

1 HONG KONG LEGISLATIVE COUNCIL -- 1 May 1991

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OFFICIAL REPORT OF PROCEEDINGS

Wednesday, 1 May 1991

The Council met at half-past Two o'clock

PRESENT

HIS EXCELLENCY THE GOVERNOR (PRESIDENT)

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

THE CHIEF SECRETARY

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

THE FINANCIAL SECRETARY

THE HONOURABLE NATHANIEL WILLIAM HAMISH MACLEOD, J.P.

THE ATTORNEY GENERAL

THE HONOURABLE JEREMY FELL MATHEWS, C.M.G., J.P.

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

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

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

THE HONOURABLE CHENG HON-KWAN, O.B.E., J.P.

THE HONOURABLE CHUNG PUI-LAM, J.P.

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

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

THE HONOURABLE DAVID LI KWOK-PO, O.B.E., 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 TAI CHIN-WAH, J.P.

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

THE HONOURABLE TAM YIU-CHUNG

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

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

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

THE HONOURABLE MICHAEL LEUNG MAN-KIN, J.P.

SECRETARY FOR TRANSPORT

THE HONOURABLE EDWARD HO SING-TIN, J.P.

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, O.B.E., J.P.

DR THE HONOURABLE LEONG CHE-HUNG

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 YEUNG KAI-YIN, J.P.
SECRETARY FOR EDUCATION AND MANPOWER

THE HONOURABLE MRS ANSON CHAN, J.P.
SECRETARY FOR ECONOMIC SERVICES

THE HONOURABLE PETER TSAO KWANG-YUNG, C.B.E., C.P.M., J.P.
SECRETARY FOR HOME AFFAIRS

THE HONOURABLE MRS ELIZABETH WONG CHIEN CHI-LIEN, I.S.O., J.P.
SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE MARTIN JOHN LEWIS, J.P.
SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS

THE HONOURABLE IAN ROBERT STRACHAN, J.P.
SECRETARY FOR SECURITY

ABSENT

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

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

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

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

Subsidiary Legislation L.N. No.

Import and Export Ordinance

Import and Export (Carriage of Articles)

Regulations 1991.....

168/91

Societies Ordinance

Societies (Amendment) Rules

1991..... 169/91

Public Health and Municipal Services Ordinance

Designation of

Libraries

(Regional Council Area) Order 1991.....

173/91

Public Health and Municipal Services Ordinance

Designation of

Libraries

(Regional Council Area) (No. 2) Order 1991.....

174/91

Antiquities and Monuments Ordinance

Antiquities and Monuments

(Declaration of

Historical Building) Notice

1991..... 175/91

Interpretation and General Clauses Ordinance

Specification of

Public Office..... 176/91

Sessional Papers 1990-91

No. 69 -- Report of changes to the approved Estimates of Expenditure approved

during the second quarter of 1990-91

Public Finance Ordinance: Section 8

No. 70 -- The Government Minute in response to the Report of the Public Accounts Committee dated January 1991

Miscellaneous

White Paper on the Annual Report on Hong Kong 1990 to Parliament

Address by Member

Report of changes to the approved Estimates of Expenditure approved during the second quarter of 1990-91

Public Finance Ordinance: Section 8

FINANCIAL SECRETARY: Sir, in accordance with section 8(8)(b) of the Public Finance Ordinance, I now table for Members' information a summary of all changes made to the approved estimates of expenditure for the second quarter of the financial year 1990-91.

Supplementary provision of \$696.7 million was approved. It was fully offset either by savings under the same or other heads of expenditure or by the deletion of funds under the Additional Commitments subheads. This included \$327 million in connection with the establishment of a new Student Financial Assistance Agency on 1 August 1990 and \$263 million for payment of the revised home purchase allowance and the special allowance to officers eligible for assistance under the Home Purchase Scheme, and the introduction of a new Home Financing Scheme.

Approved non-recurrent commitments were increased by \$177.9 million during the period, and new non-recurrent commitments of \$26.9 million were also approved.

In the same period, a net increase of 1 131 posts was approved.

Items in the summary have been approved either by Finance Committee or under delegated authority. The latter have been reported to the Finance Committee in

accordance with section 8(8)(a) of the Public Finance Ordinance.

Oral answers to questions

Traffic relief measures in northwest New Territories

1. MR LAU WONG -FAT asked (in Cantonese): In view of the possible protracted delay or indefinite deferment of the construction of the Kwai Chung to Yuen Long section of Route 3 due to financial constraints and the timings of related highways projects at a time when the population of Tuen Mun and Yuen Long is on the increase, public and private housing developments in Tin Shui Wai New Town are coming on stream, and the capacity of the Tuen Mun Highway is reaching saturation point, will Government inform this Council what measures are in hand to relieve the worsening traffic problem in the north-western part of the New Territories?

SECRETARY FOR TRANSPORT (in Cantonese): Sir, I should first point out that there is no "protracted delay or indefinite deferment" to building the Country Park Sector of Route 3, which has all along been planned for completion in the late 1990s.

It is also our intention that the development of the transport infrastructure should keep pace with population growth. To this end, in the northwest New Territories, several major projects are either under construction or under planning. These include the Tuen Mun-Yuen Long Eastern Corridor now under construction which will provide a dual two-lane highway linking the two New Towns by mid 1993. The final phase of the New Territories Circular Road between Au Tau and Fairview Park is due for completion in mid-1992. Design for the Yuen Long Southern Bypass is nearly completed and we hope to call for tenders by the end of this year. The Light Rail Transit extension to Tin Shui Wai is also being built, and is due for completion at the end of 1992. All these major projects should help meet the transport needs of the growing population of the northwest New Territories in the near future.

Meanwhile, various traffic management and improvement measures will shortly be put in hand to improve traffic flows particularly along Castle Peak Road between Tuen Mun and Yuen Long.

MR LAU WONG -FAT (in Cantonese): Sir, could the Government inform this Council of the latest progress of the Route 3 project? When will construction commence at the earliest? Would the new airport project have any bearing on Route 3 development?

SECRETARY FOR TRANSPORT (in Cantonese): As proposed in the Second Comprehensive Transport Study, Route 3 will be constructed in phases. The first phase, expected to be completed by 1996, covers the southern section of Route 3, that is, the Western Harbour Crossing connecting Hong Kong West with Tsing Yi in the north. As for the northern section, which is the Country Park Sector, it is originally scheduled for completion in the late 1990s. But the development of the project will depend on future transport growth and whether or not private sector participation can be brought in. We will have to explore it further before a definite commencement date for the project can be fixed. Basically, Route 3 is an independent project; it is not directly related to the new airport.

MR EDWARD HO: Sir, will Government inform this Council whether the completion of Route 3 in the late 1990s will affect the potential development of public housing sites in the northwest New Territories thus affecting the long-term housing strategy?

SECRETARY FOR TRANSPORT: No, Sir, as I said in my main reply, the population build-up in the northwest New Territories, that is, Yuen Long, Tuen Mun and Tin Shui Wai, will be matched by a corresponding increase in infrastructure provisions. The transport links I have mentioned in my main reply, plus the planned expansion of Route 3, will meet the transport needs of the population there.

MR LAU WONG-FAT (in Cantonese): Sir, my question is similar to that of Mr Edward HO, which relates to the Country Park Sector of Route 3 having to wait until the late 1990s for completion. Will the Government inform this Council of the contingency improvement measures the relevant departments would come up with in order to cope with the imminent saturation of the Tuen Mun Highway?

SECRETARY FOR TRANSPORT (in Cantonese): Sir, the major projects -- which I have mentioned -- in Yuen Long, Tuen Mun and Tin Shui Wai should be able to alleviate the existing and the anticipated traffic congestion on the Tuen Mun Highway in

the next few years. At present, the Tuen Mun Highway has not reached saturation. We expect that, with the opening of the New Territories Circular Road, the Tolo Highway and the Tate's Cairn Tunnel this year or in the next couple of years, the new access should provide an eastern link for residents in the northwest New Territories heading for the urban area. Moreover, we are now embarking on a road widening programme to upgrade Kwai Chung Road to a 10-lane dual carriageway. The project is expected to be completed by early 1993. Its completion should greatly relieve the present traffic congestion at Tsuen Wan, Kwai Chung and Tuen Mun. We are also looking into the possible improvement measures to alleviate traffic congestion along Castle Peak Road, including measures to further improve traffic flows along the sections between Tuen Mun and Yuen Long and Tsuen Wan and Tuen Mun. Finally, the Government is examining the expansion of hoverferry services from Tuen Mun to Central as another traffic relief measure.

Demolition of unauthorized structures

2. MR CHUNG asked (in Cantonese): It is noted that thousands of demolition orders will be issued by the Administration in the coming months to eradicate the unauthorized structures in 30 buildings throughout the territory. Will Government inform this Council, in the course of planning the above action

(1) whether consideration has been given to the introduction of any safety measures to avoid possible risks to the pedestrians during the massive demolition of unauthorized structures; and

(2) whether guidelines will be provided to the owners of unauthorized structures which may help them identify the existence of asbestos materials and also the proper ways of demolishing structures containing such materials?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Safety is an important element of this effort underway. Staff of the Buildings and Lands Department are, through frequent contacts with the building management organizations and the owners concerned, and through the media, impressing upon the owners and the general public that only responsible and experienced contractors should be engaged to carry out the removal works, and that precautionary measures such as scaffolding, protective screens, catch fans and platforms should be erected where necessary before any demolition work takes place. To make sure these safety measures are actually implemented, staff from the

department are also paying frequent visits to the buildings concerned. They are finding that the necessary protective measures are being taken.

Advice on identification and removal of asbestos is being given by staff of the Buildings and Lands Department during their frequent contacts with the owners and contractors. Simple guidelines concerning asbestos handling and disposal are being made available to owners and contractors, who can, if necessary, also seek further advice from the Labour Department and the Environmental Protection Department.

MR CHUNG (in Cantonese): Can I ask the Secretary whether the Buildings and Lands Department can supply a list to assist the owners in choosing experienced contractors to carry out the removal works?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Yes, Sir, a list does exist and it can be obtained from the Buildings and Lands Department on application.

MISS LEUNG (in Cantonese): Sir, will the authority concerned consider formulating a set of demolition guidelines to be followed by the contractors, so as to ensure the structural safety of buildings and the safety of the demolition workers and pedestrians?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: There is really a limit as to how many guidelines one can give in this particular case, Sir. The contractors who undertake this work have to carry it out with safety in mind and what we really expect them to do is to abide by the provisions of the Buildings Ordinance. If they do not abide by those provisions, and if they are carrying out the demolition in an unsafe manner or causing injuries to persons or damage to property, they commit an offence under section 40(2B) of the Buildings Ordinance and they are liable to a fine of \$250,000 and three years' imprisonment. Knowing that, any experienced contractor who is employed to do this work would certainly look to provide a safe operation. I would add that, when I said in my answer that this exercise is well underway, already 930 illegal appendages have either been removed or are in the process of being so.

MRS TU: Sir, what provision is being made for tenants made homeless by these demolitions? And will the elderly be rehoused in the areas with which they are familiar and have connections?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Sir, we are talking about carrying out removal -- when I say demolition it is removal really -- of metal cages, canopies, metal flower rakes and so on. So far as I am aware at the moment, of the 930 unauthorized projections the removal of which has been already underway, none has caused any homelessness and I have certainly not seen any on my spot inspections.

MR MICHAEL CHENG (in Cantonese): Sir, there might be many people who are interested in the removal works of illegal structures, and perhaps, many will change their trades to join the business. What criteria will the Government adopt in identifying the "responsible and experienced contractors" mentioned in the main reply?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Sir, it is really up to the owner to make sure that he employs an experienced contractor, and if any owner was given the task of removing something illegal from his flat, then he would use a degree of commonsense, I would suggest. He would ask around to find out of a contractor what experience he had and what tools he was going to use and what safety measures he was going to take. I do not think we can give guidelines for everybody participating in taking down these unauthorized building works. After all, it is just the same as, for example, replacing windows, replacing air-conditioners, putting air-conditioners in, which these contractors are already doing, and as I have said, there have already been 930 cases without any reported difficulty.

MR DAVID CHEUNG: Sir, according to a media report, as a result of the massive volume of such demolition work many contractors who are not experienced have been asked to do the job. Will Government inform this Council whether the issuance of such orders could be given in stages so that there are enough experienced contractors to do the job, so as to safeguard the safety of all concerned?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Yes, Sir, that certainly is what we

are doing in fact. One of the biggest buildings in this particular operation is the Yik Fung Building at To Kwa Wan, and the work is being staggered. Phase one, for example, is underway now and there are four stages. We will give this due consideration but I am very pleased to note that although we have been no more than one month into this operation, owners are really taking this operation seriously and are getting on with it themselves; over 75% are removing the illegal appendages themselves.

MR CHENG HON-KWAN: Sir, will Government inform this Council in what circumstances the Government will require the services of an Authorized Person and Registered Structural Engineer in supervising the demolition of unauthorized building works, to ensure public safety?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Yes, Sir. If the removal is complicated or is likely to involve structural considerations, then the Buildings and Lands Department will require the appointment of an Authorized Person and/or a Registered Structural Engineer to supervise the removal work. But so far in this exercise this has not proved necessary because the removal of these unauthorized building works is a fairly simple operation and it is not necessary to require such appointment at this stage. But if a complicated removal was required, we would do it.

MR EDWARD HO: Sir, will the Secretary please advise this Council and clarify whether owners are obligated by law to employ registered building contractors and specialist contractors on removal of asbestos if the latter is necessary?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Not in this case, Sir, because actually the asbestos as has been identified in this operation is corrugated asbestos sheeting which is very low risk asbestos. There is not much volume of that and it is low risk. So therefore the answer to this particular question is no.

MR MICHAEL CHENG (in Cantonese): Sir, it is mentioned in the Secretary's reply that to make sure the safety measures are actually implemented, staff from the department

are paying frequent visits to the buildings concerned. Given that there is a shortage of manpower within the Government, and now thousands of demolition orders are being issued or are to be issued, how will the Government ensure that these visits can be efficiently carried out?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Yes, Sir, the way we will do it is that although 2 600 orders have been issued they have been issued for 30 buildings. So one does not have to go 2 600 times, but only goes 30 times. And in spite of the shortage, it is still important to visit regularly, and visits to those buildings are taking place twice a week on an average.

MR CHAN (in Cantonese): Sir, as regards the safety of pedestrians, is the legal responsibility on the owner or on the contractor?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Sir, obviously they both have a responsibility but the contractor would be the one who would be prosecuted in the first instance. But it depends on the circumstances of the actual case.

MISS LEUNG (in Cantonese): Sir, have there been any owners who, on receipt of the demolition order, expressed that they could not afford the costs for demolition of the specified structures?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: If there have been, Sir, it would not rate very highly with us; we are determined to get rid of these illegal appendages because if we do not there is a high chance that they will fall down by themselves, and that is the bottom line. Now we have found that between 75% and 80% of the owners are actually removing them with contractors they have got themselves. For those who do not do it, the Buildings and Lands Department's Term Contractor will do it and they will bill the owners who do not do it themselves. But these illegal structures, as everyone knows in this Chamber, must be taken down because they pose a danger to life.

Locally-established think tanks

3. MR PAUL CHENG asked: What consideration has Government given to support of private sector and tertiary education initiatives for locally-established think tanks as a means of keeping pace with industrial development in the region and as a constructive alternative to virtually exclusive reliance on outside consultants for analysis of local Hong Kong project needs?

FINANCIAL SECRETARY: Sir, we welcome initiatives from the private sector and the tertiary educational institutions to set up think tanks and advise Government on how to keep pace with industrial development in the region. A good example of this is a recent study on "Technology Road Maps" in Hong Kong. This project was initiated and conducted by academics from the six tertiary educational institutions in Hong Kong. Indeed, having considered their study proposals, and on the advice of the Industry Development Board, Government has agreed to fund part of the costs.

Where the expertise or resources are not available within the Administration, and we resort to the use of consultants, it is fairly common to require or encourage bidders to include people or organizations with local knowledge in their proposals, where this seems appropriate. For example, in studies on industrial matters, the Hong Kong Productivity Council is frequently involved in partnership with a local or overseas consultant.

Finally, the Industry Development Board has recently advised that our tertiary educational institutions should be encouraged to play a larger part in future consultancy studies. We are now examining how this might best be done whilst still ensuring the quality and cost-effectiveness that stem from competition.

MR PAUL CHENG: Sir, it is encouraging to know that the Government welcomes initiatives from the private sector and the tertiary educational institutions to set up think tanks, but does the Government have an overall strategy so that development of quality think tank operations can be implemented in a systematic and co-ordinated manner? If so, will the Government provide us with the highlights of this strategy?

FINANCIAL SECRETARY: Sir, we do not have a strategy because I do not think one is actually required. We are here dealing with a whole range of different consultancies

for different purposes. Our attitude, as I have said, is definitely to encourage the use of local think tanks and the details of how best to do that, as I have said, are currently being examined in the context of industry related consultancies.

MR ARCULLI: Sir, as I understand the question put by the Honourable Paul CHENG, the establishment of a think tank really implies more of a group of individuals who get together to consider various problems. I think, with respect, perhaps the Financial Secretary has not addressed that question and could he please deal with that aspect? Secondly, with regard to the "Technology Road Map" study, was the Government funding agreed to before or after the study proposal had been completed?

FINANCIAL SECRETARY: Sir, with regard to the first part of the question I think that it is rather difficult for us to employ a group of people unless they are grouped together in some formal way. We are talking here, basically, about actual contracts being awarded for advice on specific questions. So if that group of people have banded together and have a legal status, then I think the question of employing them does arise; otherwise it is, frankly, rather difficult.

On the question of "Technology Road Maps" -- a title which is somewhat obscure -- I must confess that the study was partly funded by the Government. With regard to the stage at which we decided to contribute, in fact, to the tune of \$200,000, I do not have the information as to whether that was part way through the study or in the beginning.

MR PETER WONG: Sir, can the Acting Financial Secretary please inform us whether encouragement goes as far as making due allowance in the University and Polytechnic Grants Committee budget to permit our tertiary establishments to set up think tanks?

FINANCIAL SECRETARY: Sir, I am not aware of any proposal to specifically provide funds for think tanks in tertiary institutions, but I believe that if that did arise it would be basically a matter for the University and Polytechnic Grants Committee to consider.

MR POON CHI-FAI (in Cantonese): Will the Administration consider, when commissioning

some of the Government's studies, that priority be given to those think tanks formed by the local private sector and tertiary institutions, especially those that meet the criteria set by the authorities concerned?

FINANCIAL SECRETARY: I am a little chary of saying that we will give priority to particular organizations or groups of people. I am not quite sure which criteria are in question. But certainly in some consultancies we do, as I said before, either require or encourage that there be a local organization, that is to say an organization with local knowledge; that is a key question. We would not normally go beyond that and specify that it had to be a think tank or that it had to be from a tertiary organization.

MR PAUL CHENG: Sir, based on experience with the Central Policy Unit used by the Government's three key decision makers, has there been any evaluation of how the effectiveness of that Unit could be translated into private sector initiatives?

FINANCIAL SECRETARY: Sir, the prime purpose of the Central Policy Unit, as Mr CHENG has said, is to give advice to the three senior members of the Administration and that advice is necessarily private. If the advice produced in due course some project or some policy which has to be implemented, then that would simply slot into the normal government system; there would not be any question of the Unit itself being involved in that follow-up stage.

MR PAUL CHENG: Sir, has any consideration been given to making unclassified information collected by the Government Central Policy Unit available on a public and regularly instituted basis?

HIS EXCELLENCY THE PRESIDENT: That is stretching slightly beyond the original question but I will ask the Financial Secretary to reply.

FINANCIAL SECRETARY: As far as I know, Sir, no.

Written answers to questions

Refund of charges by Government

4. MR PETER WONG asked: Will Government inform this Council:

(a) of the number of cases for refunds of fees and charges paid to the Water Supplies Department, Hospital Services Department, Health Department and Social Welfare Department respectively for the past three years; and

(b) of the longest, shortest and average durations of processing time taken for the above refund cases?

FINANCIAL SECRETARY: Sir, the information requested by Mr WONG is set out in tabular form as follows:

Time taken to
Number of refund cases effect refunds (1)

Department 1987-88 1988-89 1989-90 Longest Shortest

Water Supplies
Department

i) water deposit 64 247 67 498 73 990 4 weeks

Time taken to
Number of refund cases effect refunds (1)

Department 1987-88 1988-89 1989-90 Longest Shortest

Water Supplies
Department

ii) water charges 680 791 770 1 - 2 weeks

iii) connexion/ 501 552 346 2 - 3 weeks

installation fee

| | | | | |
|-------------------------|----|----|----|---------|
| iv) reconnection fee | 28 | 27 | 34 | 4 weeks |
|-------------------------|----|----|----|---------|

| | | | | |
|-------------------|-----|-----|-----|---------|
| v) water test fee | 486 | 292 | 276 | 4 weeks |
|-------------------|-----|-----|-----|---------|

| | | | |
|------------------------------------|-----|-----|---|
| Medical & Health Department (2) | 544 | 577 |) |
|------------------------------------|-----|-----|---|

) 211 days 5 mins.

| | | |
|----------|-----|---|
| Hospital | 521 |) |
|----------|-----|---|

| | |
|----------|---|
| Services |) |
|----------|---|

| | |
|------------|---|
| Department |) |
|------------|---|

| | | | |
|-------------------------|----|---------|---------|
| Department of Health | 24 | 45 days | 12 days |
|-------------------------|----|---------|---------|

| | | |
|------------------------------|---|---------|
| Social Welfare Department | 1 | 53 days |
|------------------------------|---|---------|

(one case only)

Note

(1) With the exception of those in respect of the Water Supplies Department, the figures provided here are the total time taken by the Departments to process the applications and the Treasury to effect payments. In the case of the Water Supplies Department, the figures indicate only the average processing time taken by the Department itself and do not include the two to three weeks that the Treasury might have taken to effect the payments. Because of the large number of transactions involved, the actual longest and shortest processing time is not available from the Department.

(2) The Medical and Health Department was divided into the Hospital Services Department and Department of Health on 1 April 1989.

Triad problem

5. MR POON CHI-FAI asked: In view of the recent development that generally more than 100 gangsters were involved in each of the triad related incidents, such as the white-glove gang incident and the drinking-straw gang incident in the speculation of flats, and the incident that even the Wan Chai Police Station had to close its shutters for safety reason when over 200 gang members were reported to have taken to the street in Wan Chai District on the evening of April 15, thus causing great anxieties among the public, will Government inform this Council of the actual situation of the triad problem in Hong Kong at present; whether triad activities have been brought under control and whether the Administration has any effective measures and the necessary strength to contain such activities?

SECRETARY FOR SECURITY: Sir, almost a third of the 50 different triad societies in Hong Kong are actively involved in criminal activities ranging from low level street crime to sophisticated protection rackets. Such groups vary in size from small loosely knit associations of petty thugs to large highly structured syndicates with thousands of members. There is considerable inter-gang violence. Triad influence permeates various levels of society, and some influential professions.

Whilst it would not be realistic to expect that triads can be fully eliminated, the police believe that they are being contained as a result of regular operations against triads, their associates and premises.

These operations will continue to be carried out at the district, regional and territory-wide levels. As an example, following the incident in Wan Chai on 15 April 1991, operations were conducted on five successive nights against the two triad societies involved, that is Sun Yee On and Wo Hop To. In this operation 13 people were arrested for a variety of offences, in addition to the 14 arrested on the night of the incident.

The police have also had some notable successes recently against the higher echelons of the more organized triad societies. In one case, the police interrupted a triad initiation ceremony using full traditional regalia and insignia whilst it was in progress. This case has resulted in substantial criminal charges against the alleged "Incense Master".

Members are aware of recent measures which we have taken to augment our legal powers in the areas of illegal gambling and prostitution, two areas where triads are

often involved. Members are also aware that the Administration is currently drafting a Bill to tackle organized crime. The Bill, which will be published for public consultation this summer, proposes heavy penalties for organized crime offences and includes provisions for confiscation of proceeds of organized crime. The intent of these provisions is to strike at the economic and physical powers of organized crime syndicates.

The Government remains committed to combatting the triad problem. Effective legislation is at the forefront of these efforts. Sometimes the public feel unsure how best they can help the police to make Hong Kong a safer place. I once again encourage the public to tell the police promptly when they are intimidated or threatened; the police will protect the anonymity of informants. The Government and the community must join together to demonstrate our strength and the resolve to stamp out triad activities.

