

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 17 May 1995

The Council met at half-past Two o'clock

PRESENT

THE PRESIDENT

THE HONOURABLE SIR JOHN 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 SIR NATHANIEL WILLIAM HAMISH MACLEOD, K.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 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 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.

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

THE HONOURABLE MOSES CHENG MO-CHI

THE HONOURABLE MARVIN CHEUNG KIN-TUNG, O.B.E., J.P.

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

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

DR THE HONOURABLE LAM KUI-CHUN

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

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 MAN SAI-CHEONG

THE 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

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

THE HONOURABLE LEE CHEUK-YAN

ABSENT

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

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

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

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

IN ATTENDANCE

MR MICHAEL SUEN MING-YEUNG, C.B.E., J.P.
SECRETARY FOR HOME AFFAIRS

THE HONOURABLE MICHAEL SZE CHO-CHEUNG, I.S.O., J.P.
SECRETARY FOR THE CIVIL SERVICE

MR DOMINIC WONG SHING-WAH, O.B.E., J.P.
SECRETARY FOR HOUSING

MRS KATHERINE FOK LO SHIU-CHING, O.B.E., J.P.
SECRETARY FOR HEALTH AND WELFARE

MR BOWEN LEUNG PO-WING, J.P.
SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS

MR JAMES FRANCIS MORRIS
DEPUTY SECRETARY FOR SECURITY

THE CLERK TO THE LEGISLATIVE COUNCIL
MR RICKY FUNG CHOI-CHEUNG

THE DEPUTY SECRETARY GENERAL
MR LAW KAM-SANG

PAPERS

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

Subject

Subsidiary Legislation	<i>L.N. No.</i>
Pilotage Ordinance (Amendment of Schedule 1) Order 1995	160/95
Waste Disposal (Charges for Disposal of Waste) Regulation	161/95
Consular Relations (Privileges and Immunities) (Commonwealth Countries and Republic of Ireland) (Amendment) Order 1995	163/95
Dangerous Drugs Ordinance (Amendment of Second Schedule) Order 1995	164/95
Hospital Authority Ordinance (Amendment of Schedule 2) (No. 2) Order 1995	165/95
Official Languages (Alteration of Text) (Immigration Ordinance) Order 1995	166/95
Import and Export (Registration) (Amendment) Regulation 1994 (L.N. 639 of 1994) (Commencement) Notice 1995	167/95
Industrial Training (Clothing Industry) (Amendment) Ordinance 1995 (2 of 1995) (Commencement) Notice 1995	168/95
Rating (Amendment) Ordinance 1995 (22 of 1995) (Commencement) Notice 1995	169/95
Declaration of Increase in Pensions Notice 1995	170/95
Widows and Orphans Pension (Increase) Notice 1995	171/95
Official Languages (Authentic Chinese Text) (Limited Partnerships Ordinance) Order	(C)33/95
Official Languages (Authentic Chinese Text) (Partnership Ordinance) Order	(C)34/95

Official Languages (Authentic Chinese Text)
 (Transfer of Businesses (Protection of Creditors)
 Ordinance) Order (C)35/95

Official Languages (Authentic Chinese Text)
 (Immigration Ordinance) Order (C)36/95

Sessional Paper 1994-95

No. 87 — Hong Kong Monetary Authority Annual Report 1994

ADDRESSES

Building (Energy Efficiency) Regulation

PRESIDENT: We will start with two addresses, but under Standing Order 14(5) no debate may arise upon these addresses

DR SAMUEL WONG: Mr President, I thank you for allowing me to place on record my misgivings on the wording of the Building (Energy Efficiency) Regulation now tabled.

The Regulation, gazetted on 21 April 1995 and to be operational on 21 July 1995, imposes energy efficiency requirements. They require the external walls and roofs of a commercial or hotel building to be designed and constructed to have suitable overall thermal transfer value, known as OTTV. A Code of Practice has been published to provide technical guidance for such design and construction.

When building plans are submitted, they will now have to be accompanied by information and calculations as required by Building (Energy Efficiency) Regulation 5. Information and calculations will be required to be submitted on standard forms — OTTV 1 to 4 — as set out in the schedule to the OTTV Code.

In the past four years, professional mechanical and building services engineers were heavily involved in the drafting of this OTTV Code. In July last year, I had had the opportunity of going over the Code. Subsequently, I recommended to the Secretary for Planning, Environment and Lands that the OTTV Code should require design, calculations and certification of OTTV to be carried out by registered professional engineers in the mechanical or building services disciplines, namely those whose expertise was required to prepare the Code in the first place. My belief was that the person who prepared and certified OTTV calculations should be responsible for that certification.

The whole point of creating a Register of Engineers of the various disciplines was to bring under regulatory and disciplinary control those professionals responsible for safety and economic matters, whose competence to practise could be updated annually to keep pace with the accelerating advances in technology. This is not the case with Authorised Persons, who are in overall control of any building project and are not legally subject to such restraints. If left free to obtain OTTV calculations from any source, they could well choose badly simply because of a lack of incentive to keep up to date with developments outside their own specializations. If litigation subsequently arose because a completed building failed to meet its thermal design criteria, the Authorised Person could use his own or his adviser's incompetence in the field of building services as a defence, since neither is required by law, and the Engineers Registration Board might have no means of disciplining the building services adviser. I believe in an extreme case the Government might be found liable for providing inadequate control.

Regrettably my recommendation was not accepted. Instead, the Buildings Department merely mentioned in the Practice Note for Authorised Person that "Authorised Persons are encouraged to consult a Registered Professional Engineer in assessing the design assumptions adopted in the evaluation of energy efficiency in buildings, and the services of a Registered Professional Engineer would contribute to a comprehensive approach to energy conservation".

In the OTTV summary sheet, only a small box is provided for stating who calculated the OTTV. A Registered Professional Engineer is only one of the options.

Mr President, I would draw your attention to the fact that OTTV control is only a first step in the preparation of several building services regulatory matters, including lighting, fire services, pressurization of staircases, smoke extraction and indoor air quality and, if the same lack of professional concern is shown to these, public safety in buildings will be at risk.

The Council enacted the Engineers Registration Ordinance in 1990. Today we have over 500 professional engineers registered in the two relevant disciplines. I was dismayed to find the Government has not seen fit to make the services of these professionals mandatory in the evaluation of OTTV, contrary to the whole spirit of the Engineers Registration Ordinance.

The Administration — and I stress the word, for we are not considering professional judgement here — the Administration stated that their main reason for not pursuing my recommendation was so as not to delay the implementation of OTTV control and they indicated that they would review the control procedures two years after implementation when my recommendation could be reconsidered in the light of operational experience. Could they mean when they find out how serious is the litigation that arises?

I should add that they undertook to amend the Engineers Registration Ordinance within six months of its enactment to include sub-professionals and it has not been done yet after six years.

I remain unconvinced by the Administration's reasons for allowing a professional job to be carried out by non- or inappropriate professionals. I would therefore make one last appeal to the Administration to write into the Code that the use of Registered Professional Engineers of appropriate disciplines for the design, calculation and certification of OTTV is essential.

PRESIDENT: Mr TO, did you wish to raise a point?

MR JAMES TO (in Cantonese): Are we having a debate on the Building (Energy Efficiency) Regulation? I hope to have some guidance on procedures from you, Mr President.

PRESIDENT: Yes. As I indicated before the addresses started, no debate would arise on the two addresses under Standing Order 14(5). Dr WONG had sought my consent, before the sitting, under Standing Order 14(4) to address the Council on this particular subsidiary legislation which had been laid on the table of the Council and I have since then received a request from the Secretary for Planning, Environment and Lands to address the Council as well. And I have decided to permit the Secretary to make an address to deal with the points raised by Dr WONG. I will confess the procedure is not very satisfactory, Mr TO, but it is the best way forward given the present circumstances. My consent is needed for addresses under Standing Order 14, but under paragraph 5, no debate may arise upon those addresses.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr President, I am grateful for Dr the Honourable Samuel WONG's comment on the Code of Practice which has been published to provide guidance for professionals to meet the Building (Energy Efficiency) Regulation.

Under the Buildings Ordinance, the Authorized Person (AP), who is a professional, is the co-ordinator of building works and he is required to certify plans and all documents and submit them to the Building Authority. Requiring a registered professional engineer to certify OTTV forms for submission could cause confusion in terms of the statutory responsibility of the AP.

Whereas an AP may not be directly conversant with all aspects of building services design such as lighting installations, air-conditioning systems, lifts and escalators, he is able and expected to consult an appropriate professional engineer where building works or installations beyond his competence are proposed in a building project. Experience indicates that this is generally

practised among all APs and has not presented any problem. There is therefore no reason to believe the professionalism in OTTV calculation and form completion cannot be secured in the same way.

The Administration has consulted widely on the Code of Practice before finalizing it for publication. The Building Subcommittee of the Land and Building Advisory Committee and the Authorised Persons and Registered Structural Engineers Committee were also consulted and the general view is that the existing arrangement whereby the AP coordinates and certifies all submissions to the Building Authority is working satisfactorily.

Moreover, adding a mandatory requirement into the Code of Practice, as Dr Samuel WONG has suggested, is not legally permissible under the existing primary legislation. We would require additional enabling legislation to do so and this will inevitably delay the implementation of OTTV control which is already a “long-overdue” energy efficiency initiative in the building industry.

The Administration has taken note of Dr Samuel WONG’s concerns about a lack of annual reconfirmation of the competence of APs. We shall address these concerns in the Buildings Amendment (No. 2) Bill 1995 which we hope to introduce into this Council on 31 May 1995. The proposals included in the Bill facilitate the implementation of the principle of self regulation and continuing professional competence and will only allow registered professionals under the relevant professional Registration Ordinances to be qualified as candidates for registration as APs under the Buildings Ordinance.

As a result, the Administration does not intend to include, at this stage, in the Code of Practice a clause which requires completion and certification of the OTTV forms by a party other than the AP. Nevertheless, as Dr Samuel WONG has pointed out, the Administration does recognize the potential contribution by professional engineers to improving energy efficiency in building designs. We have, therefore, encouraged the use of such professional service in the Practice Note to Authorised Persons. It is our intention to review the existing control standard and arrangement after two years, and I can assure Dr Samuel WONG that his suggestion will be included as one of the review items.

ORAL ANSWERS TO QUESTIONS

Measures to Safeguard Foreign Exchange Reserves and Fiscal Reserves

1. DR PHILIP WONG asked (in Cantonese): *In view of the depreciation of the US Dollar by a big margin, will the Government inform this Council whether the Hong Kong Monetary Authority has adopted any measures to*

safeguard the territory's foreign exchange reserves and fiscal reserves; if so, what these measures are; if not, why not?

FINANCIAL SECRETARY: Mr President, in its management of the Exchange Fund, the Monetary Authority pays close regard to market sentiment and expectations. Earlier this year, both of these pointed to the US dollar weakening, and the Monetary Authority has therefore been switching a modest proportion of the assets of the Fund out of US dollars and into DM and Yen.

However I would like to put these moves in perspective. The statutory purposes for which the Exchange Fund was created are basically "to affect the exchange value of the currency of Hong Kong" and "to maintain the stability and integrity of the monetary and financial systems of Hong Kong". In view of this, the management strategy the Monetary Authority pursues for the assets of the Exchange Fund places a very high degree of emphasis on liquidity and security of the assets.

The link of our currency to the US dollar, the fact that the Exchange Fund's liabilities are all denominated in HK dollars and the need not to run unwarranted risks will mean that the proportion of US dollars in the Fund will remain relatively high. At the end of 1994, this proportion was 73%.

Within these constraints, we have brought the level down slightly, currently to about 70%. We have done so in a gradual manner because the Exchange Fund is a very substantial fund, and it would be counter-productive from an investment angle and potentially disruptive to the currency markets to move major parts of the Fund between currencies quickly.

I have full confidence in the professional capability of the Authority, with the guidance of the Exchange Fund Advisory Committee, to manage the Exchange Fund.

DR PHILIP WONG (in Cantonese): *Mr President, as the depreciation of the US Dollar by a big margin could give rise to inflation, does the Government have any measures to reduce the inflationary pressures to be faced by the general public?*

PRESIDENT: We are straying a bit from the question and answer.

FINANCIAL SECRETARY: Mr President, inflation is a matter of continuing concern to the Administration and, of course, the questioner is correct that the weaker US dollar and therefore the weaker HK dollar does have some implications for the price of imports and for inflation. We do not have any new measures to deal with inflation. I think the limitations on our ability to produce

innovations has been well debated in past Budget debates. We will continue to control government expenditure in line with the growth of the economy, I think that is a contribution. We will continue, when we look at revenue measures, to bear in mind the possible inflationary aspects, but I do not at this moment have any new ideas on that particular topic.

MR ROGER LUK: *Mr President, in the third paragraph of his main answer, the Financial Secretary indicated “the link of our currency to the US dollar, the fact that the Exchange Fund’s liabilities are all denominated in HK dollars and the need not to run unwarranted risks”, would the Financial Secretary explain how the depreciation of the US dollar against other currencies affects the position of our foreign exchange reserves?*

FINANCIAL SECRETARY: Mr President, since the HK dollar is linked to the US dollar, there is no effect on the HK dollar value of US dollar denominated assets in the Exchange Fund. So if the dollar falls, it is the non-US dollar assets of the Fund which will tend to increase in value in HK dollar terms. In other words, other things being equal, which they seldom are, a falling dollar actually has the effect of increasing the asset value of the Fund, which is, as I say, in HK dollars.

MR RONALD ARCULLI: *Mr President, in the second paragraph of his main answer, the Financial Secretary told us that one of the two purposes of the Exchange Fund was really to maintain the stability and integrity of the monetary and financial systems of Hong Kong. Would the Financial Secretary inform this Council if fixing the US dollar portion of the Exchange Fund at 73%, or currently at 70%, takes into account non-US dollars, non-HK dollar liabilities of the financial and monetary systems and if so, to what extent, and if not, why not?*

FINANCIAL SECRETARY: Mr President, as I said in my main answer, the main factor in deciding the proportion of US dollars relates to those two purposes which are in the second paragraph. Of course, we also ensure that our assets cover our liabilities and that the currency in question is either the same or is hedged, so there is a full cover of assets over liabilities, which I have said are mostly in HK dollars.

