OFFICIAL RECORD OF PROCEEDINGS

Thursday, 2 December 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 MRS ANSON CHAN, C.B.E., 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 NGAI SHIU-KIT, O.B.E., J.P.

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

THE HONOURABLE SZETO WAH

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 RONALD JOSEPH ARCULLI, 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.

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

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

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

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

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

THE HONOURABLE MOSES CHENG MO-CHI

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE CHIM PUI-CHUNG

REV THE HONOURABLE FUNG CHI-WOOD

THE HONOURABLE FREDERICK FUNG KIN-KEE

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

THE HONOURABLE MICHAEL HO MUN-KA

DR THE HONOURABLE HUANG CHEN-YA

DR THE HONOURABLE LAM KUI-CHUN

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

THE HONOURABLE LAU CHIN-SHEK

THE HONOURABLE EMILY LAU WAI-HING

THE HONOURABLE LEE WING-TAT

THE HONOURABLE ERIC LI KA-CHEUNG, J.P.

THE HONOURABLE FRED LI WAH-MING

THE HONOURABLE TIK CHI-YUEN

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

DR THE HONOURABLE PHILIP WONG YU-HONG

DR THE HONOURABLE YEUNG SUM

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

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

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

THE HONOURABLE TAM YIU-CHUNG

THE HONOURABLE MARVIN CHEUNG KIN-TUNG, J.P.

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

THE HONOURABLE MAN SAI-CHEONG

THE HONOURABLE STEVEN POON KWOK-LIM

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

THE HONOURABLE JAMES TO KUN-SUN

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 TO ADDRESS THE COUNCIL AND TO RECEIVE QUESTIONS.

PRESIDENT: Would Members please remain standing for the Governor?

CLERK: His Excellency the Governor.

PRESIDENT: The Governor will address the Council on issues related to the 1994-95 elections. Thereafter Members may put questions to the Governor on matters arising therefrom.

GOVERNOR: Mr President, I should like to make a statement on the electoral arrangements for 1994 and 1995.

For the last seven months, negotiations have been continuing between Britain and China on the arrangements for the district board elections in 1994 and the municipal council and Legislative Council elections in 1995. After 17 rounds, it has still not proved possible to reach agreement, even on the most urgent and uncontroversial issues.

These negotiations are not about the pace of democratization in Hong Kong, though some of you think they should be. There is no argument between Britain and China over the principle that Hong Kong's democratic institutions should continue to develop. That is spelt out in the Joint Declaration, which provides that from 1 July 1997 the Legislative Council of the SAR "shall be constituted by elections". China's own Basic Law for the Hong Kong SAR sets out that process of democratic development in greater detail.

What is at issue is how to turn this principle into practice. In October 1992, I set out a number of proposals designed to achieve that. Those proposals, put forward with the full support of the British Government and after consultations in Hong Kong, were carefully designed to be fully consistent with the Joint Declaration, the Basic Law and the relevant agreements and understandings between the two sides, an objective which — as was confirmed by the recent evidence of independent lawyers to the Foreign Affairs Committee of the House of Commons — was wholly achieved. But we always made clear that they were proposals, which we wished to discuss with the Chinese side. Our clear preference is to proceed by agreement with China, wherever we can, in the interests of continuity. That is why we pressed hard for talks on these matters between Britain and China, and were pleased when they eventually began in the spring.

What is our aim in these talks? It is very simply this: Electoral arrangements that are open, fair and acceptable to the people of Hong Kong. We want elections that offer people a genuine choice, not elections vulnerable to manipulation and corruption.

Why does this matter? It matters for this reason: If there is no level playing field for the elections to Legislative Council, what hope is there of preserving a level playing field elsewhere — in the courts, in the business world, for the individual citizen? If you compromise the elections to the legislature whose job it is to make laws, then you erode the foundations of the rule of law in Hong Kong. That is surely not what the British and Chinese Governments had in mind when they agreed in the Joint Declaration that the SAR Legislative Council should "be constituted by elections".

We are approaching these negotiations in good faith. As I told this Council in October of this year, we have offered major moves to try to meet Chinese concerns, conditional on our reaching an acceptable overall agreement, and without compromising on our principles.

But we have made clear from the outset that the talks cannot go on indefinitely. One of our responsibilities under the Joint Declaration is to ensure that the arrangements for the elections are put in place on time.

Because the negotiations started later than we would have liked, and are taking as long as they are, the pressures of the legislative timetable now bear down upon us. That is why we have concentrated in recent rounds on exploring fully the prospects for an interim agreement. We had hoped it would be possible to deal with the less contentious issues that way.