First Reading of Bills

COMPANIES (AMENDMENT) (NO. 2) BILL 1991

OCCUPATIONAL RETIREMENT SCHEMES BILL 1991

SECURITIES (DISCLOSURE OF INTERESTS) (AMENDMENT) BILL 1991

SECURITIES (INSIDER DEALING) (AMENDMENT) BILL 1991

TRADE DESCRIPTIONS (AMENDMENT) BILL 1991

HONG KONG WAR MEMORIAL PENSIONS BILL 1991

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

Second Reading of Bills

COMPANIES (AMENDMENT) (NO. 2) BILL 1991

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

He said: Sir, I move that the Companies (Amendment) (No. 2) Bill 1991 be read the Second time.

The main purpose of the Bill is to lift the present prohibition on share repurchases by local companies, subject to a number of safeguards to protect the interests of shareholders and creditors. The Bill also seeks to update the provision on the giving of financial assistance and to introduce a definition of distributable profits.

Share repurchases

Company share repurchases are permitted in many places, including the United Kingdom, Canada, the United States and Australia. In considering the development of the securities market in Hong Kong, the Securities Review Committee Report recommended that allowing companies in Hong Kong to purchase their own shares should be favourably considered.

In January 1990 the Securities and Futures Commission and the Stock Exchange issued for public consultation joint proposals to permit company share repurchases in Hong Kong. These proposals which received broad support in the market follow closely those in the United Kingdom Companies Act. It is generally accepted that the option of a company share repurchase scheme is a useful financial tool and can work to the benefit of companies and shareholders. Among other things, it enables a company to return surplus cash to its shareholders, support its share price during periods of temporary weakness and prevent or inhibit unwelcome takeover bids. With a few technical amendments, the proposals were subsequently endorsed by the Standing Committee on Company Law Reform in June 1990. Let me highlight some of the salient features.

First, the Bill provides that an unlisted company may purchase its own shares under a contract authorized in advance by a special resolution of the company. A copy of the contract or a written memorandum of its terms must be available for inspection by members of the company prior to and at the meeting at which they authorize the repurchase.

Secondly, the Bill provides that a listed company may purchase its own shares in accordance with the Share Repurchase Code issued and administered by the Securities and Futures Commission. Essentially, the approach is to require company share repurchases to be achieved by way of a general offer to all shareholders in accordance with rules similar to those applicable to takeover bids.

The requirement for listed companies to obtain prior shareholder approval appears in the Repurchase Code and the Listing Rules, and not in the Bill. This departure from the United Kingdom approach is intended to provide the necessary flexibility in times of market crisis, since the Securities and Futures Commission and the Stock Exchange have the right to waive such requirements under the Code and the Listing Rules as may be warranted by exceptional circumstances.

Thirdly, the non-statutory Share Repurchase Code and the Listing Rules are given statutory backing for the purpose of company share repurchases. Failure to comply with the Code and the Listing Rules in respect of share repurchases will thus attract the same penalties as failure to observe the provisions of the Bill.

Lastly, repurchased shares are to be treated as cancelled, thus reducing the company's issued share capital but not its authorized share capital. This follows the approach in the United Kingdom. We have considered the United States approach of retaining repurchased shares as treasury stock which may be resold in future. However, we prefer on balance the United Kingdom approach which, we believe, provides better safeguard against the possibility of companies trafficking in their own shares.

Financial assistance

The Bill also introduces more comprehensive provisions on the giving of financial assistance by a company to a third party for the purchase of its shares. The new provisions maintain the general prohibition on the giving of financial assistance, subject to a number of exceptions especially in the case of unlisted companies.

Distributable profits

Finally, the Bill introduces a definition of distributable profits. There is at present no statutory provision governing the distribution of profits by a company to its shareholders, although there are accepted principles and practices governed by common law. The new provisions serve in effect to codify existing good accounting

practice. A statutory definition is desirable in itself and will strengthen the position of creditors since share repurchases may only be made out of distributable profits.

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

Question on the adjournment proposed, put and agreed to.

OCCUPATIONAL RETIREMENT SCHEMES BILL 1991

THE FINANCIAL SECRETARY moved the Second Reading of: "A Bill to ensure that certain occupational retirement schemes are properly funded and for that and other purposes to establish an office to be known in the English language as the Registrar of Occupational Retirement Schemes and in the Chinese language as " "; subject to a residence qualification, to make certain matters relating to schemes to which the Ordinance applies and whose proper law is not the law of Hong Kong justiciable in the High Court; to enable applications to be made to the High Court for certain relief where registration of such a scheme has been cancelled under the Ordinance; and to provide for related matters."

He said: Sir, I move that the Occupational Retirement Schemes Bill 1991 be read the Second time.

In July 1990, the Government published the Occupational Pension Schemes (Commerce, Trade and Industry etc.) Bill 1990 as a White Bill for public comment. During the two-month consultation period, submissions were received from about 40 business, professional and labour organizations, indicating strong support for the regulation of private retirement schemes. There were also comments on the detailed provisions of the White Bill. We have carefully examined all the comments and as a result made some changes to the original proposals. The Occupational Retirement Schemes Bill 1991 now placed before this Council is the result of this process.

The aim of the Bill is to provide a framework for the regulation of private retirement schemes in Hong Kong so as to ensure that retirement benefits promised to employees will be paid when they fall due. It is not intended to compel employers to set up retirement schemes, nor to specify a minimum level of benefits.

The key features of the Bill are as follows.

First, the Bill has a wide coverage. All schemes which are operating in Hong Kong and all schemes towards which contributions are made in Hong Kong are covered. This is necessary to avoid possible abuse by employers setting up schemes with an overseas domicile to evade the regulatory requirements.

Secondly, while casting a wide net, we are mindful not to impose unnecessary restrictions upon global retirement schemes operated by multinational corporations. The Registrar of Occupational Retirement Schemes is, therefore, given a limited power to exempt certain schemes from registration. A scheme which has been approved or registered by an overseas regulatory body performing a similar function to the Registrar may apply for exemption. A scheme which has not more than 10% and not more than 50 members who are Hong Kong permanent residents may also apply for exemption. We believe that the exemption qualifications are about right. We will, nevertheless, review these criteria in the light of operational experience.

Thirdly, the Bill is designed to ensure that in most cases compliance with the relevant criteria will enable registration to be automatic. In other words, the Registrar shall normally register all schemes which comply. All schemes which are domiciled in Hong Kong will normally be registered if they are set up as trusts or subject to an insurance arrangement. Schemes domiciled overseas will normally be registered if they are set up as trusts, and if the trustees make a submission to the jurisdiction of the Hong Kong courts in relation to the entitlement and quantum of benefits of the scheme members. Where a scheme does not meet the relevant criteria for registration, the Registrar is given a very limited discretion to approve registration. He may register the scheme only if he is satisfied that it would be unreasonable to require full compliance.

Fourthly, the Registrar will not actively intervene in the affairs of a registered retirement scheme. But he is empowered to intervene when concern is expressed about a scheme, for example, through the annual returns of the scheme. He may require the submission of special reports and certificates, and appoint a person to inquire into the operation of a scheme.

Sir, the regulatory system in the Bill embodies four guiding principles. They are separation of assets of the retirement scheme from those of the employer, provision of sufficient funding to meet the scheme's liabilities, independent annual

audit of the accounts of the scheme and adequate disclosure of information to scheme members.

To achieve the principle of separation of assets, the Bill requires that retirement schemes should be grounded on trust or subject to an insurance arrangement. In respect of those grounded on trust, the Bill requires that there should normally be an independent trustee at all times. Furthermore, the Bill stipulates that not more than 10% of the assets of a scheme may be invested in securities issued by the employer or his associates. Investment by way of loans to the employer or associates are strictly prohibited.

On the question of funding, all schemes are required to maintain sufficient assets to meet their immediate liabilities, that is, all schemes must be solvent. For defined contribution schemes, contributions are to be made in accordance with the rules of the scheme. For defined benefit schemes, contributions are to be made in accordance with actuarial advice. The Bill stipulates the minimum requirements for on-going actuarial certification. Triennial actuarial reviews are required and, where a scheme is insolvent, annual reviews are required to ensure that the scheme achieves solvency within three years. For schemes which exist before the legislation comes into force, there are transitional provisions to allow shortfalls in funding to be met within five years.

In respect of audits and accounts, the Bill requires the trustees or scheme managers to keep proper accounts and records of all financial transactions of a retirement scheme. An annual statement of accounts and a report prepared by an auditor independent of the employer are required to be submitted to the Registrar.

As regards information disclosure, the Bill provides that consultative committees may be appointed for contributory retirement schemes with more than 50 members. This provision is different from that proposed in the White Bill, which stipulated that for all schemes where a majority of the members so wished, a consultative committee should be established. Views were expressed during the public consultation exercise that an across-the-board requirement to set up consultative committees could discourage employers from setting up retirement schemes. Whilst we recognize that consultative committees can provide a useful forum for the exchange of views, we agree that the regulatory requirement should not be so onerous as to inhibit the setting up of retirement schemes, and we have, therefore, modified the provision. In addition to serving as a forum for the exchange of views, consultative committees

are entitled to receive certain information about the relevant retirement schemes. Where no committees are set up, individual scheme members may request for the information.

The Bill is silent on the tax status of contributions. The Inland Revenue Ordinance provides that contributions by an employer towards a retirement scheme approved by the Commissioner of Inland Revenue are tax deductible. In future, a scheme must be registered with the Registrar of Occupational Retirement Schemes to qualify for tax relief, but only one application will need to be lodged with the Registrar. No separate application to the Commissioner for Inland Revenue will be required.

The Bill, when enacted, will have wide implications for employers who are operating retirement schemes for their employees. They will have to ensure that their schemes comply with the new requirements on trusteeship, asset investment, funding, accounting, auditing, information disclosure and so on. A transitional period of two years will be provided for the schemes to become registered. Upon expiry of the two-year period, it will be an offence to operate an unregistered retirement scheme.

Sir, when the White Bill was issued for public consultation last summer, one major criticism of the Bill was its complexity. It is true that the Bill is a technical and complicated piece of legislation, because the subject of retirement schemes is far from simple. We have made a policy decision that the Bill should cover all schemes operating in Hong Kong or towards which contributions are made in Hong Kong, regardless of their domicile. Had the scope been limited to schemes which are domiciled in Hong Kong, the Bill and the speech would be much shorter. However, as I explained earlier, the purpose of the legislation could be frustrated if its scope were reduced. We appreciate that the Bill may not be as "user-friendly" as one would like, but the registration procedure itself is straightforward. Also, to assist employers in understanding their statutory duties, we will publish explanatory pamphlets before bringing the legislation into operation.

It has also been pointed out that selected provisions in the Bill, in particular, the requirement to submit statements and certificates to the Registrar, will lead to increased costs in the operation of retirement schemes. While this is a fair comment, I think it is generally accepted that there is a price attached to every regulatory regime. While the requirements in the Bill may result in higher

administrative costs for retirement schemes, this is a reasonable price to pay in order to achieve better protection for scheme members.

There has been extensive consultation on the subject over the past three years. Many constructive comments have been offered by various professional bodies, advisory committees and trade organizations during this period. We have found their comments most useful, and I would like to take this opportunity to thank all those concerned for their assistance and interest in this Bill.

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

Question on the adjournment proposed, put and agreed to.

SECURITIES (DISCLOSURE OF INTERESTS) (AMENDMENT) BILL 1991

THE FINANCIAL SECRETARY moved the Second Reading of: "A Bill to amend the Securities (Disclosure of Interests) Ordinance."

He said: Sir, I move that the Securities (Disclosure of Interests) (Amendment) Bill 1991 be read the Second time. The main purpose of the Bill is to extend the scope of the Ordinance to cover overseas companies listed in Hong Kong.

At present, the Ordinance applies only to local companies listed in Hong Kong. It has always been the intention that the disclosure obligations under the Ordinance should also apply to officers and substantial shareholders of overseas companies listed in Hong Kong, in order to protect local investors.

We propose, therefore, to extend the Ordinance to overseas companies listed in Hong Kong, subject to certain other amendments to the Ordinance to recognize the need for possible exemptions, the problems of enforcement in relation to overseas companies and the need for equal treatment of local and foreign companies listed in Hong Kong. I shall now highlight the main features of the Bill.

Exemptions

We believe that, as a general rule, the Ordinance should apply to all companies listed in Hong Kong. We accept, however, that relief may be justified in certain

cases. Our intention is to ease the administrative burden on listed companies of duplicate filing requirements without compromising the need for adequate investor protection.

Much will depend upon the circumstances of each case. We propose, therefore, that the Securities and Futures Commission be given a general power to exempt companies from some or all of the provisions of the Ordinance. However, for the sake of transparency, this discretion will need to be exercised in the light of guidelines to be published by the Commission after consulting the Financial Secretary.

The Commission has issued draft guidelines for public consultation in advance of their submission to the Financial Secretary. These guidelines envisage two broad classes of exemption, upon application, for eligible companies listed or intending to list in Hong Kong. First, a complete exemption may be given to a large multinational company where the main markets in its securities are on major international stock exchanges other than Hong Kong, and where the proportion of the company's world-wide share turnover taking place in Hong Kong is or is likely to be only nominal.

Secondly, an exemption from the reporting requirements under the Ordinance may be given to a company where the proportion of the company's world-wide share turnover taking place in Hong Kong is not or is not likely to be significant, and where the company is subject to comparable statutory disclosure provisions elsewhere. Such exemption would be conditional upon the regulatory authorities in Hong Kong receiving copies of notifications required to be filed in that other jurisdiction.

The draft guidelines will be reviewed in the light of public comment. We aim to ensure that they reflect the proper balance between the need to protect local investors and the need to encourage foreign issuers to list and raise capital in Hong Kong.

Freezing orders

If an investigation into the ownership of a company's shares meets with obstruction, the existing provisions of the Ordinance provide that the Financial Secretary and the High Court may order that the shares in question be subject to certain restrictions, commonly known as a "freezing order". These restrictions operate together to freeze the transfer, exercise of voting rights, payment of

dividends and bonus issues in respect of the shares of a defaulting shareholder.

With the exception of a restriction on transfers in Hong Kong, these provisions could not be enforced in practice against foreign companies. To retain them for local companies only is neither desirable nor necessary. Our aim must be to provide a level playing field. Unless practical and prudential considerations dictate otherwise, we should avoid a disparity in treatment between local and foreign companies.

We propose, therefore, to replace the present provisions by a restriction on the transfer of shares registered in Hong Kong. We believe that this sanction, which will be applicable to all listed companies, should be adequate and effective in the generality of cases. Because of the requirement in the Stock Exchange Listing Rules that shares traded on the Exchange be maintained on a register kept in Hong Kong, it will effectively prevent the shares being traded in Hong Kong. We are also assured that trading elsewhere will be made more difficult because the great majority of overseas companies listed in Hong Kong have their primary, if not their sole, listing in Hong Kong.

Publicity and other measures are being worked out by the Securities and Futures Commission to ensure that the restriction on transfers is workable and effective. Nevertheless, to strengthen the sanction and to limit the opportunities for evasion, we propose two further measures.

First, a freezing order will include new restrictions on the cancellation of share certificates and removal of shares from Hong Kong. These are intended to help the frozen shares to be traced in Hong Kong and to inhibit the registration of transfers overseas. Under proper accounting principles and subject to the company law of the place of incorporation, shares of an overseas company must first be removed from the branch register in Hong Kong before a transaction involving the same shares can be registered on the principal register overseas.

Secondly, a listed company and its officers who act in contravention of the proposed restrictions on registration, issue, cancellation and removal of shares commit an offence and are liable upon conviction to the same penalties as the defaulting shareholder who attempts to evade the restrictions.

Commencement date of the principal Ordinance

Sir, the Securities (Disclosure of Interests) Ordinance was enacted in July 1988,

but has yet to be brought into force. In the interests of equity and investor protection, we have undertaken not to bring the Ordinance into force until its requirements are also made applicable to overseas companies listed in Hong Kong. Subject to the enactment of this Bill now before this Council, it is our intention to bring the principal Ordinance into operation on 1 August 1991.

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

Question on the adjournment proposed, put and agreed to.

SECURITIES (INSIDER DEALING) (AMENDMENT) BILL 1991

THE FINANCIAL SECRETARY moved the Second Reading of: "A Bill to amend the Securities (Insider Dealing) Ordinance."

He said: Sir, I move that the Securities (Insider Dealing) (Amendment) Bill 1991 be read the Second time. The main purpose of the Bill is to clarify the duty of officers of a corporation in relation to insider dealing by the corporation.

Duty to prevent insider dealing

The Ordinance imposes a duty on every officer of a corporation to take all reasonable precautions to prevent insider dealing by the corporation. Where an Insider Dealing Tribunal identifies a corporation as an insider dealer, the Tribunal may also identify any officer of that corporation whose breach of duty has led, directly or indirectly, to the insider dealing in question, and may make an order against him as if he were an insider dealer.

These provisions, as presently worded, produce an unintended effect because they overlook the distinction drawn in the Ordinance between "insider dealer" and "insider dealing". The Tribunal may make an order against any person which it finds to be an insider dealer. But a person who engages in conduct which is, by definition, insider dealing, may be held, in certain circumstances, not to be an insider dealer by virtue of the defences available under the Ordinance. Thus, the officers of a corporation are required to prevent conduct which may in the event be excused.

We consider it most unlikely that an officer in technical breach of his duty would

ever have an order made against him. We accept, however, that the terms of any statutory duty should be stated unambiguously. We propose therefore to make it clear that the officer's duty is to prevent the company from engaging in conduct which might cause it to be identified by the Tribunal as an insider dealer.

Other amendments

We have also taken the opportunity to replace an obsolete reference in the Ordinance to the Commissioner for Securities with a reference to the Securities and Futures Commission.

Commencement date of the principal Ordinance

Sir, the Securities (Insider Dealing) Ordinance was enacted in July 1990 but has yet to be brought into force. At the time of enactment, fears were expressed that the new legislation would have an adverse effect on market liquidity. We have undertaken therefore not to bring the Ordinance into operation until proposals to allow buyback of shares by listed companies, and stock borrowing and lending free of stamp duty, have been implemented.

These proposals are well advanced. I have today introduced amendments to the Companies Ordinance to permit local companies to purchase their own shares. The Securities and Futures Commission and the Stock Exchange are now finalizing the necessary arrangements to regulate stock borrowing. Subject to the implementation of these proposals and to the enactment of this Bill now before the Council, it is our intention to bring the principal Ordinance into force on 1 August 1991.

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

Question on the adjournment proposed, put and agreed to.

TRADE DESCRIPTIONS (AMENDMENT) BILL 1991

THE FINANCIAL SECRETARY moved the Second Reading of: "A Bill to amend the Trade Descriptions Ordinance."

He said: Sir, I move that the Trade Descriptions (Amendment) Bill 1991 be read the Second time.

This Bill seeks to amend the Trade Descriptions Ordinance to permit the Director-General of Trade to specify the place of manufacture or production of certain goods, subject to a special licensing scheme. Under the Bill, the Director-General would have the power to specify, by notice in the Gazette, the kind of goods to be covered under such a scheme.

These amendments are designed to enable us to deal with a particular problem relating to piece-knitted garments. The making of such garments involves two major steps: the knitting of knit-to-shape panels, and the linking-and-looping of such panels into finished products. In Hong Kong, as in most other places, linking-and-looping is regarded as the origin-conferring process. Thus piece-knitted garments may carry the label of "Made in Hong Kong" only if the knit-to-shape panels are linked-and-looped in Hong Kong.

Previously, US rules were the same as those of Hong Kong. However, the US rules were unilaterally changed in 1985. Since then, under US rules, the knitting process for piece-knitted garments must be carried out in Hong Kong to enable them to carry the label of "Made in Hong Kong" on importation into the United States. The Trade Department has pressed the US authorities to revert to their old rules, but to no avail.

Thus at present Hong Kong exports of piece-knitted garments to the United States must meet both the Hong Kong as well as the US origin requirements for labelling. As a result, exports must be both knitted and linked-and-looped in Hong Kong. No relocation of either process elsewhere, for the purpose of reducing costs, is possible.

At a time when the Hong Kong knitwear industry has to face increasing competition in the US market, this double requirement is a severe restriction on the industry's ability to compete. The knitwear industry has asked the Administration to allow relevant piece-knitted garments for export to the United States to carry the label of "Made in Hong Kong" in accordance only with the US requirements.

We agree with the industry that it is not reasonable to subject them to double requirements which adversely affect their competitive edge. In the circumstances, where the industry has no option but to comply with the US rules, we have concluded that special practical arrangements are required. We have, therefore, proposed the provisions set out in the Bill before Members today. The intention is to implement,

with effect from 1 July this year, a special licensing scheme for piece-knitted garments for export to the United States, thus applying the US rules only.

Sir, it is difficult to predict what proportion of the linking-and-looping work for such piece-knitted garments could be relocated elsewhere, but the Administration recognizes that the proposed changes may have implications for local employment. We have discussed the situation with representatives of the major knitwear associations. They have given their assurance that they will do what they can to impress upon their members the need to treat fairly any workers who may be affected as a result. The associations have also undertaken to mediate in any cases of alleged unfair treatment and to help with hardship cases. They will set up a service centre to help individuals find new jobs.

Given the shortage of experienced workers in Hong Kong in general, and in the garment industry in particular, any worker who might be displaced should be able to find alternative employment without a great deal of difficulty. The Government will do all it can to ensure that the interest of the workforce is protected. The Labour Department stands ready to clarify workers' statutory entitlements under the Employment Ordinance and to advise on alternative employment. If there is a need for re-training, the Department will help to put those affected in touch with the Clothing Industry Training Authority or the Vocational Training Council.

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

Question on the adjournment proposed, put and agreed to.

HONG KONG WAR MEMORIAL PENSIONS BILL 1991

THE SECRETARY FOR HEALTH AND WELFARE moved the Second Reading of: "A Bill to make provision for the payment of pensions to be known as the Hong Kong War Memorial Pensions and other benefits to persons who have contributed to the defence of Hong Kong in the Pacific War, persons who have suffered in the War and spouses of such persons, for the establishment of a committee to advise on matters related to such pension and benefits and for incidental or connected matters."

She said: Sir, I move that the Hong Kong War Memorial Pensions Bill 1991 be read a Second time.

The Bill provides for the payment of pensions to beneficiaries of the existing Hong Kong War Memorial Fund and Far Eastern Relief Fund, and to applicants who meet the qualifying criteria stipulated in the Bill. These pensions will be paid in recognition of the recipients' war-time suffering and the long-term effects of being held in captivity.

At present, beneficiaries of the two Funds are required to declare that their personal income is below a specified income threshold in order to qualify for a grant. This income threshold requirement was introduced on the recommendation of a Select Committee of this Council which concluded, in 1986, that the terms of the existing Hong Kong War Memorial Fund Ordinance required that assistance from the Fund must be based on need.

In February last year, I was asked in this Council whether Government would consider converting the existing grants into pensions. Subsequently, I met with members of the Hong Kong War Memorial Fund Committee and re-examined the current policy in the light of new evidence presented by the Committee.

The Committee pointed to the suffering endured by Hong Kong's own ex-prisoners of war and the growing body of evidence in a number of medical studies regarding the particular long-term physical and psychological effects of being held in captivity in Asia during the Second World War. These studies offered new insight into the detrimental effect of long-term captivity on our ex-prisoners of war; the majority of whom are elderly and in deteriorating health.

The removal of the income threshold requirement and the award of pensions, payable as recognition of injuries sustained in the defence of Hong Kong and suffering endured by ex-prisoners of war in captivity is warranted. It has long been the Government's policy that a debt of gratitude is owed. The special case of ex-prisoners of war, acknowledged in the past by payment of discretionary grants, will now be recognized through conversion of these grants into pensions.

The Hong Kong War Memorial Pensions Bill follows directly from this change in policy. It provides for the repeal of the Hong Kong War Memorial Fund Ordinance and the dissolution of the Fund and its Committee in order to pave the way for the introduction of the new legislation and arrangements catering specifically for the award of statutory pensions. These steps are necessary because, as the Select Committee of this Council concluded, the existing Ordinance requires an applicant's

need for assistance to be assessed. It is also probable that the legal status of the War Memorial Fund is that of a discretionary charitable trust, thus making it an inappropriate vehicle for the payment of statutory pensions. Pensions of this kind are more properly paid directly by Government.