I am not sure if that fully answers the question, Mr President, but that is, I think, the answer to the question.

MR CHIM PUI-CHUNG (in Cantonese): *Mr President, at present, our non-staple foods are mainly supplied by China. If China resumes its status under the General Agreement on Tariff and Trade, will the Government consider pegging*

part of our foreign exchange reserves to RMB to ensure a better equilibrium for various aspects in future?

FINANCIAL SECRETARY: Mr President, the answer is no. China of course would not have any role in deciding the policy of the Exchange Fund, whether in regard of currency or other matters.

DR HUANG CHEN-YA (in Cantonese): *Mr President, I believe that our Exchange Fund, if calculated in terms of DM or yen, may have actually lost in value in the past year following the depreciation of the US Dollar. So, will the Financial Secretary tell us, first, how much our Exchange Fund, when calculated in terms of Yen or DM, has depreciated in actual value in the past year. Has it increased or decreased? Secondly, will any figure in terms of Yen or DM be given in future so that we can see whether the value of our Exchange Fund, when calculated in terms of these currencies, will actually have increased or decreased each year?*

FINANCIAL SECRETARY: Mr President, insofar as I understood the first part of the question, I do not think I could possibly give the answer. I think it was a hypothetical question. If we had had all our money in, or perhaps the majority of our money, in Yen or DM, what would have been the effect on our balance at the end of the year; I obviously do not have that figure. I am not sure that it could be calculated either.

The second question, perhaps I could ask for that to be repeated.

PRESIDENT: Dr HUANG, repeat the second question.

DR HUANG CHEN-YA: *Yes, Mr President. What I was after is simply that if we calculated the Exchange Fund in terms of the US dollar in the past financial year, the total value of the Exchange Fund seemed to have increased. But if we calculated it in terms of DM or Yen, then in fact it may be possible that the Exchange Fund may have actually lost value. So I wonder whether in future the Financial Secretary would consider giving us also the value of the Exchange Fund in terms of some foreign currency, such as DM or Yen, so that we can see actually the significance of the Exchange Fund in the international monetary system, instead of just in terms of the US dollar?*

FINANCIAL SECRETARY: Mr President, of course if you wish simply to calculate the value of the Exchange Fund at the year end, it is a simple matter to convert US dollars into DM or Yen or any other currency you wish to convert it into. I am not sure that it would be of enormous interest because, after all,

we are interested here in Hong Kong dollars and US dollars primarily. That is partly a function of our role in relation to the currency and partly a function of the currency in which our liabilities are. But, as I say, it would be a very simple matter if anyone wishes to see the value in other currencies, simply to apply the current exchange rate. We would not have to do that for you.

Jailing of Illegal Immigrants

2. MR MARTIN BARROW asked: *In regard to the jailing of illegal immigrants, will the Government inform this Council:*

- (a) *of the percentage of illegal immigrants in the prison population, their average length of sentence, together with a breakdown of the offences committed;*
- (b) *of the estimated annual cost of maintaining these illegal immigrants in jail;*
- (c) *whether there is evidence that a jail sentence in the territory is more of a deterrent than immediate return to China; and*
- (d) *whether the Government will review its policy of jailing those illegal immigrants whose only crime has been working here illegally, rather than sending them back to China?*

SECRETARY FOR SECURITY: Mr President,

- (a) As regards the first part of the question, there are about 3 300 illegal immigrants in prison. This accounts for approximately 26% of the total penal population of about 12 500.

72% of the illegal immigrants in prison were sentenced to periods ranging from one month to 18 months. The rest are serving sentences of more than 18 months.

It is our policy to prosecute illegal immigrants who are found at places of employment or who, in addition to having entered Hong Kong illegally, have committed other criminal offences. Against this background, the breakdown of offences committed by illegal immigrants who are now in prison is as follows:

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|------|---|-----|
| (i) | Unlawfully remaining in Hong Kong | 41% |
| (ii) | Other immigration offences (for example, possession of forged ID Card, using ID Card of another person) | 35% |

- | | | |
|-------|---|-----|
| (iii) | Offences against property | 11% |
| (iv) | Other offences (for example, murder, perjury, possession of arms and ammunitions, dangerous drugs offences) | 13% |
- (b) As regards the second part of the question, we do not keep separate statistics on the cost of maintaining illegal immigrants in prisons. The direct costs of maintaining the 3 300 illegal immigrants we now have in prison is, in very rough terms, about \$22 million per year. This includes food, clothing, bedding, welfare and so on. It does not include staff costs because staff levels are determined with regard to certified prison accommodation and not the actual total numbers of prisoners in prison at any one time.
- (c) On the third part of the question, we believe that for illegal immigrants whose principal purpose in coming to Hong Kong is to obtain employment here, the prospect of imprisonment is an additional deterrent to repatriation to China. However, there is no scientific research on which irrefutable evidence can be adduced.
- (d) On the fourth part of the question, the Government will keep its overall policy towards illegal immigration under review. But, there is no plan to cease prosecuting those illegal immigrants found working in Hong Kong. Decisions on sentencing are, of course, a matter for the courts.

MR MARTIN BARROW: *Mr President, with regard to paragraph (d) of the answer, would the Secretary agree that it is possibly timely to carry out a review of this policy, particularly regarding the 41% of illegal immigrants whose only crime is remaining unlawfully in Hong Kong; and if not, why not?*

SECRETARY FOR SECURITY: Mr President, we have no plans to change our prosecution policy because we believe it is right where there are aggravating circumstances, such as being found in a place of work, that a prosecution should follow.

MR LEE CHEUK-YAN (in Cantonese): *Mr President, the Secretary for Security has clearly mentioned in his reply that about 3 300 illegal immigrants are serving sentence in prison. According to my calculation based on the breakdown of offences committed by those illegal immigrants, there are probably about 2 000 of them whose sentence is work-related. Can the Secretary tell us how many of the employers of those 2 000 illegal immigrants have been prosecuted and imprisoned? Besides, have the Secretary considered that if the \$22 million had been used to increase*

PRESIDENT: Could we have one question at a time please, Mr LEE?

SECRETARY FOR SECURITY: Mr President, I am afraid I am unable to break the figures down in that way at the present time. I shall have to provide a written response.

PRESIDENT: Could you repeat the question please, Mr LEE.

MR LEE CHEUK-YAN (in Cantonese): *My question is: how many of the employers of those 2 000 illegal immigrants have been prosecuted and imprisoned?*

PRESIDENT: Will you be able to supply an answer in writing, Secretary?

SECRETARY FOR SECURITY: I will. I actually have an answer on the employers who have been prosecuted.

PRESIDENT: Yes, I think that is what Mr LEE is seeking information about.

SECRETARY FOR SECURITY: In 1994, we prosecuted 82 employers of illegal immigrants, most of them operators of construction firms. The average penalty against them was 15 months.

MRS ELSIE TU: *Mr President, I am not concerned about the 59% who have committed criminal offences but I am deeply concerned about the 41% who are in prison simply because they were found working. May I ask why some illegal immigrants are treated differently from others and whether any of those who are in prison are waiting to be witnesses against others who have committed criminal offences?*

SECRETARY FOR SECURITY: The question of illegal immigration is dealt with by the Government in a way which directs our resources in the most effective manner in order to deal with the situation. For the vast majority of illegal immigrants, that means immediate return to China, that is, about 90% are returned immediately to China. There are under 10% who have either committed a crime, as mentioned in the early part of my main answer, or who are found working. We deem it right to prosecute in cases where people having entered Hong Kong illegally for the purposes of exploiting Hong Kong either for economic or criminal purposes, should be brought to justice. The question

of whether illegal immigrants are held as witnesses, I believe in certain circumstances they are. We have reviewed our procedures for that and I do not believe that this is now a major problem for us.

PRESIDENT: Not answered, Mrs TU?

MRS ELSIE TU: *No, just to ask how many are being held as witnesses.*

SECRETARY FOR SECURITY Mr President, I will have to respond in writing to that question. (Annex I)

MR RONALD ARCULLI: *Mr President, in paragraph (a) of the main answer, the Secretary has said that the illegal immigrant prison population is about 26% of the total penal population. Could he tell us whether this is an average figure over the years, and if we could have a breakdown to see whether in fact that 26% has actually moved, increased or reduced, so as to see whether or not imprisonment has in reality worked as a deterrent?*

SECRETARY FOR SECURITY: The figure provided in the first part of my main answer relates to a snapshot taken at the end of April this year. It represents the current situation. We do not at the moment have a moving figure for the number of illegal immigrants or the percentage of them over a longer period of time.

PRESIDENT: Yes, Mr ARCULLI, not answered?

MR RONALD ARCULLI: *Mr President, I would have hoped that if any institution would keep records it would be the Correctional Services, as to what the prison population is and as to where they come from. So, I wonder, if the Secretary cannot give us an answer today, whether I could have one in writing?*

SECRETARY FOR SECURITY: Mr President, we will indeed attempt to provide an answer in writing. (Annex II) I should just like to point out that the Correctional Services Department maintains its records on the basis of the crime for which a person has been imprisoned. It is not an easy matter for them to determine whether someone who has committed a robbery, for example, is also an illegal immigrant. But with a bit of work, we should be able to do that.

MS ANNA WU: *Of those employers prosecuted and the illegal immigrants comprising the 41% of the unlawfully remaining in Hong Kong category, does the Secretary have statistics on offenders prosecuted more than once?*

SECRETARY FOR SECURITY: Mr President, the number of illegal immigrants who have been prosecuted more than once, and that means of course that they have entered Hong Kong at least twice because merely entering on the first occasion does not bring about a prosecution, amounts to about 14% of those now in prison. 14% have been imprisoned before.

PRESIDENT: Ms WU, not answered?

MS ANNA WU: *The other part, Mr President, which relates to employers prosecuted. Are there statistics on employers being prosecuted more than once for the same sort of offence?*

SECRETARY FOR SECURITY: Mr President, we do not have those statistics to hand but I will attempt to answer that in writing. (Annex III)

DR YEUNG SUM (in Cantonese): *Mr President, the intention or motive of the Government's policy to imprison those illegal immigrants found working in Hong Kong was to make it work as a deterrent, but in paragraph (c) of the main reply, the Government said that there was no scientific research on which such evidence could be adduced, what then was the basis of the Government's policy?*

SECRETARY FOR SECURITY: Mr President, we try to deal with the illegal immigration situation in the most pragmatic and effective way we can and as I said earlier, for the most part, for 90% of illegal immigrants, that means immediate return. We feel that it is right to deal with those who seek work here in Hong Kong, by prosecuting them because it is, I think, a matter of common sense rather than of scientific deduction that if somebody who is bent on earning a living or gaining some economic advantage from his activities is removed from the scene by being imprisoned, he is no longer in a position to return and find work again. That in itself is a deterrent. The remaining aspects of deterrents are of course those which apply to all prisoners, the stigma of having been in prison, the hardship of being there and the inconvenience posed thereby.

MRS PEGGY LAM (in Cantonese): *Mr President, how many of the 3 300 illegal immigrants have been imprisoned more than once? Will their past record of imprisonment affect their sentence?*

SECRETARY FOR SECURITY: I am not in a position directly to answer the way in which courts reach their decisions, but I would imagine that any judge or magistrate would have regard to those sort of factors.

MR JIMMY MCGREGOR: *Mr President, can the Secretary say in answer to the enquiry made by Mr BARROW whether such second offenders attract heavier sentences than first offenders and so on, because I believe some of these prisoners have been here many times and have been prosecuted many times?*

SECRETARY FOR SECURITY: Mr President, yes, indeed some illegal immigrants do return to Hong Kong on multiple occasions. I have no hard evidence at my fingertips at this time as to how their sentences progress on each return, but I would imagine that magistrates do have regard to that factor.

MR JAMES TO (in Cantonese): *Mr President, the Democratic Party will continue to support the Government's policy to prosecute and imprison those illegal immigrants found working in Hong Kong as a means of deterrence. However, an interesting situation has arisen. As mentioned in paragraph (c) of the reply, illegal immigrants come to Hong Kong chiefly for the purpose of obtaining employment; if they are sentenced to prison, it seems that they can receive wages. Hence, it is interesting to note that the wages obtained by an illegal immigrant over more than 10 months in prison would be considerable. Does the Government think it necessary to consider this problem?*

SECRETARY FOR SECURITY: Mr President, we do not have any intention at the present time of reviewing the remuneration of prisoners while they are imprisoned.

Hong Kong Academy of Medicine

3. DR CONRAD LAM asked: *It is essential to maintain a high standard of specialist medical care in the territory after the termination of reciprocal recognition of professional qualifications with the rest of the British Commonwealth in 1997. The organization responsible for this function is the Hong Kong Academy of Medicine. In this regard, will the Administration inform this Council:*

- (a) *whether the Hong Kong Academy of Medicine has or has not been established and is or is not functioning; and*
- (b) *if so, whether the Academy has established ties with relevant professional bodies in England, Australia and the United States, on*

which the territory has so far depended for specialist medical training?

SECRETARY FOR HEALTH AND WELFARE: Mr President, the Hong Kong Academy of Medicine Ordinance was enacted on 25 June 1992 and came into effect on 1 August 1992 to establish the Hong Kong Academy of Medicine as an independent statutory body. An interim Council of the Academy was appointed by the Acting Governor with effect from the latter date.

At its inauguration on 9 December 1993, Fellows were admitted into the Academy from 12 specialty medical Colleges and two Faculties. A Council of the Academy was elected from among its own members to replace the interim Council appointed by the Governor.

The regulations drafted by the Academy were approved by this Council on 30 March 1994. The Academy has also passed its own by-laws.

The Academy has established ties with relevant professional organizations in the United Kingdom and in Australia.

In short, the Academy has been established and is functioning, although much work still needs to be done.

