

## OFFICIAL RECORD OF PROCEEDINGS

Thursday, 7 October 1993

The Council met at half-past Two o'clock

### PRESENT

THE PRESIDENT

THE HONOURABLE JOHN JOSEPH SWAINE, C.B.E., LL.D., Q.C., J.P.

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

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

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

THE HONOURABLE NGAI SHIU-KIT, O.B.E., J.P.

THE HONOURABLE PANG CHUN-HOI, M.B.E.

THE HONOURABLE SZETO WAH

THE HONOURABLE TAM YIU-CHUNG

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

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

THE HONOURABLE EDWARD HO SING-TIN, O.B.E., J.P.

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

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

THE HONOURABLE MRS MIRIAM LAU KIN-YEE, O.B.E., J.P.

HONOURABLE LAU WAH-SUM, O.B.E., J.P.

HE HONOURABLE LEONG CHE-HUNG, O.B.E., J.P.

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

HONOURABLE MRS ELSIE TU, C.B.E.

HONOURABLE PETER WONG HONG-YUEN, O.B.E., J.P.

HONOURABLE ALBERT CHAN WAI-YIP

HONOURABLE MOSES CHENG MO-CHI

HONOURABLE MARVIN CHEUNG KIN-TUNG, J.P.

HONOURABLE CHEUNG MAN-KWONG

HONOURABLE CHIM PUI-CHUNG

THE HONOURABLE FUNG CHI-WOOD

HONOURABLE FREDERICK FUNG KIN-KEE

HONOURABLE TIMOTHY HA WING-HO, M.B.E., J.P.

HONOURABLE MICHAEL HO MUN-KA

THE HONOURABLE HUANG CHEN-YA

HONOURABLE SIMON IP SIK-ON, O.B.E., J.P.

THE HONOURABLE LAM KUI-CHUN

THE HONOURABLE CONRAD LAM KUI-SHING, J.P.

HONOURABLE LAU CHIN-SHEK

HONOURABLE EMILY LAU WAI-HING

HONOURABLE LEE WING-TAT

HONOURABLE ERIC LI KA-CHEUNG, J.P.

HONOURABLE FRED LI WAH-MING

HONOURABLE MAN SAI-CHEONG

HONOURABLE STEVEN POON KWOK-LIM

THE HONOURABLE HENRY TANG YING-YEN, J.P.

THE HONOURABLE TIK CHI-YUEN

THE HONOURABLE JAMES TO KUN-SUN

DR THE HONOURABLE SAMUEL WONG PING-WAI, M.B.E., J.P.

DR THE HONOURABLE PHILIP WONG YU-HONG

THE HONOURABLE HOWARD YOUNG, J.P.

THE HONOURABLE ZACHARY WONG WAI-YIN

DR THE HONOURABLE TANG SIU-TONG, J.P.

THE HONOURABLE CHRISTINE LOH KUNG-WAI

THE HONOURABLE ROGER LUK KOON-HOO

THE HONOURABLE ANNA WU HUNG-YUK

THE HONOURABLE JAMES TIEN PEI-CHUN, O.B.E., J.P.

THE HONOURABLE ALFRED TSO SHIU-WAI

**ABSENT**

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

THE HONOURABLE RONALD JOSEPH ARCULLI, O.B.E., J.P.

THE HONOURABLE VINCENT CHENG HOI-CHUEN, J.P.

DR THE HONOURABLE YEUNG SUM

**IN ATTENDANCE**

THE CLERK TO THE LEGISLATIVE COUNCIL  
MR CLETUS LAU KWOK-HONG

PURSUANT TO STANDING ORDER 4AA, HIS EXCELLENCY THE GOVERNOR, THE RIGHT HONOURABLE CHRISTOPHER FRANCIS PATTEN, ATTENDED THE COUNCIL TO RECEIVE QUESTIONS ON MATTERS ARISING FROM HIS POLICY ADDRESS.

PRESIDENT: Members please remain standing for the Governor.

CLERK: His Excellency the Governor.

PRESIDENT: Council will now resume. The Governor will make a short address. The question time this afternoon will be devoted to matters arising from the Governor's policy address.

GOVERNOR: The Governor will make an extremely short address. I spoke for just over two hours yesterday and I think it would be ungentlemanly of me to speak at length this afternoon. So, I suggest, if the Council is satisfied, that we proceed directly to questions so the Council has as much time as possible. If the Council is satisfied with that, I hope they will feel there is plenty in this speech on which they can ask questions.

PRESIDENT: Members may now put questions to the Governor. A Member who has asked a question may, for the purpose of elucidation only, ask a short follow-up question. Show of hands, please. Mr Andrew WONG.

MR ANDREW WONG (in Cantonese): *Should I stand?*

PRESIDENT: It is a matter of choice, MR WONG.

MR ANDREW WONG (in Cantonese): *Mr President, the first half of the Governor's policy address yesterday can be said to be boring though with some substance, but the second half is really "seductive" or may even be explosive. Could the Governor tell us whether "a third channel" has been considered for the talks? What I mean by "a third channel" is that a new package, similar to the one that I proposed (though not necessarily my proposal), will be adopted as the basis of negotiation. In this package the British side will not insist on your original proposals while the Chinese side will not insist on the strict interpretation of the Basic Law. If such a channel has not been considered, then why was it not given a chance; and will it be tried in the next few weeks (as the Governor said yesterday that we had only weeks rather than months to conclude these talks)? And this is the only way for the talks to keep its progress.*

GOVERNOR: I assume that in categorizing that question, I should regard it as seductive rather than boring. I am not entirely sure what the honourable gentleman means by a "third channel". I was not able to detect, in what he was saying, a different artifact for trying to get from where we are now to where he

and I — and I guess all of us — would like us to be. We have, during the negotiations, shown, I think, on our side of the table, considerable flexibility and creativity. I set out, not to universal approbation yesterday, some of the things which the British and Hong Kong colleagues had been prepared to do and say. It is obviously for Chinese officials to say what they have been prepared to do, and I am sure that they will say that in due course. But I can assure the Honourable Member that we have left no stone unturned, save that we do not intend to abandon our principles.

PRESIDENT: Mr Alfred TSO.

MR ALFRED TSO (in Cantonese): *Mr President, please allow me to ask the Governor, Mr PATTEN, a question on the pension arrangements for civil servants. The community agrees that maintaining the confidence and boosting the morale of the Civil Service is very important to the smooth transition of Hong Kong. Although the Governor has proposed to use \$7 billion to set up a pension fund for civil servants, such an amount will not help much in meeting the colossal commitment in respect of civil service pensions. Will the Governor announce the total amount of pension owed to the civil servants and draw up a specific timetable for injecting more money from the tax revenue into this pension fund, so as to ensure that the arrangements are proper, thus allaying the worries of civil servants?*

GOVERNOR: First of all, I would like to congratulate the Honourable Member on his arrival in this Legislative Council. I am sure that he will find it as entertaining and constructive a way of passing his hours as his 59 colleagues do.

