusion from the Ordinance of lifts and escalators in Government and Housing Authority buildings means that registered lift and escalator contractors and engineers who do substandard work on such installations are not liable under the Ordinance. A government inter-departmental review committee was set up to examine this issue and they agreed with the OMELCO panel.

To rectify this it is proposed in clause 2 of the Bill that section 3 of the Ordinance be amended, so that lifts and escalators of the Government, Commonwealth governments, the Housing Authority, Her Majesty's naval, military or air force services, and consular officers of foreign countries would be brought within Parts I, II, IIA and IIIA and most of parts V and VI of the Ordinance. This would ensure that controls over registered lift and escalator engineers, and registered lift and escalator contractors, apply in relation to work done by them on those lifts and escalators.

Another amendment is also proposed. Where more than one lift or escalator is installed in a building, the owner of the lifts or escalators must send to the Director of Electrical and Mechanical Services a plan showing their position, and the identifying numbers marked on them. Although this requirement applies to service lifts, there is presently no effective sanction for failing to send a plan relating to service lifts. This would be remedied by the proposal in clause 7 of the Bill to amend section 33 of the Ordinance to enable the Director of Electrical and Mechanical Services to prohibit the use and operations of service lifts when the owner fails to send a plan of them.

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

Question on adjournment proposed, put and agreed to.

The SECRETARY FOR HEALTH AND WELFARE moved the Second Reading of: "A Bill to amend the Pharmacy and Poisons Ordinance".

He said: Sir, I move that the Pharmacy and Poisons (Amendment) Bill 1989 be read a Second time.

A Pharmacy and Poisons Appeal Tribunal is established under section 30 of the Pharmacy and Poisons Ordinance. Its purpose is to hear and determine appeals against a decision or direction of the Pharmacy and Poisons Board or its committees. The Ordinance also requires that the chairman and not less than two other members of the tribunal should sit together throughout the hearing and determination of an appeal.

There is, however, no provision under the Ordinance to deal with a situation in which the term of office of members of the tribunal expires before the hearing of an appeal has been concluded. In such a situation, the appeal will have to be heard afresh by the incoming members. It is clearly unreasonable that an appellant be required, at his own cost, to re-present his case to a new tribunal simply because the legal capacity of the former tribunal to hear the appeal has expired.

Clause 2 of the Pharmacy and Poisons (Amendment) Bill 1989 therefore seeks to enable a member who has resigned or whose term has expired to continue to act as a member to the extent necessary for hearing an outstanding appeal to its conclusion. A similar provision exists in the Medical Practitioners (Registration and Disciplinary Procedure) Regulations, made under Cap 161, in relation to the term of office of members of the Preliminary Investigation Committee.

Clause 3 contains a transitional arrangement whereby an appeal which is outstanding before this amendment is made can continue and be determined by the original tribunal.

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

Question on adjournment proposed, put and agreed to.

PUBLIC HEALTH AND MUNICIPAL SERVICES (AMENDMENT) BILL 1989

The SECRETARY FOR HEALTH AND WELFARE moved the Second Reading of: "A Bill to amend the Public Health and Municipal Services Ordinance".

He said: Sir, I move that the Public Health and Municipal Services (Amendment) Bill 1989 be read the Second time.

The Bill seeks to amend section 55 of the Public Health and Municipal Services Ordinance to enable the Governor in Council to make regulations--

- empowering a health officer to permit the importation of such food as may be prescribed subject to conditions;
- enabling the inspection of imported food by a health inspector; and
- empowering a health officer to impose conditions or issue such directions as may be necessary to ensure their fitness for human consumption.

The purpose of the proposed amendments is to create a firm legal basis for the control of the import of "game" intended for human consumption and the enforcement of such control by means of conditions and directions imposed by a health officer. After the Bill has been enacted, the Imported Meat and Poultry Regulations will be amended to provide for the proposed statutory control over the import of game.

The Urban Council, the Regional Council and representatives of the trade have endorsed these proposals.

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

Question on adjournment proposed, put and agreed to.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT: In accordance with Standing Orders I now adjourn the Council until 2.30 pm on Wednesday, 22 February 1989.

Adjourned accordingly at twenty minutes past Four o'clock.

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