DR CONRAD LAM: *Mr President, in relation to the second paragraph in the answer given by the Secretary for Health and Welfare, it is widely known in the medical profession in Hong Kong that current membership in the Hong Kong Academy of Medicine consists solely of a group of about 2 000 Foundation Fellows whose admission has not been empowered by the Hong Kong Academy of Medicine Ordinance and that the current Council of the Academy has been elected by this group of Foundation Fellows. I have received legal advice that neither the Foundation Fellowship, nor the Council membership, is legal. Clearly the Academy has not been properly established. Would the Administration further inform this Council whether it is aware of this situation and if so, what precise steps it intends to take to rectify the situation?*

SECRETARY FOR HEALTH AND WELFARE: Mr President, I am not aware of the matter referred to by the Honourable Member, but since he has raised this today, I shall certainly refer it to the President of the Academy.

MR MOSES CHENG: *I want to follow up on the election of the Council to replace the interim Council. I was given to understand that the members of the Academy responsible for electing the Council are the Foundation Fellows who are not provided for or regulated under the ordinance. In such circumstances, it might have invalidated the Council elected to replace the interim Council.*

Will the Secretary for Health and Welfare confirm that this possible problem will be looked into and suitable steps will be taken to rectify the same accordingly?

SECRETARY FOR HEALTH AND WELFARE: Until a specific problem is established, I think it would be inappropriate to speculate on the possible steps that might be necessary to remedy the situation. But I shall certainly refer the matter to the President of the Academy for his consideration.

MISS CHRISTINE LOH: *I would like to have a point of clarification from the Secretary. The question assumes that reciprocal recognition of professional qualifications within the British Commonwealth, in view of 1997, will have to terminate. I would like to know whether that is the case because I believe these reciprocal arrangements are not a matter of sovereignty but a matter with the various medical professions?*

And secondly, in the fourth paragraph, it is stated that the Academy has established ties with the relevant professional organizations in the United Kingdom and Australia. I wonder whether ties are the same as reciprocal recognition?

SECRETARY FOR HEALTH AND WELFARE: I can confirm to the Honourable Member that reciprocal arrangements are a matter for the Academy. As for ties, they range from informal links to very formal links. What I have is a list of the links with international bodies which the Academy has established since its foundation and I shall be pleased to provide the full list to the Honourable Member. (Annex IV) It is a list of something like 40 organizations.

PRESIDENT: Miss LOH, not answered?

MISS CHRISTINE LOH: *No, Mr President. Perhaps a yes or no answer will do. The first question is: Is it taken for granted that links with the British Commonwealth medical associations with which one has reciprocal recognition must end in view of 1997? I think a yes or no answer will do.*

And secondly, maybe the Secretary can clarify that ties do not mean reciprocal recognition?

PRESIDENT: Are you in a position to answer yes or no, Secretary?

SECRETARY FOR HEALTH AND WELFARE: I shall need to check the accuracy of the data before I can reply to the Honourable Member. I shall reply in writing. (Annex V)

DR LEONG CHE-HUNG: *Mr President, the Academy of Medicine is a statutory body and obviously it has the blessing of the Government. Its main aim is to establish and promote postgraduate, and I stress postgraduate, education. What plans in relation to resources, both financial and manpower, will the Government pump into this body to ensure that the aim of this body is met with and that Hong Kong will be able to train adequately, both in quality and quantity, its own medical specialists?*

SECRETARY FOR HEALTH AND WELFARE: Mr President, a contribution of up to \$10 million has been pledged to assist in the construction of the headquarters of the Academy on the basis of \$1 million from the Government for every \$10 million raised by the Academy. So far \$4 million has been contributed by the Government. We have also provided a site at nominal premium.

PRESIDENT: Yes, Dr LEONG?

DR LEONG CHE-HUNG: *I do not think my question has been answered. Mr President, I am talking about the money that the Government will put in for training purposes. In other words, will there be additional manpower for training and so on?*

SECRETARY FOR HEALTH AND WELFARE: The Academy will be coming to the Government shortly to ask the Government whether it requires any assistance in funding any of its training.

MISS EMILY LAU (in Cantonese): *Mr President, I would like to ask a follow-up question on Dr K C LAM's. I am quite surprised to hear that the Government does not even know that there is some legal problem concerning the establishment of the Hong Kong Academy of Medicine, as this is a hot topic in town. Mr President, would the Government inform us of the relationship between the Government and the Hong Kong Academy of Medicine, and that what is the body responsible for monitoring the Academy's operation?*

SECRETARY FOR HEALTH AND WELFARE: I would like to answer the second part of the question first. The Academy is an independent statutory body. The Government is not represented on this Academy. Nor does the Government take a direct interest in monitoring the actions of this body.

PRESIDENT: Miss LAU, not answered?

MISS EMILY LAU (in Cantonese): *Mr President, it is really very simple. If there is some legal problem concerning the establishment of this statutory body, is it not necessary for the Government to proceed with monitoring and take necessary action? Everyone is talking about it and everyone knows it. Why is it that the Secretary has told us that she is not aware of the problem?*

SECRETARY FOR HEALTH AND WELFARE: As I said earlier on, until a specific problem in either the Academy or the current legislation is established, it would not be appropriate to speculate on the possible steps necessary to remedy such a problem which may or may not exist.

MRS MIRIAM LAU: *Mr President, in the formation of important public bodies such as the Mass Transit Railway Corporation or the Preparatory Committee on Chinese Medicine, the Government commonly sends a senior representative to ensure that the final body is formed properly and in the public interest. Can the Secretary for Health and Welfare inform this Council whether this is also the case in the case of the preparatory body for formation of the Hong Kong Academy of Medicine? If not, why not? And if such a representative was sent, and if the complaint just lodged by Dr LAM Kui-chun was substantiated in that the Academy has not been legally formed, then will the Secretary investigate and find out whether the representative so sent had any role to play in causing or allowing such error to occur?*

PRESIDENT: Yes, I think the question went to the legality of the Council, not of the Academy, Mrs LAU.

MRS MIRIAM LAU: *Not of the Council but of the Government's representative, if there was one sent to the preparatory committee for the Academy. Not the Academy itself nor the Council itself.*

SECRETARY FOR HEALTH AND WELFARE: Mr President, the ordinance was set up in 1992 and came into effect in August of that year to establish the Hong Kong Academy of Medicine. I shall need to research my files in order to

find out whether the Government did or did not send any representative or took any role in the preparation of the Academy.

DR LEONG CHE-HUNG: *Perhaps before I ask this question I have to declare my interest as the Vice President of this body. (Laughter) The last few months have seen members of the medical profession challenging the status of the body by writing to the press, attempting to take up legal actions, approaching the Hong Kong Government and also attempting to approach foreign consulate officers. Could the Administration inform this Council of the legality of this body, once and for all, and it is the Government's policy to leave the professions to deal with their own standard setting?*

SECRETARY FOR HEALTH AND WELFARE: I have yet to be convinced that there is anything illegal about the Academy. Until that is established, it would be premature to speculate on what is or what might not be a problem.

DR LEONG CHE-HUNG: *My second question is not answered, Mr President.*

PRESIDENT: Yes, Dr LEONG.

DR LEONG CHE-HUNG: *The second question is that, is it the Government's policy to leave the professions to deal with their own standard setting?*

SECRETARY FOR HEALTH AND WELFARE: It has always been the Government's policy to leave the professions to set their own professional standards.

Election of Village Representatives in the New Territories

4. WONG WAI-YIN asked (in Cantonese): *regarding the election of village representatives (VRs) in the New Territories, will the Government inform this Council:*

- (a) *of the villages in the New Territories which have elected their VRs under the one-person-one-vote system, as well as the villages which have not elected their VRs under this system, as at the end of March this year;*
- (b) *of the villages which have not yet elected their VRs, together with the reasons giving rise to this state of affairs; and*

- (c) *when and how the Government will require all villages to adopt the one-person-one-vote system in the election of VRs, and whether a timetable will be set?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, there are 691 villages in the New Territories. As I explained to this Council in my written reply to Hon CHEUNG Man-kwong's question at the sitting on 23 November 1994, since the Heung Yee Kuk promulgated its one-person-one-vote rule on village representative elections, we have been actively promoting compliance of the new rule by the 555 villages under 25 Rural Committees in the New Territories which had yet to hold elections. Since at that time the Shatin and Tai Po Rural Committees were already organising their elections, this figure does not include the 136 villages under these two Rural Committees.

- (a) On the first question: Of the 555 villages concerned, 396 villages have by the end of March this year held election of their village representatives in accordance with the Heung Yee Kuk's model rules. The position has further improved during the last month. During the month of April, an addition of 22 villages have completed their village representative elections on the new rules, thus bringing the total number to 418 villages.

Of the remaining 137 villages, 108 villages will be holding their new village representative elections in compliance with the Heung Yee Kuk's model rules.

In summary, therefore, 526 out of the 555 villages concerned have by now held or will hold village representative elections under the "one-person-one-vote" rule. The Heung Yee Kuk can rightly regard this as a significant achievement in less than one year.

- (b) On the second question: As stated above, 137 villages have yet to hold VR elections. Of these, only a small number, 29, have yet to accept the new rules. Given the NT residents' respect for established customs and traditions, it should not be of surprise to find that a small number of them still holds an entrenched attitude for traditional practices. On village representative elections, the residual small number is a good reflection of the combined efforts between the Government, Heung Yee Kuk, and the Rural Committees in this joint endeavour. We should of course also thank Members of this Council for their support. I can assure Members that we will continue to persevere to persuade the remaining villages to comply with the model rules. Discussions are in progress and I understand that the prospects are good.

- (c) On the third question regarding timetable, we anticipate that 47 of the 108 villages will hold their elections in the coming two months. This will be followed by further 42 and 19 in the third and fourth quarters of this year, respectively. We will continue to step up promotional and educational activities in these villages to ensure that the targets are met.

MR WONG WAI-YIN (in Cantonese): *Mr President, at the meetings of the Home Affairs Panel, we have been pressing for a name list indicating which villages have adopted the one-person-one-vote system in electing their village representatives (VRs) and which have not. But the Government has failed to comply. Though I raised an oral question on this issue today during this Council sitting, the Government still would not provide us with a list of the villages. Even if the Secretary for Home Affairs is unable to provide the list now, I hope he will do so in a written reply later. Mr President, my follow-up question is that in paragraph (b) of the main reply, it has pointed out that there are 137 villages which have not*

PRESIDENT: One question at a time please, Mr WONG. You have had one question.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, in fact the list of villages is in my hand. But I did not read out the name of every village because it would take about 30 minutes to read out so many names. And according to my understanding, the original question of Mr WONG asked for a list of these villages, but that part was eventually changed and deleted. So we thought Mr WONG did not need it anymore. If Mr WONG really wants to have the list, I think the best way will be to give it to Members in a written reply. (Annex VI)

PRESIDENT: Do continue, Mr WONG.

MR WONG WAI-YIN (in Cantonese): *Mr President, my question is to ask for the names of the villages, not the number. In paragraph (b) of the main reply, it said that amongst the 137 villages which have yet to hold VR elections, 29 seem to be too "head-strong" to accept the new rule of one-person-one-vote. Could we be informed whether the Government will set a reasonable and specific timetable by which the 137 villages, including the 29 which have yet to accept the one-person-one-vote system, should hold VR elections in compliance with the new rule; whether the Secretary can assure us that he will not affirm the status of those VRs who are not elected in accordance with the one-person-one-vote system?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, I have made it clear in my main reply that of the remaining 137 villages, 108 villages have promised that their village representative elections will be held in compliance with the new rules within this year. In my reply, I have also given a detailed account of their elections, which I am not going to repeat. Of the remaining 29 villages, I have also mentioned that we are still persuading them. But I am confident that they will adopt the new election model in the near future because our promotion work has been quite successful. As is well-known, many of the New Territories people differ from us in traditional practices and viewpoints. I think it is not bad to have achieved this result in just one year's time. Of the remaining 29 villages, I think, at the present stage, it is not necessary to make it a rule that they have to abide by this election model within a specified time. On the contrary, we should give them more time so that we, with the joint efforts of Heung Yee Kuk, can actively continue to persuade the VRs and the rural committees concerned. We will step up explaining to them in order to win their support. I think this is a more effective way.

PRESIDENT: Yes, Mr WONG, not answered?

MR WONG WAI-YIN (in Cantonese): *Mr President, the other major question raised by me is: Can the Secretary assure us that he will certainly not affirm any VR who is not elected under the one-person-one-vote system?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, as pointed out by Mr WONG, we have discussed this topic at the meetings of the Home Affairs Panel of this Council. Mr WONG has raised the same question at these meetings and I have already answered it. Perhaps, I should repeat what I have said. If the VRs are elected not according to one-person-one-vote system, I will exercise discretion to determine whether or not their status should be affirmed by considering the situation at that time. I was asked by some Members at the meeting why I could not give an outright refusal. The reason is that when I exercise discretion, I cannot just ignore the situation when the election is held. I have to consider each case on an individual basis. Otherwise, it would be a perversion of administrative justice.

PRESIDENT: I have got five supplementary questions here and I think I will have to draw the line at that point.

DR YEUNG SUM (in Cantonese): *Mr President, as both the Government and Heung Yee Kuk have accepted the principle of one-person-one-vote, will the Government explain how it will put it into practice, thereby ensuring that the VRs are elected in compliance with the rules?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, through Heung Yee Kuk and the rural committees under it, we will explain to the villagers concerned the idea behind this principle by means of persuasion, and we will also point out to them the reason why we have to adopt this principle, which is to ensure that these villages are not out of line with other parts of Hong Kong. After more than six months' joint efforts, we have got some achievements now. As I have just said, 29 villages have not been persuaded to accept this model of election. But we will keep on persuading them. In the meantime, if they encounter any difficulties, in registration of voters, for example, we will assist them in promotion and registration works by providing them with resources and manpower.