I think the Honourable Member and I must have very different ideas of magnitude. To regard \$7 billion as being rather a trivial sum does seem to me to give new meaning to the concept of triviality. If \$7 billion is trivial, I think most Members of the Council would like to be trivial with that sort of money. What we face — and perhaps I can set out the position in some detail — is a rather strange dilemma and request. There is no doubt whatsoever that the continuing payment of civil service pensions is a statutory right. It is perfectly clear in the law and a statutory charge on our revenues. There is equally no doubt that we have plenty of money, year on year, to go on paying civil service pensions as we have done out of general revenue, representing at top, about 4% or 5% of what we have coming in. There is equally no doubt that the Joint Declaration and the Basic Law make perfectly plain the commitment of a future SAR Government to paying civil service pensions, as this Government has done under British sovereignty. That is as plain a commitment as the commitments to — what shall I say — freedom of speech, freedom of assembly, freedom of worship, and all those other matters. Now, on those other matters, Chinese officials are not saying, "But we may have to have double-banking in order to

ensure that this principle is stood by for the future". In the case of civil service pensions, they have taken rather a different point of view.

My own concern, and my principal concern, has been to satisfy what some may think is a slightly irrational concern among civil servants but it is a concern which nevertheless exists. And where possible, I want to try to do all we can to safeguard and preserve civil service morale during this very difficult period. So, given the fact that the books look particularly good at the moment, we thought it was sensible to identify a reasonable sum of money to set aside for partial funding of pensions. And I think that the amount that we have set aside has surprised some civil servants, not by its triviality but by its scale.

We will be discussing the precise ways in which the fund should be managed with the civil service unions, with this Council, with the Executive Council, and with Chinese officials as well, because this is a big commitment for the future. But I think it is an imaginative step. I think it is a prudent step. And I do not regard it as anything other than a reasonable and handsome offer by the Hong Kong taxpayer to those who serve the Hong Kong taxpayer so extraordinarily well.

PRESIDENT: Mr HUI Yin-fat.

MR HUI YIN-FAT: *Thank you, Mr President. Mr Governor, we welcome your promise to provide more nursing and care-and-attention home places for the elderly. But how are these places to be provided, by private operators or by subvented welfare agencies? Do you think the provision of these additional places might be hampered, firstly, by the introduction of legislation on the operation of such homes next year, and secondly, by the shortage of manpower? If so, how are we going to overcome these difficulties?*

GOVERNOR: The second point which the Honourable Member made is one on which I know the Council will wish to be satisfied when the Administration comes forward with legislation on care-and-attention homes in the next few months. It is because while the whole Council wishes to see the best possible standards of care in these homes, it does not want to see a rise in standards lead to a substantial fall in places. So what we need to do is to go for the best quality, but do so in a sensible and flexible way which ensures that we do not lose a large number of places and see elderly men and women turfed out, as it were, on to the street. We are determined to avoid that at all costs, while at the same time raising standards of care. I think we will want to provide these additional places through all the means that are available. And we will want to do so at the same time as we improve safety standards, as we improve staffing provision, in the homes in question. I do not myself believe the sort of obligations that we are going to place on those providing care-and-attention home places in terms of staff numbers could conceivably be regarded as

excessively onerous. But that will be a point which the Council will have to decide for itself in due course.

PRESIDENT: Mr LAU Wah-sum.

MR LAU WAH-SUM (in Cantonese): *Mr Governor, in recent years, Hong Kong people are very worried about inflation. Admittedly it has eased a bit recently, yet you only touched on that subject slightly in your address. Would you tell us if you have any effective ways to combat inflation?*

GOVERNOR: I am delighted at least that we are discussing this matter this year with our inflation predictions now rather lower for the year than they were at the beginning of the year in Hong Kong, as I said yesterday. It looks as though the inflation figures for the year will be lower than we were anticipating and that is the result of a number of factors, some of which may have more to do with the Hong Kong Government, some of which are fortuitous. I have said before that we find ourselves fighting inflation in different circumstances to other communities.

First of all, we are not in a position — and this is something which I will continue to defend — in which we can use monetary instruments in the way that some other communities would.

Secondly, we have supply-side constraints both in relation to land and in relation to labour which also affect inflation here. That makes it all the more incumbent upon us that in government, we give the best possible example by conducting our financial affairs as prudently as possible. So even though we were able to announce yesterday the enhancement of a number of programmes, albeit \$7 billion may not seem enough to some Honourable Members, that enhancement was within our customary guidelines, that is, we are not prepared to allow public expenditure to grow beyond the rate of growth in the economy as a whole. I do not think there are many governments around the world who have been able, hand on heart, to commit themselves to that year after year and stick to it. We also continue to pursue in government a tough efficiency drive to try to make certain that the money that we spend on behalf of the Hong Kong taxpayer is as well spent as possible. I am sometimes surprised by the implication that to try to become more efficient in government with a rising public expenditure programme is tantamount to cuts in public expenditure. What we have made perfectly clear is that, where departments are able to make savings through greater efficiency, they can deploy those revenues in order to enhance other programmes. That is a very sensible piece of housekeeping and one we intend to stick to. So the second thing we have to do is to be efficient with our own money, or rather with the taxpayer's money.

Thirdly, we are doing what we can in the labour market through the labour importation scheme — 22,000 workers have come in under the labour importation scheme so far, with another 3,000 to come. We have also, as the Honourable Member will know, embarked on an ambitious programme of retraining. And I made proposals yesterday about how we could cast the net a little wider in order to provide more retraining for others, in addition to those who lose their jobs because of industrial restructuring or similar economic processes.

And, finally, we have to do what we can in the property market. I support the prudent measures which banks have taken for good financial reasons determined by themselves to prevent too much overheating in the property market. I hope we made a contribution yesterday when we announced an additional 120 civil servants in the Lands Department to expedite issues like lease modification. We think that a result of that should be that we are able to increase by about 2,000 the number of flats for home ownership which are completed next year. And that increase in supply should, I think, have some impact — perhaps marginal — on property speculation and property prices. So we have to go on working right across the board. The Honourable Member is entirely correct to say that the battle against inflation has to remain a priority consideration for us. There has just been a World Bank report on why the East Asian economies have done so much better than other developing economies elsewhere in the world and I think one of the lessons from that report is the importance of sensible and prudent macro-economic policy and, above all, bearing down wherever possible, whenever possible, on inflation.

At this juncture Mr Michael HO indicated a wish to make a point.

PRESIDENT: Mr HO, you are not entitled to it, I am afraid, unless you want that as a question. But you are jumping the queue. Mr Steven POON.