Despite our best efforts, that has not proved possible. The three straightforward and largely uncontentious issues on which we wanted early agreement were: The voting age for district boards, municipal councils and Legislative Council elections, the voting method for district boards, municipal councils and Legislative Council elections, and the abolition of appointed membership in district boards and municipal councils. All three are matters on which the views of this Council have been made very clear. Unfortunately the only one of these issues which the Chinese side were prepared to agree in its entirety, as part of a package agreement, was that the voting age should be reduced to 18 for Legislative Council, district board and municipal council elections. The voting age in China is, of course, 18.

Clearly the Chinese side had no objection in principle to an interim agreement encompassing Legislative Council issues. Indeed they proposed one in which the new voting age would apply to Legislative Council elections. They themselves proposed that we should recommend to this Council changing the law to permit Hong Kong residents who are members of Chinese People's Congresses to serve in Legislative Council and in district organizations. We were prepared to agree to that suggestion.

So it is particularly hard to understand why the Chinese side refuse to agree to use the single-seat, single-vote system for all three sets of elections, knowing as they do the time pressures we face. This voting system is already in use in all municipal council and two-thirds of district board elections, and the

Chinese side have said that they had no objection to extending it to the remaining one-third of district board elections. Instead, they argued that the issue of the Legislative Council voting system should be left aside for discussion with other Legislative Council issues — even though the issue of the Legislative Council voting system has already been discussed at some length in the talks, and from quite an early stage.

To be of practical value, an interim agreement would need to cover both the voting age and voting method for all three tiers of election.

There are strong practical and political reasons for this. The value of an interim agreement would be that it would buy us a little more legislative time to negotiate on the more difficult issues. Why does the legislation on the Legislative Council voting method need to be passed at an early date? Of course, the Legislative Council voting method determines the number of constituencies which will need to be drawn up. And if we had to legislate twice on voting systems, that would take more time, not less, at a time when the legislative calendar will already be under severe pressure dealing with the other electoral issues.

There are compelling political reasons too. The single-seat, single-vote system for the Legislative Council enjoys widespread support in this Council. Both major parties have said they would support its introduction. If we introduced legislation on the voting method which failed to include the single-seat, single-vote system for the Legislative Council, we would be flying in the face of what we know to be this Council's wishes.

If the Chinese authorities were prepared — though we have no confirmation of this — to agree to the single-seat, single-vote system for the Legislative Council at some future date, why could they not agree to it now, given the very real time constraints we are facing? And if the Chinese side were not prepared to agree to it now, what assurance is there that they would agree to it in the future?

Let me make one other obvious point. If you were not to have this voting method for the Legislative Council, any other — for example, a proportional system — would be more complicated and would take more time to bring into law, even supposing that Legislative Council Members could be persuaded to accept an alternative system, which seems unlikely given the clear views that have been expressed on the matter.

But that is <u>not</u> the only issue, I regret to say, which prevented us from reaching a first-stage agreement. We also discussed membership of district boards and municipal councils with our Chinese colleagues. The Chinese side were unable to agree that appointed membership of these bodies should be abolished. Earlier indications that they were prepared to reach an acceptable agreement that would have allowed us to do this, while preserving the right of

the future SAR to decide on its own under Article 98 of the Basic Law whether to reinstate appointed membership, alas proved illusory.

The Governor's address was interrupted at this juncture when someone in the public gallery unfurled some banners. And the Governor jokingly remarked that they were a few visual aids and resumed his address after the demonstrators were stopped and the banners removed at the order of the President.

It is a pity that we were not able to conclude an interim agreement even on issues which are not very complex, nor controversial in this Council, nor — I suspect — matters of great principle to the Chinese side.

I have considered the position carefully with the Executive Council in recent days, and with the Foreign Secretary. We have all — the Foreign Secretary, the Executive Council and I — reluctantly concluded that we now have no choice but to begin the process of legislating on the simpler issues, not least if we are to give ourselves more time to talk with China about the more difficult ones.

The Foreign Secretary has therefore informed the Chinese Government that draft legislation will be introduced into this Council covering the most immediate issues. This draft legislation will cover:

- voting method and voting age for district boards, municipal councils and the Legislative Council;
- the abolition of appointed seats in district boards and municipal councils (and a consequent increase in the number of elected seats in municipal councils).

As an indication of our wish to continue co-operation with the Chinese side, the draft legislation will also include provisions to permit Hong Kong residents who are members of Chinese People's Congresses to serve in district organizations and in this Council.

We will follow the normal procedure, gazette the Bill on 10 December, and introduce this draft legislation on 15 December. This will give the Council the chance to set up a Committee to consider the Bill before the Christmas recess; to wait longer would delay everything until mid-January.

Despite the limited progress made so far, it is our strong hope that the talks will continue so that the two sides can resolve the outstanding differences between us on the major issues. Beginning the legislation on the simple issues gives us a little more time to do that. The Prime Minister has proposed an intensive effort to resolve the remaining issues and I hope the Chinese side will join us in that. We are seeking to proceed in a measured and orderly way, and we remain keen to continue talking with the Chinese side in a constructive and workmanlike spirit. At the end of the last round, the British negotiator

proposed an 18th round of talks to take place this month. We have subsequently proposed dates and await a Chinese reply to this proposal.