MISS CHRISTINE LOH (in Cantonese): *Mr President, can the Secretary inform us whether it is an infringement of human rights if some villages do not allow their women to vote in compliance with the rules of one-person-one-vote? If not, why not? If there is such a case, is it necessary to enact legislation to enable all indigenous women to vote?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, according to information we now have, we have not received any complaint that village women have been forbidden to take part in any election. Had we received such a kind of complaint in the past, we would have invalidated the election results and ordered a new one to be held. Up till now, we have not received any complaint of this kind.

REV FUNG CHI-WOOD (in Cantonese): *Mr President, the Secretary has repeatedly stated that the Government will continue to persuade and advise the remaining 29 villages to comply with the one-person-one-vote system. According to his timetable, it seems difficult to have the 29 villages successfully persuaded within this year. Will the Secretary inform us how long he is prepared to wait for the villagers' change of attitude and how much tolerance he can show? Will it be three years or four years before he reconsiders the issue?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, perhaps I have greater tolerance than Honourable FUNG. But I believe the efficiency of our office is not low. Up to the present, we are still actively promoting the model rules. As I have just said, I cherish high hopes that our promotion work will soon bear fruit and the remaining 29 villages will promise to hold elections in compliance with the one-person-one-vote system.

MR LEE WING-TAT (in Cantonese): *Mr President, due to poor timing, the chairmen of all rural committees had been elected before the end of April, and they have thus become the ex officio members of the district boards. If these villages had not held VR elections under the one-person-one-vote system before the end of April, the former VRs could become candidates in Rural Committee chairman elections. In other words, there are many rural committee chairmen, who are also ex officio members of the district boards, whose background is mostly not built on the one-person-one-vote system. Can the Secretary inform us whether the Government agrees to this? Has the Government considered to make it a rule that the background of all rural committee chairmen, that is the background of the VRs, be built on the system of one-person-one-vote? If not, how can the Government ensure that the election principles such as openness, fairness and equality of sexes as mentioned by the Governor are complied with?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, I hope Members will understand that what we are talking about is a transitional arrangement which allows an old system to transfer to be a new one. In the past, our long-established practice has not been challenged. This model has been adopted for a long time in electing VRs. Then amongst the VRs, the chairmen of rural committees are elected, who then participate in various district boards in the New Territories in the capacity of Chairmen of rural committees. Such practice has been well accepted. Of course, as a new situation has emerged, we should have some transitional arrangement. If new rules for electing VRs are not adopted because of poor timing, we, of course, hope that there will be a complete change in the next election. However, as I have just said, some villages have already adopted the new rules though to a different extent, in various elections held by the rural committees. So we cannot say that they lack such background. Of course, it would be most ideal if timing is so good that all VRs are elected under the new rules. Nevertheless, we hope that this can be put into practice in the next election.

MR CHIM PUI-CHUNG (in Cantonese): *Mr President, when I was the Member on Roster Duty, I received a complaint from a certain village. After hearing what the Secretary has said, I would like to know when some villages have divergent opinions on their VRs or on other problems, whether the Government will eliminate such divergence by exercising its legal power? If not, will the Government amend the relevant legislation to enhance its legal power?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Mr President, the existing Heung Yee Kuk Ordinance has already provided a sufficient legal basis on which the Secretary for Home Affairs is empowered to exercise his discretion. So I think that amendment to the Ordinance is unnecessary.

Benzene Volatilized from Petrol Stations

5. MRS PEGGY LAM asked (in Cantonese): *According to a survey conducted in Happy Valley, the amount of benzene volatilized from petrol stations in the district is higher than the recommended acceptable level of 16ug/m³ in Britain. In this connection, will the Government inform this Council whether:*

- (a) *there are provisions in existing legislation governing the amount of benzene volatilized within the compound of a petrol station as well as the distance between a petrol station and residential premises; if not, whether the Government will consider introducing legislation to specify the distance between a petrol station and residential premises so as to ensure the safety of the public; and*
- (b) *the Government has considered the effects of such gases on the health of the public, as well as the effects on residential premises in the event of an outbreak of fire in petrol stations?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Mr President, I would first of all wish to thank the Honourable Mrs Peggy LAM for giving me the opportunity of replying to my first Legislative Council question in my new post. I am sure there will be many such occasions in future. I shall try my best to reply to Members' questions in a frank and detailed manner.

The question raised by the Honourable Mrs Lam refers to benzene levels in petrol stations. The standard for benzene quoted by her is proposed by an expert panel in United Kingdom. on the basis that such a level represents an exceedingly small risk to health. Surveys carried out by the Environmental Protection Department show that the general ambient and roadside benzene level in Hong Kong is only about 3-7 ug/m³. Measurements taken near other petrol filling stations also show that, except for two instances of excess, the benzene levels are in general within the proposed limit.

Our laws at present do not control the amount of benzene volatilized within petrol stations. However, the local oil industry has agreed to keep the benzene level in automotive petrol below 5%. This limit is in line with those adopted in Europe, Australia and Japan. Our fuel surveys show that the oil industry has always kept to the agreement and the average benzene content for leaded petrol is 3.2% and unleaded petrol 3.4%.

We do nevertheless have regulations governing the sites of petrol filling stations and their distance with residential premises. The Hong Kong Planning Standards and Guidelines require fire safety consideration to be taken in selecting any site for a petrol filling station, so as to ensure that there are adequate space to permit safe location of tanks, vent pipes, tank fitting point,

tank vehicle off-loading stands, pumps and dispensers in relation to both the operation of the station and safety of adjacent premises. In general, petrol filling stations should be situated on open ground or at acceptable areas within commercial or industrial buildings. They will not be allowed inside residential buildings. In addition, the Fire Services Department administers the licensing of petrol filling stations vigorously under the Dangerous Goods Ordinance and in line with the Marketing Safety Code issued by the Institute of Petroleum. Tank openings and dispensers should be located so that their centre lines are not less than 4.25m from any fixed source of ignition or from the boundary of the premises. Where such safety distance cannot be provided, stringent fire protection measures such as automatic foam water spray system and complete separation from other parts of buildings by materials having a fire resisting period of four hours are required.

With regard to health risk, studies in overseas countries indicate that repeated long term exposure to high benzene concentration, particularly in confined spaces, may result in death or leukaemia. I must emphasize, however, such cases would occur under high concentration and long period of exposure. A release of benzene in a single incident from a low concentration compound in our petrol will not give rise to significant health risks. The main concern associated with petrol filling stations is fire safety, and as I have said earlier, we already have very stringent controls in this regard.

MRS PEGGY LAM (in Cantonese): *Mr President, first of all, I would like to welcome Mr Bowen LEUNG as the Secretary for Planning, Environment and Lands. I would also like to thank him for giving the first of his reply in this Council in great detail today.*

It is mentioned in paragraph 5 of the main reply that repeated long period of exposure to high benzene concentration, particularly in confined areas, may result in death on leukaemia. According to a test conducted by the Environmental Protection Department on 22 and 33 March this year, the amount of benzene in the three rooms of an old people's home in Happy Valley was 26 μg to 59 μ/m^3 . Will the Government tell us whether it is hazardous to health with the ambient benzene level being four times higher than the level of 16 μ/m^3 suggested by the expert panel in Britain. If the answer is yes, what measures has the Government been prepared to take to improve the situation?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Mr President, first of all, I would like to point out that the data of that survey of the Environmental Protection Department was drawn on the basis of a very minor sample chosen at random in a very short period of time. The data was not the result of a long-term and detailed study. In this connection, I think we have to spend a longer period of time on observation before determining whether or not we can draw a conclusion from the data of the Environmental Protection Department, and those are the data that the

Honourable Mrs Peggy LAM referred to just now. On the whole, data show that the benzene level in Britain is in fact a lot higher than that in Hong Kong. It is on average 10 times higher than the standard at certain randomly chosen areas. At present, the benzene level in Hong Kong is $3 \mu\text{g}$ to $7 \mu/\text{m}^3$ on average, which is far lower than that in Britain. That sample in Happy Valley of which the benzene level goes beyond the standard may just be one or two exceptions. We will not be satisfied and will continue to monitor the situation.

However, as I mentioned earlier on, it will be hazardous to our health only if we are subjected to long period of exposure to high benzene concentration. In fact, from the experience in foreign countries, such a case will come up only in a room where pure benzene is constantly released and workers are working in that room for years and years. The case will be very different if the room is a well-ventilated one. Therefore, we can come to a conclusion consisting of two points: Firstly, even with a measurement of some $20 \mu\text{g}/\text{m}^3$, the benzene level is still very low; secondly, there will be such a case only under long period of exposure in a confined area. At present, according to our information, there has not been any problem of this sort in Hong Kong.

MISS CHRISTINE LOH: *I would like to ask the Secretary whether, in view of his response in the fifth paragraph and just his oral answer a minute ago, the workers who work in petrol stations are in any way protected?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr President, if I could answer in this way. All petrol filling stations in the world, by their design and fire services and other requirements, are open areas. And not just the experience in Hong Kong but also the experience in almost all other places in the world, workers working in petrol filling stations are not accounted for as working in a high risk benzene environment and as far as we are aware, no petrol filling stations in the world require their staff to have protective measures because of their working in petrol filling stations. In fact, the measurements taken in most petrol filling stations — I would say in all petrol filling stations in the world — have come down to the calculation or measurement that the benzene level is so low that it does not affect the health of workers by the fact of it being benzene.

MR PETER WONG: *Mr President, benzene together with other polyaromatic hydrocarbons (PAH) in petrol and diesel, have been quoted in scientific literature as being harmful to people's health. Are there any standards for PAH for Hong Kong? And also, can the Secretary confirm that normal breathing masks are useless against benzene and PAH vapour?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr President, I think it is a bit sensitive to talk about breathing apparatus in the light of world news. But as I said in my previous reply, the standards of benzene content arising from petrol filling stations are so low that workers there are not required to have protective breathing apparatus because of their work. This is actually controlled at source, basically, because of the benzene level in the petrol and also the requirement for vehicles to switch off their engines while they fill petrol. So, as I say, there is no need to wear breathing apparatus.

MR PETER WONG: *Mr President, my question is not on benzene alone, it is the polyaromatic hydrocarbon which has a level of about four or five times that of benzene and is much more toxic.*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr President, I can only draw on the experience of all other countries. Again, as I said in my earlier reply, all petrol filling stations are in fact open areas. We have yet to see any conclusive study in any part of the world regarding petrol filling stations, that their staff — I mean petrol filling workers — would need to wear breathing apparatus. But we will be quite prepared to keep on monitoring the results or data from other countries to see whether they are applicable to Hong Kong.

Use of Chinese in Government Departments

6. MR MAN SAI-CHEONG (in Cantonese): *In view of the fact that Chinese and English are both official languages under the Official Languages Ordinance and Article 9 of the Basic Law, can the Administration in form this Council of the specific timetable to fully implement the use of Chinese in government departments; if so, what the details are, and whether it will adopt a periodic review of the progress; if not, why not?*

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): Mr President, under the Official Languages Ordinance of 1974, both Chinese and English are our official languages for the purposes of communication between the Government and members of the public. In this context, the public has long been able to deal with the Government in either Chinese or English.

The priority for us now is to further extend the use of Chinese internally within the Government, in line with the social and political development of Hong Kong. Our ultimate objective is a civil service which is bi-literate (Chinese and English) and tri-lingual (Cantonese, Putonghua and English). When that stage is reached, officers could deal with each other in English or Chinese without having to go through translation or interpretation. We have

already laid a modest foundation in that Chinese is increasingly used in notices, circulars and correspondence with junior officers; and so is Cantonese at meetings.

A Working Group has been established recently under my chairmanship to develop a practical and pro-active strategy to achieve the above objective. It has to-date:

- (a) advised on the early introduction of a language proficiency requirement at a pass in a Chinese subject in the Hong Kong Certificate of Education Examination (HKCEE) for permanent and pensionable appointments to all grades with entry requirement at five passes in the HKCEE or higher qualifications. This we have implemented;
- (b) recommend further steps to enhance the use of Chinese in the day-to-day management of the Civil Service, for example:
 - appraisal reports on junior staff;
 - proceedings of internal meetings;
 - invitations to selection interviews and appointment letters for the junior ranks; and
 - valedictory letters.
- (c) identified a number of departments such as Housing and Home Affairs for a pilot scheme to develop practical steps to promote on a systematic basis the wider use of Chinese;
- (d) identified the need for a change of the language culture in the civil service, particularly among bi-lingual officers whose competence in Chinese might have deteriorated through lack of practice;
- (e) identified the need to step up training for both local and overseas officers in their language skills. All local Administrative Officers would be required to undergo basic Putonghua training by 1997. Already those who are on probation are required to achieve a certain standard in Putonghua before their confirmation. Starting from this year, new recruits will have to attend courses in written Chinese to update them on their ability to write modern practical Chinese relevant to their work. Overseas permanent and pensionable officers who have opted to remain in service after 1997 will be given intensive training in Cantonese and where practical in written Chinese;

- (f) highlighted the need for technology support in terms of the provision and standardisation of hardware and software for Chinese word processing throughout the civil service;
- (g) identified the need to train over 13 000 General Grades staff mainly typists and secretaries in the next three years in Chinese word processing skills; and
- (h) advised on the need to bid for resources in the 1996-97 estimates to implement these ideas.

As can be seen from the above account, the approach is necessarily evolutionary. We have to take account of the fact that English has so far been the major medium of communication, the varying standards of Chinese among civil servants, the nature of work and circumstances of different departments, as well as the need to strike the right balance so that the greater use of Chinese would not be at the expense of English nor efficiency. It is therefore not possible to give a specific timetable as requested by the Honourable Man Sai-cheong. We will however keep the Public Service Panel of this Council informed of progress as the Working Group moves along.