MR STEVEN POON (in Cantonese): *Governor, in your policy address, you mentioned about the new airport. But most of the issues covered are things which should be done by the Hong Kong Government and little was mentioned about the negotiations between the Hong Kong Government and the Chinese Government. However, there are a lot of reports saying that the Hong Kong Government has put up a new proposal to the Chinese side. One of our Honourable Members even stated in the press that an agreement would be reached by November. Recently, there were also reports that the Financial Secretary had indicated in New York that the financial arrangements for the new airport had been sorted out, pending only the approval of the Chinese Government. Would you tell us the latest package proposed by the Hong Kong Government; the response of the Chinese side; and whether an agreement will be reached soon?*



GOVERNOR: Obviously, there is a Member of this Legislative Council who knows more about the negotiations over the airport than I do because I am not aware of an imminent agreement though I pray regularly for one and my prayers are occasionally answered.

The situation on the airport is frustrating for the Government, frustrating for the public, frustrating for Legislative Councillors particularly those, like the Honourable Member, who have been so involved in the detailed debates about these matters and who know so much about them; conceivably — who knows — frustrating for some Chinese officials who would like to see us get on with things. If I can summarize where we are: The airport core projects at a cost of \$164 billion are rolling forward with the support and under the enquiring scrutiny of this Council. We have let 33 contracts at a cost of \$45 billion so far. They are going forward on time within the costs agreed. Alas, even though we have now completed about a quarter of the platform and are host of the largest dredging fleet in the world, we still have not hit the jackpot in finding an overall financing scheme which will satisfy the demands and requests, change though they may, of Chinese officials. We have tried maximizing equity investment. We have tried maximizing borrowing. And we are now somewhere between the two. I do not think it would be quite so helpful of me to get into too much precise detail about where exactly we stand because that may provoke the sort of reactions which neither the Honourable Member nor I would like. I do not particularly mind anybody knowing where we stand. But there are others who are party to these negotiations who take a rather different point of view. I hope we can get somewhere sooner rather than later. I have gone on saying the same things I would have thought long enough for people now to believe that I mean it when I say that we do not believe it makes sense to try to turn livelihood issues, issues of infrastructure into political bargaining chips, if that is being done, and it is occasionally suggested it is being done. I repeat what everybody in this Council — and I should think 99.9% of people in Hong Kong and Guangdong — know perfectly well and that is that Hong Kong is going to have a new international airport at Chek Lap Kok. Quite why anybody should regard it as being in their interest to have that airport later rather than sooner, Heaven alone knows.

PRESIDENT: Mr James TIEN.

MR JAMES TIEN: *Governor, in your address to us yesterday, you stressed heavily on our relationship with China, or its importance. However, you also highlighted to us, on the negative side of that relationship, the problems arising from the construction of our airport rail links and CT9, and from the virtual standstill of JLG's work. On the positive side, you did mention things about the breadth and depth of our business relationship with China, and our government officials' relationship with their Chinese counterparts. But personally, Governor, I feel the most important is probably the relationship between you, as the Chief Executive of Hong Kong, and China. Governor, will you please tell*

*us what can you do, or what will you do, to improve your personal relationship with China in the next few years to ensure a smooth transition for us in 1997?*

GOVERNOR: I have no difficulty having a good relationship with China and Chinese officials. In a previous incarnation, I negotiated at considerable length what I think was the largest concessional financing agreement that the British Government had ever concluded with anybody. I concluded that agreement, that negotiation, with China. It was pretty bruising, but at the end of the day, we achieved a satisfactory solution, albeit one which sometimes made me feel as though China was giving the United Kingdom the money rather than the other way round. So I have no difficulty in establishing a good relationship with Chinese officials and I would very much like to have that. But if the only way in which, as it were, the Chief Executive of Hong Kong can have a good relationship with China at the moment is by not standing up for Hong Kong, then I do not think that is a price which the community would wish me to pay. I think that Chinese officials should recognize that it is in Hong Kong's interest and in China's interest, in the interest of "one country, two systems", to have a strong government in Hong Kong, to have a strong Chief Executive who gives a strong lead, and to have a government which stands up for the principles of the Joint Declaration. And the fact that has provoked a little more controversy than I would have liked over the last year does not make me despair of the medium and longer term.

The pages of recent political history are littered with the examples of leaders, of politicians, outside China, who were denounced up hill and down dale for long periods but transmogrified, through a process of history, without dropping their principles, into what I think is called "old friends of China". And I speak of my optimism for the future, and I suppose I should include that in it because I think it would be good for Hong Kong. But I repeat — I repeat and I mean these words very sincerely — I do not believe that the right way to try to construct a good relationship between Hong Kong and China is by failing to stand up for Hong Kong.

PRESIDENT: Dr HUANG Chen-ya.

DR HUANG CHEN-YA (in Cantonese): *Mr Governor, first of all, I would like to congratulate you on your policy address which is very pleasing to the ear. But regrettably, it lacks information on some important matters. Insofar as political reforms are concerned, you are "retreating boldly". As regards human rights issues, you are just "marking time". You made no specific reference to human right issues but only said that they would be left to the Secretary for Home Affairs. You also failed to touch on the Council's resolution which called for the establishment of a Human Rights Commission. Is it because you think human rights are not worthy to be supported or not worthy of more efforts, such that there is no need to have specific policies to protect human rights?*

GOVERNOR: When I was last answering questions in the Council before we all, or most of us, had a summer holiday, I think I am right in saying that I had a question from the Honourable James TIEN about the establishment of a human rights commission. And I recognize that there are demands on, as it were, all sides of the Council for such a development. I say, not in order to provoke unrest but as a reasonable passing observation, that I think it is odd to advocate the establishment of a human rights commission as a policeman for the Bill of Rights, as it were, and at the same time to criticize the Government for following the Bill of Rights in cases of the employment of public servants. But that may be a subject which comes up a little later.

I do not have — as I said when I answered questions from the Honourable Member — a closed mind on the question of a human rights commission. And if the Legislative Council can demonstrate to the Administration and to the Executive Council the positive advantages which would flow from such a development, I will be very happy to look at them. I do think we need to look at the issue of human rights in the round, and to define our terms a little. I regard a fundamental human right — a fairly fundamental human right — as the certainty that if you take part in an electoral process it is going to be a fair electoral process. So I think that the talks that we are having about constitutional development go right to the heart of the debate about human rights. And I think this Council — an independent, not uncritical council like this one — is one of the best possible guardians of the human rights of the citizens, of the people of Hong Kong.

One other thing which I should touch on: Many people in this Council and outside this Council are concerned about the human rights of that 50% of our population who hold up "half of heaven", to borrow a phrase. They are worried about the human rights of the women of Hong Kong. And that is an issue which we will have to address in a way which satisfies this Council when we respond to the consultation process over the Green Paper, and respond, in particular, to the demands from this Council and the demands from outside this Council for Hong Kong to accede to CEDAW.

PRESIDENT: Mr James TO.