No one seriously doubts that we are working against the clock. These are very complicated elections. It is an open secret that we would have liked to have legislated last summer. We have deliberately refrained from announcing deadlines. But everyone, including the Chinese side, knows that there are real time constraints and we made clear to them that we had to start the legislative process this December.

The pressure of time is on legislating both for the Legislative Council as well as the district organization elections. That is why we have consistently explained to the Chinese side that it would not help us to separate the arrangements for the district organizations elections from those for the Legislative Council. The Foreign Secretary explained that in terms to Vice Premier QIAN on 1 October. We have accepted, not without reservations and not without criticism, the case for separate Bills on simple and on more contentious issues precisely in order to try to buy a little more time to deal with the latter.

I want to emphasize that on all matters concerning Hong Kong's transition, we would naturally prefer to be able to proceed on the basis of agreement with China. That would be in all our best interests — China's, Britain's and Hong Kong's.

In certain cases it may simply not be possible to do so, when differences remain between the two sides. We then have a clear duty to fulfil our responsibilities under the Joint Declaration and to proceed in the way that we believe to be responsible, right and in the best interests of the people of Hong Kong.

The transfer of sovereignty was always going to be a difficult enterprise. There were bound to be disagreements along the way. But that is all the more reason why Britain and China should do all they can to maintain their goodwill and co-operation, even where differences remain on individual, albeit important issues. If we disagree on some things, that is no reason to disagree on everything.

The next three and a half years will continue to require a good deal of vision and good sense from both sides if we are going to make a success of this enterprise. Those are qualities which I hope all parties will display in the coming months as both Britain and — I am sure — China seek to turn into reality commitments made in the Joint Declaration, commitments made solemnly to the people of Hong Kong.

PRESIDENT: The Governor will answer questions arising from his address. Member who has asked a question may for the purpose of elucidation only ask a short follow-up question. Mr Moses CHENG.

MR MOSES CHENG: Thank you, Mr President. Sir, we all know that the great majority of the people of Hong Kong want an acceptable agreement. Why are you gazetting the Bill at this time thereby running the risk of the breakdown of the talks?

GOVERNOR: I have sought to explain that the best way of salvaging the prospect of an agreement in the talks is to give us more time. And the only way that we can get more time is by taking some decisions in this Council on the less contentious issues. I realize that some people will be sceptical about the prospects for success. We have had 17 rounds of talks and, alas, we have only so far managed to reach agreement on the voting age. I do not think that the community would criticize us for making too rapid progress. But we still think we should try and try as hard as we possibly can to reach an agreement. I hope the Honourable Member would not forget this: It was the British and Hong Kong sides who proposed talks and it is, I believe, the British team which has made significant conditional concessions during these talks in order to try to bring them to a satisfactory conclusion. It is the British side which is attempting in the way I described this afternoon to find more time to allow these talks on the more contentious issues to arrive at a conclusion. It is difficult, but we are prepared to try as hard as we can.

PRESIDENT: Mr Alfred TSO.

MR ALFRED TSO (in Cantonese): Mr Governor, if the Government tables parts of the political reform package at this Council, it may lead to the breakdown of the Sino-British talks. Should that happen, how would the Government ensure that the new airport project, the contracts which straddle 1997 and all projects involving both Hong Kong and the Chinese side could be carried on smoothly?

GOVERNOR: Well, I want to emphasize again that so far as the British side is concerned we wish the talks to continue. We have proposed dates for the 18th round of talks, recognizing that on the through train, on the election committee, on the functional constituencies, there are very considerable problems yet to be resolved. So we have proposed that the talks should continue and I hope that the Chinese side will continue the talks and would not walk away from the table. The Honourable Member then refers to other issues — livelihood issues, economic issues — and says how will these be affected if the talks on political issues break down. I have got a great list of quotations here

from Chinese officials saying that there is no relationship between political issues and economic and livelihood issues. Again and again, they have given the people of Hong Kong that assurance. I see some mirth being displayed around the Legislative Council. I cannot imagine why anybody should regard it as a matter to laugh at that Chinese officials say they do not want to hurt people's livelihood in Hong Kong in order to try to secure a political point. So I hope that we can take those arguments, take those statements, take those quotations at their face value. Honourable Members may think that there has been some evidence from time to time over the last three years or longer that perhaps points in the other direction. But speaking for the Hong Kong Government, we will do everything we can reasonably to safeguard the livelihood and the stability of the people of Hong Kong. But that cannot possibly oblige us not to stand up for the interests of the people of Hong Kong, that cannot possibly oblige us to erode the foundations of this free and open community.