With the winding up of the War Memorial Fund, it follows that its Committee will no longer be able to function in its present form. However, the Committee will be reconstituted through this Bill as an advisory committee to advise on the eligibility of applicants and the administration of the pensions legislation.

In addition to slightly over 700 existing beneficiaries of the War Memorial Fund and the Far Eastern Relief Fund, the proposed pensions will also benefit new applicants who meet basic eligibility criteria derived from the existing War Memorial Fund Ordinance: in other words, pensions will be paid to persons who, while serving in specified volunteer units, were held in captivity by the enemy and to the widows or widowers of those who were killed during the fighting or who died in subsequent captivity. Civilians who were tortured and the widows or widowers of those executed for acts of resistance will also continue to be eligible.

It is estimated that there are 48 potential applicants who meet the eligibility criteria and will benefit from the removal of the income threshold requirement.

The existing level of benefits under the Hong Kong War Memorial Fund will provide the benchmark for payments under the new pension arrangements. These payments will be reviewed annually in line with inflation.

Sir, this year marks the 50th anniversary of the defence of Hong Kong. The award of pensions is fitting recognition for the suffering which an unbowed group of men and women endured and have had to live with since those painful days.

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

Question on the adjournment proposed, put and agreed to.

Loud clapping in the public galleries

HIS EXCELLENCY THE PRESIDENT: Order! Order! Could I ask those in the galleries, whatever their distinguished service to Hong Kong in the past years, to maintain the

order of this Chamber?

SECURITIES (AMENDMENT) (NO. 2) BILL 1991

Resumption of debate on Second Reading which was moved on 17 April 1991

Question on the Second Reading of the Bill proposed, put and agreed to.

Bill read the Second time.

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

ELECTORAL PROVISIONS (AMENDMENT) (NO. 2) BILL 1991

Resumption of debate on Second Reading which was moved on 13 March 1991

Question on the Second Reading of the Bill proposed, put and agreed to.

Bill read the Second time.

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

HOTEL ACCOMMODATION BILL 1990

Resumption of debate on Second Reading which was moved on 9 January 1991

Question on Second Reading proposed.

MR CHUNG: Sir, the Hotel Accommodation Bill 1990 seeks to establish a licensing system and a licensing authority for hotels, guesthouses and similar accommodation. The main purpose of the proposed licensing system is to enable Government to deal with fire safety, structural safety, health and hygiene in respect of these establishments more effectively by keeping a comprehensive register of these establishments and by imposing certain necessary requirements and standards for their operation. The Bill was introduced into the Legislative Council on 9 January 1991.

A Legislative Council ad hoc group consisting of seven members was formed to study this Bill. The group held eight meetings including two meetings with the Administration and one meeting with the Hong Kong Hotels Association, the Hong Kong Federation of Hotel Owners Limited and the Hong Kong Tourist Association. Having regard to the views expressed by these interested parties and the Administration, the group considered that the Bill could be improved in a number of areas.

Members spent quite some time considering whether the Bill's present title was an appropriate one. The hotel trade and the Hong Kong Tourist Association were strongly opposed to the Bill being entitled "Hotel Accommodation Bill" for fear that it would encourage sub-standard establishments to claim themselves hotels after obtaining a licence under the new legislation. To prevent this from happening, they suggested that the title of the Bill be changed to "Guest Accommodation Bill". After some discussion, it was agreed unanimously by members of the ad hoc group that a more appropriate title for the Bill should be explored. In reaching this view, the group was conscious of the following considerations:

(i) first, the strong sentiments expressed by the hotel industry were not without grounds and should not be overlooked;

(ii) second, the Hotel Proprietors Ordinance and the Hotel Accommodation Tax Ordinance did not have the same problem because they did not carry the same degree of public concern; and

(iii) finally, a suitably revised title should not be objectionable provided that it would not change or reduce the intended effect of the Bill.

Another area which required amendment was the powers of the licensing authority proposed. Members considered that the powers to be granted to the licensing authority should not be too wide. Instead, they should be confined to areas directly related to the administration of the licensing system such as the inspection of hotels and guesthouses to ensure that the safety requirements were complied with.

In order to enable an applicant whose application for a licence was refused to fully assess his position, the ad hoc group also considered that the reasons for refusal of issue of a licence should be given by the licensing authority and that this should be made clear in the Bill.

The last point made by the ad hoc group which I would like to mention here is about penalty. The maximum penalties for operating without a licence and for contravening certain conditions of the licence proposed in the Bill were the same. The group considered the former offence to be of a more serious nature and, therefore, should attract a heavier punishment.

These views were conveyed to the Administration. After discussion, and having sought the advice of the Law Draftsman, it was agreed that the title of the Bill should be amended to "Hotel and Guesthouse Accommodation Bill 1991". It was also agreed:

(a) that the clause in which the licensing authority could give directions to any hotel in relation to its operation, upkeep and management should be deleted so as to allay the fear of the industry that the Authority would interfere in the general management of hotels;

(b) that in the event of an application for a licence being refused, the applicant should be given notice stating the grounds of refusal to enable him to fully assess his position; and

(c) that the maximum financial penalty for operating without a licence be doubled.

The ad hoc group has been assured by the Administration that the Bill is not intended to include premises let out on periodical tenancy with services or facilities provided on payment, such as serviced apartments. The Secretary for Home Affairs will no doubt clarify this point in his speech.

Before closing, I must thank my colleagues for their time and efforts in studying this Bill. I also wish to thank the Administration for their understanding and co-operative attitude in compromising on the amendments to be introduced.

Sir, with these remarks, I support the Bill.

MR EDWARD HO: Sir, I rise to support the Hotel Accommodation Bill 1990. The purpose of the Bill is to enable Government to deal with fire safety, structural safety, and health and hygiene matters in hotels, guesthouses and similar accommodation which are presently not licensed.

Although Occupation Permits for these premises may have been obtained, such permits may have been issued either a long time ago when safety and health requirements were of a lower standard than what they are today, or that such permits have been issued for purposes other than what these premises are presently used for. This is especially true for many guesthouses in highrise buildings. The Occupation Permits for such premises would probably have been issued for the purpose of residential accommodation but not for accommodation for transient visitors or for the number of people that would occupy such premises in relation to appropriate fire exits and health requirements.

There has been a lot of concern in respect of safety and health on some of these premises and therefore I support that a form of control, which does not at present exist, should be introduced. In supporting the Bill, I would like to bring up a couple of points for the consideration of the Administration.

There are probably two general categories of such accommodation that we are talking about: the first category being purpose-built hotel buildings, and the second category being guesthouses and holiday flats which were not originally designed as a type of hotel accommodation.

For the first category, where the design of the building was for a purpose-built hotel, then matters of safety and health under the provisions of the then current Buildings Ordinance and various building and fire safety regulations would have been complied with. Some of these buildings may have been built as far back as the early 1960s and even earlier, and it may be necessary for additional fire safety and health requirements to be added to conform with present day standards. I understand that this type of additional requirements for the purpose of licensing may become necessary for even some of our most reputable hotels. In such cases, since the premises concerned were built in compliance of the law, discretion should be given so that any additional requirement would be practical or indeed physically possible. In addition, there are purpose-built hotels constructed in the last five to 10 years, also with proper Occupation Permits, in which case it would be reasonable to expect that little modifications should be required of them.

Naturally, for premises in the second category which were not purpose-built hotels or guesthouses, they would have to be required to comply fully with modern-day safety and health standards.

With the creation of the Hotel Accommodation Authority, there would be an additional authority dealing with matters of fire safety, structural safety and health and hygiene matters, matters that are also being dealt with by the Building Authority. The latter Authority, through the Buildings Ordinance Office, currently adopts a central processing procedure, co-ordinating with different relevant government departments, in dealing with plans submission. This procedure should in future extend to obtaining comments and approvals on the building plans from the Hotel Accommodation Authority. In other words, when the Building Authority approves a set of general building plans, it should be deemed that the same plans would eventually be approved by the Hotel Accommodation Authority. The development of a hotel requires very heavy financial investments and it would be very unfortunate and unfair if, after a building has been built in accordance with plans approved by the Building Authority and other government departments, it would not be approved by the Hotel Accommodation Authority.

Conversely, when the Hotel Accommodation Authority processes an application for licence under the Hotel Accommodation Ordinance, it should give due account to the fact that the building design has been approved by the Building Authority and other government departments: the Hotel Accommodation Authority should conform very closely to the requirements of the Building Authority and the Fire Services Department in matters of fire safety, structural safety and health and hygiene matters.

Sir, I have used the titles "Hotel Accommodation Bill" and "Hotel Accommodation Authority" as in the Bill, but I understand that, in response to comments from the hotel and tourist industry, these will be amended in the Committee stage. I support those amendments and, with these observations, I support the Bill.

MR BARROW: Sir, I have little to add to the points made by the Honourable CHUNG Pui-lam and the Honourable Edward HO.

The tourism industry has for many years been concerned about the conditions prevailing in guesthouse accommodation and the very real worry that a major incident in those premises would be damaging to the Hong Kong tourism industry.

The decision to implement this legislation was therefore very welcome to the tourism industry. There was however some surprise that the title of the Bill was

as per the original proposal. However, the compromise which has now been reached is a sensible one and there is now support for the Bill from the industry.

With these words, I support the Bill.

SECRETARY FOR HOME AFFAIRS: Sir, I am most grateful to the ad hoc group and to Mr CHUNG for the support that they have given to this Bill.

The Administration has also received representations from the Hong Kong Tourist Association, the Hong Kong Hotels Association and the Federation of Hong Kong Hotel Owners Limited. While there is general support for this Bill, the hotel industry has reservations as expressed to us direct on the short title of the Bill and much has been said about how the title should be fixed.

Sir, this Bill essentially deals with the safety of life and limb and is not an attempt to categorize hotels into classes of luxury or whether or not they are purpose built. Indeed if one were to attempt to classify hotels on safety grounds, some of the best known, but older purpose built hotels would probably receive a classification inferior to some establishments in Chung King Mansion. This may sound rather surprising, but is a fact established through vigorous inspections and enforcement of current safety regulations.

The expression "Hotel" follows that in the Hotel Proprietors Ordinance, Cap. 158 and the Hotel Accommodation Tax Ordinance, Cap. 348. It includes hotels, guesthouses and similar sorts of accommodation. However, the ad hoc group, as stated by Mr CHUNG, is of the view that the short title should be amended to "Hotel and Guesthouse Accommodation Ordinance" to dispel possible misunderstanding on the type of establishments subject to the Bill. While I myself do not see any strong reason for amending the title, and making some 80 incidental amendments as well, if strong concern has been expressed, and if the ad hoc group's amendment would fix them, numerous though they may be, then I shall not stand in the way of the amendment.

Sir, anxiety has also been expressed that the scope of control may include monthly and leased tenancies. I would therefore wish to take this opportunity to clarify that the licensing scheme aims at regulating establishments which offer temporary sleeping accommodation to their customers. It is not the intention of the Administration to put under control premises which are let out on monthly or leased

tenancies with the exception of the so-called "cage men accommodation" to which I shall refer later in this year.

Arising from discussions with the ad hoc group, I want to give assurances here that although verbal representations will not be entertained under clause 11(1), as to do so would introduce an element of uncertainty as to what representations have actually been made, my staff in the licensing office will be more than happy to meet with any licensees to discuss their problems verbally.

Sir, I will also be moving a number of amendments to the Bill at the Committee stage.

Clause 5(1) of the Bill provides for penalties on conviction for operating a hotel or a guesthouse without a certificate of exemption or a licence as mentioned earlier by Mr CHUNG. The penalties proposed are the same as those set out for contravening the conditions of a certificate of exemption. According to the recommendation of the ad hoc group to which we agreed, I shall be moving an amendment to double the financial penalty without changing the penalty of imprisonment.

It has been suggested that an applicant for a licence should be given notice in the event that the Authority intends to refuse his application under clause 8(3). This suggestion is eminently reasonable and provision to that effect will be proposed to clause 8.

The Administration has received representation from the hotel industry that the power of the Secretary for Home Affairs to give directive regarding the operation and management of a hotel or a guesthouse is too wide and that the Administration should not get involved in such matters. This point was mentioned also by Mr CHUNG in his speech. I am mindful of the primary purpose of the Bill, which is to regulate fire and structural safety in hotels and guesthouses. Accordingly, I shall move an amendment that the original clause 19(1) (a) should be deleted.

Sir, I beg to move.

Question on the Second Reading of the Bill put and agreed to.

Bill read the Second time.

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

LEGAL AID (AMENDMENT) BILL 1991

Resumption of debate on Second Reading which was moved on 13 March 1991

Question on Second Reading proposed.

MRS TAM: Sir, the Legal Aid (Amendment) Bill 1991, which seeks to give effect to a new system of means testing in assessing eligibility for legal aid and to improve and give statutory effect to certain existing legal aid practices, was introduced into the Legislative Council on 13 March 1991.

A Legislative Council ad hoc group of eight members was formed to study this Bill. The group held three meetings including one meeting with the Administration. The group has also consulted the Hong Kong Bar Association and the Law Society of Hong Kong and their comments on the Bill are, on the whole, favourable.

In the first place, I welcome the new financial capacity approach in assessing eligibility. At present, an applicant is means tested separately on his capital and income and he has to satisfy the criteria of both tests before he is eligible. This system works to the disadvantage of persons who have capital above the limit but little or no income, or vice versa. Under the proposed new system, the applicant will be assessed according to his financial resources, which are defined as being the sum of his disposable annual income and capital. This new comprehensive approach will result in fairer eligibility assessment. It will avoid the anomalies of separate capital and income means tests and will result in more people becoming eligible when assessed on their total resources.

Sir, in scrutinizing the Bill, Members have expressed concern on a number of matters. The first concern is about the adoption of a financial capacity of \$120,000. According to the Administration, anyone with a financial capacity in excess of \$120,000 should be able to pay their own legal expenses in all but exceptional cases. The ad hoc group has asked what the additional staff and legal costs would be if the financial capacity limit were revised to \$130,000. The Administration estimates that this may involve additional expenditure of several million dollars. The ad hoc group accepts the financial limit of \$120,000 at this stage but feels that it should

be reviewed from time to time.

The ad hoc group is aware that several years ago, some applications for legal aid were made for the purpose of delaying legal proceedings. This is because an application for legal aid has the effect of staying legal proceedings for 42 days to enable the application to be considered. Such incidents were particularly frequent in cases involving possession of domestic properties by landlords. Members were worried that the legal aid system could be unduly abused and legal proceedings unnecessarily delayed. However, the Administration has advised that the number of such cases has been greatly reduced in recent years and that problems in this area have not been serious enough to warrant genuine concern. Moreover, under regulation 11, the Director of Legal Aid may make an order that no consideration shall be given to any future application by a person whose conduct amounts to an abuse of the legal aid facilities.

The Administration points out that legal aid applicants sometimes make no attempt to obtain gainful employment whilst awaiting the outcome of their application, purposely limiting their financial resources so as to qualify for legal aid. To close this loophole, the Bill proposed to enable the Director to refuse an application when the applicant has failed to maximize his earning potential or has been absent from Hong Kong for a continuous period of six months after submitting an application for legal aid, thus making it impossible to assess his eligibility. The ad hoc group is concerned about how a fair assessment could be made on whether a person has failed to maximize his earning potential. In this respect, we are informed by the Director of Legal Aid that guidelines drawn up by the department would ensure that discretion would be exercised fairly and equitably and that no genuine cases would be discriminated against.

Sir, finally, I would like to add that the Hong Kong Bar Association, in commenting on the Bill, has suggested it is time to consider whether the legal aid entry level should still be measured in absolute terms or whether it should be measured with reference to other factors such as the anticipated legal costs of the particular litigation involved in each individual case. Obviously, the proposal of adopting the anticipated legal costs of each case as a factor in assessing eligibility for legal aid would alter the existing criterion for eligibility. Nevertheless, I consider it desirable for the Administration to bear this suggestion in mind and further explore its viability.

Sir, with these remarks, I support the motion.

Question on the Second Reading of the Bill put and agreed to.

Bill read the Second time.

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

Committee stage of Bills

Council went into Committee.

SECURITIES (AMENDMENT) (NO. 2) BILL 1991

Clauses 1 to 3 were agreed to.

ELECTORAL PROVISIONS (AMENDMENT) (NO. 2) BILL 1991

Clause 1

ATTORNEY GENERAL: Sir, I move that clause 1 be amended as set out under my name in the paper circulated to Members.

The proposed amendment is a simple technical one to enable the Electoral Provisions (Amendment) (No. 2) Bill 1991, when passed by this Council, to be cited as the Electoral Provisions (Amendment) Ordinance 1991.

Sir, I beg to move.

Proposed amendment

Clause 1

That clause 1(1) be amended by deleting "(No. 2)".

Question on the amendment proposed, put and agreed to.

Question on clause 1, as amended, proposed, put and agreed to.

Clauses 2 to 9 were agreed to.

HOTEL ACCOMMODATION BILL 1990

Clauses 11 to 14 and 16 were agreed to.

Clauses 1 to 4 and Headings of Part II and Part VI

MR CHUNG: Sir, I move that the clauses specified be amended as set out in the paper circulated to Members.

Proposed amendments

Clause 1(1)

That clause 1(1) be amended by adding "and Guesthouse" after "Hotel".

Clause 2

That clause 2 be amended --

(a) in the definition "Authority", by adding "and Guesthouse" after "Hotel".

(b) in the definition "hotel" --

(i) by adding "and "guesthouse"" after ""hotel"";

(ii) by deleting "means" and substituting "mean".

Clause 3(1)

That clause 3(1) be amended

(a) by adding "or any guesthouse" after "any hotel" where it twice occurs.

(b) by adding "or guesthouse" after "of hotel" where it twice occurs.

Clause 4

That clause 4 be amended --

(a) in the section heading, by adding "and Guesthouse" after "Hotel".

(b) in subclause (1), by adding "and Guesthouse" after "Hotel".

Part II

That Part II be amended by adding "AND GUESTHOUSES" after "HOTELS" in the heading.

Part VI

That Part VI be amended by adding "AND GUESTHOUSES" after "HOTELS" in the heading.

Question on the amendments proposed, put and agreed to.

Question on clauses 1 to 4 and Headings of Part II and Part VI, as amended, proposed, put and agreed to.

Clause 5 and 19

MR CHUNG: Sir, I move that clauses 5 and 19 be amended as set out under my name in the paper circulated to Members.

Proposed amendments

Clause 5

That clause 5 be amended --

(a) in the section heading, by adding "or guesthouse" after "hotel".

(b) in subclause (1), by adding "or a guesthouse" after "hotel".

(c) in subclause (2), by adding "or the guesthouse" after "hotel" where it twice occurs.

Clause 19

That clause 19 be amended --

(a) in subclause (1), by adding "or any guesthouse" after "any hotel".

(b) In subclause (2)(a), by adding "or the guesthouse" after "the hotel".

Question on the amendments proposed, put and agreed to.

SECRETARY FOR HOME AFFAIRS: Sir, I move that clauses 5 and 19 be further amended as set out under my name in the paper circulated to Members.

Proposed amendments

Clause 5(1)

That clause 5(1) be further amended--

(a) by deleting "\$100,000" and substituting "\$200,000".

(b) by deleting "\$10,000" and substituting "\$20,000".

Clause 19(1)

That clause 19(1) be further amended by deleting paragraphs (a) to (d) and substituting --

"(a) the safety of guests in the hotel or the guesthouse is promoted in a proper manner;

(b) adequate apparatus and equipment required as safeguards against fire or other hazard are provided in the hotel or the guesthouse; and

(c) the provisions of this Ordinance are complied with."

Question on the amendments proposed, put and agreed to.

Question on clauses 5 and 19, as amended, proposed, put and agreed to.

Clauses 6, 7, 9, 18 and 20 to 22

MR CHUNG: Sir, I move that the clauses specified be amended as set out under my name in the paper circulated to Members.

Proposed amendments

Clause 6

That clause 6 be amended, in subclauses (1), (3)(d) and (7), by adding "or a guesthouse" after "hotel".

Clause 7

That clause 7(2) be amended by adding "or a guesthouse" after "hotel".

Clause 9

That clause 9(1) be amended by adding "or a guesthouse" after "hotel".

Clause 18

That clause 18 be amended --

(a) in the section heading, by adding "and guesthouses" after "hotels".

(b) in paragraph (a) --

(i) by adding ", any guesthouse" after "any hotel";

(ii) by adding "or a guesthouse" after "a hotel".

(c) in paragraph (b) --

(i) by adding "or a guesthouse" after "a hotel";

(ii) by adding "or that guesthouse" after "that hotel";

(iii) by adding "or the guesthouse" after "the hotel".

(d) in paragraph (c), by adding "or a guesthouse" after "a hotel".

(e) in paragraph (d) --

(i) by adding "or a guesthouse" after "a hotel";

(ii) by adding "or the guesthouse" after "the hotel".

Clause 20

That clause 20 be amended --

(a) in the section heading, by adding "or a guesthouse" after "hotel".

(b) in subclause (1) --

(i) by adding "or the guesthouse" and "or a guesthouse" after "the hotel" and "a hotel" respectively;

(ii) in paragraphs (a) and (b), by adding "or the guesthouse" after "the hotel" wherever it occurs.

(c) in subclauses (2) and (3), by adding "or the guesthouse" after "the hotel" wherever it occurs.

(d) in subclause (4) --

(i) by adding "or the guesthouse" and "or a guesthouse" after "the hotel" and "a hotel" respectively;

(ii) in paragraphs (a) and (b), by adding "or the guesthouse" after "the hotel".

Clause 21

That clause 21 be amended --

(a) in subclause (1) --

(i) by adding "or a guesthouse" after "a hotel";

(ii) in paragraph (c), by adding "or the guesthouse" after "the hotel".

(b) in subclause (3) --

(i) by adding "or a guesthouse" after "a hotel";

(ii) in paragraph (c), by adding "or the guesthouse" after "the hotel".

(c) in subclause (4), by adding "or a guesthouse" and "or the guesthouse" after "a hotel" and "the hotel" respectively.

(d) in subclause (5), by adding "or a guesthouse" after "a hotel" where it twice occurs.

(e) in subclause (6), by adding "or a guesthouse" after "hotel".

Clause 22

That clause 22 be amended --

(a) in subclause (1), by adding "or guesthouses" after "hotels" wherever it occurs.

(b) in subclause (3), by adding "or a guesthouse" and "or that guesthouse" after "a hotel" and "that hotel" respectively.

(c) in subclause (5)(a), by adding "or a guesthouse" after "hotel" wherever it occurs.

Question on the amendments proposed, put and agreed to.

MRS LAM (in Cantonese): I move that the clauses specified be further amended.

In scrutinizing the Chinese version of the present Bill, the ad hoc group took pains to see if the various clauses adequately imported the legal connotations of the original. The ad hoc group found that "A renewal of a licence shall take effect on the day following the day of its expiration" in clause 9(4) of the English version is given in the Chinese text as ②續期在原來有效期屆滿之日翌日生效①. The group proposed that this be amended to read ②續期在原來有效期屆滿日的翌日生效①. ②屆滿日的翌日① would seem to better convey the meaning of the original subclause.

Sir, the other amendments I am moving are as set out in the paper circulated to Members.

Proposed amendments

Clause 6(3)(d)

That clause 6(3)(d) be further amended by deleting "辦" and substituting "營".

Clause 7(3)

That clause 7(3) be further amended by deleting "及" and substituting "或".

Clause 9(4)

That clause 9(4) be further amended by deleting "之日" and substituting "日的".

Clause 9(6)

That clause 9(6) be further amended by deleting "該日" and substituting "期滿日的".

Clause 18(a)

That clause 18(a) be further amended by deleting "任何" when it secondly occurs.

Clause 20(1)(b)

That clause 20(1)(b) be further amended, by deleting subparagraph (i) and substituting --

"(i) 旅館內任何住客遇到危險或可能遇到危險⑧或".

Clause 21(2)(b)

That clause 21(2)(b) be further amended by deleting "監督" and substituting "督導".

Clause 21(5)

That clause 21(5) be further amended by deleting "作出—" and substituting "控制—".

Clause 22(1)(e)

That clause 22(1)(e) be further amended by adding ", 以" before "及上".