MR JAMES TO (in Cantonese): *Mr Governor, at the beginning of your policy address, you said that the constitutional package put forward last year conformed with the provisions of the Basic Law and the Joint Declaration. And you added that it was also endorsed by this Council and supported by substantial majorities. However now in the same policy address, you conceded that the British side had made major concessions in the talks, resulting in a significant departure from your original proposals in terms of the composition of functional constituencies and the Election Committee. Mr Governor, as you have been adamant that electoral arrangements should be "fair, open and acceptable to the people of Hong Kong", may I ask why you have taken such a*

*move which goes against the wishes of the people? Upon what sort of public opinion, if any, was the revision made? If these new proposals are turned down or no agreement is reached at the end of the day, would you table the original proposals which have been accepted by the people of Hong Kong and most of the Members of this Council for the Council's endorsement?*

GOVERNOR: I hoped that I had made it clear — not least by using the word "if" twice in my speech yesterday — that the concessions which the British team offered in July and August in the talks in Peking were conditional on an acceptable overall settlement, including acceptable, agreed, objective criteria for the "through train". In case there was any doubt about that — and indeed some of the comments which I have heard over the last 12 to 18 hours suggest that some people must have thought I was whispering my "if" — I would just like to make it clear once again that the concessions that were put forward were understandably conditional, as one would expect in negotiations such as those that we were engaged in. Why did we offer, during these talks, any change, conditional though it may be, from our original proposals? For a very simple reason: we would like, if it is possible, to have agreed arrangements for the 1994-95 elections with the maximum chance, rather than the possible chance, of their survival through 1997 to 1999. I think — unless I have judged the community hopelessly wrongly — the community wants fair and open and acceptable arrangements and, if possible, wants those arrangements to be acceptable to China as well as Britain and Hong Kong. But it may not be possible to arrive at that happy situation.

There are two other things I would like to mention in the course of which I will answer the Honourable Member's interesting last question. First of all, we would not have put forward any proposals in the talks in Peking which we did not think provided open and fair arrangements for elections. And I could defend very stoutly, within those principles, the proposals that we have put conditionally on the table.

Finally, the Honourable Member asks me what we will do if we do not have an agreement with China at the talks. I hope the Honourable Member will regard it as sensible and diplomatic, rather than the behaviour of a politician, if I say that I think it would be wrong of me to announce, when we are still trying to get an agreement in these talks, what we would do if an agreement did not transpire. But if we did not get an agreement, I would of course have to take account of the reactions in the community to that, and I would have to take account of the past behaviour and past debates in the Legislative Council. And I note that the proposals which we originally put forward have been endorsed in general and in particular by the Legislative Council, admittedly in a general form rather than in a specific legislative form. And I note that not just one, but virtually every opinion poll there has been, has suggested substantial public support. And I note that the first opinion poll after my address yesterday suggested, I think, that 68% of the people of Hong Kong were, broadly speaking, in favour of the approach that we have suggested to political

development, and 19% were against. 68% to 19%, or even a rather smaller majority than that, seems to me like quite a big steer. But we will have to take account of those issues. What I will want to do, what the Government will want to do, what the United Kingdom Government will want to do at the end of the day, if we cannot get that agreement which we would all like to get, is to put in place the arrangements which are most acceptable to the people of Hong Kong and therefore to this Legislative Council. There is no other way we can proceed. But I can assure the Honourable Member that we will give a firm and clear lead when those matters come before the Council, if they do. I say again, we hope that we can get an agreement. But before very long, hope is going to drain into the sand.

PRESIDENT: Mr Howard YOUNG.

MR HOWARD YOUNG (in Cantonese): *Mr Governor, in yesterday's policy address, you stressed the importance of the relationship between China and Hong Kong, which involves many areas, particularly in the area of transport and traffic. With regard to border traffic, it is beyond doubt that Route 3 is of great importance. Why does the policy address only highlight the need to build the Ting Kau Bridge while there is no clear indication of the Government's determination to speed up the construction of Route 3? It is useless to build the Ting Kau Bridge without Route 3. Does it mean that the Government is still undecided in this regard?*

GOVERNOR: No, and I thought I had said a little more about transport than the Honourable Member is giving me credit for. But perhaps I can remind the Honourable Member of a number of the improvements that we are making as well as a major section of the Yuen Long Highway, as well as the improvements to Castle Peak Road and Tuen Mun Highway. We did say that we are building the Ting Kau Bridge, and we are inviting, as I think the Honourable Member may know, the private sector to build the Country Park Section of Route 3 under a 30-year franchise arrangement. We will be obviously consulting the Chinese officials on that before any franchise is finalized, but I think that represents a sensible way forward.

I would like to make one other point about links. First of all, I regard it as extremely important to move towards 24-hour opening on the border as soon as we can, and we have made proposals in relation to Lok Ma Chau, which, I hope, will find favour with Chinese officials.

Secondly, I feel very strongly myself that the development of Hong Kong's railway infrastructure is going to play an extremely important part in the future not only of Hong Kong but the future of southern China. And the sooner we can get into discussions about the development of a proper railway network, the better. I think a dedicated freight line is going to be one

of the important consequences of developments of our container port, and will help, among other matters, to move some freight on to rail, which is at present on our roads.

PRESIDENT: Mr NGAI Shiu-kit.

MR NGAI SHIU-KIT (in Cantonese): *Mr Governor, in paragraph 183 of your policy address, you said, "If we are not prepared to stand up for Hong Kong's way of life today, what chance of doing so tomorrow?" Mr Governor, in making the above statement, are you questioning the sincerity of China (being one of the signatories of the Sino-British Joint Declaration) to fulfill its promises or commitments in ensuring that Hong Kong's way of life will remain unchanged for 50 years?*

GOVERNOR: Well, let us say it is part of my responsibility to do all I can as Governor, as head of the Hong Kong Government before 1997, to ensure that the firmest possible foundations are laid for the implementation of the Joint Declaration after 1997. I do not cast doubt on Chinese intentions. Sometimes the language of advisers to China casts doubts on those intentions. I think some of the things which have been said by members of the so-called PWC have been quite astonishing, and I hope they do not represent the thinking of mainstream Chinese officials. I think it is also the case that, since at the heart of the Joint Declaration is the commitment to a legislature formed by elections and an executive accountable to the legislature, some of the debates we have had about our determination to ensure that those elections are fair do raise questions about the comprehension of some people about what it is that Hong Kong's way of life comprises. So I think that it is important for Hong Kong's future to stand up for Hong Kong's way of life today. I have long felt that and I would be surprised if many Members of this Council did not feel it as well.

PRESIDENT: Mrs Peggy LAM.