PRESIDENT: Mr James TIEN.

MR JAMES TIEN: Governor, the United Democrats have announced that they will amend the Bill you propose to table in this Council to increase directly elected seats from 18 to 30, thus eliminating the Election Committee altogether, as well as your original proposal on the nine new functional constituency seats involving 2.7 million people. Governor, will you please tell us how you will instruct the Official Members in this Council to vote on this amendment?

GOVERNOR: I am slightly reluctant to deal with problems or even amendments before they arrive. But speaking on the issue of an increase in the number of directly elected Members of this Council, while I recognize that there is considerable support for it in the Council and I suspect considerable support for it outside the Council, I very much doubt whether the distinguished new Chief Secretary and our Attorney General and our Financial Secretary would find themselves, on that particular issue, in the same lobby as Mr Martin LEE and his colleagues. I recognize that there is a good deal of pressure in this Council for that particular development of democracy in Hong Kong, but it is not the position of the Hong Kong Government and it is not the position of the British Government. I think that this step we are proposing — a small step but a necessary step — should be quite sufficient and I hope it is not required to bear too much else.

As for future legislation, on the more contentious issues, I very much hope that when we introduce that we are able to do so on the basis of an agreement with the Chinese side. And I very much hope that legislation on the more contentious issues is acceptable to this Council.

PRESIDENT: Mr Allen LEE.

MR ALLEN LEE: Governor, if the Chinese Government responds to further talks before 10 December, which you mentioned as the date of gazetting, will you postpone the gazetting to give further talks a chance?

GOVERNOR: I very much doubt whether the Chinese side would make talks before 10 December conditional on what happened on 10 December. Any proposals that we receive from the Chinese side we would have to consider very carefully. We have actually proposed 17 and 18 December for the next round of talks. Next week the JLG is meeting in London which might constrain Chinese enthusiasm for another set of talks before 10 December, but if they wanted to talk before 10 December, or after 10 December, or ever, they would find us at the table.

MR ALLEN LEE: Mr President, elucidation.

PRESIDENT: Sorry, Mr LEE, we have many questions. Mr CHEUNG Man-kwong.

MR CHEUNG MAN-KWONG (in Cantonese): Mr Governor, it is most important for a government to "keep its promise" and not to "break its promise to the people". Throughout the talks of the past seven months, you and the relevant government officials have repeatedly stressed that there is an intrinsic relation between the various proposals of the reform package, for example, the election of 10 Legislative Council Members by an Election Committee with members all drawn from directly elected district boards, and these proposals cannot and should not be dealt with separately. While these words are still ringing, you are now going back on your words by submitting part of the reform package to this Council. How are you going to make the public believe that you will not "backpedal" and "make a U-turn" again, and that the Government is a credible one? How can a government with low credibility lead Hong Kong to straddle 1997? Mr Governor, I know that you have model answers for these questions, but I would like you to explain to the public openly.

GOVERNOR: I am not sure whether the answer I have is a model answer, but I will try to make it such. And perhaps the Honourable Member will allow me to set out the position in some detail because it has become a matter of controversy, I notice, in the last few days. I will not go into all the detail of the negotiations because we still hope that the talks will continue. But I will tell the Honourable Member what I think needs to be on the record at this stage.

At a fairly early stage in the negotiations, the Chinese side suggested to us — as I recall it was in May — that we should split the legislation for the district boards and municipal councils from the legislation for the Legislative Council itself. We made clear from, as I recall, 28 May that that was not an option which we favoured. Not an option which we favoured because we pointed out again and again — which the Council will know and will certainly know by next July — the real pressures on us, the biggest pressures being on the legislation on the Legislative Council elections. That is what is going to take most of the time and that is what I suspect is going to give us most of the difficulty. But we did say that we were prepared to distinguish between what we thought should be the straightforward issues involving the Legislative Council as well as district organizations and the less straightforward ones. I said that in public a number of times — I recall that I said it, for example, in statements on 13, 14 and, I think, 15 October, on one occasion shortly after I had met the Honourable Member who asked a question a moment or two ago. It was also a position which was made absolutely plain by Foreign Secretary Douglas HURD to QIAN Qichen when he met him on 1 October. Douglas HURD said on that occasion that we were not attracted by the idea of separating the district organizations from the Legislative Council because, I repeat again, that did not give us extra time. So throughout we have made a distinction between, on the one hand, trying to separate the district organizations from the Legislative Council and, on the other, trying to separate the more straightforward issues from the more complicated ones. We do think that the best way of buying more time for the more controversial issues is to get as many of the straightforward ones into early legislation, and the more one can get into early legislation, the longer you have to talk about the more controversial issues. So that is the position of the Government and it is a position which is, I think, wholly reasonable and is intended to give us the time, however sceptical the community may be about the possibilities, to try for common agreement on those very difficult issues which lie at the heart of the election arrangements for 1995. I think that is a credible posture for us to have taken and I think it is particularly credible if we want to give the talks the chance of success.