MR MAN SAI-CHEONG (in Cantonese): *Mr President, first of all, I am pleased that the the Secretary for the Civil Service has set an example by using Chinese to answer my question which was asked in Chinese. But regrettably, there is no specific timetable to implement the policy concerned in his reply. Has the Administration ever fully reviewed the present situation? It is the existing practice of many government departments, such as the Companies Registry or various levels of courts, that the legal documents or legal forms which closely concern the public are required to be written or filled out in English, otherwise they will not be accepted. If the Administration does not thoroughly conduct a comprehensive review of the situation, work out a specific timetable and adopt a periodic review of the progress, how can it say that it has the determination, sincerity and steps to fully implement the bilingual policy mentioned by the Secretary for the Civil Service?*

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): Mr President, first of all, as far as a timetable is concerned, I think the crux of the matter is not whether there is a specific timetable but whether we have taken any action. Positively speaking, in the eight courses of action that I have listed just now, there are already concrete steps in promoting the use of Chinese. And together with the continual operation of the Working Group, we are sure that the bilingual policy will be implemented in the Hong Kong Government in order to be in line with and to follow the social developments and trends in this respect. For instance, most of the meetings of this Council are now conducted bilingually. We are already adapting to it gradually.

The Honourable MAN Sai-cheong also mentioned about the practice of the Companies Registry. The Companies Ordinance provides that forms submitted should only be completed in English, and this is a fact. Besides, the Trade Marks Ordinance also has the same shortcoming. In this connection, I would like to raise a point. First, the Administration has already proposed an amendment to the Companies Ordinance which is now being deliberated by this Council. Once the amendment is agreed to, all the legal forms can be filled out in either Chinese or English. In regard to the Trade Marks Ordinance, as far as I know, the Intellectual Property Department is now drafting a Trade Marks (Amendment) Bill. Once it is carried, both Chinese and English can be used.

MR ALFRED TSO (in Cantonese): *Mr President, I very much agree that action speaks louder than words. But action can be fast and can also be slow. And speeding up action is our common aspiration. In this area, we as Legislative Members have to deal with a lot of residents' appeals and cases. As we write to the government departments concerned on behalf of the residents to reflect their cases or for follow-up action, we often receive replies from some government departments written in English mentioning that the Chinese translation of the letter will be provided later. Can the Administration inform this Council whether the Civil Service Branch will take practical action to encourage replying in Chinese or even issue instructions so that when civil servants are handling problems at district level concerning persons who use Chinese, Chinese replies should be given before providing the English translated versions? This is a practical action in promoting the use of Chinese in replies and in using it as the language of operation in government departments.*

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): Mr President, as I have mentioned in my main reply, we have to change the language habits of the civil service. At present, as most civil servants have been dealing with documents largely written in English ever since they were employed, they are accustomed to using English when handling the documents, and this is a fact. We still have a lot of colleagues who do not know Chinese and so, habitually, not much Chinese has been used. Their competence in Chinese is thus bound to deteriorate. Upon receipt of a letter from the public, English is usually used in the reply while a Chinese translation is to be arranged later. I think definitely this practice has to be changed. But the change cannot come about overnight. In regard to how this can be done, first of all, upon receipt of a letter written in Chinese, if the colleague concerned can reply in Chinese, it will be unnecessary to provide an English version and translation can also be waived. If the file is handled by a colleague who does not know Chinese, translation will only be provided when necessary. We have been very positive in choosing a few departments to take part in the pilot scheme. We are very pleased that there are already two departments, which have the most contact with the public, willing to join the pilot scheme. As far as I know, Chinese has already been used by the Housing Department when replying to the residents' letters written in Chinese.

MR ALBERT CHAN (in Cantonese): *Mr President, my question is similar to the one raised by the Honourable Alfred TSO. When handling some problems at the district level, I can see that many replies from government departments are written in English with a Chinese translation provided later, or even without a Chinese translation. As a matter of fact, this practice has wasted a lot of government resources as well as the time and efforts of civil servants, because the letters concerned have to be translated and then be sent out again. From the angle of practical need, in fact, it is basically unnecessary for the government departments concerned to send the English replies after the Chinese ones have been sent. This will certainly help in saving human resources of the Government to a certain extent. In this connection, I would like to know if the Secretary for the Civil Service will consider issuing instructions to the front-line officers, particularly those working at district level, that only Chinese will be used in replying to letters written in Chinese. This can save a lot of time and is more practical. It is because, apart from a few, almost all the front-line officers know Chinese. Will the Administration consider this proposal and have it implemented as soon as possible?*

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): *Mr President, this is a good proposal which I believe the Working Group will be ready to consider.*

MR CHEUNG MAN-KWONG (in Cantonese): *Mr President, the eight courses of action mentioned by the Honourable Michael SZE a moment ago help promote the use of Chinese in government departments. But what I am concerned about is the related legal matters and I also want to follow up on the question raised by the Honourable MAN Sai-cheong. In November last year, the Chief Secretary, when answering my question, pointed out that the departments in which English was the only medium of communication were not merely restricted to the Judiciary and the Companies Registry, but also included the Insurance Authority and the Hong Kong Monetary Authority. Since these departments are subject to some legal restrictions, for instance the aforementioned provision under the Companies Ordinance or the Banking Ordinance that the documents submitted by the public should be written in English in order to be acceptable, can the Administration inform this Council:*

- (a) *whether these ordinances have infringed on the Official Languages Ordinance of 1974; whether the Administration will amend all the ordinances concerned so that the above departments will recognize without delay that Chinese and the English documents share the same status;*
- (b) *at the same time, whether the Administration will take any transitional measures to assist those members of the public who need to contact the above departments but can only submit documents written in Chinese, so that they can communicate with these departments in Chinese?*

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): When I responded to the Honourable MAN Sai-cheong's question a moment ago, I mentioned that improvement will be made to the two departments which still do not accept documents written in Chinese for the time being through legal amendments. As far as the Hong Kong Monetary Authority is concerned, since it is not a government department and its employees are not civil servants, there is not much we can do in this aspect. In regard to the Insurance Authority, I will follow up with it about the progress of the situation in due course. I believe that they will also make the necessary improvement to be in line with the trend and to comply with the government policy in this regard.

WRITTEN ANSWERS TO QUESTIONS

Child Abuse and Preventive Measures

7. DR DAVID LI asked: *According to the figures released by the Hong Kong Council of Social Service in the first three quarters of 1994, sexual abuse cases involving children rose by almost a third as compared to the corresponding period in the preceding year. In this connection, will the Government inform this Council whether:*

- (a) *additional provision will be allocated for preventive education; and*
- (b) *consideration will be given to introducing a mandatory set of standards for child-minding services and providing training programmes in order to monitor the quality of such services?*

SECRETARY FOR HEALTH AND WELFARE: Mr President, according to statistics maintained by the Social Welfare Department (SWD), the number of reported sexual abuse cases involving children increased from 54 in 1993 to 73 in 1994.

In March 1995, we launched the first phase of a major publicity campaign aimed at educating the general public about the early detection and reporting of all child abuse cases including those involving sexual abuse. The campaign includes television announcements, a poster, a series of leaflets on each category of abuse and a radio programme. The second phase of the campaign will be launched towards the end of this year. To promote community education and to tackle the problem at district level, the SWD will set up multi-disciplinary district committees on child abuse in five districts within this financial year. This approach is building on the successful pilot scheme conducted in Tuen Mun where a district forum was established in September 1993.

To improve and monitor the quality of child-minding services, we are now considering legislative amendments to prohibit unsuitable persons from

acting as child-minders, and to empower the Director of Social Welfare to inspect and suspend the operation of child-minding services provided by mutual help groups if it is considered that the operation may expose the children involved to any danger. Another purpose of these amendments will be to encourage the formation of mutual help groups by permitting the maximum size of such groups to increase from five to 14 children under six years of age. We intend to introduce the proposed legislative amendments into the Legislative Council in the next Legislative Session.

But we must be wary of over-regulation in this field. In spite of the ambitious expansion programme now in hand to provide additional places in day nurseries and day creches, not all parents in need of such services yet have access to them. It is, therefore, vitally important that we continue to encourage informal child care mutual help groups to provide a flexible form of child care arrangement. The risk to a child left unattended at home is still much greater than the risk the child might face of mistreatment at the hands of a child-minder. The long-term goals are, of course, to provide an adequate number of child care places to meet the full demand and progressively to upgrade the skills and monitoring of those providing the child-minding services. In the interim, we cannot move too fast and risk, as a result, making it too difficult for an adequate number of child-minding places to be provided to meet the increasing demand for them. Above all, we shall continue to educate parents about the importance of taking great care in selecting the appropriate type of child care arrangement conducive to the healthy development of their children.

Growth of Directorate Posts in Public Hospitals

8. MR MICHAEL HO asked (in Chinese): *Regarding the increase in the number of directorate posts in various hospitals under the management of the Hospital Authority (HA), will the Government inform this Council of:*

- (a) *the breakdown by year of the numbers of posts at D2, D3 and D4 of the Directorate Pay Scale respectively in each of the HA hospitals from 1 December 1991 to 1 April 1995; and*
- (b) *the annual rate of increase of such posts during the same period?*

SECRETARY FOR HEALTH AND WELFARE (in Chinese): Mr President, consultant doctors working in public hospitals are remunerated based on D2 to D4 of the Government Directorate Pay Scale. Creation of new consultant posts must be justified by functional needs arising from new/improved services or facilities. A summary of cumulative increase in the last three years is provided as follows:

<i>Year</i>	<i>1991-92</i>	<i>1992-93</i>	<i>1993-94</i>	<i>1994-95</i>
		<i>(Number of posts)</i>		
Existing Service	241	241	241	241
New/Improved Services (Cumulative total)	-	13 (13)	21 (34)	28 (62)
New Hospitals/Facilities (Cumulative total)	-	5 (5)	32 (37)	31 (68)
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Total	241	259	312	371
	===	===	===	===

China Light and Power's Development Fund

9. MISS CHRISTINE LOH asked: *It is learnt that the China Light and Power Company Limited (CLP) could not meet its guaranteed rate of return through electricity sales last year and has therefore withdrawn over \$1.2 billion from the customer-owned Development Fund as permitted by the Scheme of Control. In this connection, will the Administration inform this Council of:*

- (a) *the estimated amount of funds that CLP will withdraw annually from the Development Fund over the next five years;*
- (b) *CLP's annual net assets forecast over the next five years;*
- (c) *the projected annual permitted return over the next five years; and*
- (d) *the projected annual amount of kWh to be sold locally over the next five years?*

SECRETARY FOR ECONOMIC SERVICES: Mr President, the Development Fund of CLP was drawn down by \$903 million during the financial year ended 30 September 1994. Part of the draw-down was returned to consumers through a special tariff rebate of \$0.3 per unit from 1 March to 30 September 1994. The remainder was transferred to the profit and loss account in accordance with the terms of the Scheme of Control Agreement (SCA).

The provisions governing the Development Fund in the Government's SCAs with the power companies state if the actual return earned by the companies, after the required deductions, is above or below the level of return to which they are entitled under the terms of their SCA, any excess shall be credited to the Development Fund and any shortfall deducted from it. The primary purpose of the Development Fund is to assist in the acquisition of fixed

assets. The level of the Fund during the period covered by a Financing Review is subject to approval by the Executive Council.

The Development Fund is a liability of the relevant company and does not accrue to the benefit of shareholders. This is illustrated by the fact that the power companies are required to pay interest at a rate of 8% per annum on the average balance of the Fund. The interest income accrues to consumers through a Rate Reduction Rebate and is used to offset tariff increases.

Under the terms of the SCAs, certain information is provided by the companies to the Government in confidence, because it is commercially sensitive. For this reason, it is not possible to disclose a forecast of CLP's annual net fixed assets over the next five years, nor the projected annual permitted return.

Over the next five years, CLP expects local sales to grow by approximately 5% per annum. The company's capital expenditure on fixed assets, tariff levels and management of the Development Fund will be in accordance with the approved Financing Plan for the period 1992 to 1999.

Non-Commonwealth Enrolled Nurses

10. MR FRED LI asked (in Chinese): *Care and Attention Homes may employ non-Commonwealth enrolled nurses trained and qualified at the Hong Kong College of Nursing to work as health workers as an interim measure to alleviate the manpower shortage problem. However, unlike Commonwealth enrolled nurses who come under the supervision of the Nursing Board of Hong Kong which is empowered to deal with any professional misconduct, such health workers are not subject to supervision by any monitoring body. In view of this, will the Government inform this Council whether it will consider setting up a similar monitoring body for non-Commonwealth enrolled nurses so as to ensure that the quality of services provided by these health workers can be maintained at an acceptable level; if so, what the detailed plan is; if not, why not?*

SECRETARY FOR HEALTH AND WELFARE: Mr President, the qualifications needed to be able to be registered as health workers employed by care and attention homes are set out in the Residential Care Home (Elderly Persons) Regulation. A person has to complete a course of training approved in writing by the Director of Social Welfare or has to satisfy the Director that, by reason of his or her education, training, professional experience and skill in health work, he or she is a suitable person to be registered as a health worker.

The Director is empowered to cancel the registration of a person if the registration was obtained by fraudulent means or if the person ceases to be found suitable to be registered. In view of the authority vested in the Director to register, refuse to register and cancel registration, the Director is also

responsible for monitoring the quality of service provided by health workers. Medical inspectors appointed under the Residential Care Homes (Elderly Persons) Ordinance have been assigned this monitoring function. They use their professional knowledge to advise the Director whether a residential care home is being operated and managed satisfactorily. Since there are sufficient safeguards in the Residential Care Homes (Elderly Persons) Ordinance and Regulation to ensure the appropriate monitoring of the quality of services provided by health workers, the establishment of an additional monitoring body would serve no useful purpose.

Disclosure of Personal Details of Assistants to Legislative Council Members

11. HENRY TANG asked (in Chinese): *Will the Government inform this Council whether the Government, in arriving at its decision to require Legislative Council Members to disclose the names, identity card numbers and wages of their assistants, has taken into consideration Article 14 of the Hong Kong Bill of Rights Ordinance concerning the protection of privacy, family, home, correspondence, honour and reputation?*

CHIEF SECRETARY: Mr President, the purpose of the requirement for Legislative Council Members to disclose the names, identity card numbers and salaries of their assistants is to increase the accountability and transparency of the use of allowances provided to the Legislative Council Members out of public funds. It was introduced, on the advice of an independent Commission, after careful consideration of all relevant factors, including any possible effect on the privacy of those concerned. The Administration is confident that the requirement is consistent with Article 14 of the Bill of Rights which provides, among other things, that no one shall be subjected to arbitrary or unlawful interference with his privacy. To the extent that the requirement might be considered an interference with the privacy of those concerned, such interference would be neither arbitrary nor unlawful.