MRS PEGGY LAM (in Cantonese): *Mr Governor, I have prepared another question originally. However, being a female Member of this Council, if I do not raise the following question now, it may not be possible for other female Members to do so. This is because according to the speaking order, there are 10 male Members before it comes to the turn of the Honourable Anna WU. What I would like to talk about today is the question of Hong Kong acceding to the Convention on the Elimination of All Forms of Discrimination against Women, which was covered in paragraph 114 under the heading of "A Woman's Place" in your policy address. You remarked that the Administration would consider constructively the very strong views expressed by Members and the public on this point. However, no reference was made to the demand from*

*the feminist groups for the establishment of a Women's Commission. Do you think that there is no need for Hong Kong to set up a Women's Commission? If this is not the case, how would you support the idea of establishing such a Commission?*

GOVERNOR: I do not want to give the Government's definitive reply to the consultation exercise on the Green Paper this afternoon. As I pointed out yesterday in the same paragraph — and, if I can say in passing, I think the declaration of sisterhood at the outset of the Honourable Member's question was important — we would have to respond in particular to the arguments which have been loudly and frequently expressed by this Council, and have been expressed outside, for Hong Kong to accede to the Convention on the Elimination of All Forms of Discrimination against Women or CEDAW. The Legislative Council passed a motion on this, I think, last December. It is a convention which already applies to the United Kingdom and to China, both the present and the future sovereign powers, and I dare say there are going to be very many Members of this Council who will say, "Well, if it applies to Britain and China why can it not apply to Hong Kong?" Without doing any more than dotting i's and crossing t's, I would say that we would have to take account of those persuasive arguments when we respond to the Council in the new year. I regard the establishment of a women's commission as being a rather separate issue, just as I regard the question of a human rights commission as being a rather separate issue from that of whether you have a Bill of Rights. My position on a women's commission is rather similar to my position on a human rights commission. I am not in favour of setting up commissions unless they have a good purpose, unless they have got a proper agenda and a proper role to perform. And we will have to consider that argument when we are considering the responses to our Green Paper.

PRESIDENT: Mr K K FUNG.

MR FREDERICK FUNG (in Cantonese): *Mr President, I would like to put, through you, a question to the Governor. In his policy address, the Governor shows his utmost care for people's livelihood in the chapter entitled "A Secure Old Age". It covers areas, such as medical care, welfare services, community support, housing and retirement problems and so forth, where the increasing number of old people in Hong Kong could be taken care of. As compared with other chapters on people's livelihood, I think this is the one with the greatest sense of direction. In that chapter, the Governor deals with a wide scope of issues and he is right to do so. Yet, if such tasks are to be undertaken by different department, one would feel the apprehension that the individual departments may not be able to have a real grasp of the whole issue. In respect of the service for the elderly, would Mr Governor please inform us whether the central government could consider establishing a central committee to thrash out a policy on the elderly? And, I think, the committee should be empowered to*

*make direct and effective decisions and responsible for formulating a long-term comprehensive policy for the elderly as well as monitoring the implementation of such a policy.*

GOVERNOR: The Honourable Member is spot on. I think the Honourable Member has identified one of the key problems in responding to an important social issue. I spent part of my early adulthood as a civil servant trying to co-ordinate policy in the British Civil Service on social welfare issues which spanned more than one department and it created difficulties. And the Honourable Member is right in saying that it is a particularly acute problem in relation to the elderly. One is talking about financial issues, one is talking about social welfare issues, one is talking about housing issues, one is talking about health issues and other issues as well — transportation, law and order, all those come into play. So, the Administration has reached the same conclusion as the Honourable Member, and we propose to set up a working party which will try to pull together all the threads and ensure that we have a coherent and comprehensive policy on the elderly. But I also feel that we cannot wait for that working party to report to me, which it will do by next August. I can announce, I hope, to the satisfaction of the likely chairman of the committee this afternoon, that we cannot wait until next August to get on with things, which is why I announced yesterday a series of other steps that we intend to take in relation to infirmary places, in relation to care-and-attention home places, in relation to acute beds, in relation to home helps and in relation to the establishment of a network of nursing homes at considerable capital as well as recurrent cost to meet a very important demand. So we will get ahead with those issues now. But the Honourable Member is entirely right to say that we need to pull all these policy threads together. If I can add one other point — which is a point on housing because it is an area about which the Honourable Member knows as much as anybody in this community — we are planning to more than double sheltered housing units for the elderly in the next five years from 1,900 to about 4,000 and we are discussing a number of matters with the Housing Authority, not least how it can clear the backlog of 4,000 elderly single people on the Waiting List by 1997 and how it can best give priority to new elderly applicants for public housing. Those are all, in my judgment, important steps that we need to take.

PRESIDENT: Mr LEE Wing-tat.

MR LEE WING-TAT (in Cantonese): *Mr Governor, this year journalists began to label you as a "one-issue" Governor. I hope today you will not handle only one issue because many other issues will be raised. Mr Governor, I feel very disappointed with the way you handle the housing problem in the policy address for what you talk about is too trivial and I think we do not require a Governor to address such matters. Furthermore, the policy address is silent on the output of public housing. Your immediate predecessor announced a long-term housing*



*strategy in 1987, making a pledge to the public that all applicants on the Waiting List would be rehoused by 1997. At present there are totally 180,000 applicants on the Waiting List. And, according to the Housing Authority's stringent screening criteria, there are still 120,000 eligible applicants on the Waiting List. Each year the Housing Department completes 35,000 units, most of which are allocated to people affected by redevelopment and only 14,000 units are offered to those on the Waiting List. A simple calculation shows that, in 1997, there will still be 60,000 applicants on the Waiting List, barring any new applicants. Obviously this strategy is bound to fail. Yet, you fail to provide any statement about the strategy in your policy address. Is it the case that you have not learned about this strategy or you do not know that it will be a failure or the officials of the Housing Department have not briefed you about the situation? Would Mr Governor inform us how you would handle the doomed pledge in 1987 and what measures you will take on that front?*

GOVERNOR: First of all, if I can deal with the preface to the Honourable Member's question. The Honourable Member will have noticed, at the back of my speech, a published detailed record of how we have done in relation to a huge agenda of social, environmental, educational, economic policy programmes that we put forward last year. Not one issue but over a hundred issues. If we had not published that detailed blow-by-blow account of the progress we have made, I dare say people would have said that the speech last year was just hot air and would have asked what happened to it. Well, here is what happened to it. This year, another speech, in which 95% of it was about social, educational, environmental and related issues. Again, a large number of issues, not just one. It is not entirely my fault if, when I go to a housing estate and am greeted by our friendly colleagues from the fourth estate, they say, "But what about the talks, Mr PATTEN?" It is not entirely my fault if, when I go to a hospital for dentistry, I come out and am not asked about fillings or about plaque but asked, "What about the talks, Mr PATTEN?" It is not entirely my fault if, when I go to a primary school or a kindergarten or a tertiary education institution, the same thing happens to me. I will answer people's questions on anything, but it just so happens that most of them, whatever I am doing, tend to be about the same rather wearily short agenda.