Question on the amendments proposed, put and agreed to.

Question on clauses 6, 7, 9, 18 and 20 to 22, as amended, proposed, put and agreed to.

Clauses 8 and 10

MR CHUNG: Sir, I move that clauses 8 and 10 be amended as set out under my name in

the paper circulated to Members.

Proposed amendments

Clause 8

That clause 8 be amended --

(a) in subclause (1), by adding "or a guesthouse" after "hotel".

(b) in subclause (2)(a), by adding "or the guesthouse" after "hotel".

(c) in subclause (3) --

(i) by adding "or a guesthouse" after "hotel";

(ii) in paragraph (a), by adding "or the guesthouse" and "or a guesthouse" after "the hotel" and "a hotel" respectively;

(iii) in paragraph (c), by adding "or the guesthouse" after "hotel".

(d) in subclauses (4)(d) and (6), by adding "or a guesthouse" after "hotel".

Clause 10

That clause 10 be amended --

(a) by adding "or a guesthouse" after "a hotel".

(b) in paragraphs (a) and (b)(ii), by adding "or that guesthouse" after "that hotel".

(c) in paragraph (c) --

(i) by adding "or that guesthouse" after "that hotel";

(ii) in subparagraph (ii), by adding "or the guesthouse" after "the hotel".

(d) in paragraph (d), by adding "or the guesthouse" after "the hotel".

Question on the amendments proposed, put and agreed to.

SECRETARY FOR HOME AFFAIRS: Sir, I move that clauses 8 and 10 be further amended as set out under my name in the paper circulated to Members.

Proposed amendments

Clause 8

That clause 8 be further amended --

(a) in subclause (3), by deleting "if it" and substituting "on the ground that it".

(b) by adding after subclause (3) --

"(3A) Where the Authority refuses to issue a licence in respect of a hotel or a guesthouse under subsection (3), he shall make a written order, properly dated and signed, to that effect stating the ground in subsection (3) on which he has refused to issue a licence and shall send a copy thereof by registered post to the applicant, at the address last known to the Authority."

Clause 10

That clause 10 be further amended by deleting paragraph (e) and substituting --

"(e) on the ground that it appears to him that --

(i) the hotel or the guesthouse has ceased to be operated as such or to exist; or

(ii) such person has ceased to operate, keep, manage or otherwise control the hotel or the guesthouse."

Question on the amendments proposed, put and agreed to.

MRS LAM (in Cantonese): Sir, I move that clauses 8 and 10 be further amended.

In scrutinizing clause 8 the ad hoc group found certain irregularities in the use of terms which could lead to confusion and which therefore need to be amended.

In clause 8(3)(c) of the Bill, "Supervision" is given in the Chinese text as ②監督①. However, in view of the fact that "Hotel Accommodation Authority" in the Bill is already termed ②旅館業監督①, the ad hoc group proposed that "Supervision" be translated as ②督導① and, to this end, ②合理監督① in clause 21(2)(b) be amended so as to read ②合理督導①.

The group found in clause 10(c) an instance of disjointed sentence construction. ② 就該旅館或其住客(2)(4)(2)有人曾經或正在違反本條例規定 ① should be amended to read ② 就該旅館或其住客方面(2)(4)(2)有人曾經或正在違反本條例規定 ①, that is to say, to add the words ②方面① to make it a clearer and better phrased clause.

Proposed amendments

Clause 8(3)(c)

That clause 8(3)(c) be further amended by deleting "監督" and substituting "督導".

Clause 8(4)(d)

That clause 8(4)(d) be further amended by deleting "證明書的人經辦" and substituting "牌照的人經營".

Clause 10(c)

That clause 10(c) be further amended by deleting "就該旅館或其住客" and substituting "在該旅館或其住客方面".

Question on the amendments proposed, put and agreed to.

Question on clauses 8 and 10, as amended, proposed, put and agreed to.

Clause 15

SECRETARY FOR HOME AFFAIRS: Sir, I move that clause 15 be amended as set out under my name in the paper circulated to Members.

Proposed amendment

Clause 15(1)

That clause 15(1) be amended by adding ", being not less than 2," after "persons".

Question on the amendment proposed, put and agreed to.

MRS LAM (in Cantonese): Sir, I move that clause 15 be further amended.

The ad hoc group found in clause 15(9) a discrepancy in meaning between the English and Chinese texts of the Bill. "a debt recoverable in the District Court" is given as ②債項⑩可作為民事債項追討①. Here the term "District Court" has been incorrectly translated. It is proposed that the Chinese be amended so as to read ②債項⑩在地方法院追討①.

Proposed amendment

Clause 15(7)(c)

That clause 15(7)(c) be further amended by adding "委員" after "令該".

Clause 15(9)

That clause 15(9) be further amended by deleting "作為民事債項" and substituting "在地方法院".

Question on the amendment, proposed, put and agreed to.

Question on clause 15, as amended, proposed, put and agreed to.

Clause 17

MRS LAM (in Cantonese): Sir, I move that clause 17 be amended as set out in the paper circulated to Members.

Proposed amendment

Clause 17(2)

That clause 17(2) be amended by adding "案件" after "可將".

Question on the amendment, proposed, put and agreed to.

Question on clause 17, as amended, proposed, put and agreed to.

Long title

MR CHUNG: Sir, I move that the long title be amended as set out in the paper circulated to Members.

Proposed amendment

Long title

That long title be amended by adding "and guesthouse" after "hotel".

Question on the amendment, proposed, put and agreed to.

Question on long title, as amended, proposed, put and agreed to.

LEGAL AID (AMENDMENT) BILL 1991

Clauses 1 to 20 were agreed to.

Council then resumed.

Third Reading of Bills

THE ATTORNEY GENERAL reported that the

SECURITIES (AMENDMENT) (NO. 2) BILL 1991 and

LEGAL AID (AMENDMENT) BILL 1991

had passed through Committee without amendment and the

ELECTORAL PROVISIONS (AMENDMENT) BILL 1991, the original short title of which is the
ELECTORAL PROVISIONS (AMENDMENT) (NO. 2) BILL 1991 and

HOTEL AND GUESTHOUSE ACCOMMODATION BILL 1991, the original short title of which is
the HOTEL ACCOMMODATION BILL 1990

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

Question on the Third Reading of the Securities (Amendment) (No. 2) Bill 1991,
Electoral Provisions (Amendment) Bill 1991, Hotel and Guesthouse Accommodation Bill
1990 and the Legal Aid (Amendment) Bill 1991 proposed, put and agreed to.

ATTORNEY GENERAL: Sir, a point of order, please, before the Clerk reads out the
titles of the Bills. I think it should be the Hotel and Guesthouse Accommodation
Bill 1991.

HIS EXCELLENCY THE PRESIDENT: Thank you, Attorney General. I assume you amended
it or you read out a different title from what is on a piece of paper.

ATTORNEY GENERAL: No, Sir, it should be 1991.

HIS EXCELLENCY THE PRESIDENT: I am grateful for that amendment. I will now put that
question again. I think that is the simplest way of doing it. We will now know what
we are voting on in precise terms -- not only that we have added "Guesthouse" but

we have got the date 1991. So I will read out that question again.

Question on the Third Reading of the Securities (Amendment) (No. 2) Bill 1991, Electoral Provisions (Amendment) Bill 1991, Hotel and Guesthouse Accommodation Bill 1991 and the Legal Aid (Amendment) Bill 1991 proposed, put and agreed to.

Bills read the Third time and passed.

Member's motion

REVIEW OF OCCUPATIONAL HEALTH AND SAFETY

Dr C.H. LEONG moved the following motion :

"That this Council urges the Administration on this International Labour Day that a comprehensive review on Occupational Health and Safety be conducted with urgency. In particular three aspects must be explored :

1. Hazard prevention;
2. Disability assessment and compensation; and
3. Rehabilitation."

DR LEONG: Sir, I rise to move the motion under my name as set out in the Order Paper. It is perhaps befitting that this debate on the numerous facets of occupational health, safety and hazards should be conducted in this Chamber today -- the International Labour Day -- as a tribute to our working force. For it is their hard work that culminated to what Hong Kong is today.

Let me hasten to add that doctors and dentists, whom I represent, are an important integral part of the Hong Kong's working force and I am sure my honourable colleague, Mr Ronald CHOW, would agree that the same are to the nurses and the other allied medical and health personnel that he represents.

The fact remains, Sir, that there is a 2.79 million-strong working force in Hong

Kong. In other words, a total of 67.1% of Hong Kong people are working day in and day out, responsible for keeping up Hong Kong's economy; keeping Hong Kong vibrant; and making Hong Kong a haven for "workaholics".

But are we doing justice to these "bumble bees"? Are we providing them with a suitable environment to work in? Are we providing them with adequate safety prevention and protection? Are we giving them the proper compensation assessment so that their lives and those of their families can still go on without beg, borrow, or steal even if they are injured? Are we providing them with adequate and suitable retraining should harm befall so that they can be integrated back into society?

Sir, let me put it to you and this Council that these questions need to be addressed and that an urgent and comprehensive review must be the order of the day.

Sir, if it pleases this Council, I would venture to elaborate in general some fallacies of health hazard prevention; some deficiencies in health disability assessment and compensation and some inadequacy in rehabilitation. I would then elaborate on some specific issues which are of concern to the medical profession at large; and finally attempt suggestions to render improvement for the future.

During the debate I am sure some of my honourable colleagues will address the issues from another perspective; in particular the Honourable TAM Yiu-chung and the Honourable PANG Chun-hoi will cover the parameters of compensation whilst the Honourable Mrs Rosanna TAM and the Honourable HUI Yin-fat will address the issues of rehabilitation. I am sure Dr IP will probably address also the issue of noise-induced deafness.

I do hope that at the end of the day, some concrete suggestions could be forthcoming, not only to make this debate worthwhile, but also to provide for the needs of our workforce that they thoroughly deserved.

Let me move to say some words on the fallacies of hazard prevention and occupational health safety problems.

Limited coverage

Sir, we have in hand a 2.79 million-strong working force. Yet unlike the United Kingdom where all workforces are being protected by the Health and Safety at Work

Act 1974, in Hong Kong only factory workers, industrial undertakings and recently, food and catering workers are covered by the Factories and Industrial Undertakings (Amendment) Ordinance 1989. Who can the rest of the working force turn to?

What preventive measures are devised for the poor postman, who day in and day out has to carry an oversized and overweighed bag delivering our mail but only to be led to the development of premature osteoarthritis of their spine ()? What preventive measures are there for our hard-working personal secretaries who developed persistent low back pain during hours of uncomfortable posture typing letters and documents? What protective measures do we have for our Florence Nightingales should they develop tuberculosis, hepatitis or other infectious diseases from continuous contacts with infectious patients?

The list, Sir, is far from exhaustive!

Inadequacy in legislation

Little have we in legislation that touches on occupational health preventive measures -- the Factories and Industrial Undertakings Ordinance is perhaps the only one -- which, alas, only deals with the relationship between employers and employees. It is not encompassing enough to cover all aspects of employees' health and safety at work, nor is it wide enough to include the need for employers to improve working environment and preventive measures for their employees.

No incentives to form safety committees

There is not enough incentives put forward to encourage workers to be concerned with hazard prevention. Whilst in many countries safety committees are compulsory by law, in Hong Kong, the formation of safety committees are only being encouraged on a voluntary basis. Currently in Hong Kong safety committees are in existence only in large factories. The hard fact shows that out of some 80 000 factories and establishments in Hong Kong, only 171 have safety committees. Safety committees involve workers' active participation and thus heighten the awareness of workers towards safety procedures.

No specific body to monitor policies

The existing structure within the Administration leaves a lot to be desired in

relation to monitoring on industrial safety and health. There is no basic comparable body like the Health and Safety Committee of the United Kingdom which has the power to touch on policies regarding health and safety laws and to move amendments where laws are deemed insufficient. Let me hasten to add, Sir, that I am in no way discrediting the function nor the good work that the Occupational Health and Safety Council has done since its inauguration in 1988. But unfortunately, that Council is not empowered with any executive power and furthermore, its terms of reference, as I understand it, deal mainly with educational matters.

Regular check-ups are inadequate

Sir, the medical profession is disillusioned by the fact that pre-employment health check-ups are very scarcely employed in Hong Kong. We are even more dismayed by the inadequacy of regular check-ups after workers have taken up their position. All too many occupational diseases are only discovered when full blown and disability becomes unpreventable.

Clearly, there is a case for compulsory pre-employment check-up for a wide range of hazardous occupation if not for all work categories. There is an even greater call for compulsory regular check-ups for selected hazardous occupations so that any occupational diseases can be detected early and disability minimized to the maximum.

Pneumoconiosis () is perhaps a vivid example of how pre-employment check-ups and regular physical assessment can help. It is well known that pre-existing lung diseases such as old tuberculosis or other chronic chest condition catalyze the development of pneumoconiosis. It is a well-known fact too that if pneumoconiosis is detected early, and the person is not allowed to be exposed further to dust, the lung damage could be arrested and disability kept to a lowest minimum.

Industrial medical officers not properly utilized

Sir, many industrial countries, notably even our closest neighbour Singapore, have stipulated that for every 2 000 workers, there must be an industrial medical officer who must have experience and training on industrial health but this is not the case in Hong Kong. There are only eight industrial health officers who are employees of the Department of Health working under the Labour Department. They have an immense task of having to inspect factories, assessing disabilities and providing education for health hazard prevention.

Sir, there are many doctors in Hong Kong who are interested in and concerned with industrial health and would like to make a career out of this aspect of medicine. Unfortunately, they are bewildered. Some factories do employ company doctors but when they do, they are only asked to look after the minor ailments of the staff. Their comments on changes to improve health hazard preventions often fall on deaf ears either because it is not within their job description or for fear of upsetting, as it were, the apple cart.

The need for realistic statistics

Sir, a total of only 244 industrial diseases were recorded in the year 1990. Out of these, 103 cases were silicosis simply because it has recently attracted a lot of attention. Is this a realistic figure or is Hong Kong really so supreme in the prevailing measures against industrial diseases? A total of some 37 types of industrial diseases are notifiable but how many are actually notified? A recent information paper provided by the Department of Health has admitted that it may be difficult to calculate a realistic number of notifiable individual diseases. There is a dire need to improve the system to ensure that meaningful statistics are available for proper planning in the future.

Unreasonable assessment of injury and unsatisfactory compensation

Sir, I would like to turn your attention to some shortcomings of the current disability assessment and unsatisfactory level of compensation for an unfortunate worker who sustained injury. In one word, Sir, the current method of disability assessment is crude. The process of assessment is usually done in haste, attended by junior and inexperienced medical officers without the presence of representation of that trade. The assessed percentage loss of function is supposed to be based on the "age, degree of incapacity and earnings of the employee". However, the assessment of the degree of incapacity is very arbitrary. According to the First Schedule of the Employee's Compensation Ordinance, the loss of both hands or the loss of all fingers and both thumbs amounts to 100% disability while the loss of four fingers of the hand amounts only to 40%. How these percentages came about is anybody's guess.

The kind of assessment is entirely outdated. The irony is that the percentage loss of function does not take into consideration the injured's individual job nor

his physical characteristics. The left-handed person having a complete loss of function of his left hand is assessed to have the same percentage disability as another person who is right-handed.

The unsatisfactory state of compensation is clearly reflected in the current pneumoconiosis compensation scheme. I will not be dwelling on details of this as I am sure my honourable colleagues, Mr TAM Yiu-chung and Mr PANG Chun-hoi, would have more to say in this aspect. But I am happy to hear that the Pneumoconiosis Compensation Board is having a second look at the scheme and hopefully can come out with a more humane and satisfactory proposal.

May I now, Sir, turn to say a few words on the lack of co-ordinated rehabilitation.

Sir, it is not enough to give a lump sum of money to a disabled who sustained injury in building work and then forget about him forever. It is the Government and society's responsibility to train these people back into society so that they can contribute to their best of ability. In this aspect, Sir, a properly co-ordinated rehabilitation programme aiming to retrain these people should be instituted. I have no doubt my honourable colleagues, Mrs Rosanna TAM and Mr HUI Yin-fat, will be highlighting this later.

I would now turn to two industrial diseases which the medical profession are most concerned with and through which the fallacies of the current preventive, assessment and compensation mechanism could even be made more obvious -- these are, Sir, pneumoconiosis and noise-induced deafness.

Let me say a few words on pneumoconiosis ().

This is a disease which leads to progressive destruction of functioning lung tissue as a result of long-term inhalation of excessive dust. The booming building industry in Hong Kong has led to a rapid rise in pneumoconiosis amongst its workers. The disease is most prevalent amongst caisson workers.

Let me put it to you, Sir, that everything is wrong from the word "go". No pre-employment check-ups are instituted so as to bar those with lung problems. These people work in the depth of a caisson where the dust level may be anywhere up to 600 times the danger level. Yes, they are advised to use a mask, but there is no specification on the type of mask. Neither are they educated to learn how the mask

should be used properly. There is no statutory need for regular medical check-up and there is nothing to prevent them from going back to their same job, inhaling more dust and facing a much faster development of a crippling lung damage.

Sir, it is the considered view of the Hong Kong Medical Association that as pneumoconiosis once diagnosed has no effective cure and would only progressively deteriorate, the following consideration should be adopted;

(1) Compensation or "pension" scheme can be calculated at 100% incapacity depending on age, earnings and number of dependent family members. This "pension" should be provided for life, to be paid monthly.

(2) Should the pneumoconiosis person be engaged in working in other trade the compensation should be deducted accordingly.

(3) It should be a criminal offence to employ a pneumoconiosis person on pension to work on caisson again.

(4) The pneumoconiosis person must be annually assessed by the Pneumoconiosis Medical Board with a certification from the Board which will be used to continue drawing of the "pension". This would provide a detailed clinical progress and the natural history of pneumoconiosis which is at present quite deficient.

(5) Pneumoconiosis should be made a notifiable disease.

Noise-induced hearing loss ()

Let me now, Sir, give some considerations to noise-induced deafness which I am sure my honourable colleague, Dr Henrietta IP, will also address.

There is an estimate workforce of some 40 000 exposed to noise at a harmful level to the ear. There are undoubtedly some regulations in respect of control of factories under a noisy environment. But are these regulations ever implemented? The Labour Department would say that there are "insufficient staff", but are we satisfied with the answer? Is this all we can do to give the best prevention to this group of workforce? Why is there no evidence of any hearing protection on construction sites? We can see workers standing next to noisy machines some over 120 dB, yet do they wear any protective devices? I feel this is a gross negligence on the employers, the employees and the Labour Department.

It is with this in mind and after carefully considering the size of the problem that the medical profession proposes that:

- (1) hearing loss caused by jobs related to industries be counted as a compensable occupational disease;
- (2) the enforcement of regulations be strengthened and employers be required to provide hearing protectors or employees to use them;
- (3) pre-employment check-ups and subsequent regular check-ups be introduced for workers in noisy industries.

The way ahead

What then should be done?

The myriad of problems facing industrial diseases and injuries and the multi-faceted nature of these problems call for an urgent review of the overall strategy. Such review should be done not by just one branch of the Administration but by all branches concerned.

It is timely that whilst the Report of the Working Party on Primary Health Care has made significant recommendations on industrial health, and a Green Paper on rehabilitation is in the making, an inter-departmental working group from at least the Education and Manpower Branch, the Health and Welfare Branch and the Finance Branch be established and the progress of this group be regularly reported to this Council and its working panels. In particular, the following principles should be considered without delay:

- (1) Statutory medical examinations concerning a wide range of hazardous occupations must be introduced in the form of pre-employment check-ups and regular check-ups that follow.
- (2) It should be made compulsory that an industrial health medical officer be employed to an establishment with more than a set number of workforce. In smaller establishments, a few of them can share one medical officer.

(3) Safety committees must be set up with mandatory workers participation in all establishments.

(4) Regulations concerning industrial diseases and injury prevention must be implemented.

(5) A complete revamp is needed of the procedures and the mechanism of disability assessment and compensation.

(6) A programme of co-ordinated rehabilitation must be introduced for the disabled to bring them back into useful participation of society.

Sir, I beg to move.

Question on the motion proposed.

4.35 pm

HIS EXCELLENCY THE PRESIDENT: There are a number of Members who have their names down to speak. For the sake of those Members who might otherwise be suffering from lower back pain (laughter) we might have a short break at this point.

5.12 pm

HIS EXCELLENCY THE PRESIDENT: Council will resume.

DR IP: Sir, my good friend, Dr George CHOI, one of the pioneers in ear, nose and throat surgery who has devoted all his life to serve the ears of Hong Kong people informs me that the number of people with noise-induced hearing loss is increasing. He telephones me, writes to me, faxes to me ever so often, to keep up pressure on me, to keep up the pressure on Government, to do something about noise-induced hearing loss. And every time sick children scream in my ear when I examine them, the more I feel a victim, and I fight harder for the cause. My request for compensation for such hearing loss began six years ago. It took three years to convince Government who then agreed in principle to introduce legislation for such compensation. Another three years had passed and Government is still assessing ways to compensate.

Sir, there is still no sign of draft legislation after six years. Do we have to wait another legislative term before such a law can be enacted? Of course, prevention is better than cure and more efforts should be made to inform the public of the danger of noise. However, it must be the responsibility of Government and the employers to protect staff from such danger. In this respect, we have failed in the past and every effort must therefore be made to compensate those whose ears have sustained irreversible damage. On this International Labour Day, I urge all of us to reflect how much we should appreciate those labourers whose energy and sweat and sometimes physical injury created this very infrastructure we are standing on today and every roof which shelters us at night and to make haste to introduce legislation to offer compensation for this last, major occupational disease so far neglected.

Sir, it is rare to see workers in noisy environment wear ear protectors in spite of Government's effort to publicize that noise can cause hearing loss. I would like to stress that it is just as much the responsibility of the employees to protect themselves from hearing loss as it is the employers. It is with this in mind that I suggested in November 1988 that employees working in noisy environment must agree and actually do undergo annual hearing tests or else forfeit their rights to claim compensation when this comes into existence. This, Sir, has three advantages of acting as:

- (1) a continuous reminder to the employee to wear ear protectors;
- (2) documentation of his having worked in noisy environment, and
- (3) an early warning.

Sir, if legislation is enacted without such provisions, we will not see an end to such compensation. We must not allow staffing problem to be an excuse to exclude this important proviso. Sir, I look forward to seeing legislation introduced to offer employees' compensation for noise-induced hearing loss. With these words, I support the motion before Council.

MR CHAN (in Cantonese): Sir, Dr LEONG focused his attention, when he delivered his speech a while ago, on occupation and health. I fully support his views and, as a

complement, I would like to say something on industrial safety. According to the latest statistics of the Census and Statistics Department, the figure of casualties in industrial accidents has not shown any decrease from the year 1984 to 1989. On average 80 000 to 100 000 persons were injured and 200 to 220 died in industrial accidents every year. The steady and undropping figure evidences that there is still inadequacy in the work of accident prevention.

Meanwhile, in certain trades which often cause chronic diseases or gradual disability, workers are likely to disregard effective preventive measures. It is too late when they are found to have asbestosis, silicosis, permanent damage of vision and hearing, and so on.

In fact, these accidents and chronic diseases can be avoided if workers have taken adequate preventive measures.

The problem is that workers have often neglected the importance of safety for the sake of convenience or time-saving. Industrial safety education may be useful to the new entrants of a trade, but for the serving workers, it is like water over the duck's back. I believe that the most effective means is punishment. The punishment is not to be imposed by the Government but it should be up to the employers to suspend the employee who fails to observe safety measures from work or even dismiss him.

I feel that punishment is feasible. The most important principle in imposing punishment is fairness. Fairness is achieved if the employer has already provided sufficient facilities; has educated and required the workers to use them; and regularly monitors the situation. I think it is more than fair for the worker to be punished if he deliberately disregards the safety facilities.

The problem lies in whether the employer has provided sufficient facilities and has instructed the workers to use them. If he has not, then it is the employer to be punished. However, the Government does not have sufficient manpower to enforce the provisions of the law. For example, there should be a Safety Officer for a construction site with more than 200 workers, but some employers just appoint a Safety Officer to meet the requirement and they do not bother to do anything about safety measures at all.