Allocation of Funds to Hospitals Managed by the Hospital Authority

12. MR SZETO WAH asked (in Chinese): *With regard to the allocation of funds to hospitals managed by the Hospital Authority, will the Government inform this Council:*

- (a) *of the annual amount of funds allocated to each hospital in the past three years;*
- (b) *of the criteria adopted in the allocation of funds; and*

- (c) *whether additional measures will be put in place to assist smaller hospitals, which may not have been allocated sufficient funds to provide high-quality facilities and services, so as to improve their management and operations?*

SECRETARY FOR HEALTH AND WELFARE: Mr President, during the past three years, the Hospital Authority has progressively devolved management responsibilities, including budgetary control, to the hospital level. During the process, the various components of the budget have been decentralized to hospitals in phases. This has involved significant budgetary adjustments and redefinition of cost centres. The implementation of hospital clustering and service networking also helped rationalize service delivery and delineate clearly the roles and responsibilities of different institutions within the same geographical region, resulting in re-organization and transfer of activities and services with consequential budgetary adjustments.

This process of adjustment has now been completed and the budgets for individual hospitals in 1995-96 will be a more accurate reflection of their clinical role and scope of activities. The budgets for 1995-96 are being presented to the Hospital Governing Committees and will be available to Members within one month. The breakdown of budgets by hospital in 1993-94 and 1994-95 is at Annex.

Global resource allocation is conducted by the Hospital Authority through its annual planning process, during which quality standards and performance targets are set to facilitate outcome monitoring. The criteria adopted in this process are based on the volume, scope, level and complexity of services involved. Given an improved role delineation between institutions and the revamped mechanism for resource allocation, small hospitals will be able to bid on an objective basis for additional funds based on their service targets and aspired achievements.

Annex

Budgets for Public Hospitals

<i>Hospital</i>	<i>1994-95 \$ million (Note 1 and 2)</i>	<i>1993-94 \$ million (Note 2)</i>
Duchess of Kent Children's Hospital	62	53
Fung Yiu King Hospital	46	41
Cheshire Home, Chung Hom Kok	8	7
Grantham Hospital	197	172

<i>Hospital</i>	<i>1994-95 \$ million (Note 1 and 2)</i>	<i>1993-94 \$ million (Note 2)</i>
MacLehose Medical Rehabilitation Centre	36	32
Nam Long Hospital	42	36
Pamela Youde Nethersole Eastern Hospital	530	245
Queen Mary Hospital	1,033	899
Ruttonjee Hospital	194	143
St John Hospital	26	22
Tang Shiu Kin Hospital	118	106
Tsan Yuk Hospital	98	81
Tung Wah Eastern Hospital	130	107
Hong Kong Buddhist Hospital	88	76
Hong Kong Eye Hospital	62	56
Red Cross Blood Transfusion Service	100	92
Kowloon Hospital	267	231
Kwong Wah Hospital	631	543
Margaret Trench Medical Rehabilitation Centre	20	16
Our Lady of Maryknoll Hospital	121	103
Queen Elizabeth Hospital	1,330	1,198
Rehabaid Centre	5	3
United Christian Hospital	437	339
Wong Tai Sin Hospital	119	101
Castle Peak Hospital	267	214

<i>Hospital</i>	<i>1994-95 \$ million (Note 1 and 2)</i>	<i>1993-94 \$ million (Note 2)</i>
Cheshire Home, Sha Tin	42	35
Fanling Hospital	45	36
Haven of Hope Hospital	87	67
Tung Wah Hospital	196	171
Kwai Chung Hospital	306	239
Lai Chi Kok Hospital	42	34
Pok Oi Hospital	135	106
Prince of Wales Hospital	1,014	902
Princess Margaret Hospital	794	752
Shatin Hospital	158	104
Siu Lam Hospital	45	27
Tuen Mun Hospital	674	529
Yan Chai Hospital	306	108

Note 1: There were changes and redefinition of cost centres and further decentralization of budgets to hospitals in 1994-95

Note 2: Staff oncosts are excluded

Secondary School Classes in North District and Tai Po

13. MR TIK CHI-YUEN asked (in Chinese): *Will the Government inform this Council of the class structure and anticipated class size of the secondary schools in the North District and Tai Po District of the New Territories for the 1995-96 academic year?*

SECRETARY FOR EDUCATION AND MANPOWER: Mr President, the proposed 1995-96 class structures of all the secondary schools in Tai Po and North Districts are set out at Annex.

Regarding class size, it will be:

- (i) 40 pupils per class for S1 to S5; and
- (ii) 30 pupils per class for S6 to S7.

However, in view of the temporary shortfall of S1 school places in the two districts in 1995, some schools have agreed to admit one to two more pupils per S1 class through the Secondary School Places Allocation system.

Annex

Tai Po District

Name of School	1995-96 proposed class structure							Total
	S.1	S.2	S.3	S.4	S.5	S.6	S.7	
Assembly of God Hebron Secondary School	8	8	8	4	6	0	0	34
Buddhist Chi Hong Chi Lam Memorial College	6	6	8	4	4	2	2	32
Buddhist Hui Yuan College	8	9	9	4	5	0	0	35
Buddhist Tai Kwong Middle School	6	6	6	3	3	2	2	28
Carmel Pak U Secondary School	5	5	5	5	5	3	3	31
Confucian Ho Kwok Pui Chun College	6	6	8	4	4	2	2	32
Hong Kong Red Swastika Tai Po Secondary School	6	6	8	4	4	2	2	32
HKTA The Yuen Yuen Institute No. 2 Secondary School	6	6	6	4	4	2	2	30
Hong Kong Teachers' Association Secondary School	5	5	0	0	0	0	0	10
Immanuel Lutheran College	6	6	6	5	4	2	2	31
Kau Yan College	6	8	8	4	4	2	0	32
Law Ting Pong Secondary School	8	8	8	4	4	0	0	32
SKH Bishop Mok Sau Tseng Secondary School	5	5	5	5	5	3	3	31
Valtorta College	5	5	5	5	5	2	2	29

Name of School	1995-96 proposed class structure							Total
	S.1	S.2	S.3	S.4	S.5	S.6	S.7	
Wong Shiu Chi Secondary School	5	5	5	5	5	2	2	29
CCC Madam Fung Leung Kit Memorial Prevocational School	6	6	6	4	4	1	1	28
NTHYK Tai Po District Secondary School	6	5	6	4	4	2	2	29
Tai Po Government Secondary School	6	5	6	4	4	2	2	29
Tai Po Sam Yuk Secondary School	6	6	6	4	4	2	2	30
North District								
Buddhist Ma Kam Chan Memorial English Secondary School	8	8	9	4	4	0	0	33
De La Salle Secondary School	3	3	3	3	3	1	1	17
Fung Kai No. 1 Secondary School	7	6	6	4	4	2	2	31
HKTA Tang Hin Memorial Secondary School	6	6	6	4	4	2	2	30
Kei San Secondary Technical School	5	4	4	3	2	1	1	20
SKH Chan Young Secondary School	6	6	8	4	4	2	2	32
St. Francis of Assisi's College	8	8	9	4	4	0	0	33
Tin Ka Ping Secondary School	8	10	0	0	0	0	0	18
TWGHs Kap Yan Directors' College	6	6	6	4	4	2	2	30
TWGHs Li Ka Shing College	6	6	6	4	4	2	2	30
Caritas Chan Chun Ha Prevocational School - Fanling	6	6	6	4	4	1	1	28

Name of School	1995-96 proposed class structure							Total
	S.1	S.2	S.3	S.4	S.5	S.6	S.7	
A new school operated by Po Leung Kuk	5	0	0	0	0	0	0	5
Fanling Government Secondary School	7	7	9	4	4	0	0	31
Sha Tau Kok Government Secondary School	6	6	6	3	3	1	1	26
Sheung Shui Government Secondary School	7	6	7	4	4	2	2	32
Fung Kai No. 2 Secondary School	4	3	3	3	3	0	0	16
Fanling Lutheran Secondary School	6	6	6	4	4	1	1	28

Tenancy Abuse in Public Housing Estates

14. MRS ELSIE TU asked: *In regard to unoccupied or illegally occupied flats in public housing estates, will the Government inform this Council:*

- (a) *of the total number of such flats in public housing estates;*
- (b) *what steps the Housing Department is taking to recover such flats for allocation to applicants on the Waiting List, those recommended for compassionate housing, the elderly, and those living in overcrowded conditions; and*
- (c) *how many of such flats have been recovered in the past 12 months?*

SECRETARY FOR HOUSING: Mr President, the Housing Authority's tenancy agreements require tenants and their families to reside regularly in the flats allocated to them, and prohibit sub-letting or improper use of these flats. It is difficult to quantify how many tenants breach the agreements and the number of flats involved.

Since 1993, the Housing Department has set up Special Investigation Teams to deal with suspected cases of non-occupation, irregular occupation, sub-letting or improper use of rental flats. A territory-wide publicity campaign has also been launched to educate tenants on the proper use of flats and to emphasize the Housing Authority's determination to stamp out tenancy abuse. Tenants are encouraged to report suspected cases of tenancy abuse to the housing estate office concerned or by using the Department's complaints hotline.

Whenever an irregularity is detected by estate staff or in the course of investigations, an oral warning is given to the tenant, followed by a warning letter from the Housing Manager. Depending on the seriousness of the breach, the tenant may be given one to three weeks to rectify the irregularity or may be asked to surrender the flat voluntarily. In serious cases, the tenancy can be terminated by serving a Notice-to-Quit. In such cases, tenants have the right to appeal to an Appeal Panel.

During the 12 months ending 30 April 1995, 420 improperly used flats were recovered for allocation to others in need. A further 85 flats are being recovered and 105 cases are being investigated.

Private Residential Care Homes

15. MR CHEUNG MAN-KWONG asked (in Chinese): *As private residential care homes have now started applying for licences or certificates of exemption following the implementation of the Residential Care Homes (Elderly Persons) Regulation in April this year, will the Government inform this Council of:*

- (a) *the existing number of private residential care homes situated in commercial buildings which are likely to fail to meet the standard required for the issue of licences or certificates of exemption as stipulated in the Regulation due to violation of the Buildings Ordinance or codes of practice for fire prevention; and how it will handle such private residential care homes;*
- (b) *the breakdown of the respective numbers of private residential care homes situated in locations which are not permitted under Part VI of the Regulation, including any part of an industrial building or any premises located immediately above or below any godown, cinema, theatre or premises wherein any trade is carried on and which, in the opinion of the Director of Social Welfare, may pose a risk to the life or safety of the residents; and how it will handle residential care homes situated in such locations; and*
- (c) *the estimated number of beds which will be affected as a result of the private residential care homes failing to meet the specified requirements on account of the problems referred to in (a) and (b) above; and whether it can ensure that there will be sufficient beds to house the elderly persons who have to move out because of such problems?*

SECRETARY FOR HEALTH AND WELFARE: Mr President,

- (a) The Social Welfare Department has so far identified over 130 private residential care homes operating in non-domestic buildings. These homes will need to be inspected by both the Social Welfare and Buildings Departments which will need to satisfy themselves on a case-by-case basis whether there exist any problems which constitute a real threat to the health and safety of the residents. If there are none, then the Social Welfare Department will issue an exemption under the Residential Care Homes (Elderly Persons) Regulation and the Buildings Department will exercise its discretion, as provided for under the Buildings Ordinance, not to prohibit the continued use of the premises for a residential home, notwithstanding the fact of their location in a non-domestic building;
- (b) No private residential care home has been found to be situated in an industrial building, or near to any godown, cinema or theatre. However, some homes are in premises which pose risks to the safety of the residents due to one or more of the following reasons:
- emergency vehicle access not available;
 - location immediately above or below or adjacent to a trade with a high fire potential;
 - occupying premises which are situated in or under any structure built without the approval of the Buildings Authority or which have large portions of unauthorized buildings works;
 - occupying premises with inadequate means of escape.

As it is unlikely that licences or certificates of exemption will be issued to these homes, operators have been advised to find alternative premises for reprovisioning if they wish to go on providing residential care to their elderly residents. Most operators are now actively finding acceptable alternative premises.

- (c) The Social Welfare Department has drawn up contingency plans to deal with any elderly residents of private homes who might need to be moved to alternative accommodation. Places will be found for them either in government-subsidized homes or in other private elderly homes, some of which may be receiving financial assistance from the Social Welfare Department under the Bought Place Scheme in Private Homes for the Elderly.

Former Firing Range Areas

16. MR HOWARD YOUNG asked: *Will the Government inform this Council:*

- (a) *what measures the Government has undertaken to survey and render safe former firing range areas, such as those located on some islands in Sai Kung area, to ensure public safety is not put at risk by left-over unexploded shells; and*
- (b) *whether the Government will consider requesting the British military authority in the territory to undertake such task within the next two and a half years as a public service so as to reduce public expenditure?*

SECRETARY FOR SECURITY: Mr President, I believe the Honourable Member is referring to the former Port Shelter firing range which was established in 1936 and covered much of the area between High Island and the Clearwater Bay Peninsula. Most of the range ceased to be used for firing in the mid-1970s.

- (a) In 1980, the Queen's Gurkha Engineers conducted a search of paths and some private lots on Kau Sai Chau, near the edge of the range, where there were still some farming activities. They found nothing of significance. In 1983, they completed a search 10 metres either side of the footpath across the Lung Ha Wan peninsula in the Clearwater Bay Country Park. The Crown land that comprises most of the former range was not searched; and
- (b) British Forces in Hong Kong no longer have the necessary manpower, equipment or expertise to conduct a clearance of the entire former range area. Neither do the police, whose Marine Division also used the ranges.