The Honourable Member asks about housing policy in particular. And I would argue very strongly that it was unfair to see what had happened in the housing sector as representing failure, not least when we have actually been building 146 housing units a day against a target of just over 100. That seems to me to be reasonably good progress. We have made good progress in relation to clearing Temporary Housing Areas and mean to make much better progress. We have made good progress in increasing by 60% the amount of money spent on maintenance in our housing estates. But, the Honourable Member is entirely right to say that despite the commitment of \$43 billion over the next five years by the Housing Authority for public housing, there remain serious housing issues, serious housing problems to address, and they do require us, in my judgment, to look once again at our housing policies in Hong Kong. I think that

is something which the Housing Authority are beginning to do now. And I will look forward to having a dialogue with them on the issue, because I believe very strongly that there is almost no issue more important to happy family life than decent housing, and we want to go on doing everything we can in this community to ensure that as many people as possible are properly housed. The Honourable Member is one of many in this Chamber who, I am sure, spends a huge amount of time dealing with housing problems from constituents, dealing with people who are worried and anxious about their housing, and I am not at all surprised that he feels so passionately about the subject.

MR LEE WING-TAT: *Could I ask for elucidation, Mr President?*

PRESIDENT: Yes, but let it be short, Mr LEE.

MR LEE WING-TAT (in Cantonese): *Mr Governor, I would like you to elucidate one point. You mentioned that the Housing Authority had been building 140 public housing units a day. May I ask which year's figure you are referring to and how you arrive at such a figure?*

GOVERNOR: I arrive at that figure by a process of long division, dividing the number of units which have been completed since I last addressed this Council by the inordinate number of days, and the figure that emerges from that arithmetical process is 146. *(Laughter)* At this point, I had better confess that I did not do the mathematics. *(Laughter)*

PRESIDENT: Mr Michael HO.

MR MICHAEL HO (in Cantonese): *Mr President, I would like to ask a question about medical and health care policy. The Governor did not mention a review on medical and health policy in his policy address yesterday. In his address, the Governor did mention making an allocation to the chronically ill; an expansion of the renal dialysis programmes and an improvement of hospice service. Nursing care was touched upon as well. Nevertheless, there is a blatant absence of a guiding policy. In the policy address, two allocations are made to improve the lot of some patients who are in need of renal dialysis or hospice service. Yet there is obviously no policy to guide the way forward so that further improvement of these services will be made and to show how far the improvement should go. Mr Governor, will you instruct the Administration to carry out a comprehensive policy review to ensure that these services will be continuously improved rather than delivered in a piecemeal fashion? Relatively speaking, I find in your address the paragraphs on upgrading primary school teaching posts to graduate level more concise and precise than the part on*

*nurses, to the extent that even the amount of allocation for the former is unveiled. Why is there such a vast difference?*

GOVERNOR: I will deal with the second point first because I recognize the Honourable Member's concern for the nursing profession and his knowledge on the subject and the work he has done for the nursing profession, and I share his belief that the nursing profession — and this has been the case even before Florence NIGHTINGALE — is at the heart of good health care in our community. We are keen to recruit and retain more nurses. I think I am right in saying that there has been a 7% increase in the number of nurses on our hospital wards over the past two years, an increase of about 1,100, and nurse recruitment has increased from 1,845 to 2,020. But it is not, as the Honourable Member would doubtless argue, just a question of more nurses, but of ensuring, first of all, that through the management of work in hospitals nurses have some of the jobs taken from them which do not require their particular professional skills, and that means that they need more support with some of the more burdensome and non-specialized duties.

Secondly, the Honourable Member is entirely right to say that we also need to develop nurses' qualifications, to give them more and better training, and to raise their standards in that way. And in order to try to meet those objectives, we have given an extra \$10 million for nurse training. That should provide about 160 extra first-year first-degree places for nurses in the 1995-98 triennium. We will also be sponsoring selected nurses on degree conversion courses and I hope that those initiatives will mean enhanced professional status and job satisfaction for nurses. The Honourable Member is right to say that that matters as much for nurses as it does for teachers.

Going then to the first part of the Honourable Member's question, I do not accept that we do not have a sensible strategy for the health service at present, though the Honourable Member is entirely right to say that the community is going to have to face some difficult and important strategic decisions about the development of the health service in the next few years. But I spoke yesterday of our commitment to cutting queues, to improving amenities, to improving care for the chronically ill, to developing our hospice programme, about which I myself feel extremely strongly. All those, as well as improving care for the elderly, are matters which form part of our determination to provide better health care in Hong Kong.

I say, just briefly, one further word. We published, a few months ago, an extremely well written document on the future of the health service in Hong Kong, which attempted to deal in an intelligent and rational way — and I think successfully — with some of the funding issues which the community is going to have to confront. Like other developed successful communities, we are going to face problems in the next few years, first of all, because advances in medical science and technology constantly increase what the medical profession is capable of doing and increase the appetite of patients — customers if you like

— for greater health care. Secondly, for a number of reasons, including the expenses of medical technology, inflation in the health service tends to outstrip inflation outside, so that you have to spend more money to stand still in the health service. There are also additional costs, because we have an aging population and, in particular, an aging aging population — that is to say more very elderly — and the elderly will consume, understandably, a growing proportion of health expenditure in the next few years.

So for all those reasons, we are going to see the health service cost a higher proportion of our GNP, we are going to see more and more serious problems arising in funding the level of health provision we want. We cannot duck those questions. What we have to do is to try to face up to them intelligently as a community and, I hope, never losing sight of two things. First of all, any civilized community should ensure that people can get the health care they need regardless of their personal resources. Secondly, it is not at odds with that principle to say that the health service, like every other public service, should be as efficiently run as possible. And I am bound to say that I am extremely impressed by the dedication I find in, for example, managers of our service, particularly managers of the Hospital Authority's facilities. I find extremely impressive their dedication to doing the best for their patients by spending the money which is given to them in the most effective and efficient fashion.

PRESIDENT: Dr Conrad LAM.