If I can just add one point to that answer, whether model or not. It is obviously a matter of concern to all of us — particularly, I think, a matter of concern to those who have been at the table for round after round — that we have not managed to make more progress. I do not think, hand on heart, that anybody could blame that on our side.

MR CHEUNG Man-kwong: Follow-up, Mr President.

PRESIDENT: Mr Peter WONG.

MR PETER WONG: Mr Governor, apart from proposing a date, what additional efforts will be made by the British and Hong Kong Governments to

ensure that there will be further talks on the Election Committee, the nine new functional constituencies and the "through train"?

GOVERNOR: The Secretary of State, Douglas HURD, has written in those terms to his opposite number. And after the Cabinet Committee meeting that took place shortly after the 15th round, the Prime Minister, John MAJOR, made specific suggestions about how we could perhaps intensify the pace of discussions and tackle the outstanding contentious issues. We have pressed for that. I should add one point: we were quite optimistic after the 15th round, just before the Cabinet Committee meeting, that it might be possible to reach an interim agreement. I have to say that in the 16th and 17th rounds, that optimism, alas, drained away and it was not because of anything that we did.

PRESIDENT: Rev FUNG Chi-wood.

REV FUNG CHI-WOOD (in Cantonese): Mr Governor, in your policy address delivered on 6 October, you said that "we have only weeks" to conclude the talks in the context of the political package as a whole. Now eight weeks have lapsed, but only some of the proposals in the package are to be tabled to this Council. How many more weeks do we have to wait before the other crucial parts and proposals are introduced to this Council? From what Mr Governor has said just now, it seems that we will still have to wait a long time. There are only seven days in a week, but what you mean by "a week" seems to be unusually long, just as a scholar in ancient China once remarked, "I have only spent seven days in the mountain but, alas, when I return to the world, I find that a thousand years have already elapsed."

GOVERNOR: We have not quite got a thousand years though I think some of those who have taken part in the talks may think that a thousand years would see us home. (Laughter) Let me be serious about what are very serious issues. I said — let me be a little more honest — I think that this Council, the whole community, and if I may say so, particularly those who have to cover our endeavours for the media both in Hong Kong and internationally, have got heartily fed up with the circumlocutions that I have been obliged to use for the last few weeks in order to avoid either mentioning deadlines or mentioning other dates while at the same time giving as clear an impression as I could that we could not hang about forever. I do not intend ever again saying "tick tock goes the clock", but it has tick-tocked and time has moved on.

I think that I may be just inside months and therefore still able to claim that weeks was accurate when I said what I did on 6 October. But I do not think that anybody in this Council honestly has any doubt that we do have to get a move-on and we have thought that the best way of starting the process with out scuppering the prospect for further talks on the more difficult issues is by

separating out the issues in the way that I have suggested. I wish that we could legislate at this time on everything on the basis of agreement. We hope that we can have an 18th round and conceivably some more rounds afterwards. And we hope that, even though those 17 rounds have not brought us to the promised land, during subsequent rounds of talks — which, I repeat, we hope will take place — we can actually bridge the substantial gaps that exist on issues like the "through train", the Election Committee and the functional constituencies. Those talks can take place for a bit longer. They can take place for a bit longer because we have decided to legislate in the way we have. But without, I repeat, saying "tick tock goes the clock" time will pass in 1994 just as it has in 1993, and we cannot put that off forever.

Let me just give the Council two very simple examples. We in the Administration thought that the Boundary and Election Commission Bill was a tremendously uncontroversial — if you can be tremendously uncontroversial — pretty straightforward administrative Bill. That took, I think I am right in saying, four and a half months to clear the Council. I am not criticizing the Council; I am just saying that legislation is a lengthy business. We know that some Bills take even longer — there is one which is dealing with the triads which the Council is working on very hard but has taken a lot longer than that. So I do not think that, if I was to come to the Council in late July and say you have got to clear this by the end of the month, the Council would thank me for it. If the Council is going to give me that sort of guarantee that it can pass any political development Bill in a matter of hours or weeks, then I would like it in writing, in duplicate. But I do not think that is either likely or, if I may say so, desirable because I think this Council, representing the community, will want to consider the proposals for the political development of Hong Kong with great seriousness and in a very, very constructive way. So time will pass next year as this and we will all have to take account of that. But at least, with these proposals, I think we have got a little more time than would otherwise have been the case.

PRESIDENT: Mr Howard YOUNG.