Police and military experts have advised that a search and clearance exercise — particularly in a large expanse of rocky, scrub-covered terrain like the former range — could not guarantee that the areas in question are totally free of unexploded ordnance. That is why we maintain some 57 warning notices around the periphery of the former range. The presence of unexploded ordnance is by no means unique to former firing ranges. Such ordnance — mostly unexploded bombs from the Second World War — is also found on construction and other sites around the territory. The Explosives Ordnance Disposal Bureau of the Royal Hong Kong Police Force seeks to render them safe, with no injuries to any member of the public. the Bureau maintains a duty team on 24-hour stand-by to render safe all finds of this kind.

Lecturing Hours for University Lecturers

17. MISS EMILY LAU asked (in Chinese): *It is learnt that a lecturer at the University of Hong Kong (HKU) was assigned to lecture for only two hours throughout the academic year 1994-95, which is a much lower figure than the previous annual average of ten-plus lecturing hours assigned to the lecturer concerned. The HKU Management has, however, given no explanation to the lecturer regarding this arrangement. In connection with this, will the Government inform this Council:*

- (a) *whether any lecturers teaching at the universities funded by the University Grants Committee are known to have been assigned less than five lecturing hours in 1994-95; if so, how many such lecturers there are in each university and what the reasons are;*
- (b) *if the answer to (a) is in the affirmative, whether such arrangements have resulted in a waste of human resources at the universities; and*
- (c) *who is responsible for determining the annual number of lecturing hours for university lecturers and how is it determined; and what channel of appeal is available if individual lecturers wish to raise objections?*

SECRETARY FOR EDUCATION AND MANPOWER: Mr President, academic staff of the University Grants Committee-funded institutions are expected, under their terms of employment, to undertake a variety of duties which may include lecturing, taking tutorial/seminar sessions, taking laboratory sessions, supervising research students, supervising field work, supervising term/year research projects, research, administration, service on institutional governing and academic bodies, and so on. The mix of such duties may vary from one staff member to another and is normally determined in the first instance by the department head in consultation with the staff member concerned.

With reference to part (a) of the question, the Administration understands, on the basis of information provided by the institutions concerned, that four academic staff were assigned less than five hours' teaching duties during the academic year 1994-95. The four academic staff involved were:

- (a) a head of department at the Hong Kong University of Science and Technology and two Faculty Deans at the Lingnan College who were relieved of teaching duties during the year to enable them to devote more time to the administration of the department/faculties concerned; and
- (b) one lecturer at the Hong Kong Baptist University who was relieved of teaching duties because she was commissioned by the President

and Vice Chancellor to take up a major research project for the University.

As regards part (b) of the question, none of the arrangements described above has resulted in a waste of human resources.

With regard to part (c) of the question, the determination of the number of teaching hours for academic staff is a matter within institutional autonomy. The department heads of the institutions, in consultation with their academic staff, are responsible for assigning the teaching load of the department among the academic staff. There are established administrative appeal channels within the institutions for staff who wish to raise objections regarding their duties including their teaching assignments. If an individual staff member is not content with his/her teaching assignments as determined by the department heads concerned, he/she can appeal to the relevant Dean, the Pro-Vice Chancellor concerned, or ultimately the Vice Chancellor.

School Children Bullied by Peers

18. MR HUANG CHEN-YA asked (in Chinese): *According to the findings of a survey conducted in the United Kingdom, 27% of junior school students and 10% senior school students have been bullied by their peers at schools. School children who are subjected to such bullying may develop psychological and learning problems, but they seldom report such incidents to their teachers or parents. Will the Government inform this Council:*

- (a) *of the extent of bullying at schools in the territory;*
- (b) *whether any research on the problem has been conducted; and*
- (c) *what mechanism is in place to monitor the problem?*

SECRETARY FOR EDUCATION AND MANPOWER: Mr President,

- (a) On the basis of data regularly provided by our schools to the Education Department, the number of bullying cases in the 1993-94 school year was 260 in primary schools and 326 in secondary schools. This represented 0.05% of primary school pupils and 0.07% of secondary school pupils.
- (b) The Education Department conducts an annual survey on the discipline and behaviour problems in our schools. In the survey, all schools are required to report to the Department details of disciplinary cases including bullying cases. The Board of Education's Advisory Committee on School Guidance and Support

Services monitors the survey results and advises the Department on the broad strategic measures to be taken.

- (c) Separately, the Education Department analyzes such cases and follows up on special cases, for example, by sending professional officers to the schools concerned to provide specific assistance. In general, schools are encouraged to adopt the whole school approach on matters of guidance and discipline, whereby all teachers in a school actively participate in assisting pupils to resolve their problems.

Expenses of the Hospital Authority on Operations

19. MR FREDERICK FUNG asked (in Chinese): Regarding the Hospital Authority (HA)'s expenses in various kinds of operations, will the Government inform this Council:

- (a) of the number of operations performed in HA hospitals in the last fiscal year, together with the average amount of expenses incurred each time for using the relevant medical equipment, in respect of the following:
- (1) total joint replacement for hip, knee, shoulder and elbow;
 - (2) replacement of spine disc;
 - (3) percutaneous transluminal coronary stenting;
 - (4) percutaneous transluminal coronary angioplasty;
 - (5) percutaneous balloon mitral valvotomy (Inoue balloon catheter);
 - (6) percutaneous balloon pulmonary valvotomy;
 - (7) balloon angioplasty; and
 - (8) items of prosthesis for cardiac operation:
 - (i) Pacemaker;
 - (ii) Carbomedic Valve (aortic and mitral);
 - (iii) Medtronic Hall Aortic Valve Conduit;
 - (iv) Medtronic Hall Valve (aortic and mitral);

- (v) Carpentier Edwards Biological Valve (aortic and mitral);
 - (vi) Sorin valve (aortic and mitral); and
 - (vii) filter for blood transfusion of thalassanemia major?
- (b) of the expenses incurred in each of the categories mentioned in (a) above, how much is borne by the Hospital Authority, the Samaritan Fund or other funds, and the patients themselves respectively?

SECRETARY FOR HEALTH AND WELFARE: Mr President, since operational statistics are kept by the Hospital Authority according to outcome of clinical diagnosis based on the International Classification of Diseases, a breakdown on the number of operations using specific implants and consumable is not readily available.

While the unit cost of these implants and consumable will tend to vary between different suppliers and specifications, a rough indication of cost is provided at Annex.

Since patients with the ability to pay are normally advised to purchase these implants and consumable direct from the suppliers, information is not available on the total expenditure involved. Nevertheless, about \$4 million was paid out from the Samaritan Fund in 1994-95 to provide partial or full waivers for those in need.

Annex

<i>Items of implants or consumable</i>	<i>Unit cost (\$)</i>
Total joint replacement	5,000 - 25,0000
Replacement of spine disc	10,000 - 20,000
Percutaneous transluminal coronary stenting	18,000 - 22,000
Percutaneous transluminal coronary angioplasty	12,000 - 15,000
Percutaneous balloon mitral valvotomy (Inoue balloon catheter)	14,000 - 15,000
Percutaneous balloon pulmonary valvotomy	7,000 - 8,000
Balloon angioplasty	5,000 - 6,000

<i>Items of prosthesis for cardiac operation</i>	<i>Unit cost (\$)</i>
(i) Pacemaker	8,000 - 36,000
(ii) Carbomedic Valve (aortic and mitral)	9,000 - 10,000
(iii) Medtronic Hall Aortic Valve Conduit	22,000 - 23,000
(iv) Medtronic Hall Valve (aortic and mitral)	9,000 - 10,000
(v) Carpentier Edwards Biological Valve (aortic and mitral)	9,000 - 10,000
(vi) Sorin Valve (aortic and mitral)	9,000 - 10,000
(vii) Filter for blood transfusion of thalassanemia major	300 - 600

Election Petition

20. MR ERIC LI asked (in Chinese): *Regarding the nine new functional constituencies, the number of voters who are eligible to register amounts to about 2.7 million. As the registration procedures are complicated and the Government can only verify the declared information on a selective basis, there is likely to be inaccurate information in the electoral roll. In this connection, will the Government inform this Council whether it will adopt measures to prevent voters and candidates initiating election petition proceedings under the Legislative Council (Electoral Provisions) Ordinance (Cap. 381) to question the validity of the election results; if so, what the measures are; if not, why not?*

SECRETARY FOR CONSTITUTIONAL AFFAIRS: Mr President, the Legislative Council (Electoral Provisions) Ordinance (Cap. 381) specifies the grounds on which an election may be questioned by means of an election petition. In the main, these are:

- (i) that the person declared to have been elected falls foul of the statutory disqualification provision for election or holding office; or
- (ii) that a corrupt or illegal practice within the meaning of the Corrupt and Illegal Practices Ordinance (Cap. 288) has been committed, either by the person declared to have been elected or generally; or
- (iii) that there was material irregularity in relation to the election.

An election petition may be presented either by 10 or more electors entitled to vote at the election which is the subject of the petition, or by a person claiming to have been a candidate in that election. It is within the legal right of the individuals concerned to present an election petition if they so wish, and there is no question of the Administration preventing them from so doing. Whether an election petition will succeed is, of course, for the court to decide.

As regards the registration of electors in the nine new functional constituencies, an eligible working person will be registered in the appropriate constituency in accordance with the main line of business of his employer and, if the working person is self-employed, the main line of his business. To facilitate the registration of working persons as electors in the new functional constituencies, the registration arrangements are made as simple and user-friendly as possible.

We attach great importance to the accuracy of the electoral roll for the new functional constituencies. Towards this end, the following proactive measures are being made:

- (a) intensive publicity through advertisements on both the electronic and printed media, and distribution of information pamphlets, to improve public knowledge of the delineation of the new functional constituencies and the registration procedures;
- (b) a 24-hour enquiry hotline (20 telephone lines) to answer enquiries concerning the registration procedures;
- (c) where employers have provided information (name and identity card number) of their employees to the Registration and Electoral Office (REO), such information is used to facilitate the registration of the employees in the new functional constituencies. Where necessary, the REO will make enquiries with the employers to verify the information contained in their returns;
- (d) where application forms are received, the REO will make enquiries with the applicants if the information contained in their application forms is incomplete. Where necessary, the REO will also check the declared information in the applications against the returns of the employers; and
- (e) in addition to the above, the REO also conduct random checks on application forms received to ascertain the accuracy of the declared information on the forms.

Where any inaccuracy is detected and the applicant does not furnish proof to the satisfaction of the REO, the application will not be included in the electoral roll.

To further safeguard the transparency and accuracy of the voter register, there is a statutory inspection and appeal system. A Provisional Register which contains the relevant particulars of all the new functional constituency electors, grouped under the names of the companies in which they are employed, will be published before 22 June 1995 for public inspection. About two weeks will be allowed for the public to make any appeal regarding any inaccuracy of, or omissions from, the Provisional Register, and for the Revising Officer (a judicial officer) to make a ruling on these appeals. The Final Register will then be compiled and published having regard to the Revising Officer's rulings.

BILLS

First Reading of Bills

PREVENTION OF BRIBERY (MISCELLANEOUS PROVISIONS) BILL 1995

PENSIONS (SPECIAL PROVISIONS) (THE HONG KONG INSTITUTE OF EDUCATION) BILL

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

Second Reading of Bills

PREVENTION OF BRIBERY (MISCELLANEOUS PROVISIONS) BILL 1995

THE ATTORNEY GENERAL moved the Second Reading of: "A Bill to make further and better provision for the prevention of bribery."

He said: Mr President, I move that the Prevention of Bribery (Miscellaneous Provisions) Bill 1995 be read a Second time.

The purpose of this Bill is to make the legislative amendments needed in order to implement the recommendations in the report of the Independent Commission Against Corruption (ICAC) Review Committee. That Committee was established at the beginning of last year to review the powers of the ICAC and the accountability of the ICAC in the exercise of its powers. It was chaired by Mr Helmet SOHMEN and included Members of this Council, community leaders and members of the Administration.

The report of the Review Committee was published in December 1994 and contained 76 conclusions and recommendations. Those recommendations may broadly be described as evolutionary rather than revolutionary. Members

of this Council were given copies of the report, and the Security Panel of the Council discussed the report in January this year. The Panel expressed strong support for several of the recommendations.

The Administration has announced that, in principle, it accepts the recommendations in the report, although some minor procedural refinements may be required in some cases. Certain of the recommendations can only be implemented by legislation, and that is the purpose of the Bill I am now introducing. In promoting this Bill, the Government's objectives are to strike a balance between two potentially conflicting views held in the community: that the ICAC needs to have sufficient powers to be effective in the continuing battle against corruption; and that it should be more accountable and transparent in the use of those powers.

Mr President, the Bill proposes amendments to the Prevention of Bribery Ordinance, the Independent Commission Against Corruption Ordinance and the Magistrates Ordinance. The amendments can be grouped into three categories.

Control by the courts

The first category relates to certain of the powers at present vested in the Commissioner of the ICAC, which are to be transferred to the courts. In particular, court approval will be needed in order for the ICAC to require a person to supply information under section 14 of the Prevention of Bribery Ordinance, to search premises (save in exceptional cases), or to prevent a suspect from disposing of property.

Bill of Rights Ordinance

The second category of amendments are to ensure that the legislation relating to the ICAC is consistent with the Bill of Rights Ordinance. The amendments will provide:

- (a) that the Commissioner's special powers of investigation arise only if he has reasonable cause to believe that an offence under the Prevention of Bribery Ordinance may have been committed;
- (b) that the Commissioner's power to apply to a magistrate for a notice requiring a person to surrender his travel documents arises only if he reasonably suspects that person to have committed such an offence;
- (c) that a person who has surrendered a travel document has the option of applying to the Commissioner of the ICAC, or a magistrate, or both, for its return; and

- (d) that a statutory declaration or written statement made in compliance with a requirement under the Prevention of Bribery Ordinance will be admissible in evidence against the person who made it only if he gives evidence that is inconsistent with it.