DR CONRAD LAM (in Cantonese): *Mr Governor, from your reply just now, one gets an impression that on the one hand it seems that you care about the infirm, the aged, the disabled and the chronically-ill, and want to afford them more assistance. But on the other hand, when you talk about the consultation paper, Towards Better Health, it seems that the Government wants to recoup the costs to a larger extent by asking the patients to bear higher charges. Mr Governor, will you take public opinion into account when you formulate future medical policies, in particular with regard to medical fee?*

GOVERNOR: Very much would I respect public opinion, as I am sure the Honourable Member likewise would, in making decisions on a range of issues, perhaps, even conceivably political development, among others. But let me make a simple point — I hope not too provocatively. Hong Kong has produced over the years many miracles, but even Hong Kong has not yet discovered money-bearing trees. And if we want to develop our health care facilities, as we do, if we want to give people in Hong Kong the level of service which they demand and deserve, and we do, if we want to ensure that health indicators in Hong Kong continue to improve as they have, and we do, then there are costs. Now, there are a number of ways you can meet those costs. You can meet them out of general taxation. You can meet them out of forms of insurance. You can

meet them out of different sorts of charge. You can meet them out of different sorts of targetted fee. There is a range of ways in which you can meet health costs, but you have to meet them somehow. And what we have to develop as a community is the fairest and most effective way of meeting them which commands, as the Honourable Member suggested, the broadest consensus. In my experience — and it is no criticism of taxpayers anywhere — most people most of the time want improved public services, but they are reluctant to pay more in taxes for them. In Hong Kong, thanks to the growth rate in our economy over the last few years, we have been able to enjoy low taxes while enjoying improved public services. Whether that can continue indefinitely, not least in relation to health care, was the issue which, quite properly, the Secretary for Health and Welfare and others would be keen for the community to debate because, like the issue of a central provident fund, it is going to be an issue which will determine what this community is like in 10 or 15 or 20 or 25 years'time, and we have got to face up to it now. There are issues everywhere. Mrs Hillary CLINTON, at the moment, is wrestling with these problems in the United States with so far great success, it seems. We have got to face up to exactly the same problems here and, I hope, in the process avoid making some of the mistakes that have been made in the United States and, if I may say so, in the United Kingdom as well.

PRESIDENT: Mr Eric LI.

MR ERIC LI (in Cantonese): *Mr Governor, in yesterday's policy address, about "The Peking Talks", you said, "..... it took six months to get discussions under way. They began when legislative debate was about to start in this Council. Perhaps there is a lesson in that." Mr Governor, what do you mean by "a lesson"? Does it imply that you think there could hardly be any further progress of specific kind with the talks in Peking if this Council does not begin the Second Reading debate?*

GOVERNOR: Some throwaway line which was not meant to hit anybody. A number of people, a number of the wisest commentators on relations with the PRC have sometimes said that you only make progress at the eleventh hour — or they normally put it even more strongly and say you only make progress at five minutes to midnight. And that was a reflection of that particular point of view. Whether or not it is correct, we shall discover. I hope that Chinese officials will recognize that time does march relentlessly on, that we cannot allow ourselves to get into a position where we cannot make proper arrangements for the 1994-95 elections because the calendar has moved past us. I have to say that I think we are already cutting things very fine because of our determination, if we can get one, to get an agreement. But the whole of this Council would, under ordinary circumstances, have liked us to have had in place already most of these arrangements, particularly the arrangements for district board and municipal council elections. I wish we already had those

arrangements in place so that people knew where they stood. So we are down to weeks. I hope when I bring proposals to the Legislative Council I can say, "We have agreed these proposals with China. I can recommend them to the Council with great enthusiasm. I hope the Council will accept them as a way of securing the smoothest possible transition." If I cannot make that speech, I will have to make another speech in which I will invite the Legislative Council to follow the lead I give it, but I will depend, of course, on being able to persuade the Legislative Council that what I am proposing is in the best interests of Hong Kong.

PRESIDENT: Elucidation, Mr LI?

MR ERIC LI (in Cantonese): *Mr President, it is a follow-up question. The talks did make progress when the Bill was tabled in this Council for First Reading. But the Chinese side has said on various occasions that the Sino-British talks would come to a halt immediately should the Bill be tabled for Second Reading. Do you, Mr Governor, consider this remark by the Chinese side a bluff or a serious warning that the talks would be brought to a stop at once if the Bill is tabled for Second Reading?*

GOVERNOR: I honestly could not tell you. There have been threats and there have been things said over the last year which, happily, have not been borne out by events when we have gone on and done what we believe is right. I think it is most likely that we will only be debating these matters either after there is an agreement or after talks have concluded because we cannot come to an agreement. But it may be that the Legislative Council in its wisdom will decide to go on and debate these matters anyway. This is an independent Council and I do not seek to — well, I seek to persuade it — but I do not seek to heavy it.

PRESIDENT: Mr Fred LI.

MR FRED LI (in Cantonese): *Mr Governor, I have a very practical question that has nothing to do with politics. You have said very proudly that Hong Kong's GDP per capita has gone ahead of Australia and the United Kingdom this year. And it will draw level with Canada next year. You have also announced that with effect from 1 April next year, the monthly allowance for children of families receiving public assistance will be raised by \$100. Mr Governor, there are now 23 000 children receiving public assistance. On average, they get \$33 per day. But the extra \$3.3 you decided to give them daily can hardly buy them a cheap hamburger. In such a caring society where the economy is so prosperous, can you accept that with the \$30-plus allowance per day, the child is able to meet his daily expenses, including his meals and travelling expenses? You also stressed that the increase of \$3.3 daily*

*could facilitate their participation in more social activities and school parties. But I believe there are absolute difficulties with this. And I hope you will reconsider increasing their allowance.*

GOVERNOR: I have found myself in the last day or two — and the same thing happened to me last year, to my great surprise — attacked for my allegedly incipient socialism for increasing spending in some areas. Last year, Director LU Ping attacked me as a socialist, which I take it as a compliment. *(Laughter)* On the other hand, the Honourable Member and some others say that I am not spending enough, I am not being socialist enough. What I am trying to be is responsible, both socially and fiscally. And when one is faced with social problems, such as those about which the Honourable Member knows a great deal, the instinct of any of us is to be as generous as possible, albeit, if you are in government, with other people's money. But you have to be generous and, in my view, prudent at the same time.

Now, last year we did make a significant increase in social security payments. We made an increase which for individuals was 10% ahead of the rate of inflation, and that came in last summer. For a family of four, the increase amounted to 13% ahead of inflation. Those were, I think, important steps forward, albeit never enough. You said it was not a political question; I have been in politics long enough to understand that one will never be regarded as having done enough in these areas and I understand why.

But I would just like to make one other point in relation to the children and the allowance they receive. There are, as the honourable gentleman said, about 23 000 — I think it is 22 900, to be pedantic — who will be in receipt of this allowance. I had a long section, in an earlier draft of my speech yesterday, in which I set out all the other grants which these children and young people were quite properly entitled to receive. In the interests of making my speech as brief as possible, I cut that particular section out. But it is the case that children and young people who are entitled to this allowance are also entitled to about \$700 worth of grants for a variety of different causes: for travel, for books, for school meals and related matters. I will send him, if the Honourable Member would find it helpful, the bit of my speech which I left on the study floor one night about a week ago. So it is not just the basic allowance of, now, \$1,095, or rather more than that if they are disabled; it is not just that basic allowance which one is talking about; one is also talking about a lot of other grants as well, which I think one has to take into account.