MR HOWARD YOUNG: Mr Governor, the issues you mentioned which you intend to gazette next week involve the voting method, abolition of appointed seats, the local NPC deputies' eligibility to stand for election and others. It appears to me that some of these are issues where there was actually agreement though not a signed one, or where there was, at least, no disagreement and these relate to the NPC deputies' eligibility, abolition of appointed seats, the voting age and also the voting method for the municipal councils and district boards. The voting method for the Legislative Council appears to me to be an issue where there was neither agreement, nor disagreement, nor violently conflicting positions. What compelling reason was there for you not to sign an interim agreement with the Chinese — without prejudice to the British negotiating position as regards the voting arrangements for the Legislative Council — that

covered only the district boards and municipal councils, leaving the way open for further negotiations? You did mention just now that the voting method would mean legislating twice and that was the only reason you gave. But I think legislating twice, if legislators do not mind working doubly hard, is not a compelling reason for not signing an interim agreement.

GOVERNOR: Can I just make it clear to the Honourable Member that, as I said in my statement, it is not true to say that we have reached agreement on all these interim issues except the voting method for the Legislative Council. We have not reached an acceptable agreement either on the question of appointed membership of district boards or the municipal councils. So it would be truer to say that the only issue on which we have reached agreement — the only issue in its entirety on which we have reached agreement is the voting age. It is true that the Chinese have not raised objections to the district boards and the municipal councils using single-seat, single-vote for their voting, but since virtually all of them actually use that voting method at the moment, that is to say, in respect of the municipal council seats and two thirds of the district board seats, I do not think anybody would rate that as a substantial breakthrough or a substantial concession. But there are two issues, two main areas, alas, where we have not yet reached a meeting of minds, though I have some difficulty in believing that they are matters of great principle to the Chinese side. It certainly cannot be a matter of principle to the Chinese side that we are dealing with district board and municipal council issues as well as Legislative Council issues because they originally proposed an arrangement which was going to cover both Legislative Council and muncipal council and district board issues. So there cannot be a matter of principle there.

I think it is a better question to ask of the Chinese side why they are sticking out against the voting method being agreed at the same time as the voting age. Let me make another pretty obvious point. A Bill in which we legislated for the voting method for district organizations and the voting age for everything would certainly lend itself to the sort of amendments we were discussing earlier. Indeed I have already heard Members of this Council say that if we do not put down the voting method in the Bill they will amend it, and I have heard Members say that that would produce majority support in this Council because I have heard distinguished Members of both the two largest parties saying that they would support single-seat, single-vote. So if — which was, I think, impossible for us — we reached agreement on a partial Bill which only dealt with the voting method for district organizations and shut out the Legislative Council, we would have been inviting considerable rebuke from the Chinese side when the Legislative Council extended that agreement, and we had to go back to the table and explain to them that the Legislative Council had gone further than we had agreed in negotiations. It is one of the things which is, I think, central to the whole legislative process and we cannot in truth and honour agree to things at the negotiating table which we do not think are going to be acceptable to this Council, otherwise we are behaving quite simply dishonourably. But I repeat, alas, that it was not the case, for it was only the

voting method that stood between us and an agreement. I should just add that the NPC point, as a gesture of good faith, we were prepared to accept. It is another concession that we have made in these talks and one which I am prepared to stand by.

PRESIDENT: Mr WONG Wai-yin.

MR WONG WAI-YIN (in Cantonese): Mr Governor, now you have decided to table to this Council a Bill, as you see it, on more straightforward issues on 15 December. And you express earnest hope at the same time that talks on some more complicated and controversial issues in respect of electoral arrangement could go on with the Chinese side. However, given that the Chinese side does not even agree to such simple issues which do not involve any principle at all, how can you expect that agreement could be reached with the Chinese side on some more complicated and contentious ones? Is this merely some wishful thinking? Mr Governor, I would like to ask: If the Chinese side adamently refuses to hold any further talks on the political reform issues, are you going to introduce to this Council, in the future, the other proposals in respect of the 1995 Legislative Council electoral arrangements, including functional constituency elections and the Election Committee? If not, what holds you back? Are you expecting a miracle?

GOVERNOR: Well, I have to say that, as a practising Christian, I do believe in miracles though they are not vouchsafed as often as one would like in the political arena except occasional election results in which I have played a part. (Laughter) That is the end of my memoirs. (Laughter)

Two questions. The Honourable Member expressed in his first question some of the scepticism which is undoubtedly going to be reflected more widely in the community about the prospects for an overall settlement of issues like the "through train": if we cannot even reach an agreement on appointed membership of district organizations and on the voting method for the Legislative Council — on which the Chinese side must know this Council's views and the community's views as well as I do — what chance is there for other contentious issues? I think despite that scepticism it is incumbent upon your Government and those who represent the interests of the people of Hong Kong to try very hard, whatever the difficulties, to get an agreement. If we could get an agreement it would be a great prize. A Chinese official said not very long ago — I think unwisely and, perhaps to be fair to him, inadvertently — that it would be no big deal if we did not get an agreement. Well, I think it would be a big deal if we could get an agreement that was acceptable to the people of Hong Kong. It would be good for China, good for Hong Kong, good in a way for the United Kingdom and the United Kingdom's relations with China. So we will go on trying and we are prepared to go on talking and our team will never be the team that walks away from the negotiating table. Never.