Such situation is more commonly found in the construction industry, which

operates under the contractor system and it is most difficult to monitor the situation of the industry. In these circumstances, the ultimate employer is the owner who pays for the construction cost and it is he who should be responsible for the safety of the workers. There are some safety conscious employers who have included the provision of safety measures in the cost even though at present it is not required by the law to do so. The construction will be penalized by a reduction of payment if he does not follow the safety standard and workers will be suspended from work for not following safety regulations. As a result, safety is greatly enhanced.

Thorough study should be carried out on the question of making law to hold the owner of a construction site responsible for industrial safety. However, penalty regarding safety measures is not included in Government's construction contracts, and government departments related to engineering even attach less importance to safety than certain site owners. This is really a backward situation.

The figure of industrial casualties has not come down, showing that the effect of partial implementation of the law and of the existing safety education is very limited. To raise the awareness of the employers and the workers, sanctions are necessary. Employers who do not abide by the law should be brought to the court. Similarly, employers should punish workers who do not follow the safety regulations. These are the only effective methods.

Sir, I support the motion moved by Dr LEONG.

MR HO SAI-CHU (in Cantonese): Sir, as a result of the Labour Department's hard work over the years and the establishment of the Occupational Safety and Health Council two and a half years ago, the term "occupational safety" is now widely known and often mentioned in our community. More and more activities have been organized in recent years to promote occupational safety. And while the "health" aspects have never been neglected, it is nonetheless the case that due to constraints in resources and objective circumstances, more emphasis has all along been placed on occupational "safety", leaving occupational "health" as a matter of secondary importance.

However, the situation is now improving. Through the zealous efforts of the OSHC in putting the proper message across, our local industries are becoming more concerned about the health of their employees. In the past, people focused more attention on the question of safety, probably because the occurrence of any industrial accident

might instantly take the life of a worker or cause him serious injuries. On the other hand, health problems are unlikely to be detected immediately, especially in the case of chronic diseases. When a worker finds out his problem, it may already be too late. It is therefore incorrect for some employers and employees to attach greater importance to occupational safety at the expense of the health aspects. The health and safety of workers are closely related. A healthy body enables us to work in a sound state of mind. As a result, various accidents can be avoided.

The OSHC has always attached great importance to the promotion of occupational safety. Since the OSHC training programmes were first introduced in early 1990, courses on occupational health, such as industrial ventilation, ergonomics, hearing protection, manual handling of goods, and laser safety have been included as some of the major subjects. Occupational health has also been a predominant theme of the monthly seminars organized by the OSHC for members of the public. For instance, the topic for the seminar held on 20 March was "Legionnaires Disease in Hong Kong", the speaker being an expert on this subject from the Faculty of Medicine of the Hong Kong University. The seminar was very well received and extra seats had to be made available for the packed audience. This demonstrates that through stepped up publicity and promotion, workers have come to realize that occupational health and safety are equally important to them. There has been a general improvement in the living standards of local workers in recent years. They have learnt to cherish their health as well as their safety.

Apart from conducting the above-mentioned courses and seminars, the OSHC has been purchasing books and information materials on the subject of occupational health to ensure that equal attention is paid to occupational health and safety. For example, the OSHC library, which is open to the public, contains a very comprehensive collection of reference material on "Occupational Health" and "Toxicology". The opening hours of this library has recently been extended to make its facilities more accessible to members of the public.

The Education and Research Committee and the Trade Safety and Health Committee of the OSHC also have plans to launch a series of research programmes on various aspects of occupational health. These include the eye problem of electronics workers, indoor air quality of commercial buildings, and problems of the catering industry, such as carcinogenic substances in and smoke from aged cooking oil. Employees will be encouraged to participate actively in these programmes.

Apart from these, the OSHC will continue to attach importance to its publicity programmes so as to enhance the knowledge and awareness of employees in occupational safety and health. These efforts will include producing promotional advertisements to be screened on television and in cinemas, organizing exhibitions, distributing posters, publishing articles on occupational health in major newspapers and magazines as well as preparing and issuing health guidelines to employees and so on.

The OSHC has recently set up two safety and health committees for the catering industry and the transport and physical distribution industry. There are now a total of eight committees for eight different trades under the OSHC. The two new committees are beginning to bear fruit in their endeavours to upgrade the safety and health standards of employees in their respective industries. The OSHC will gradually extend its scope of service to further improve the safety and health conditions of employees when a surplus and additional funds are available in future.

To enhance the standards of occupational safety and health is the responsibility of both the employees and employers. Shortly after its establishment, the OSHC has introduced an "Occupational Safety and Health Employees' Participation Scheme" to provide funds and assistance to labour organizations interested in organizing publicity and educational activities on occupational safety and health. It is hoped that these organizations can help arouse the awareness of workers in different districts and different trades to the importance of occupational safety and health, and educate them on how to protect themselves in the course of work.

If the safety and health of employees are to be more effectively safeguarded,
o
rganized efforts must be made within enterprises in addition to general publicity and educational campaigns. Employers can consider providing financial support for employees to set up organizations such as safety groups to play an educational and promotional role, or encourage their staff to apply to the OSHC for funds for this purpose. May I take this opportunity to remind employers not to overlook the importance of ensuring the safety and health of their employees. As you, honourable colleagues, may be aware, it was reported in the newspapers of 11 April this year that a warehouse worker fell to the ground from the cockloft while he was handling goods and broke his vertebra rendering him a quadriplegic. This employee subsequently took civil action against the employer for negligence on his part to provide safety measures. The case ended with an out of court settlement, and the plaintiff was paid \$6.5 million as compensation. I refer to this particular case

because I hope to alert the employers and urge them to pay more attention to the safety and health of their employees. They should allocate more resources to improve the working environment of workers, or they may run the risk of suffering greater losses.

Sir, may I appeal to various sectors of our community and relevant government departments to devote their concerted efforts and take positive steps towards promoting occupational safety and health and creating a safe and healthy working environment for the employees, with a view to fostering the economic development of our society.

I can assure Members that the Occupational Safety and Health Council will try its best to carry out its responsibilities. I would like to thank every Member who have spoken and is going to speak in today's debate. We have listened carefully to many views -- many more will be coming later in the debate -- and will try our best to give them support. Nevertheless, I would like to make it very clear that the Council has established for only two years or so. Due to limited resources and in order to avoid duplication of efforts, we need to have a clear division of labour with the Government. The Council has its well-defined scope of duties which of course can be expanded. But time is a factor. We need more time to establish our authority which, I believe, will be instrumental to an effective discharge of our duties. Given the short history of the Council, we regret to say that we cannot direct resources to every aspect of work but have to rely on priority.

Sir, with these remarks, I support the motion.

MR HUI (in Cantonese): Sir, from the investment point of view, human resources has all along been the most valuable resources in Hong Kong. This is why no one would ever object to the principle that the Government should spend more public money on training various talents. However, I think the manpower policy of the Government is still short of being comprehensive. At least there is not yet a proper approach to facilitate the speedy recovery of those who have temporarily lost their working ability so that they can soon return to the productive work force of Hong Kong. On the other hand, as the saying goes, "prevention is better than cure". But I do not think the Government has done a thorough job in this respect. At least it does not always have the foresight to take the lead. More often than not, they would look for solutions hastily only when problems arise.

In today's debate, I would like to focus on two particular aspects, namely the prevention of occupational diseases and rehabilitation, for prevention and rehabilitation constitute the fundamental philosophy of the social work profession.

From what I understand, when a worker temporarily loses his working ability because he has contracted occupational disease or because he suffers physical disability as a result of industrial accident, it seems that all the Government can do for him is to arrange for a doctor to assess the degree to which he has lost his earning potential, and then require the employer or the insurance company to pay compensation in accordance of the law. Even though medical staff can help the worker to recuperate or perform orthopedic surgery for him so that he can still perform certain basic movements and medical staff or social workers based at the hospital can also offer him various kinds of counselling, all these care services are available only during his stay in the hospital. As soon as he is discharged from the hospital, he himself would have to face the hardship of adaptation and the problem of how to recover his working ability to earn his living.

Because of the lack of adequate occupational rehabilitation services and in particular occupational and skill training, even if he still possesses working ability to a certain extent and wishes to make his own living, the worker cannot return to his original job or find a new job and hence has to resign to accepting the meagre financial assistance from the Government. From the angle of human resources, he is not fully rehabilitated and the work force of our society has lost the contribution of one of its workers. On the contrary, he would become a burden of the Government. This is indeed regrettable.

To address the problem, I am of the opinion that the Government should take up the full responsibility of developing rehabilitation services so that those who have temporarily or permanently lost part of their ability to work can have simple chances to join the work force again. This is not only part of the basic human right, but is also a basic step in building up their self confidence and self esteem. One possible way is to follow the approach of manpower training in other advanced countries, to provide special occupational counselling and skill training for injured or ill workers discharged from hospitals. Also, experienced social workers can offer more than psychological counselling service. They can assist the clients to return to their job or seek new employment after refreshing their skills.

Nevertheless, prevention is always better than cure. This is a universally

applicable truth. The Labour Department has indeed poured much resources in the past through various channels and means such as publication of pamphlets, organization of seminars and talks, and demonstration in factories to publicize the importance of prevention work and the ways to go about it. Yet one cannot help feeling that either these efforts are inadequate or they come too late. This can be reflected from the fact that many of the industrial accidents each year are repeat of past disasters and the fact that work codes were only drafted after asbestos was found to be harmful.

Indeed, at a time when the production process is becoming more and more sophisticated, the Government must have the foresight to assume its role in this regard. It must break out of the constraints posed by traditions in order that education work on prevention can be more forward-looking. One possible approach is for the officer in charge to contact employers and employees of different trades to get a better understanding of the potential risk or possible occupational diseases associated with the production process. They can then solicit views of doctors and experts before deciding what prevention work and steps should be carried out.

On the other hand, according to existing policy, the prevention of occupational diseases or industrial accident is the common responsibility of the Government, the employers, and the employees. Though there is nothing wrong with this viewpoint, but the undeniable facts are that there are still some employers who for various reasons do not provide necessary prevention and safety facilities for the employees, and that quite a number of employees disregard the established safety procedures or facilities for the sake of convenience. Therefore the Government should step up surprise inspection and strengthen enforcement and penalties in relevant legislation in due course. Only by so doing can better result of preventive work be achieved.

Furthermore, for the sake of effective performance of industrial safety work, I would have to say a few words about the Occupational Health and Safety Council before concluding my speech. It is my view that owing to restriction of its terms of reference, the OHSC has never been able to realize its full role and live up to its name. Some would even have the impression that the OHSC is some sort of window-dressing of the Government. I think the Government should adopt the same system as the Health and Safety Commission in the United Kingdom. The OHSC should be given the power to discuss policies and propose amendments to legislation on occupational health and safety.

Sir, with these remarks, I support the motion.

MR PANG (in Cantonese): Sir, economic development in Hong Kong has won international status for a long time and it is expected that our industrial and commercial sectors will continue to develop. However, this has brought about problems of industrial safety and inadequate prevention of occupational diseases. All along, the Government has only introduced remedies after industrial accidents have occurred. Yet these remedies often fall short of our expectations and as they usually deal with industrial accidents, the prevention of occupational diseases has been overlooked.

Information given by the Director of Health to this Council last December has revealed that the Government is only passively relying on:

(A) reports from doctors, employers and employees;

(B) surveys conducted by the Occupational Health Division alone or jointly with the two universities.

The Government has frankly admitted that to rely on the above two channels for reliable information is largely ineffective. It can be seen that the Government has not been positive enough in devising a policy for the prevention of industrial accidents and occupational diseases. In fact, it lacks a comprehensive set of strategies and proposals.

It is common knowledge that prevention is better than cure. One can understand that industrial accidents and occupational diseases do not only mean sufferings to the victims and their families, but also burden to society.

I therefore urge the Government to set up an inter-departmental working group to conduct comprehensive surveys on occupational diseases which have already been identified or yet to be identified among employees of various industries and trades in Hong Kong. In addition, reference data from other advanced countries should be analysed. As far as I know, countries like Japan, Singapore and Korea have placed great emphasis on occupational health and safety and thorough studies have been conducted. Japan in particular keeps amending its industrial safety and health laws promulgated in 1972 to tie in with social changes. Amendments made in

1975, 1977, 1980 and 1987 were aimed at the working environment, occupational diseases, the safety aspect of the construction industry and measures to promote occupational health and curb industrial accidents. This series of improvement measures has been extremely successful and the project carried out in 1988 contributed to the realization of systematic safety and health management. The working group as proposed by myself should have its members appointed by you, Sir, including officials from the Education and Manpower Branch and the Health and Welfare Branch, representatives from the employers and the employees, and professionals well versed in occupational diseases. Moreover, the working group should prepare a comprehensive report at regular intervals with a view to:

(1) providing information for the Government when drafting new legislation or reviewing the Employees' Compensation Ordinance;

(2) reminding employers of the need to improve the working environment and to pay attention to the effect of improper processes on the health of workers;

(3) educating employees on safety at work and prevention of occupational diseases that may be contracted in the workplace.

The Government, employers, employees and trade unions all have the responsibility of promoting occupational health and safety. Only through our concerted efforts can the present situation be greatly improved. The Government should amend outdated laws and introduce new provisions to safeguard employees' health. Apart from this, the Government is duty-bound to urgently conduct studies on the prevention of occupational diseases and launch positive and effective publicity as well as educational campaigns on the subject.

Employers should also undertake to establish a management system in relation to safety and health, providing employees with channels to reflect their views.

To recognize the importance of their safety at work and the protection of health, employees need to acquire adequate knowledge in these respects. Trade unions should also have a duty to reflect views and assist the Government, employers and employees in promoting occupational safety and health.

Sir, with these remarks, I support the motion.

PROF. POON: Sir, it is indeed most timely and opportune for us to debate on the motion of occupational health on this Labour Day when the Administration has just released one of its most comprehensive Green Papers aiming at the overhauling of our primary health care system.

For the past decade, Hong Kong has come through an era of political and economic uncertainty. For better or for worse, our society's attention during this period has been heavily concentrated on the investors, the entrepreneurs and the professionals. Incentives and plans, both public and private, are everywhere to attract these unique groups to stay on and be contributive to Hong Kong. While not undermining the social significance of these moves, it is extremely sad to realize that over 90% of the 2.8 million work force, which forms the backbone of our economy, have been the least attended to and the least encouraged group in our society.

In the past three decades, industrial accidents and diseases have been largely perceived as individual misfortunes, personal negligence or worst still, the costs of survival in Hong Kong! We do not yet have an exact estimate of the social opportunity costs of these personal misfortunes, but we do know that in the years to come, Hong Kong's labour force can no longer afford these costs. To do so, we must be able to provide a healthy and safe working environment, one which workers find security and protection; as well as satisfaction and achievement.

Undoubtedly progress has been made in the last few years in terms of legislation. The Factories and Industrial Undertaking Ordinance (Amendment) 1989 enacted in December 1990 is stringent and it does impose on employers definite responsibilities concerning the safety and health of their employees whilst at work.

A start has already been made in requiring specialists and skilled persons to be registered and this is to be encouraged and the process accelerated. The setting up of the Occupational Safety and Health Council is an initiative opening the way for further advances.

According to Labour Department statistics, in 1989 there were some 53 000 reported industrial accidents. Amongst these, almost half, to be exact, 47% were related to the construction industry. Textile industry and machine manufacturing crowned the second and the third largest group respectively. The fatal accident statistics show that the construction industry is even more dangerous. In 1990, 78

workers died as a result of industrial accidents, among which 58 workers (74%) were in the construction industry. Apart from the industrial accidents, it is worth noting that over the past decade, the number of non-industrial injuries has increased 1.7 times, indicating that injury numbers in non-industrial settings, that is, the service sector, the white collars, are increasing rapidly. In addition, in any one year, the average total number of days lost due to injuries amounts to roughly 660 000. In 1990, death arising out of accidental injury and poisoning was 1 737, although the figure comprises death other than industrial accidents. Now with this broad statistical scenario in mind, I think I have no doubt that much remains to be done to improve the state of health and safety of our working population.

In Hong Kong, the major responsibility of ensuring safety and health for workers rest with two divisions within the Labour Department, that is, the Factory Inspectorate Division and the Occupational Health Division. Whilst I would pay tribute to the long and untiring efforts of the Commissioner for Labour and his team of Factory Inspectors, it is a fact that inadequate manpower resources have not enabled the two divisions to carry out their duties sufficiently. This I believe is a problem which Government alone cannot be expected to cure. It is one which requires much greater effort from us all whatever our occupations, and whatever our level!

My honourable colleague, Mr HO Sai-chu, Chairman of the Occupational Health and Safety Council, in his annual report of the Council stated that:

"the positive interest of industry and the public community is more likely to achieve higher standards and more durable results than an inspection and enforcement system acting in isolation".

I fully agree with Mr HO's statement and firmly believe that education is more important in the long run than legislation, although both are necessary.

The key factor in improving matter, in both the long and short term, is undoubtedly education of a kind leading naturally and voluntarily to the acceptance of the need by employers to employ qualified persons and to provide safe working places and by employees to work in a safe manner.

Amongst the 26 pieces of legislation which Hong Kong now has to protect and prevent occupational hazards, only three pieces of legislation are directly related to disease prevention (namely: asbestos; carcinogenic substances; and Notification of Occupational Diseases), while 90% of them are related directly to injury

prevention. While recognizing the fact that not all occupational diseases need to have a legislation, there is a clear tendency that occupational diseases prevention, being the other important arm of prevention, has been receiving a less-than-ideal attention from a macro occupational health viewpoint. In fact according to studies on occupational health in western countries such as the United Kingdom and the United States, there seems to be a growing trend that occupational diseases arising from the use of toxic chemicals are prevailing over mere injury cases. In fact on the international occupational health scene, the current major preoccupations are largely with the prevention of diseases, particularly occupational lung diseases, cancer, traumatic deaths, neurotoxic illnesses, noise-induced hearing loss, dermatological problems and psychological problems. Sir, I cannot agree less with the proposal in the Primary Health Care Green Paper that occupational health prevention must form an integral part of the whole proposed primary health care system. Under the current health care system, we do not have a system of health screening for both industrial and non-industrial workers. To develop one such system would be able to fill one of the most pressing needs for primary health delivery. However what we must avoid in future, at whatever costs, is for a working adult to go through two different systems of health screenings and evaluations, one at the workplace and the other in the community. What we should strive at achieving is a unitary system of health screening whereby an individual's health data would in no way be fragmented according to a hierarchy of health care institutions.

Sir, the most difficult task for any occupational health programme to be effective is to identify at a very early stage the detrimental effects of any health hazards. In this respect, the newly established Occupational Safety and Health Council of course should have a leading role to play. In addition, there would also be a need to strengthen data management and researches in the field of occupational health. Well, these can well be undertaken in the form of research projects by existing expertise drawn from the tertiary educational sector.

At present Hong Kong is lacking a clear system of assessment which would reflect liability on both the workers and the employers when a certain occupational health loss is involved. Undoubtedly the employees compensation legislation was a major step in the right direction. It was, however, only the first step as there is evidence that workers have expressed dissatisfaction over the inadequacies of the Ordinance in safeguarding the interests of employees.

By far the most sophisticated piece of legislation on compensation is the

Pneumoconiosis Compensation Scheme. The scheme is operated on a principle of collective employers responsibility whereby a fund is established on employers' contribution in line with the value of the construction project. While acknowledging the Administration's effort in the development of a system of compensation, three aspects certainly need more attention in our future development: namely (1) the problem of a fair assessment in compensation; (2) the lack of participation in determining a standard of compensation by other professionals such as physiotherapists, occupational therapists and most important of all the workers themselves; (3) the lack of sufficient doctors who specialize in industrial health aspects. All these factors contribute towards enormous barriers for the development of a just assessment and compensation system for occupational health.

Sir, in my cursory survey of the state of occupational health and safety in Hong Kong, one of the most striking questions that persistently came to my attention is that: do we have the appropriate and sufficient manpower resources to handle the whole question of industrial health? Knowing full well that it is beyond my capacity to make a realistic assessment of the precise need for the training and education of occupational health personnel; knowing also full well that we are talking about different levels of education and training, that is, public education for workers, industrial safety officers, industrial health nursing and doctors and occupational health researchers and so on, there are two general points I wish to put across: (1) training and education is forever a costly and long-term social investment. It requires careful planning and clear articulation of the various level of training needs; (2) our society must be able to forgo narrow professional/sectoral short-term interests and be able to put all heads together to plan for a long-term interdisciplinary training programme which suits the unique Hong Kong scene.

Sir, with these remarks, I support the motion.

MRS TAM (in Cantonese): Sir, Hong Kong is an internationally well known industrial and commercial centre, which relies heavily on manpower resources. However, the development of our occupational health and safety measures has not attained very satisfactory result. Now it should be suitable time for the authorities to have a comprehensive and thorough review of the problems.

In 1986, this Council had an adjournment debate on industrial safety. On that occasion, we were assured that industrial safety was a very important issue in the

eye of the Government. In the past few years, the authorities have undoubtedly implemented some improvement measures. However, every year in Hong Kong, there are still more than 200 fatal cases of occupational accidents. For injury cases, the annual average figure in the past three years has remained at the level of 98 000. In any case, the situation is far from being satisfactory.

According to statistics, many fatal occupational accidents occurred in the fields of construction, traffic and transport, as well as trades related to electrical machinery operation. Among those cases happened last year, 52 were caused by falling from a height. A recent study on construction site accidents in Hong Kong conducted by the Department of Surveying Studies of Hong Kong University shows that the accident rate of local construction industry is clearly higher than that of other advanced countries in the region, such as Japan and Singapore. The study also shows that for every thousand construction workers, 40% of them will encounter industrial accidents and consequently will have to stop work for at least four days.

Occupational safety is related to life and death. It certainly deserves our deep concern. Equally we should not overlook the protection of occupational health. Earlier on, I got the opportunity to meet the representatives of a group of workers who suffered from silicosis. I feel deeply sympathetic towards their ill health caused by their occupation.

Most of the employees who have contracted pneumoconiosis are from the construction and quarry industries. The number of workers in the two trades makes up less than 10% of our total workforce. But the number of silicosis patients keeps on growing every year. Moreover, there are more than 150 new cases of the disease every year.

In reply to a question raised in this Council early this year, the Secretary for Education and Manpower said that the authorities had set up a working group to review the Pneumoconiosis (Compensation) Ordinance. I hope that the working group can consider the views expressed by the Council today and complete the work as soon as possible so that the shortcomings of the present compensation system can be rectified.

Sir, to face the problem of occupational health and safety squarely, the authorities must conduct a serious and comprehensive review. In my opinion, the Government should set up a steering group to co-ordinate the work of various departments and to lay down future goals and strategies. I understand that this is a difficult task, which may involve several stages of work. Therefore I hope that

the authorities will submit regular progress reports to this Council on the matter.

Meanwhile, in relation to occupational rehabilitation, I notice that the authorities tend to take care of only a large group of workers who have suddenly become unemployed and to neglect the small group of employees who need counselling or skill training to enable them to change their trades. Take the example of employees who suffer from silicosis. Those whose lung functioning has not yet been seriously affected would still choose to return to their original trade. As a result their lung condition deteriorates day by day. I suggest that the authorities should consider providing vocational training for the minority of workers who are not suitable to resume their original trade so that they can continue to earn their living with confidence.

With regard to occupational health and safety education, a recent survey indicates that over 100 local secondary schools opine that knowledge of occupational safety should be promoted by including it in the syllabus of civic education. This reflects that some schools have attached importance to this matter. Now that more and more young people like to take up summer jobs, it is very important to strengthen their awareness of occupational health and safety at an early stage.

As a matter of fact, it is the common responsibility of the Government, the employers, and the employees to promote occupational health and safety. Apart from stepping up publicity on the knowledge and prevention measures, the authorities should at the same time strengthen the employees' understanding of the relationship between the working environment and their health. Moreover, they should be given the chance to fully understand their rights when disasters happen to them.

Sir, with these remarks, I support the motion.

MR TAM (in Cantonese): Sir, for the past few years, the yearly number of victims of occupational accidents has been close to 100 000. Taking the year 1990 as an example, the number of people injured in occupational accidents reached 94 938 or over 3% of the total labour force in Hong Kong. Occupational accidents are particularly serious in the manufacturing and the construction industries. Casualties in the manufacturing industry for last year amount to 53 383 persons or about 7% of its labour force. As regards the construction industry, the casualties are 25 138 persons or 35% of its labour force. Yesterday two accidents happened in

construction sites, resulting in the death of two workers. The clear message behind these figures is that Hong Kong, the so-called international cosmopolitan city, has still not effectively safeguarded its workers' right to be free from injuries and death at work. This is particularly true to workers in the manufacturing and the construction industries. Despite that they are the cornerstones in the developments of Hong Kong, they are the ones who receive the least protection.