I can say one last thing. If we are seriously concerned about the welfare of the family, we have to come back to the sort of issue the Honourable Member has raised again and again and again, and he is quite right to chide me for not doing more. But I think it was an important and useful move forward and I hope, as resources allow, we will be able to move further without the Governor of Hong Kong ever being called a real socialist or even an old fashioned Tory.

PRESIDENT: Mr MAN Sai-cheong.

MR MAN SAI-CHEONG (in Cantonese): *Mr President, freedom of the press and freedom of information are the cornerstones of a democratic society. In paragraph 15 of his policy address, the Governor said "An open society does not keep unnecessary secrets." And in paragraph 113, the protection of personal rights and press freedom was also highlighted. But why did you, Mr Governor, only mention in your address the disclosure of information by public utilities, falling short of indicating any measures whatsoever for the full implementation of freedom of information, such as legislation for publication of certain government information? Will you seize the opportunity at this juncture to introduce positive changes to the seven Ordinances currently straitjacketing information freedom and press freedom, in order to win support from local journalists?*

GOVERNOR: As a former politician, I am sure the Honourable Member will know that the last thing I ever seek to do is to win support from journalists. But the Honourable Member makes an important point. We have been reviewing — with the Journalists' Association pushing us and spurring us on — those laws, those Ordinances in Hong Kong which not just journalists, but many others outside the journalist profession too, believe may either be potentially in conflict with the Bill of Rights or may be actually in conflict with the Bill of Rights or may be unhelpful in relation to the implementation of the Joint Declaration in the future. We have tried to respond to the Journalists' Association as constructively as possible. The Journalists' Association would like us to go further and we are, I hope, in a continuing dialogue with the Chair of the Journalists' Association and others about what further they would like us to do. I think the proposals we have put forward so far are sensible, but I am perfectly prepared to be persuaded to go further.

Where there is a genuine issue of principle which separates some of us is whether we should have general declaratory legislation on the statute book about freedom of information. And as I think the Honourable Member and other Honourable Members will know, I am dubious about general declaratory legislation, though I am enthusiastically in favour of opening up government in specific areas for specific purposes.

PRESIDENT: Elucidation, Mr MAN?

MR MAN SAI-CHEONG: *Yes, Mr President, if I may seek elucidation on the last point. Mr Governor, what areas are you prepared to open up in government? Are you talking only about the right to know in environmental matters or should you try to push it further as an example of open government?*



GOVERNOR: Yes, I agree that the onus should be on the Government to demonstrate that it needs to keep some matters as secret or confidential rather than the other way round. But there are matters which we are opening up to public scrutiny and we will continue to do so. A number of the decisions that we have taken over the last year or so have made public information, which has hitherto always been private, beginning just over a year ago with the Financial Secretary's decision to announce the amount of money in our Exchange Fund.

PRESIDENT: Dr Samuel WONG.

DR SAMUEL WONG: *Governor, on the question of localization you said special measures have been taken to deal with particular situations and you gave as examples the Legal Department and the Legal Aid Department. My question is: Are there other departments in which special measures should also be taken to speed up localization?*

GOVERNOR: Yes. There are, I think I am right in saying, 53 departments altogether — I am looking for raised eyebrows or shakes of the head which might suggest that I am right or wrong (*Laughter*) — or just over 50 — I think that should cover most eventualities — departments. (*Laughter*) And I think it is generally recognized that there have probably been problems in six or seven. There are some departments where localization is virtually complete. Education, Health, Inland Revenue, Immigration, Fire Services — just to name some. There are others in addition to the Legal Department — and I think the Honourable Member has a professional knowledge of one or two of those — where almost certainly, for reasons of professional development, there have been problems as well. And we need to pursue those problems through sensible personnel management. I hope it is an issue that we can avoid politicizing as far as possible because I do not think it will make it any easier to sort it out. I think the Administration has to demonstrate, not just to this Council, not just to its own employees, but to the community as a whole, its total commitment to pursue localization in a sensible way. That is what I was trying to do yesterday. That is what I will continue to try to do and I know that the existing Chief Secretary, the Chief Secretary designate, the Secretary for the Civil Service at present and the Secretary for the Civil Service designate all share my enthusiasm on that particular point.

PRESIDENT: Dr TANG Siu-tong.

DR TANG SIU-TONG (in Cantonese): *Mr Governor, you mentioned in your policy address yesterday that the work of the Joint Liaison Group (JLG) had almost come to a halt. The outstanding issues include Container Terminal 9, Airport Core Programme, visas and so on. Mr Governor, what do you think*

*are the reasons for such a halt, and how are you going to tackle it? As the matters discussed by the JLG are related to people's livelihood, which do you think are more important, the issue on livelihood or that on constitutional reforms?*

GOVERNOR: I think that if we were to abandon the principles which we have discussed so frequently about the electoral process it would undermine this Council and its role, it would undermine the notion of an executive accountable to the legislature, it would undermine the rule of law and would therefore inevitably, and certainly, and massively have an effect on the stability of this community and an effect on its prosperity as well. And I feel those things very strongly. The Honourable Member asks why we do not make more progress in the JLG, why we have not already had an agreement about the airport and the container terminal. I just say in passing where else in the world do Foreign Secretaries, do senior Ministers and officials sit down and spend their time arguing about airports and container terminals? Where? And why do they do it? Why does it have to happen? Does anybody seriously think that the Hong Kong Government, or the British Government, is trying to slow up progress on the airport? Does anybody seriously think that it is in the interest of the Hong Kong Government or the British Government to slow up progress on the container terminal? Does anybody think it is in our interest not to make the sort of progress we would like with the localization of laws, with investment protection and promotion agreements, with air service agreements and so on? The paradox is that there is no specific British interest in securing agreement on these matters except, as I said yesterday, that we would like, while we are sovereign in Hong Kong, to govern Hong Kong as decently and competently as possible. We would like to leave Hong Kong in 1997 with a job as well done as we can conceivably do it. Now, that is in a sense an interest but it is not the same sort of interest which China presumably has in working 24 hours a day, seven days a week, as she should be wishing to do, for the betterment of the people of Hong Kong and for the livelihood of the people of Hong Kong. That should be something that we all share.

So, I repeat — I repeat as firmly as I can — the British Government, the Hong Kong Government are not dragging their feet in the JLG. Does anybody seriously suppose that Ambassador GALSWORTHY and his team did not want to make as much progress as possible? Ambassador GALSWORTHY was a great ornithologist but he would have preferred to spend more time in meetings of the JLG than at Mai Po, much as he enjoyed Mai Po. It is important for everyone to recognize that these matters require agreement on both sides of the table. On our side of the table, we are anxious to reach agreement as rapidly and as comprehensively as possible. I cannot speak for what the views are on the other side of the table.

**Adjournment and next sitting**

PRESIDENT: In accordance with Standing Orders I now adjourn the sitting until Wednesday, 13 October 1993.

*Adjourned accordingly at Four o'clock.*