We proposed the negotiations; we have gone at 10-day or fortnightly intervals up to Peking to take part in the negotiations; we have gone on putting sincerity into these negotiations; we have proposed a formula for keeping the negotiations going; and we will try until what, I hope, is not the bitter but the sweet end. The Honourable Member says, "Well, what happens if you do not get an agreement?" I am always reluctant to answer questions which are hypothetical but his is, while hypothetical, a perfectly reasonable question. If we do not reach an agreement, then because of our sovereign responsibilities to conduct elections in 1994 and 1995 in compliance with the Joint Declaration, we will have to put forward proposals to this Legislative Council ourselves and the Legislative Council will then have to determine what it believes to be in the best interests of the people of Hong Kong.

And I just want to add one point — because it is, if I may say so, perhaps an inevitable feature of Hong Kong's life — that in discussing political issues conspiracy theories very often abound. There are a lot of them about and I want to nail one straightaway. If the Government puts forward proposals which, in our estimation and the Executive Council's estimation, represent the best way of securing fair and open arrangements for our elections in Hong Kong and which are most likely to command the broadest measure of support in Hong Kong, then having put those proposals forward the Administration is not going to dash back up the road to the Government Secretariat; the Governor is not going to put proposals in front of this Legislative Council — whether these proposals are after agreement or not — and then dash back to Government House leaving it to the Legislative Council to come to whatever view it wants. Any proposals that we put forward we will want to argue for. We will not, I hope, behave in ways which the Legislative Council would find uncomfortable, but we will certainly try to deploy all the rhetorical talents at our command to get into place arrangements which we believe are in the best interests of Hong Kong. I just wanted to make that point because it is sometimes suggested that we would put arrangements to the Legislative Council and then run for the bunker. That is not our intention. We will go on consistently arguing for, debating for, working for what we think is in the best interests of Hong Kong.

MR WONG WAI-YIN: Mr President, can I follow up?

PRESIDENT: No, please, we are short of time.

PRESIDENT: Ms Anna WU.

MS ANNA WU: Thank you, Mr President. Governor, on those matters to be put to the Legislative Council on 15 December 1993, will talks continue between the two governments on the same issues and can the British Government and the

Hong Kong Administration adopt a position different from the proposals made to the Legislative Council at these talks? Should the two governments not, in the case of a difference, make their views known to the Legislative Council on these issues thereafter, if at all?

GOVERNOR: I do not think at the moment that we have very much room for further talking about these matters. They are issues which, as I have said consistently, we need to get on with. We have explained that very carefully to the Chinese side. We have set out our position. We have set out our position a great deal on these matters and I do not think the Chinese side are unaware of what we think is necessary.

I can just add one other point. One of the issues — only one — on which we have not resolved matters, as I have said once or twice today, is the voting method. Why cannot the Chinese side agree to it? As I said, it cannot be a matter of principle. It cannot be because of a rooted belief that somehow Hong Kong's constitution makes it impossible to deal with district organization and Legislative Council issues. This Council in 1990 passed legislation for the 1991 and other district organization elections which encompassed both the Legislative Council and district organizations. It is commonplace of the way we have done business. So I think there are serious questions there for the Chinese side. If it was just a matter of form, how could a matter of form be so important? I repeat that I think that on these issues — unless the Chinese side have something new to say which we have not heard yet — we have to get on with the job of legislating.

PRESIDENT: Mrs Peggy LAM.

MRS PEGGY LAM (in Cantonese): Mr Governor, just now you have said that reaching an agreement is of paramount importance and that it is the wish of the majority of Hong Kong people that both sides will reach an agreement. Recently we paid a visit to Beijing to meet officials of the Hong Kong and Macau Affairs Office. According to them, if you, Mr Governor, table the Bill to the Legislative Council, this will pose obstacles to the talks, thus resulting in the breakdown of the talks. This is not what we would like to see. Your introduction of the partial package to this Council may indeed lead to the breakdown of the talks. I would like to ask: Firstly, how would you address such a dilemma and, secondly, would Hong Kong's smooth transition be at risk if there is really a breakdown of talks?

GOVERNOR: Well, first of all, if I may say so, I welcome the honourable lady back from her adventures in Peking, *(Laughter)* recognizing that perhaps one should not always believe what one reads in the newspapers or yet sees on the television.