What is more shameful for Hong Kong, however, is that the compensation for workers injured and disabled in the course of building for the Hong Kong community is sadly meagre, simply inadequate to cater for their future living.

Before this debate in the Council, the Hong Kong Federation of Trade Unions and the Association for the Rights of Industrial Accident Victims had separately petitioned the OMELCO on the subject of occupational accident compensation. Their demands included: sick leave arising from occupational accidents should be fully paid as allowance; the requirement that sick leave allowance is payable only when sick leave arising from occupational accidents exceeds three days should be abolished; the maximum amount of compensation should be raised and the maximum amount of compensation for each month should be calculated on the basis of \$15,000; the criteria for assessing the percentage of disability should be revised; an occupational accidents tribunal should be set up; the regulation on medical expenses should be amended, and legislations to make employers responsible for the living cost of the families of the injured or deceased employees during the period between the occurrence of the accident and the availability of compensation should be enacted. All these proposals are useful in strengthening the protection of the interests and rights of occupational accident victims, and must be seriously considered and studied by the Government, particularly in view of the gross injustice as can be perceived in cases where a worker who sustains injury in the course of duty and takes sick leave not exceeding three days will not be entitled to any compensation. Since the two labour groups have already voiced out their demands and arguments in a very clear manner, I do not intend to repeat every detail here. Yet, I wish to raise an issue again -- the calculation method of the amount of compensation in respect of occupational accidents and the principle behind.

According to the existing compensation legislation on occupational accidents, the method of calculating the amount of compensation is to multiply the earnings of an injured worker by a specified number of months. The ceiling of the amount of compensation is set at \$485,000. Under such limitation, assuming that a worker under

40 years of age is subject to permanent incapacity, the amount of compensation he is entitled to will be calculated by multiplying his monthly earnings by 96 months. The sum, however, cannot exceed \$485,000. In other words, his monthly earnings can be calculated to be \$5,000 at most.

6.00 pm

HIS EXCELLENCY THE PRESIDENT: I must interrupt you, Mr TAM. It is now six o'clock and under Standing Order 8(2) the Council should adjourn.

ATTORNEY GENERAL: Sir, with your consent, I move that Standing Order 8(2) should be suspended so as to allow the Council's business this afternoon to be concluded.

Question proposed, put and agreed to.

HIS EXCELLENCY THE PRESIDENT: Mr TAM, please continue.

MR TAM (in Cantonese): Such method of calculation will have great impacts on workers injured in the course of duty. However, this calculation method and its underlying arguments and principles have been unknown to the labour sector. Why, for example, should the ceiling of the amount of compensation be set at \$485,000? Does it mean that the amount is adequate for a permanently incapacitated person to maintain a living for the rest of his life? Also, why should the number of months for the purpose of compensation for victims under 40 years of age be set at 96? Does it mean that a permanently incapacitated person will have only eight more years to live and thus the provision of living expenses should cover eight years only? All these questions leave us baffled.

Every one of us will agree that behind every piece of legislation or any criteria, there must be clear principles and rationales in support of it. No rule should be made arbitrarily. In my opinion, the principle of compensation for permanent incapacity should be to protect the future living of the injured workers. It should be noted that they are injured while toiling for the benefit of the community and their employers. Though neither the community nor the employers can remedy their injuries, they should at least not be made to suffer from the deterioration of living

standard. The principle of compensation for occupational accident victims should be the assurance that the standard of living of the victims will be maintained. The existing calculation method simply falls short of this principle.

I therefore propose that the Government should review again the existing criteria in respect of the number of months in calculating the amount of compensation. As far as young workers are concerned, one criterion for the calculation of compensation that can be considered is to start counting from the month in which the worker is injured up to the month when he should retire. Accordingly, the ceiling of the amount of compensation must be abolished and replaced with a maximum monthly earnings point for the purpose of compensation.

It is just natural for a worker who suffers misfortune in the course of work to ask for reasonable compensation. But no one would welcome such misfortune for the sake of obtaining compensation. Thus, apart from demanding reasonable compensation, the prevention of occupational accidents is also very important.

The main reason for the frequent occurrence of occupational accidents in Hong Kong lies in the failure on the part of the employers to provide a safe working environment for the employees. Although the employers are bound in various way by the existing Factories and Industrial Undertakings Ordinance, yet it is known that there are numerous loopholes in law enforcement.

At present, we rely mainly on the inspections by factory inspectors to monitor and urge employers to improve the working environment. However, the resources available in the Factory Inspectorate Division of the Labour Department are simply unable to meet the actual needs. There are only two ways to step up Government's monitoring over employers and improve the existing working environment. First, resources of the Factory Inspectorate Division should be boosted substantially and more factory inspectors should be employed. Second, certain existing regulations should be improved and the strength of various quarters should be utilized to strengthen the monitoring over employers. Regarding the second way, I think the following proposals on the direction of development are worthy of Government's consideration:

(1) To change the existing system of Safety Officers

At present, Safety Officers are employed by employers. Such employment

relationship does not give the Safety Officers an independent status, rendering it difficult to urge employers to improve the working environment. A feasible way to improve such situation is to incorporate Safety Officers into certain independent body (such as the Occupational Safety and Health Council) and let employers employ these Safety Officers at their own expense. In so doing, the independence of Safety Officers can be ensured as there will be no direct employment relationship between Safety Officers and employers.

Moreover, at present, only the construction sector runs mandatory the system of Safety Officers, but the occurrence of industrial accidents in the manufacturing sector is equally serious. Thus, it is necessary to extend such system to the manufacturing sector. As small and medium size undertakings cannot afford to employ Safety Officers on their own, advisory system can be adopted.

(2) To set up corporation or professional safety committees

It is obviously worthwhile to promote, among enterprises of larger scale, the practice of setting up safety committees to monitor the working environment of factories or construction sites. As for the workers, the working environment within the industrial enterprise is what they are familiar with and where their immediate interests lie. To empower them to monitor the safety of their own working place is both reasonable and an effective preventive system. Regarding small and medium size factories, professional safety committees with resources and assistance provided, including the right to gain access to work sites or industrial establishments for inspection, can be set up to monitor the trades.

Sir, today, 1 May, is the International Labour Day. To launch such a debate on this day, which marks the awakening of workers to their rights and the recognition of such rights, is particularly meaningful. Nevertheless, I will not pin any high hope on the Government which, until now, has not recognized Labour Day and made it a paid holiday in remembrance of it. In any way, I still hope that the Government will take the views of the trade unions and labour organizations seriously and improve the rights and interests of workers earnestly, with particular regard to the motion today.

Sir, with these remarks, I support the motion.

MR MICHAEL CHENG (in Cantonese): Sir, I find it doubly meaningful that this motion debate should take place on this International Labour Day and would like to seize

this opportunity to make a few comments and suggestions on the occupational health and safety of the local workforce.

Owing to the defects in the existing labour legislation, many workers have failed to receive reasonable compensation for job-related injuries, resulting in a direct threat to the livelihood of these victims and that of their dependents. I would therefore like to begin my speech with some remarks on the present arrangements in respect of employees' compensation, assessment of injuries and sickness allowance before putting forth a few proposals on what can be done to ensure that the rights and interest of the workers are properly safeguarded.

With regard to compensation for work-related injuries, the existing legislation sets the maximum compensation for permanent total incapacity at \$485,000. However, the exact amount of compensation to be paid varies from case to case and is determined by the age of the affected employee at the time of the accident and the assessed percentage of the loss of earning capacity. With the imposition of a maximum limit on the amount of compensation, employees can hardly obtain reasonable compensation for job-related injuries in accordance with their actual earnings. Take a worker below 40 years of age for instance, the maximum monthly earning that can be used for computing compensation for injuries in his case is \$5,052 even if his actual monthly wage is well over that figure. Besides, this calculation formula takes no account of the yearly inflation. It is therefore far out of touch with reality because most of the highly hazardous, physically strenuous or technical jobs in present day employment market offer a monthly pay of more than \$5,000 to an average worker. Should a worker be involved in an industrial accident, not only would he have to suffer physically and mentally, but he would be denied of reasonable compensation. This is by no means fair to the labour force. Hence, I deem it imperative to adjust the maximum compensation. A more reasonable approach is to offer a wage-pegged compensation package for job-related injuries with the income base revised to a monthly earning of \$15,000 at the ceiling point, putting the employees' compensation on par with the severance payment offered under the Employment Ordinance. Moreover, the amount of compensation must be adjusted in line with the annual inflationary rate. Only in this way will it be possible to offer greater and more reasonable protection to victims of industrial accidents.

As regards the criteria for assessing incapacity, the amount of compensation money paid to a victim of industrial accident varies with the victim's percentage loss of working capacity as assessed by the Employees' Compensation Board in each

h case. The current criteria for assessment of injuries are basically set from a medical point of view. They incline to assess the seriousness of the injury by measuring the percentage loss of earning capacity it causes rather than how it affects the victim's competence in handling his original line of work. Take a welding worker for instance, if he loses his thumb and index finger, how can he ever resume the work of a welder? Yet, such an injury is not deemed serious from a medical point of view and a high assessment of its undermining effect on the victim's working capacity is therefore very unlikely. In fact, an injury of this kind would make it absolutely impossible for a welder to return to his trade for the rest of his life and is bound to have a severe impact on the victim's livelihood. Hence, I propose that the Government should assess the degree of incapacity caused by a particular injury in terms of the actual damage done to the victim's working capacity as a worker of his original trade and that a reasonable compensation be granted to the victim accordingly.

Turning to sickness allowance, it is noted that under the present system, an employee is entitled to a sickness allowance equivalent to two thirds of his wage only when he has been indisposed for no less than four consecutive days and can prove to that effect with a medical certificate. Despite Government's repeated emphasis on the point that the current practice is in line with international labour conventions, I still find rooms for improvement in this aspect. What is more unfair is that job-related injuries and general illness are treated alike under the current legislation which requires an employee to fulfil the four-consecutive-day-leave condition before he can be eligible for a sickness allowance equivalent to two thirds of his wage. This is, as a matter of fact, unfair to the employees. The Government's logic in exempting employers from paying sickness allowance to an employee for a sick period of no more than three days is mainly based on the fear that employees may abuse the system by playing sick. But, is it necessary that the same condition should apply to cases of job-related injuries which are substantiated by indisputable evidence? Besides, it is highly improbable that a properly registered doctor would be willing to fabricate medical certificates at the risk of his career. The Government is in fact over-reacting to a non-existent problem and should therefore amend the relevant ordinance as early as possible to give fuller protection to the interest of the victims of industrial accidents, enabling employees to claim sickness allowance for even one sickness day.

Talking about occupational safety, although the Government has laid down certain safety codes to regulate some highly hazardous industrial activities, Hong Kon

g has registered an annual average of over 90 000 industrial accidents in the past years, representing a breakdown rate of 270 cases per day and 11 new victims of industrial accidents every minute. The death toll connected with industrial accidents in the year 1990 alone stood at 244 which is the highest figure ever recorded in one year. These figures cast light on the fact that the existing safety regulations in Hong Kong are far from adequate to achieve the purpose of maintaining a reasonable standard of industrial safety. In order to assure the workers of their safety, sincere and full co-operation among the Government, the employers and the employees is required. The Government can, on its part, provide the local labour force with statutory protection by introducing more comprehensive safety rules. However, following the enactment of the new legislation, there is still a need for sufficient hands to take up the enforcement job. Yet, against the originally planned establishment of 250 labour inspectors, there is only a strength of below 200 to patrol more than 80 000 factories and sites. With the legislation continuing to grow, the need for additional staff to cope with the enforcement work has become more acute. If the number of inspections is to be cut down because of a shortage of staff, it will be very likely that some irresponsible employers may disregard the need for industrial safety and choose to operate in ways hazardous to the health and lives of their employees. The Government should seek to expand the operation team to a size big enough to ensure full enforcement of the relevant legislation. On the other hand, it should also continue stepping up its education and publicity work in this area to alert the local work force and the general public to the great importance of occupational safety. Efforts on this front should be targeted specially at young and inexperienced workers who are relatively more prone to life threatening accidents. As for the employers, they should take better care of their employees' safety by operating their activities with more safety equipment and in strict compliance with safety rules. The employees should, on their part, show full co-operation by letting nothing come before safety, remaining on the alert at all times and refraining from any attempt to work in a rush, which may in all probability end up with an accident.

Sir, I earnestly urge the Government to make an overall review of the local workers' occupational health and safety problems as early as possible. Such a review should aim at improving the employment terms of the workers and upgrading the general standard of industrial safety in order to encourage continuous support of the local work force for our common cause of building a prosperous Hong Kong.

Sir, with these remarks, I support the motion.

MR CHOW (in Cantonese): Sir, among all government departments, the Royal Observatory fully deserves the fame of having the best foresight. With advanced meteorological technology and equipment, it issues accurate weather bulletins for the public every day. In terms of reliance on hindsight, the Administration should win the first place in handling primary health care problem. As early as in 1978, health organizations in the world made the "Alma Ata Declaration" in the USSR and launched the "Health for all by the year 2000" slogan. The Administration has just given recognition to it 13 years later. Though this is not yet "oversight", it is definitely a reflection of the Administration's hindsight. Occupational safety and health, as an essential segment of primary health care services involving the health and safety of the 2.8 million working population in Hong Kong, is certainly not to be disregarded and is an indispensable part in the realization of "health for all in the year 2000".

At present, the only piece of legislation dealing with occupational safety and health is the Factories and Industrial Undertakings Ordinance enforced by the Occupational Health Division of the Labour Department. The Ordinance only protects certain industries and the white collars and service industries are excluded. A case in point is hospital services. Hospital staff are not covered by the Ordinance, as its scope is too narrow, hence they have no security against the contraction of chronic diseases in their working environment. It has been reported that some nurses overseas did contract AIDS in taking care of the patients. We can see from this the inadequacy of the security offered by the existing occupational safety and health legislation in Hong Kong. Looking at Britain, the scope of protection of its legislation is much wider. Even micro-organisms are regulated, so the scope of the legislation is more extensive and comprehensive. This point alone can already serve as a good illustration of the inadequacy of the existing legislation in Hong Kong.

The point of the existing legislation inviting most criticism is that it only regulates the licensees of industrial undertakings but not all employers, rendering many employers who disregard industrial safety and health of employees scot-free. However, it is clearly provided by British legislation that it is the responsibility of all employers, but not just employers of factories and industrial undertakings, to safeguard the health, safety, and welfare of their employees. Otherwise it will be unfair to both employees and employers. The Government should investigate into the inadequacy of the legislation immediately and plug the existing loopholes by making law to extend its regulatory power to all employers and broaden the scope of

security. This is what a responsible government should do.

Sir, you have made a pledge in your policy address in October 1988 that "We will continue to improve our labour legislation. The aim is to achieve a level of statutory benefits and controls governing safety, health and conditions of employment, broadly comparable to the best prevailing in the region." Time flies, but what has the Government done in safeguarding the occupational safety and health of the working class? There are only nine years to go before the year 2000, if the Government still does not make a resolve to conduct an overall review of the existing legislation concerning occupational safety and health, the target of "health for all by the year 2000" will become one of the "dishonoured cheques" straddling 1997 issued by the Government.

Besides, the Administration has failed to make effective use of the existing resources to promote occupational safety and health of the workers. One of the reasons is that the Government has disregarded the role of the Department of Health in this respect. As a major organization to assist the Government in implementing health care policies and services, the Department of Health should play an active part in the promotion of occupational safety and health. Unfortunately, the Government has not "designated the right task to the right person", but has put a lot of occupational health services under the purview of the Labour Department. As a result, it is doing a thankless task and wasting social resources. In fact, delegating the responsibilities of occupational diseases prevention and the promotion of occupational health to the Department of Health can be doubly effective. Furthermore, the Government should upgrade the Occupational Safety and Health Council to enable them to submit Bills for the improvement of the existing legislation. Then the Administration can ward off the charge that the executive authority is avoiding the submission of Bills because it fears this will add to its work load.

If we are to promote occupational safety and health in Hong Kong, the most effective and direct approach is to start from prevention. First of all, comprehensive health records and medical check-up schemes are indispensable. In the Report of the Working Party on Primary Health Care recently published, it is stated that the Government should target diseases and introduce check-up schemes or target specific demographic groups. These recommendations can apply to the promotion of occupational safety and health with some modifications and extension of their scope. It is not stipulated by law that workers of certain trades such as construction, quarries, and manufacturing industries should keep a health record. Presently,

public hospitals and outpatient services do not have a comprehensive system to keep the clinical records of the patients. And there is no legislation to provide for regular medical check-up of the workers. As a result, many of the workers are unable to detect early whether they have occupational diseases. Therefore it is necessary for the Government to establish a comprehensive record system for occupational health.

The advantages of establishing a comprehensive clinical and health record are that workers in trades of great mobility will not disregard their health because of not having long term employers; the system can help employers detect occupational hazards in their trades; and it can even provide supporting evidence to the workers when they claim for damages of occupational diseases from their employers. The law should offer protection to the employees so that they would not be dismissed unreasonably when they are discovered to have occupational diseases. Furthermore, employers can request the employee to have thorough medical check-up or refuse to employ him if he fails to produce his clinical record. If this proposed system can be implemented, it can certainly bring benefits to workers in certain trades prone to chronic occupational diseases. After all, prevention is better than cure. As for implementation of check-up scheme, the Government can target certain occupational diseases such as pneumoconiosis and silicosis and conduct medical check-up for serving workers in relevant trades or require them to have check-up themselves before joining the trade, and then to have regular check-ups afterwards, so that their health can be safeguarded.

Regarding the prevention of industrial accidents, as there are many medium and small industrial establishments in Hong Kong and most of these employers disregard safety measures in the factories, the Government should recruit more factory inspectors to inspect in particular the safety installations in smaller industrial concerns to rectify the situation. And penalty should be stepped up so that industrial safety will not become empty slogan but can be implemented to the full.

As for compensation for industrial accidents, this is a long standing and problem-plagued issue, on which I do not know where to begin my discussion. May I comment on it in respect of the following areas:

(1) Coverage

At present, compensation for industrial accidents or casualties is mainly handled by two organizations, namely the Industrial Accidents Compensation Fund and the Silicosis Compensation Fund. Both of them are funded by contribution from employers levied at a certain percentage. But the coverage of both is very limited. Though the Government is proposing the establishment of a compensation fund for loss of hearing, many occupational diseases or accidents are still unforeseeable or undefinable. This is certainly to the disadvantage of the employees. According to statistics provided by the Labour Department, in the year 1989 there were altogether 49 894 cases of industrial accidents which were difficult or even impossible to classify. Furthermore, we cannot rule out the possibility that certain occupational diseases are not yet identified by the medical profession. Therefore the Government should give up the disease-based compensation method and establish a central compensation fund taking care of all cases claiming compensation. Such a system can on the one hand reduce the administrative cost and can extend the scope of security on the other.

(2) Award approach

Regarding the Employees' Compensation Ordinance, injuries compensation for those below 40 or those above 40 is unfair to workers receiving a monthly salary of over \$5,000 to below \$15,000. The Ordinance also stipulates that for compensation for permanent disability, no matter when the award on one-off basis is calculated or when the maximum award is calculated, the smaller amount will prevail. Calculating the amount of compensation in such a manner not only shows that the Government only pays heed to the protection of the interest of the capitalists, but is also hypocritical in itself. This is an evidence of how the Government disregards the basic rights of the working class. I am strongly dissatisfied with this inequitable method of calculating compensation and urge that the Government should take prompt action to delete the wording "whichever is the less" in sections 7(a), (b), and (c) of the Ordinance.

Secondly, I am of the opinion that the present practice of one-off payment or two payments adopted by the Silicosis Compensation Fund should be changed. As the characteristic of silicosis is that functioning of the lung and working ability of the victim will deteriorate continuously and the disease is incurable, regular reviews to adjust the amount of compensation according to the degree of damage should be conducted and the compensation should be awarded by phases until the age of retirement. The merit of this method is that it can meet the needs of the patient

and also the objective of the Fund better.

Lately, a number of organizations have requested the Government to remove the upper limit of the amount of injuries compensation. I think this is not the best solution. As we all know, there is no objective standard for the maximum amount of compensation. As long as the Government has taken into consideration the physical functioning of the victim, the degree of loss of working ability, the psychological trauma he suffers, as well as the impact on his family in the formula calculating the maximum award, this is better than having no maximum limit of compensation. It is because if the maximum is removed, the amount of compensation will be unrealistic and have no yardstick to follow and this will ultimately lead to unnecessary disputes. It will suffice if the maximum award is calculated basing on the market salary rates of the workers and according to the aforementioned formula. Removing the upper limit of award will not be of any advantage to both the workers and the employers.

(3) Assessment criteria

Basically, the present system assesses the loss of working ability of the employee by judging the degree of injury from a medical point of view. However, for silicosis, the compensation criteria is according to the loss of function of the lung. So there are different criteria for different cases. If the Government does not have a standardized criterion, it cannot convince the public. Therefore the Government should have uniformity in this regard and should set up a compensation fund tribunal to take care of complaints or review approved cases.

(4) Operation of the fund

Since its inception, the Pneumoconiosis Compensation Fund has lowered its level of levy a number of times, from the original 0.2% to 0.15%, and then again from 0.15% to the present 0.02%, but there is still a reserve of over \$100 million. According to the annual report of the Fund published in 1988, the compensation award for that year amounted to \$18 million, but the amount of fund used in research, education and publicity was only \$1 million, even less than the \$1.1 million interest earned that year. Faced with an enormous surplus, has the board considered allocating part of the fund for vocational training and counselling, or providing sanatoria, outreaching occupational therapy or home-care services? There is a need for the manager of the Fund to conduct a review.

Relative to industrial accident compensation, occupational rehabilitation

services are even more depressing, because the workers have to queue together with other disabled people for the services. And the Government does not have a package of occupational therapy and rehabilitation services specially designed for industrial accidents, making workers helpless after industrial accidents. The concept of occupational therapy is not new in Hong Kong, but its development is very slow. This is more or less due to the fact that the Government is not paying much attention to it. It is said that "it is never too late to mend". I hope the Government can catch up to improve occupational rehabilitation services, which seems to be without direction, so that it can be taken out from the existing framework and develop separately. In this way, rehabilitation programmes can be designed according to the needs of the workers in order that they can reintegrate back to society more quickly.

Looking at the occupational safety and occupational health services in Hong Kong, apart from the above-mentioned hurdles, there is also the problem of lack of professionals. Most of the local medical staff have not received training on occupational health and (occupational) nursing. Factory doctor system is not popular and the present legislation is too lax in supervision. And workers only have a hazy concept regarding industrial safety and occupational health. Therefore the Government should expand training programmes so that medical staff can be conversant with occupational rehabilitation services to cope with the increasing needs. Publicity of occupational safety and health should be stepped up through various media and channels and the concept should be incorporated into school syllabuses.

"Go to work happily and come home safely."

This is a slogan prevailed in China a few years ago. It is my wish that this slogan could arouse the concern of the Government and the public for occupational safety and health.

Sir, with these remarks, I support the motion.

MR TIEN: Sir, Hong Kong is a place for work, such is the explanation for our success, past, present and hopefully in the future. Most of our people in fact spend most of their lives at the workplace. However, it is axiomatic that the workplace must be a safe place. This applies not only personally to the worker but also to the worker's colleagues, for there is nothing more unsettling for a worker to witness

injuries to one of his colleagues, wondering whether one day he too could suffer. No one, therefore, wants to work in an unsafe environment. No one either wishes to operate in a polluted environment.

We are constantly learning how to improve health and safety. Take, for example, the case of asbestos. It is now realized, as it was not previously, that asbestos is a safety risk. We are constantly improving our knowledge and understanding of health and safety matters. Hong Kong is, as I will shortly show, well in advance of our regional neighbours on health and safety matters. We can take pride in our record, especially in terms of compensation for those persons who, sometimes very regrettably, may be the victims of accidents.

Sir, the motion before us calls upon this Council to urge the Administration "with urgency", to conduct a "comprehensive review" of the subject of occupational health and safety. The three aspects listed for particular consideration are; hazard prevention, compensation for assessed disability, and, rehabilitation of workers affected.

My comments on the motion will consequently fall under these three headings. Let me firstly turn to ways to prevent hazards. In my view, we can discover two sorts of hazard. The first of these might be called unpredictable, or to use the language of the insurance industry -- Acts of God. These are circumstances and situations that nobody can foresee. A person may step on a stair which is not there. This is a simple misjudgment of distance, speed or light. Accidents like this can happen anywhere, even at home. All life, in the last resort, is a risk.

The second form of hazard is rather different. Here, I have in mind such jobs which involve a "professional" risk. These jobs would include, say, firemen, sailors, construction workers and other jobs in industry. We can minimize the risks in these jobs by ensuring the proper use of safety equipment, hats, belts, gloves, and protective clothing. We can never be 100% sure of course, but we can do something to assist. We can, in the case of industry, check and double check such things as possibly dangerous machinery. We can educate a workforce when it is unskilled or not well acquainted with the rules and strict procedures which we have for our factories and offices. But let me repeat, there is no 100% guarantee.

The second area refers to the question of compensation for assessed disability. Here we are asking the question: what, if maximum care is taken, should we do if,

nevertheless, there is an accident. Let me first look at the facts as I see them. There are already rules for compensation in a number of cases. These cover temporary and permanent disability. They also include medical benefits, benefits for survivors and, in the last resort -- funeral grants. By temporary disability benefits, we look at the situation in which a person's injuries are such that the injured party can recover within a reasonable period of time.

At present we pay two-thirds of the difference between monthly earnings before and after the injury. Such a figure is payable if sick leave exceeds three consecutive days for a period up to 24 months. As I look at comparable benefits for other countries of the region, then Hong Kong is at, or near the top of the list -- already. Thus in Thailand for example, not only is the initial compensation far lower than in Hong Kong, we also pay this for 11 more months than that country. We are also at least as generous if not better than Taiwan, Korea, Malaysia and far better than the Philippines -- in this matter of temporary disability benefit.

As for permanent disability, our compensation operates on a sliding scale. However, in the unfortunate event that a person is permanently disabled, our payment reaches a maximum payable of almost half a million dollars. The constant attendance supplement is \$194,000. This actually exceeds the Japanese grant. We also cover partial disability on a calculated, assessed sum. Again, it is clearly evident that this level of compensation is almost the highest in our region.

My point is that we are a leader already in total compensation provisions in the Asian region. Now, some honourable Members may wish even this creditable performance to be improved, and they may wish more funds to be spent. I do urge this Council to consider what this generous compensation package means. The costs, as I have already pointed out, place us in the highest bracket of compensation for industrial accidents. Any additional costs, in so far as they would have to be borne by our industrial sector, would impose on that sector an unacceptably high burden. If we are called upon to provide for excessively high compensation packages, we could be driven either out of business in Hong Kong, or out of Hong Kong itself.

After all, the current trend to relocate manufacturers in Shenzhen or even as far away as Indonesia, Malaysia, Philippines or Thailand, will surely become accelerated. The drift to these, and other places will become a stampede. Recently I have heard calls from some quarters asking for some 200% increase in compensation grants. This will only encourage the stampede out of Hong Kong to production centres

where compensation costs are more fair and reasonable. It would be a great pity that by claiming to protect the interest of the workers honourable Members here asked for more compensation to be given to workers but the end result being that less employers are left here to provide jobs. Lots of compensations but fewer job opportunities. Is this what honourable Members of this Council want for our workers?

Sir, I hope too, that I am not being too cynical, but, I fancy that I can detect a political element behind this motion. How curious it is that, other than today being International Labour Day, this coming Sunday happens, not perhaps wholly accidentally, to be an election day. I will not dwell too much on this point, but no doubt honourable Members will catch my meaning.

I now turn to the question of rehabilitation. Rehabilitation is not a question purely of cash compensation. It is rather a matter of education. Rehabilitation implies finding the means to encourage workers, by a variety of means, to resume full, active and productive reinstatement in their work. Rehabilitation suggests recovery, nursing and assisting injured workers back to full health and productive employment. For this purpose, we have four in-patient and 12 out-patient rehabilitation centres.

The question of rehabilitation is a matter for experts, such as physiotherapists, occupational therapists, speech therapists and professional medical personnel. Thus, 100 000 bed-days were recorded in the four in-patient centres in 1988. Perhaps much more should be done in this area.

Sir, Hong Kong is currently in the front rank of industrial powers in the region in the matter of occupational health and safety. Compared with others, our safety standards are high. In China, for example, as OMELCO Members saw on our visit to Dongguan and Shunde on January this year, safety standards leave much to be desired. Machinery is not always well protected, is not efficient and may even be dangerous. Hong Kong industrialists have taken the lead, and will play our part.

The human element is at the heart of this whole question. Sometimes the worker takes risk, to save time, or, even to make a few more dollars. Many unscrupulous employers, I must confess, sometimes also economize with safety. However, the majority of local employers use good, expensive reputable machines with full protection -- even if these have to be imported from Japan, United States or Europe. These protection may actually slow down production, but it is not proper to make savings where safety is at stake.

Workers, too, make mistake. They will not use, for example, helmets which are uncomfortable and sweaty. But, an employer cannot afford to sack neglectful workers. How can he do so when we are faced with a shortage of labour? Due to our tight labour supply as evidenced by the low unemployment rate of around 1.5% for the past few years, many workers are either working overtime or having two jobs. They do not have enough rest or sleep. But it is only understandable that they are not as alert as one should be while on the job. I feel that one way to reduce the accident rate is to allow more imported labour especially in the construction industry where most serious industrial accidents occurred to help to reduce the workload. This will allow our own worker with sufficient rest to be more alert on the job, thus having less accidents. Sir, safety is a joint venture between workers and employers and it is wrong for some people to point the finger of guilt at employers alone.

As I see it, I am quite prepared to support sensible measures on the first and third elements in the motion, namely, as regards questions of hazards, and questions of rehabilitation. We should do what we can to study further in these two areas.

However, I feel that drastic increases in any compensation packages cannot be supported. The effect of a drastic increase here would only serve to harm Hong Kong's industry. Enterprises, firms and manufacturing concerns would have one more reason to leave for less demanding areas.

Sir, we in Hong Kong have been most generous already, compared with many of our neighbours. Our generosity should not be further jeopardized.

With these words, I support the first and third, of the three aspects of the motion, but not the second, on the grounds which I have given above.

SECRETARY FOR HEALTH AND WELFARE: Sir, it has been the established government policy to preserve and promote occupational health.

In Hong Kong, we have a highly productive workforce of some 2.8 million people. Preservation and promotion of occupational health makes for a productive workforce and contributes to our economic growth.

Over the years, the Government has been providing a whole range of preventive, promotive and rehabilitative occupational health services to the working community.

Currently, under our existing rehabilitation policy, rehabilitation services are provided to physically and mentally disabled members of our community irrespective of the causes of disability. Should a worker become disabled as a result of an industrial accident, he will get the required medical and vocational rehabilitation to enable him to achieve maximum restoration of his impaired ability. Of course this is not enough; for example, in the admirable words of some speakers before me, what preventive occupational health measures are there for those of us with lower back pain who "bumble away" like the "busy bumble bees" that we are or "humble bees" that some of us hope to be?

Sir, the importance of occupational health should be recognized. It is recognized in the Report of the Working Party on Primary Health Care which I tabled in this Council last Wednesday. In the said report, occupational health is recognized as an essential component of primary health care. The report recommends, inter alia, that an overall review of occupational health should now be conducted in the light of changing practices in industry, emerging patterns of occupation and new concepts of occupational health. We are now consulting the public on this report and will give due consideration to the valuable views and opinions expressed on this subject today. Furthermore, policies and services on rehabilitation as a whole are currently under review and will be covered in a Green Paper to be published for consultation later this year and I look forward to Members' views.

I think, Sir, to be truly successful, preservation and promotion of occupational health will need an integrated approach via the combined efforts of social workers, health care professionals, employers, employees and the Government. Better occupational health care must be participatory, with due involvement of all concerned.

Sir, with these remarks, I support the motion.

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I have listened with great interest to the points made by Dr LEONG and other Members this afternoon. The motion before us covers two programme areas, namely, employment and rehabilitation. My colleague, the Secretary for Health and Welfare, has already dealt with the latter. I will now deal with the employment related issues of occupational health and safety. And in so doing I shall try as far as possible to respond to points of principle made by various Members in this debate.

Hazard prevention

Let me deal first with hazard prevention. The Government takes the view that the primary responsibility for health and safety at work rests with those who create the risks and those who work with the risks. This principle underlies the Factories and Industrial Undertakings Ordinance -- the main statute governing health and safety at work. As a result of major amendments introduced in December 1989, the Ordinance now makes employers responsible for the health and safety of all people working within their undertakings. Equally it makes employees responsible for establishing a risk-free working environment as far as possible. The Labour Department implements this legislation two ways. First of all, it promotes understanding of the Ordinance through publicity, education and training. As Mr HO Sai-chu has already pointed out, this effort is ably complemented by the Occupational Safety and Health Council. As a result, more businesses are taking the initiative in employing safety and health professionals to advise them on their work procedures. Secondly, the Department inspects industrial undertakings to ensure that both employers and employees are complying with the law. And here, I should perhaps remind honourable Members that where a serious breach of the law has been identified, successful prosecution can result in the imposition of custodial penalties.

The combined effect of both our promotional and regulatory effort has been a steady reduction in the incidence and severity of industrial accidents. Over the past five years the number of industrial accidents has stabilized at about 53 000 a year. But what is more encouraging is the fact that the number of serious injuries, particularly those caused by power driven machinery -- and I am sure my colleague, the Secretary for Health and Welfare, will agree with me that it is these injuries which are really nasty -- has declined from nearly 10 000 in 1986 to about 8 000 last year. So we have been achieving steady progress. Nevertheless the level of industrial accidents is still a matter for concern, particularly in the construction industry, and we cannot afford to relax our vigilance.

Several Members have suggested that the ambit of the Factories and Industrial Undertakings Ordinance should be extended to all industries. The Ordinance now covers factories, construction sites, mines and quarries and, from the end of this year, will cover all catering establishments. In considering further extensions, we will need to bear in mind that resources are limited. I am not trotting out a glib phrase when saying that resources are limited; they are truly limited. Members of the factory inspectorate do not grow on trees. They have to be recruited. Time

has to be spent on training them. They have to be given time to gain experience. Even with the best will in the world, and with unlimited resources, it will take time and patience to work up an increased capability. So far we have been concentrating on the higher risk areas, such as construction and manufacturing, with some measure of success. As I mentioned earlier we have managed to keep the overall level of industrial accidents stable over the past five years and there has been a significant reduction in the number of serious injuries. We must not spread our resources so thinly that we put at risk the success that we have fought so hard for so long to secure.

Several Members have called on the Government to require all businesses to set up safety committees. The Government's policy here is to encourage, not to compel. The experience of the Labour Department suggests that safety committees tend to be practicable and effective only where the industrial undertakings involved employ large numbers of workers. Many businesses, however, employ fewer than 50 workers. It would not be practicable for them to set up safety committees. That being so, the case for legislation or perhaps some other form of compulsion is not a compelling one. With small businesses the improvement of safety depends much more on educative publicity, coupled perhaps with quick, practical cash assistance, such as that now provided by the Occupational Safety and Health Council as an inducement to workers to improve work procedures.

Disability assessment and compensation

Turning now, Sir, to disability assessment and compensation, the Government's policy is to ensure that employees are compensated by their employers for injuries sustained in work, and for occupational diseases. This policy is implemented by the Labour Department on the basis of two statutes. The Employees' Compensation Ordinance requires employers to insure themselves against their liability to compensate their employees for work injuries and occupational diseases. The Pneumoconiosis (Compensation) Ordinance provides for a system of assessment and compensation for workers suffering from this disease.

Under the Employees' Compensation Ordinance, disability of a permanent nature requires assessment and certification by a board constituted under the Ordinance. In straightforward cases, where the injury is either specified in the Ordinance or the disability can clearly be identified, an Ordinary Assessment Board is convened to determine the loss of earning capacity. Where the Ordinary Assessment Board finds

that the standards prescribed under the Ordinance do not reflect accurately the loss of earning capacity, it may refer the case to a Special Assessment Board. Injured employees who are not satisfied with the findings of the assessment may ask for a review. Those who are still not satisfied with the results may take their case to the courts. So, Sir, it is not true that injured employees have no recourse. They have recourse to a full range of semi-judicial and judicial avenues of appeal.

The Ordinance also prescribes levels of compensation for permanent disability, having regard to the age of the employee, his earnings at the time of the injury and the degree of disability. The levels of compensation are reviewed every two years, taking into account movements in wages. And here, perhaps I should respond specifically to two points made by Mr TAM Yiu-chung when he asked about the origins of the 96-month rule and the ceiling for compensation set at \$485,000. The present system as reflected in the statute is the outcome of very careful consultations between employers and employees. That is the simple answer to his question of how these arrangements have come about. I think it should also be said that the present arrangements require employers to pay compensation regardless of whether or not they are at fault. This means that if employers have been found to be at fault, they may also be sued for damages and, as we have seen recently in the press, a certain employer has been sued heavily for damages.

We are talking about compensation payable by employers regardless of whether or not they have been at fault. So, in considering whether or not we should be raising these compensation ceilings, we must bear in mind two points. The first is that there would be a need to consult both employers and employees, and the second is that the benefits to be obtained from raising the level of compensation or the ceilings involved must also be carefully counterbalanced against the cost to employers and therefore to the economy of bringing about these benefits.

Several Members, Sir, have asked for a comprehensive review of the present system of disability assessment and compensation. The Labour Department does in fact keep the system under regular review and Members' suggestions will be taken into account in this process. Members may wish to know that we are currently considering two possible improvements. First, with the endorsement of the Labour Advisory Board, we are examining a system of direct settlement in cases of minor injuries. This would enable employers and employees to settle claims for compensation quite quickly, without involving the Department. The necessary amending legislation is now being drafted. Secondly, and again with the endorsement of the Labour Advisory

Board, we are looking at the feasibility of a scheme that would compensate employees for loss of hearing as a result of exposure to occupational noise. But simple as it may sound, the proposed scheme is proving to be quite difficult to devise. Loss of hearing can take place over a long period and it is not easy to establish stages in the loss of hearing -- never mind apportioning responsibility to specific employers and specific jobs in the past. Nevertheless, I am glad to say that a practical solution is now in sight, and that I will shortly be getting legislative drafting proposals from the Commissioner for Labour.

Sir, many Members have pointed out a number of inadequacies in the Pneumoconiosis (Compensation) Ordinance. As I said in this Council on 30 January in reply to a question from Mr TAM Yiu-chung, an inter-departmental working party is now reviewing the Ordinance. While the working party has yet to complete its task, its preliminary findings point to the need for a number of major changes to be made to the present system of assessment and compensation. Given the progressive nature of the disease, which is an undeniable fact, we cannot rule out the possibility of the present two-stage assessment process being replaced by more frequent and regular assessments and compensation payments. But here again, we have to be careful. While there appears, on the face of it, to be a fair case for more frequent assessments of disability leading to further payments of compensation, we must try to avoid a situation in which workers already suffering from this disease would further expose themselves to the same or greater hazards. It will be necessary to find a way in which these workers are required to perform other, non-hazardous work, following re-training if necessary.

The way forward

Sir, the motion before us urges the Administration to conduct with urgency a comprehensive review of its policies on occupational health and safety. As this subject covers two programme areas, and as Members have made a convincing case for the many related services and issues to be looked at as a whole, it would seem sensible for the various investigations now being undertaken by the two policy Branches and their Departments to be jointly monitored. My colleague, the Secretary for Health and Welfare, welcomes this. Accordingly, we have agreed to set up a joint steering committee to review the three component elements that we have been discussing this afternoon. Following consultation with her and my successor, I can say that we are hopeful we shall be able to report meaningful progress to the OMELCO panels concerned by the end of the year.

Sir, as the motion points out, today is International Labour Day. It also happens to be my last day as Secretary for Education and Manpower. I shall therefore have to leave the task of this joint review to my successor insofar as the employment side is concerned. As the next Secretary for the Treasury, I shall, of course, continue to be associated with the subject. And I should very much hope that, following the process of consultation with the relevant OMELCO panels, I will not be on the receiving end of incalculably expensive proposals -- for example, compensation for "Omelconiosis".

Sir, with these remarks, I support the motion.

DR LEONG: Sir, I am most grateful to you for a chance to rise again to have a second bite, as it were, at the motion under my name. I should add that I am glad that the Secretary for Education and Manpower alerted me that I had forgotten one major occupational hazard and this is "Omelconiosis" which is created by the Honourable Andrew WONG. As the present sitting extends into the late hours, this hazard could be crippling.

Let me thank my colleagues who have spoken so movingly and positively to support this motion. Nobody so far has actually spoken against it -- even the Honourable James TIEN, who has just left this Chamber, did not object to the major part of the motion. Perhaps one of the reasons nobody objected was that the Honourable Martin LEE was not in this Chamber today.

I am indeed grateful to my colleagues for their deliberations, including the "Act of God" that Mr James TIEN just mentioned. All the views expressed have enhanced the need for an urgent comprehensive review. When I moved this motion, I had one aim in mind and that is: as a progressive city we should do our very best to provide prevention to our workforce, to arrange a reasonable assessment and compensation to them and to give them our co-ordinated rehabilitating programme to get them back to active work in society. This is still my aim and I am convinced that most of the Members who spoke today spoke in this direction. I really fail to see that there is a political issue behind it.

In the concluding remark of my speech moving the motion, I made a plea to Government to organize an interdepartmental group to work towards an overall strategy

review on occupational health and injury. I am most delighted that the Secretary for Education and Manpower, perhaps as his parting gift, responded so positively to this need. I wish him well in his future endeavours and look forward to his effort, during his term as Secretary for the Treasury, in influencing the Financial Secretary so that the Government's purse strings will be loosened for the betterment of occupational health and hazard prevention. I am also most grateful to the Secretary for Health and Welfare for co-operation; for it is through the efforts of her branch that prevention and rehabilitation in relation to occupational health and hazard will go a long way.

Sir, it is no doubt a Herculean task that we are faced with in trying to better the lot of our workforce. But let us not forget that any improvement in the delivery of industrial health and hazard prevention not only affects the well-being of our 67.1% of the population who are in the workforce, but it also provides support for their families and gives peace of mind to their employers, in other words, every person in Hong Kong will receive the benefit.

The success of this overall strategy review, Sir, I would venture to say, will go side by side with the glamorous rose garden that you have portrayed, in that it will give Hong Kong people the care and concern they so much desire. For at the end of the day it is the people of Hong Kong that really make Hong Kong tick.

Sir, I urge all Members to support the motion before this Council.
Question on the motion put and agreed to

Adjournment

CHIEF SECRETARY: Sir, I move that this Council do now adjourn.

HIS EXCELLENCY THE PRESIDENT: Under Standing Orders, if there is to be a debate on the motion for an adjournment it is limited to 45 minutes before an official Member is asked to reply unless the President rules otherwise. I intend to limit it to 45 minutes which means that those who wish to speak and can get a chance to speak must speak fast and briefly; otherwise there will not be the turn for those who speak at the end.

Concessionary Transport Charges for Senior Citizens

7.10 pm

MR MCGREGOR: Sir, from the last debate, it seems that I am a medical disaster and I look forward to compensation. I suffer from noise-induced hearing loss, sleep-induced feeling loss, sometimes in this Council, and recently from a loss of political support. (Laughter)

Sir, I wish to raise the matter of concessionary fares for senior citizens. And I would like to thank in the meantime the simultaneous interpreters for their recent kindness to me. I also wish to apologize to them because I am going to read very quickly and I hope they can keep up.

I am grateful to the District Board for Central and Western whose deputation to OMELCO on 16 April provided me with public support for this submission. I had in fact been in contact with most major transport companies during the last year to urge them to introduce a concessionary fare system for the elderly, without success I am afraid.

I will stick to the principal points in favour of the introduction of an organized system of concessionary fares for the elderly across the entire range of major public transport companies. I repeat the word "organized" because no such system can be introduced in Hong Kong on the basis of goodwill from the transport companies even where this exists in good measure. It can only be introduced as an element in our rather deficient system of social support for the elderly and it can therefore only be introduced by co-ordinated action from the Government with the assistance of, or under pressure from, this Council. We are speaking about 9% of our population, that is, over 500 000 aged people. They have contributed hugely to our economy, many of them during the years when we had no social services to offer and when Hong Kong was accused of being a sweat-shop. Quite often, Sir, we were. It was the sweat of our now aged population that propelled us forward towards relative stability and prosperity.

The old people in Hong Kong, most of whom have worked here all their lives and most of whom have little or nothing at the end of their lives to fall back on except family support and occasional charity, surely deserve everything that we can do for

them in the provision of concessionary services.

Increasingly old people live apart from their children often because the children are no longer here. Transport is essential to them, as is the telephone, to maintain friendly connection. It is essential, for many other reasons, to travel to clinics and to markets, sometimes, hopefully, to enjoy the company of others. Such travel can mostly be conducted in off-peak hours when there is space available in most of our major transport companies vehicles, trains and ferries. That in fact is what I am asking the Government to bring about and this Council to endorse strongly today.

I have already seen the inevitably negative response by the Transport Department to the suggestion that concessionary fares for the elderly should be accepted by the Government as a policy responsibility. It is very easy indeed to find reasons for doing nothing just as the Government has found it impossible to consider the introduction of an old age pension as of right replacing the existing means-tested charitable and derisory system of old age allowances. These negative views will no doubt be advanced by the Government as a reason for continuing to do nothing and for refusing to accept the principle behind the proposal, that of organized support for the elderly. We will be told that we cannot afford to compensate the transport companies. Why should the transport companies be compensated when the elderly are taking up unutilized seats in off-peak hours. At least one transport company, Citybus, has for some time operated a concessionary fares scheme for the elderly. Even within the limited travel routes allowed to them Citybus has already issued over 1 000 concessionary travel cards to senior citizens allowing a 50% reduction on normal fares. This has been done as a public service by a company noted for its quality and efficiency. Kowloon-Canton Railway Corporation also operates a limited concessionary service for senior citizens.

So it can certainly be done given the will to do it. Hundreds of similar systems have been operating for many years in other countries, enriching the lives of senior citizens who have given so much to their communities throughout their lives. Why should Hong Kong be so different? Is society so selfish that it will not consider helping its older citizens in this way? Is the Government so lacking in social conscience or so much under the influence of the transport companies that it will not accept the principle nor take on the responsibility for planning such a system.

I was told when I began to push the Government on the issue of ex-prisoners of war's pensions that my requests had all been considered before and that this Council

had not supported them. That did not deter me nor did it deter a few other concerned Councillors. The result of our pressure was a change in government policy. But it took a new Secretary for Health and Welfare to accept responsibility and to take a new initiative. Thank you, Elizabeth. This has been a good day for these valiant people.

I am today asking the Government through this Council to examine the question of concessionary fares for the elderly again, not to reject it but to see what can be done, with goodwill and sincere effort, to make it successful. If all our Councillors today approve my motion, that will be a solid step forward.

I also want to propose that this Council set up a standing panel which will be responsible for the promotion of the interests of our senior citizens. The problems faced by the aged are many and complex and must not continue to be dealt with as one small part of a much larger Legislative Council responsibility shared between several panels. Thank you, Sir.

HIS EXCELLENCY THE PRESIDENT: Despite Mr McGREGOR's speed reading, those who wish to speak and can get a chance to speak will have to speak at roughly half that length.

MR CHAN (in Cantonese): Sir, I fully endorse the motion moved by the Honourable J D McGREGOR. I read the text of his speech yesterday and I am most willing to join a standing panel which as he proposes should be set up in this Council to promote the interests of our senior citizens.

I support the idea of introducing concessionary fares for the elderly, not because I am worried that old people do not have enough money to travel on public transport, but because the proposal is a very meaningful one. I hope the elderly will be looked after by the community in all aspects of their life, including medical care, recreation, food and clothing, as well as accommodation.

As regards the provision of transport services, old people will certainly be delighted if they are given half-price public transport fares and I am surprised to find that concessionary fares have yet to be granted to them. The Transport Department has not come up with any report on this subject, but I think this is a simple question that requires no further study as it is only a question of whether or not the public

transport companies are willing to do so.