I hope that we can avoid talk of breakdown and threats. I do not think that any Member of this Legislative Council could find any examples of members of the Hong Kong Administration or the United Kingdom Government making threats over the last year. Threats have not come from the Hong Kong Government. And I think that in the modern world it is incumbent upon all of us to deal with these matters rationally and soberly. I think that is what the people of Hong Kong expect and I think that is what the whole international community expects when they look at our efforts — the efforts of Britain and China who are the sovereign powers — to reach an accommodation in the interests of this community. So, we will not break off the talks. We want the talks to go on. But we also have distinct responsibilities as the sovereign power until 1997 and we are going to discharge those responsibilities to the best of our ability.

PRESIDENT: Dr YEUNG Sum.

DR YEUNG SUM (in Cantonese): Mr Governor, it takes two to tango and one cannot dance without a partner. Now you have submitted part of the original package so as to show your sincerity in continuing the talks with China. Why would you not submit the whole package since the other party night not accept this gesture and would refrain from engaging in any further talks once the package is submitted, even if it is only half of the package?

GOVERNOR: It does indeed take two to tango, as the Honourable Member says, though I should perhaps avoid saying that myself in case it brings down on my head further dancing epithets.

We have recognized, when contemplating this course of action, that there are going to be many members of the community — including many who are members of or who support the Honourable Member's party which received, as we know, substantial support in the last Legislative Council elections — who will think it wrong of us to split the legislation into two parts. I think that it is right to run the risk of that criticism in order to try to accomplish a broader goal, albeit one which is going to be very difficult to accomplish. If the Chinese side walk away from the table, then we will be obliged to look at the other parts of the legislation and to decide, as I was saying earlier, what to bring forward which will be both open and fair, to use those adjectives, and will command the broadest base of support in the community. And I do not have to hide from this Council the fact that that will be a difficult and demanding judgement. And we will have to talk to Members of this Council a good deal about the 1992 proposals, about the conditional concessions that we have made in the talks or about any other proposals which Members of the Council have. We have got to try to find the broadest ground on which to pitch our tents and we will be looking to cooperation from the Council in doing that. Not, I repeat, simply tossing ideas at the Council and then dashing off into the distance, but trying to

work out with this Council what is in the best interests of Hong Kong, what is in the best interests of that principle of Hong Kong people running Hong Kong, and what is in the best interests of safeguarding one country, two systems.

PRESIDENT: Mr CHIM Pui-chung.

MR CHIM PUI-CHUNG (in Cantonese): Mr Governor, you answer is full of dialectical power of a politician. We all know that there may (I only say "may") not be any results coming out of these Sino-British talks. But since these talks involve diplomatic secrecy, would it mean that what you have said just now has already breached the rules for the conduct of diplomacy? Moreover, many people suspect that you have direct interests in the package of arrangements for the 1994-95 elections for it was proposed by you. You are reluctant to make greater efforts in striking a deal for fear that once China and Britain come to an agreement, your package would come to nothing. In order to prove that you have no direct interests in this, you should extricate yourself from any talks in future so that they can be conducted smoothly between China and Britain. Do you think my point correct?

GOVERNOR: I think that the people of Hong Kong would be more than mildly surprised if the Governor of Hong Kong took no interest in the negotiations over political developments in the territory. I think that the people of Hong Kong would be surprised, I guess the Prime Minister and the Foreign Secretary would be surprised, and my suspicion is that Director LU Ping would also be surprised if I was to claim that from now on I was going to give up any interest in safeguarding Hong Kong's future and improve my backhand. I do not think that would be widely welcome.

Let me just touch on two points that the Honourable Member made. And I know what a concern for a successful outcome to these talks he has shown and what an interest in the talks he has shown. First, I have attempted today to avoid breaches of confidentiality about the talks and I guess there has been a lot more confidentiality breached in the columns of one or two newspapers which are quite close to Peking in Hong Kong than I have managed today. I think that there have been more breaches of confidentiality in the words of one or two officials on the Chinese side than I have shown today. I could have made rather more powerful arguments on one or two issues if I had broken confidentiality. So long as the talks are continuing and so long as there is hope for the talks, then we must abide by as much confidentiality as possible. If the talks were to break down then we would have to set out what had happened in as honest a way as possible, but I think the community understands why we cannot do that while the talks are still continuing.

The Honourable Member also suggested that I was afraid of an agreement because it might involve changing some of my 1992 proposals. Well, we have actually suggested at the negotiating table, with criticism from a number of Honourable Members here, conditional changes in those 1992 proposals. I am not afraid of an agreement. I would like an agreement more than anything else. We have made considerable efforts to reach an agreement. If there is no agreement, I do not think that history will reckon that failure to agree is because of lack of sincerity on the side of Hong Kong or on the side of the United Kingdom.

Adjournment and next sitting

PRESIDENT: In accordance with Standing Orders I now adjourn the sitting until Wednesday 8 December 1993.

Adjourned accordingly at twenty-two minutes to Four o'clock.