I understand that concessionary offers granted to the elderly can be very thorough in some instances. As not everyone knows, I shall be glad to take this opportunity in doing some promotion free of charge. From May 4, the qualifying age at which free admission is offered to old people at Ocean Park has been lowered to 60. In other words, persons aged 59 have to pay \$140 for a full set of tickets while those reaching the age of 60 can spend a good time at the park entirely free of charge. Persons over 60 are offered half fares if they take part in the functions organized by the two municipal councils, including performances given by Jose CARRERAS, one of the three most famous singers in the world. For tickets priced at \$950, the Honourable J D MCGREGOR will have to pay only half that amount.

There are other forms of subsidizing travel on public transport. For example, under the auspices of the Eastern District Board, those over 60 holding concessionary travel cards are offered concessionary fares when they travel on green minibuses plying on 11 routes in the district. I trust other district boards may have similar schemes or may consider introducing such schemes.

This reduction in fares, whether it involves a saving of only a dollar or two or several hundred dollars, represents a gesture of concern for the elderly, and is intended to encourage old people to take a greater part in social activities so as to enable them to remain healthy and live a long life. Should public transport companies respond to this call, the scheme will be even more effective. Elderly people aged over 65 account for only 9% of the general population. Perhaps, the Government may consider granting concessionary fares to those reaching the age of 60 so as to follow the age criterion laid down in social welfare policies as to the qualification of being an elderly person.

MR HUI (in Cantonese): Sir, today's debate is to me an old tune because as early as the end of 1986, I have already written to various major public transport companies, requesting them to consider granting concessionary fares to our senior citizens. Though I only asked for such fares to be offered during non-peak hours, the conclusion thus drawn was that while these companies considered my request reasonable, any reduction in fares would be unfair to other passengers and might even create the pressure to increase fares unless the Government was willing to bear the subsidy cost.

Of course, I cannot agree with such an argument because of several reasons: (1) this kind of preferential treatment is a gesture to show our respect and concern for the elderly. This is therefore a right they should enjoy and is in no way a kind of welfare. Indeed, the Government has already been offering old age allowance to the elderly. Though the sum is limited, the Government is doubtless a step ahead of these companies in this respect. (2) In many advanced cities, the public transport companies still shoulder this responsibility despite the keen competition they face as they regard it a long-term investment to build up their public image. Yet, many of our local companies have not only contributed little to public charities, but are also very short-sighted. (3) As the elderly people are somewhat limited in their movements and many of them have already retired, their need for public transport is also minimal in that they make use of such services only to maintain their social lives. Hence, possible abuse of the preferential treatment should be the least of our worries. According to my rough estimation, even if these public transport companies really offer concessionary fares at half price, their annual loss will be scanty. It is believed that this will only cost them less than 1% of their permitted return while at the same time they can save a good sum of investment in improving their images.

I would therefore like to urge the Government to consider stipulating public transport companies to set aside a certain percentage of their annual return, whether permitted or not, to provide half-price concessionary fares to senior citizens above 65 during non-peak hours, when it negotiates the granting of the operation rights and in particular the renewal of franchise with these companies. If the Government abandons this principle, it implies that the Government is neither concerned with the needs of the citizens; nor committed to fighting for their interests, not to mention to build up a caring society for them.

In addition, I also hope that the Government will request public transport companies to provide various support facilities to facilitate the disabled to use public transport so as to ease their financial burden in connection with their reliance on the more expensive means of transport.

MR PANG (in Cantonese): Sir, first I would like to declare interest as I am already over 65 years old. Although the Central Committee on Services for the Elderly regrettably stated in its report in September 1988 that it "reluctantly accepted" the Government's refusal to fund or subsidize the travel scheme for the elderly, I

really hope that the Government would review once again concessionary transport fare for elderly people over 65 years of age.

At present, some light bus operators have already implemented a concession scheme including reducing the fare for elderly people. The KCRC will also operate a similar scheme for the elderly travelling between Hung Hom and Lo Wu.

As for the MTRC, concessionary rate has already been offered to children and students. Can this be extended to include the elderly over 65 years of age?

Sir, the significance of the concession is not only in monetary terms. By way of requital, the contribution senior citizens made to our society can be affirmed. This is in fact a great comfort to our senior citizens.

Sir, I support the motion.

MR POON CHI-FAI (in Cantonese): Sir, the prosperity of our society and the achievements of Hong Kong today are the fruits of the hard work as well as the enterprising and pioneering spirit of our senior citizens over the years. Respecting the elderly, providing them with adequate clothing and food, offering them a comfortable living in their remaining years and letting them share the fruits of their hard work are ways to recognize and reward the elderly for their contribution to our community in their early years. All these are meaningful attempts which should be encouraged. However, before coming to a decision on the introduction of the concessionary transport charges scheme for our senior citizens, the Administration must carefully consider the positive and negative effects of the scheme and see whether there are other more desirable or worthwhile alternatives by which the elderly could be benefited to a greater extent.

Sir, when I discussed the proposed scheme with some senior citizens, some of them are of the opinion that such a scheme might not be able to benefit each and every aged person. This is true especially for those whose senility has deprived of their ability to move about. As a matter of fact, in the course of getting older, the physical strength of the elderly deteriorates. It is likely that some elderly cannot enjoy the benefit of the scheme at all. Sir, I agree that we should respect our senior citizens. I even hope that the Administration will within its means introduce more concessionary schemes for the elderly. However, in the face of the huge infrastructural projects, the considerable budgeted defici

ts in the coming years and the limited financial resources of our society, I can hardly believe that the Government is prepared to allocate a great deal of provisions for concessionary services for the aged. It is therefore doubtful whether the proposed concessionary transport charges scheme will be funded. While we are in a society of free economy, I also wonder whether the Administration can order all public transport corporations to implement the scheme on a voluntary basis without directly or indirectly bearing the cost or providing financial assistance at all. If such a scheme has to be implemented at the expenses of the reduction and cancellation of some services for the elderly, the loss to the elderly people will outweigh the gains. As for those who are older, of poor health, unable to move about and thus have to stay at home, they may not be able to enjoy the concessionary transport fare scheme and their loss will be even greater.

Sir, while the scheme may not benefit the older members of the elderly group, a
nd the needs of individual aged person may be different from those of the others . Some are in urgent need of medical service, some may long for improved living conditions. Yet some want better food or cultural and recreational activities. Under such circumstances, if the Administration deploys the financial resources for the concessionary transport charges scheme to increase to the old age allowance so that each senior citizen can decide on his own priorities in spending the money, the effect will be even more beneficial to their well-being. Sir, with the rapid development of our industries and commerce, members of the community have to work under greater pressure and the housing problem has been aggravated by the growth in population. Members of a family are becoming less capable to look after their elderly. The severity of problems related to the aged has become more obvious. We have heard stories about lonely and miserable old people and those who have been deserted. In order to remedy the situation, the Administration should allocate provisions to subsidize the increase in allowances for dependent parents for those taxpayers who reside with their parents and to enhance the chance of successful application for public housing by applicants who live with their elderly parents. These are measures to encourage people to live with their parents and take care of them. Besides, the Administration should step up the concessionary measures on medical services offered to the old people and the provisions of more hostels for the elderly and homes for the aged so that our senior citizen may be more adequately cared for.

Finally, Sir, although I have reservations about a voluntary scheme of

concessionary fares to be introduced by all public transport companies without the corresponding government contributions or subsidies, I would be most delighted, considering the importance of respect for the elderly, to support the motion and would like to urge all public transport companies to provide concessionary fares to the elderly. With these remarks, Sir, I support the motion.

MRS TAM (in Cantonese): Sir, the onus of looking after the well-being of the elderly should not only lie with the Government. As Hong Kong is a prosperous and caring society, all sectors should do their best in supporting the care of the elderly. Therefore, I think all major public transport companies should spontaneously consider introducing a system of concessionary fares for all senior citizens of 65 years of age and over, so as to reduce their travelling expenses. Since the Government has already been committed to the provision of other welfare services for the elderly, it should do all it can to encourage the implementation of this system, instead of granting subsidies or making legislative requirements.

In brief, I think all major public transport companies in Hong Kong should earnestly consider the above suggestion essentially for the following reasons:

First, the vast majority of public transport companies are presently offering half fares for children aged below 12. It is to be noted that the 50% fare reduction is not stipulated by law. Half fares should likewise be offered to the elderly since they are as financially deficient as children.

Second, the proportion of the elderly population aged 65 and above is less than half the proportion of children aged below 12. While the financial impact on the companies concerned should be minimal, the proposed scheme will help project a proper image of transport companies in the community.

Third, the introduction of concessionary fares will indirectly promote the elderly's contact with the outside world. This is in line with what the Government has consistently been doing in enhancing old people's social life.

Finally, the minimum qualifying age for an old age allowance has been lowered to 65. Viewed in this context, it is only reasonable to set the age level at which concessionary fares are offered at 65.

Sir, the foregoing are my remarks to which Dr TSE has given his support.

MR MICHAEL CHENG (in Cantonese): Sir, with the changes in society, caring for the elderly has now become not only the responsibility of their children, but also the responsibility of the community. The theme of today's motion moved by the Honourable J. D. MCGREGOR does very little to promote the overall welfare of the elderly as it only advocates introducing concessionary transport charges for senior citizens aged 65 or above. In fact, the more pressing needs of the elderly people are housing and medical care.

The housing problem of old people is more acute in public housing estates, particular so in deteriorating old estates which are due for redevelopment. I have received a lot of complaints from old people and concern groups on problems of the elderly, alleging that old people affected by redevelopment projects are forced to keep moving from one old estate to another at very short intervals for the same reason. In this way, the old people are being kicked around like human balls. They have no way to secure allocation of new flats in situ where they can live peacefully for the rest of their lives. The situation of the elderly bedspace lodgers in the urban area is even more pitiable. So far, no appropriate government action has yet been made to improve things in this regard. On the contrary, nearly \$4 billion of public money has been used for the purpose of providing better care for the Vietnamese boat people. During my recent visit to the Tai A Chau Detention Centre, I have had the opportunity to see a well appointed centre of considerable scale provided with even sitting-out spaces and barbecue facilities. The environment there is so lovely that it makes me think of the appallingly poor living condition of the old people which is a far cry from that of the boat people.

It is natural that old people, being generally weaker and more susceptible to illness, should be in great need of medical care. However, the exorbitant fees charged by private practitioners are not affordable to the average elderly. On the other hand, waiting time for general medical treatment in government clinics is usually long and can be as long as several months in the case of specialist treatment. This fully reflects that government provision of medical service for the elderly is extremely insufficient. Besides, there is also a severe shortage of care and attention places. At present, it normally takes an old person four years to gain admission to a care and attention home.

More and more old people will need to rely on the community for help. This, coupled with the absence of a government-run compulsory retirement scheme, will make caring for the elderly a pressing and serious social problem. The introduction of concessionary transport charges for senior citizens, which is the only concern of today's motion, will be nothing more than a drop in the ocean and go a very little way towards getting the old people out of their difficulties. In order to meet the actual needs of the old people in a more practical way, we must begin with tackling their housing and medical care problems. I hope the Government will conduct a comprehensive study on the future demand for welfare services for the elderly as soon as possible so as to work out longer-term plans for promoting their well-being.

Sir, the foregoing are my remarks on the motion.

MR DAVID CHEUNG: Sir, a Chinese proverb says "Take care of the elderly, your own elderly and the elderly of others. ()". Entrenched in Chinese civilization and culture are the virtues of filial piety and the respect for the elderly. Such important and fine traditions have carried on for years. With rapid social changes and high mobility of life, such virtues are gradually diminishing. What a pity! In a predominantly Chinese community such as Hong Kong, every effort should be made to re-establish these fine traditions. The Government and the community as a whole should leave no stone unturned to help. Any measure which could lend in such direction should be energetically pursued and put in practice so as to generate the atmosphere of filial piety and respect for the elderly. Simultaneously it will bring benefits to the elderly in real terms.

Sir, the elderly have given the main part of their lives to the community. In one way or another they have all made useful contributions to society. Without the old and all their efforts, the young may not have reached where they are now. Society has every obligation to reward or repay them in their retirement. Concessionary fare is but one of the many possible gestures, in fact the least we can do for them.

In western countries where there are better social security system, they give their senior citizens preferential treatment. As international as Hong Kong, should we shy away from such obligation? Hong Kong is affluent enough to do it. I hope the companies concerned should bear the cost and would not use economic or administrative difficulties to reject such a meaningful gesture. Such companies have been given the monopoly for so long to make an assured profit.

With these words, Sir, I support the motion.

MR CHOW (in Cantonese): Sir, it is an undisputed fact that the problem of an ageing population is making itself felt in Hong Kong. However, services provided by the Government to elderly people have not improved to any appreciable extent. There are numerous instances of elderly people being driven by straitened circumstances to work as odd jobbers in factories and restaurants. The Government has, time and again, vetoed the setting up of a central provident fund. This has caused dire straits to the elderly people who had laboured and toiled during the Nineteen Fifties and Sixties to build Hong Kong's economy.

The persistent neglect by the Government of the benefits and interests of the elderly people has aggravated their hard lot. The catchcry of "Let users pay" trumpeted by the Hospital Authority and the guiding principle of "Let those who have the means pay" advocated in the Report of the Working Party on Primary Health Care are threatening to add to the medical expenditures of elderly people who are the major "users" of medical services. Other welfare services for the elderly, such as hostels for the aged, are being underprovided. This is particularly apparent in certain old urban districts. As a member of the United Democrats of Hong Kong, I must take this opportunity to state the stance of the United Democrats.

First, the United Democrats hold the view that welfare services for the aged are part of the citizen's basic rights to which elderly people are entitled. The concept which the Government might have that such services are gestures of charity or relief to the elderly must be corrected. Furthermore, medical expenses, both for outpatient services and hospitalization, have risen substantially. If the Government were to grant concessionary rates of fare to elderly people over 65 years of age (it is hoped that it might be lowered to 60) travelling on public transport conveyances, it should likewise extend such concessionary schemes to other areas of social services, such as medical services charging. Moreover, the Government should provide more welfare services for the aged, having regard to the varying needs of individual districts -- particularly those districts where there is a higher ratio of elderly population, such as Sham Shui Po and Central and Western. This will be in line with the Government's conceived ideal of developing a caring society.

Sir, since the Government is determined to develop Hong Kong into a caring society in the 1990s, it should demonstrate its resolve through concrete action. A saying

has it that "largesse need to be extensively available and evil need to be completely uprooted." It is hoped that the Government will support my above proposals.

MRS LAM (in Cantonese): Sir, first of all, I would hope I never would need to declare interest in this matter under debate as I would not wish the scheme of concessionary transport charges for senior citizens to wait until I am old enough to qualify.

When the Transport Advisory Committee met to discuss the Student Travel Scheme this year, I remember I raised also the question of concessionary fares for senior citizens. The proposal, however, was not accepted. So I am particularly heartened to learn that the Honourable Jimmy McGREGOR is proposing this as a subject for discussion in today's adjournment debate. As the Honourable CHAN Ying-lun has mentioned, concessionary fares for senior citizens using public transport services have been introduced in many districts. Wan Chai, for example, reached an agreement with the maxicab operators five years ago that senior citizens in the district would only have to pay half the fare for a ride on their maxicabs. So, today, I would like to take the opportunity to urge our major public transport operators to provide concessionary fares for the other hundreds of thousands of senior citizens who have spent the better part of their whole life contributing to the development and prosperity of Hong Kong.

Perhaps the following points, or comparisons which I am going to make, could help illustrate my point of view.

(1) Any business or company, on knowing that some people have been their customers for 50 to 60 years, should be most delighted to offer these faithful customers special concessions as a token of thanks and as a sales gimmick to attract more customers. I wonder why public transport companies do not care to give consideration to this.

(2) Senior citizens have been granted concessions, either half-price or free services, by public transport companies in almost every metropolis all over the world. Should Hong Kong, being an international city, lag behind and fail to stand comparison with other cities in this respect?

(3) Respect for the elderly has always been a virtue upheld by the Chinese people. Is it not a golden chance for us to show our thoughtfulness to the senior citizens through a modest concession of this kind?

Sir, with these remarks, I urge the Government and all major transport operators to give serious consideration to the views put forward in this Council today.

MRS LAU: Sir, as Hong Kong is a place where honour and respect for the elderly remains a virtue which is upheld by the vast majority, it is difficult to see that anyone would be opposed to the granting of concessionary rates on transport to our senior citizens. But the basic question is: who should pay for the provision of such benefits?

Sir, our major public transport operators are either franchisees operating under profit control schemes or statutory corporations operating under prudent commercial principles. The application of such schemes and principles has already provided justification, whether rightly or wrongly, for many of these operators to make annual upward adjustments of their fares at rates exceeding that of inflation. The strict application of commercial prudence demands that any shortfall of revenue in one area would have to be made up in another area. It follows that if the Government were to demand or insist on operators granting concessionary fares to one group of passengers, this would give the operators an excuse to further increase the fares for other passengers so as to subsidize that one group. The alternative would be for the Government to pick up the tab which means that ultimately the taxpayers would be asked to pay.

Sir, from the transport point of view, I do not think that it is right to require one passenger to pay more than his fair share to subsidize another passenger.

Neither do I think that the financial burden of any such concessionary schemes should be loaded on to the taxpayers. All too often it is forgotten by the public transport operators that they are providing a service for the public. The making of profits is important but equally so is the goodwill of the public. This is particularly so in the climate of increasing competition between the various transport modes. The 1979 White Paper on Social Welfare laid down the guiding principle of "Care in the Community and by the Community" for the development of services for the elderly. This principle still applies today. The promotion of services for the elderly is really a community concern and whilst the primary responsibility for such promotion rests with the Government, the part which the community ought to play must not be ignored. Public transport operators are part of the community and as such they should assume a certain degree of social obligation

within their own area of activity to show their care and concern for the elderly. In this regard, I urge the public transport operators to acknowledge their community responsibility and to take the initiative themselves to grant concessionary fares to senior citizens.

MR LAU WAH-SUM (in Cantonese): Sir, I agree wholeheartedly that we should respect the elderly bearing in mind that the over-60s have gone through the war and the economic hard times of the 1950s. As we do not have a central provident fund in place, some aged people are now living desperately from hand to mouth. In view of this, I would suggest that the Government take the lead to remedy the situation. The Government should, first of all, issue special identity cards to residents over 65 years of age and encourage every trade to offer special services, as a gesture of honour and respect for the elderly, to these special ID card holders. Sometimes it might not necessarily be money that would make them happy. The Government could perhaps provide preferential treatment to senior citizens at Customs or other waiting queues through provision of specially-designated routes for the elderly. This arrangement, I should say, would not cause the Government a penny. So if the Government took the lead and encouraged other people to follow suit, the aim of caring for the elderly could be better and more easily achieved than urging the public transport companies to grant concessionary fares to senior citizens.

Sir, I support the motion.

DR LEONG: Sir, the concessionary fares system is something I believe that should be bolstered with no reservation. Sir, decent welfare measures for our senior citizens are long overdue. We do not need a change of policy to work them out. What we need is a will and an armed tool, that is, Government's sincerity to work this will.

Hong Kong as an advanced society has unfortunately paid too little attention to the well being of its senior citizens. It lags behind other comparable cities in elderly welfare provisions and I am sorry to say that apart from its sugar-coated promises of welfare improvement for the elderly, little has come that way.

Let me remind Government that travel fare concessions for our senior citizens is but a puny step forward to show our concern for them. The step may be small, but

it means a lot for the concessions go far beyond dollars and cents. It shows Government's care for them. It is also a token of appreciation for their past contribution to the good of society.

Sir, actions speak louder than words, apart from paying lip service, let us do something at once for it is too embarrassing to let a private company lead Government by the nose to provide concessionary service to our senior citizens.

Sir, with these remarks, I support the idea.

MISS LEUNG (in Cantonese): Sir, the admirable, enviable state of development, the prosperity and the thriving economy of Hong Kong today absolutely embody and effectively reflect the worthy efforts of our senior citizens who devoted the better part of their life, their youth and their unstinting energy to the community.

Sir, I feel that our community and Government have always been too pragmatic and utilitarian. Given that young people are the pillars of our future society and a minority of them will cause trouble to the adult world, we have made an unreserved effort to formulate a comprehensive set of youth strategies. We are concerned about their problems and take care of their interests. We have done a good job in this respect. However old people are in their twilight years. They are no longer the core of our community and do not have much impact on society. To a certain extent, their problems have therefore been ignored and their interests have not been well taken care of. No comprehensive strategy has been formulated as a gesture of care and requital for the elderly.

The spirit of Mr McGREGOR's proposal for this adjournment debate is to ask our community and Government to give a modest reward to the elderly who have devoted their energy and youth to us. I fully support the theme of this debate. However, I still find it inadequate. What I hope to see is wide-ranging and real adequate care by way of requital for our senior citizens. We must, without hesitation, face the problem of old people squarely and take care of their interests earnestly. As what has been done for young people, a comprehensive and incisive policy on old people should be formulated as soon as possible. I think the Government should establish a central committee or a working group as soon as possible to study and formulate such a policy. People from different sectors of the community, in particular senior citizens, should sit on it.

Sir, as regards the subject of this adjournment debate, if public transport fares should go up as a result of the offer of concessionary fares to elderly people, I will not support it because this would mean that other passengers would have to subsidize the senior citizens in their use of public transport services.

It is known that most of the passengers are in the lower middle income group, and some are even low income earners. It would obviously be unfair and impractical if they were asked to subsidize the senior citizens. We should not ask the poor to subsidize the senior citizens. I think public transport subsidies should be borne by the whole community and concrete measures should be worked out by the Government and the organizations concerned.

MRS TU: Sir, I thank my colleagues for giving me the longest time but I will not take advantage and cutting down my speech by half.

Sir, I declare an interest, though I do not need the concessionary fares.

Our community has changed from the days when the extended family lived together. Public housing policy does not allow married sons to have nearby flats and a young couple obtaining public housing on the waiting list now have to go to the New Territories. Since this is the policy, we need to make it easier for the elderly to travel to see their children and grandchildren. The elderly eking out a living on the government subsistence allowance may not be able to afford the rising fares of public transport. Those who are sick may find it difficult to pay transport fares to see the doctor of their choice.

It would be a gesture of care and respect if our public transport companies would offer concessionary fares to these old people who served Hong Kong in its less prosperous days and are now among its poorest and least cared for.

Mr McGREGOR has already mentioned empty seats during off-peak hours, say, between 10 am and 4 pm. The Urban Council already provides concessionary fees for the over-60s in its various cultural and sports venues. I am not aware of any difficulty in carrying out this policy. Cheaper fares during off-peak hours could even ease a little of the strain on public transport from peak hours because the elderly would probably wait until after the rush hours to get the cheaper fare.

The transport companies should seriously consider improving their public relations by putting something positive into their system and by showing a care for the elderly in this way. Thank you.

7.48 pm

HIS EXCELLENCY THE PRESIDENT: Thanks to some Members', under their "self-denying ordinance", dropping out and some rapid speaking, we are well within our time limit. I will now call on the official Member to reply.

SECRETARY FOR HEALTH AND WELFARE: Sir, it is quite evident from the quality of the short and speedy debate this evening that we in Hong Kong do honour and respect elderly members in our community. I support all that has been said. Clearly we need to set priorities and explore ways and means to enhance the mobility of our elderly citizens. My colleagues and I in the Government will endeavour to pursue this energetically in the light of Members' views.

Might I add before we adjourn, Sir, that I am grateful for Honourable Members' wise counsel and, as a future beneficiary, I thank them all in advance.

Question on the adjournment proposed, put and agreed to.

Next sitting

HIS EXCELLENCY THE PRESIDENT: I congratulate the interpreters on their speedy, Olympic interpretation and in accordance with Standing Orders I now adjourn the Council until 2.30 pm on Wednesday, 8 May 1991.

Adjourned accordingly at eleven minutes to Eight o'clock.

Note: The short titles of the Bills/motions listed in the Hansard, with the exception of the Occupational Retirement Scheme Bill 1991, Securities (Insider Dealing) (Amendment) Bill 1991, Hong Kong War Memorial Pensions Bill 1991 and the

Hotel and Guesthouse Accommodation Bill 1991, have been translated into Chinese for information and guidance only; they do not have authoritative effect in Chinese.