Provisions in the Prevention of Bribery Ordinance that create a presumption of corruption and allow a court to comment on the failure of an accused to give evidence are to be repealed.

The opportunity presented by the Bill is taken to amend section 10(2) of the Prevention of Bribery Ordinance in order to ensure that it is safe from challenge under the Bill of Rights Ordinance. Section 10(1) makes it an offence for a Crown servant to maintain a standard of living above that which is commensurate with his official emoluments, or to be in control of pecuniary resources or property disproportionate to those emoluments. The importance of section 10 was recognized in a recent case decided by the Court of Appeal. I quote from the decision:

“And in case after case over the years, section 10 has proved its effectiveness in the fight against corruption. Although less visible, its deterrent effect must have been even greater. Chapter 201 of the Laws of Hong Kong is rightly named the Prevention of Bribery Ordinance. Section 10’s worth is well-established.”

At present section 10(2) creates a presumption, in a prosecution under section 10(1)(b), that certain assets were in the control of the accused, until the contrary is proved. It is now proposed to amend section 10(2) by replacing the legal presumption with an evidentiary presumption. The effect of this will be that the accused is not required to prove that the assets were not in his control, there merely has to be some evidence to that effect in order to displace the presumption.

Miscellaneous amendments

The third category relates to miscellaneous amendments. These include amendments:

- (a) to give the ICAC the same access to tax records as exists under the Drug Trafficking (Recovery of Proceeds) Ordinance and the Organized and Serious Crimes Ordinance;
- (b) to modify the power of the Commissioner of the ICAC to dismiss an officer under section 8(2) of the ICAC Ordinance;
- (c) to make it possible for the ICAC to keep a suspect on bail no longer than is necessary; and

- (d) to enable the Commissioner of the ICAC, in discharging specified corruption prevention duties, to gain access to all records, books and documents held by public bodies.

Comment

Mr President, this Bill is an essential step in reaffirming the ICAC's mandate in the light of present day circumstances and the changing expectations of the people of Hong Kong 20 years after the establishment of the ICAC.

Thank you, Mr President.

Bill referred to the House Committee pursuant to Standing Order 42(3A).

PENSIONS (SPECIAL PROVISIONS) (THE HONG KONG INSTITUTE OF EDUCATION) BILL

THE SECRETARY FOR THE CIVIL SERVICE moved the Second Reading of: "A Bill to provide for the pensions, allowances, gratuities and pension benefits of certain officers transferred from service under the Government to service under The Hong Kong Institute of Education."

He said: Mr President, I move that the Pensions (Special Provisions) (The Hong Kong Institute of Education) Bill 1995 be read a Second time.

This Bill is technical in nature. It seeks to provide for two pension arrangements for staff of the Education Department transferring to The Hong Kong Institute of Education on 1 September 1995. The arrangements constitute part of the bridging-over package for the civil servants concerned.

The first is the "mixed service pension" arrangement which is designed to enable civil servants to preserve their pension rights after transferring to the Institute. Their total length of service for the purpose of pension calculation will thus be the sum of their service with the Government and the Institute.

The second is the "frozen pension" arrangement which is designed to give civil servants the alternative of joining the Institute's superannuation scheme after transfer. The pension earned during their government service will thus be frozen and payable when they retire from the Institute.

Since September 1994, when it took over the four Colleges of Education and the Institute of Language in Education, The Hong Kong Institute of Education has been staffed by civil servants on one-year secondment from the Education Department. Lecturing staff have now indicated whether they wish to join the Institute or return to the Education Department. More than half will join it. The Institute has been and is recruiting staff to fill these expected

vacancies when the secondment period ends, as planned, on 31 August 1995. The provisions in the Bill if enacted will come into operation before 1 September 1995 so that the staff who choose to join the Institute can opt, before their formal transfer on that date, for one of the two pension arrangements provided to preserve their pension rights.

Thank You, Mr President.

Bill referred to the House Committee pursuant to Standing Order 42(3A).

MATRIMONIAL CAUSES (AMENDMENT) BILL 1994

Resumption of debate on Second Reading which was moved on 12 October 1994

Question on Second Reading proposed.

REV FUNG CHI-WOOD (in Cantonese): Mr President, the Government published the Matrimonial Causes (Amendment) Bill 1994 in September last year and proposed a number of amendments to some arrangements in the divorce legislation. These include shortening the separation period where with the consent of both parties, the period may be shortened from the current two years to one year; in non-consent cases, the separation period is to be shortened from the current five years to two years.

The amendment Bill has also retained adultery and unreasonable behaviour as facts for one party of the broken marriage to petition right away for a divorce. Besides, the Bill also established a new fact for divorce so that both parties will be able to jointly give notice of intention to divorce to the Court, and a divorce petition may be filed jointly at the expiry of one year.

As a matter of fact, the Democratic Party supports the proposed amendments. It is also of the view that these arrangements will be able to minimize the sufferings caused to both parties by the broken marriage. However, the Democratic Party has reservations about the Bill's recommendation to shorten the currently prescribed period of three years to one year for those who have married not long ago to divorce.

Marriage is a contract between two parties. It is entirely made on the basis of mutual love, trust, respect and understanding. It takes a definite period of time to establish and maintain these valuable elements. This conception is in fact the purpose and spirit of setting down the specified period for those recently married to divorce. The Democratic Party does not agree to the specified period of three years as it is a bit too long; however, it neither agrees with the one-year period as proposed in the Bill because a one-year period does seem too short for those who have married not long ago and who cannot establish and consolidate their feelings and relationship with each other without

a relatively longer period. The Democratic Party therefore proposes that the restriction on divorce be increased from one year after marriage to two years, since the newlyweds need a certain period of time to adapt to their matrimonial life and to establish and consolidate their relationship after marriage. I shall further explain the reasons for this amendment.

In recent years, the number of divorce cases in Hong Kong seems to have increased sharply. In 1993, the number of divorce petition stood high at 8 626, and the divorce rate was 1.27%, compared with 0.98% of 1990 and 0.79% of 1985, it shows a sharp rise in the number of divorce cases in the past 10 years. The experience of many family service organizations and social workers has it that marital crisis are attributable to several factors, including poor communication and differences in expectations resulting in conflicts. A study further shows that many of the parties concerned in fact have not decided to resort to a divorce when the marital crisis arises. For this reason, a reasonable and adequate period is able to provide them the opportunity to save this important relationship or to be counselled so that the marital relationship can be mended and improved.

Of course, for people who have married for several years; for those who already have deep understanding of each other to know that their marriage have become irretrievably broken, and for those who have an irreparable schism in their marital relationship, such salvage efforts are useless. However, for those who have married not so long ago, two years is a period long enough for both parties to make efforts to repair their marital relationship when the crisis arises. But if the one-year period as proposed by the Government is approved, it is possible that a couple just married a month ago who think that it is no longer suitable for them to maintain the relationship because of some problems, will notify the court right away and live in separation, and their petition for divorce will be confirmed officially in a year's time. This means that the whole relationship exists only for a little more than a year. So have we given sufficient time for the couple to make efforts to repair their marital relationship that has just started? How can this inceptive marital relationship have enough time to develop and be strengthened?

In fact, the Government commissioned a market research company in 1992 to conduct an opinion survey. The survey shows that in the 1 000 persons interviewed, only 3% of them support the specified period of one year for newlyweds to divorce, but 11% of them support that it should be two years. This result shows that a great number of people are of the opinion that two years is an appropriate period.

The response made by the Government on the amendment moved by the Democratic Party pointed out that if the Democratic Party set the period for newlyweds to divorce at two years but accepted other recommendations at the same time, then a couple who had married for only nine months would require a total of 21 months from the time they notify the Court to the official confirmation of their divorce after a year; however, because of the two-year

requirement, the couple who had been granted a divorce had to wait for another three months before they could be divorced. So the Government is saying that the Democratic Party's amendment in respect of the divorce requirement for newlyweds is inconsistent with the one-year separation period applicable to consenting couples.

However, I must emphasize that allowing couples who have married for less than a year to hastily decide to divorce is exactly what the community does not want to see, and it is exactly what the Democratic Party wants to prevent from happening by moving this amendment.

Let me ask Members to take into consideration the fact that newlyweds need a longer time to adapt to and consolidate the marital life, and that they also need a longer time to redeem such an important relationship once a crisis arises. Therefore, I hope that Members will support the amendment moved by me on behalf of the Democratic Party, which is that the specified period for newlyweds to divorce is to be two years.

Mr President, with these remarks, I hope Members will support this amendment.

MRS PEGGY LAM (in Cantonese): Mr President, the Matrimonial Causes (Amendment) Bill 1994 seeks to implement recommendations of the Law Reform Commission in its Report "Grounds for Divorce and the Time Restriction on Petitions for Divorce within Three Years of Marriage." In addition, the opportunity has been taken to remedy several instances of differential treatment between the sexes in the principal ordinance. The main changes proposed in the Bill are aimed at reducing the hardship, distress and acrimony of divorce and to bring the law of divorce into line with current day community expectations.

A Bills Committee, of which I am the Chairman, was set up to study the Bill. The Committee held eight meetings, including five with the Administration. It received a total of 10 submissions from one individual and seven interested organizations and met deputations from five of the organizations.

Let me go briefly into the main issues considered by the Bills Committee.

The Bills Committee supports the reduction of the separation period for divorce petition from two years to one year where both parties consent to the petition and from five years to two years where the respondent's consent cannot be obtained. Research studies in Britain and the United States have shown that the longer a couple stay in a problematic marriage, the more suffering they and their children will experience. Voluntary agencies which have experiences in handling these cases in Hong Kong also confirm that if a marriage is shown to

have irretrievably broken down, an early settlement of the relationship and the consequent arrangement is preferred.

Clause 7 of the Bill abolishes desertion as a ground for petition for divorce. The rationale is that since the separation period for divorce petition without the respondent's consent is reduced to two years, the ground of desertion will be rendered obsolete. Members consider that there is a distinct difference between separation and desertion. They note that according to case law, the court can consider desertion and behaviour of the parties when it makes order relating to property adjustment and financial provision. If desertion is removed as a ground for petition for divorce, the Court may not make reference to these factors. After careful deliberation, Members agree to retain desertion as a ground for petition for divorce, but with a shorter minimum period of one year, in order to provide better protection to the deserted party.

The Administration responds by reiterating the Law Reform Commission's recommendation of moving away from "fault-based" divorce and stressing that the proposal to remove the ground of desertion is a step in this direction. However, it will not oppose a Committee Stage Amendment to retain desertion as a ground for petition.

I will therefore move an amendment at the Committee Stage to this effect.

The Bills provides a new ground of divorce by mutual consent. This is effected by the parties jointly giving notice to the court of their intention to divorce and then, after a minimum period of one year, filing a joint application to the court for divorce. During the intervening period, the parties would not be obliged to separate and would be free to attempt a reconciliation. Members support the proposal and consider it a practical and realistic arrangement in the light of the tight housing problem in Hong Kong. They are also pleased that Administration has accepted their suggestion that the new procedure of divorce by joint application should also be available to couples that have not settled their financial and custody arrangements.

Clause 8 of the Bill reduces the time restriction for divorcing early in marriage from three years to one year. Rev the Honourable FUNG Chi-wood mentioned the views of the Democratic Party on this a moment ago. Some Members are concerned about this provision. However, they note that of the organizations which have commented on this provision, only one wishes to maintain the present time restriction of three years. The others support the reduction because they share the view that expedited settlement of the marriage dispute would minimize the suffering of the parties concerned.

After careful consideration, the majority of Members support this provision subject to a number of measures being taken to improve family education for students and to enhance marriage counselling service. Rev FUNG Chi-wood will move an amendment at the Committee Stage to change the time restriction to two years.

Members share the view that family education, marriage counselling and mediation services should be enhanced. Although they have reservations on the need for mandatory mediation service, they recommend that there should be provisions in the subsidiary legislation for compulsory provision of information on counselling and mediation services.

The Administration, however, does not consider it appropriate or necessary to impose a statutory requirement that such information must be passed to those who initiate divorce. It has informed the Bills Committee that a proposal is being formulated to make information on counselling and mediation services available and accessible to those contemplating divorce so that they would know what services are available and where they can obtain them. As requested by Members, the Secretary for Home Affairs has agreed to include in his speech an appropriate commitment on the distribution of information concerning marriage counselling and mediation services.

At present, marriage counselling services form an integral part of the casework services for families provided by social workers of the Family Services Centres run by the Social Welfare Department and subvented organizations. Members recommend that a specialized marriage counselling unit should be set up to serve as the focal point for marriage counselling services. The Administration, however, does not see the need for such a unit as the existing service settings are working satisfactorily and the planned substantial increase in the number of family caseworkers to a total of 657 in 1995-96 should be able to meet the demand for services.

Members agree that the outstanding matters relating to the provision of family education and counselling services should be referred to the Panel on Welfare Services this Council for follow-up action.

At the request of Members, the Administration has provided for Members' reference a copy of the drafting instruction that have been issued for the amendments to the Matrimonial Causes Rules which set out the framework for the necessary consequential amendments. The Administration has advised that the amendments will be tabled for Members' consideration in about mid May and has confirmed that the Ordinance will not commence until the amendments to the rules are approved by this Council.

Mr President, with these remarks, I commend the Matrimonial Causes (Amendment) Bill 1994 to Honourable Members.

MRS MIRIAM LAU: Mr President, I declare my interest as a member of the Law Reform Commission whose advice to the Administration has resulted in the present Bill before this Council.

The fact that we have a rising divorce rate in Hong Kong gives cause for concern. Divorce is very sad as it epitomizes the breakdown of the family unit which is an important component of our social structure. However, it must be recognized that the institution of marriage cannot be bulwarked by retaining stringent divorce laws which make divorce unnecessarily difficult for the parties concerned. The problem of increasing divorce should be addressed not through our laws, but through improvement in family life education and enhancement of marriage counselling services, in particular, pre-marriage and post-marriage counselling and conciliation services.

Our present divorce laws have remained substantially unchanged for over 20 years. In the meantime, social circumstances have changed; attitudes have shifted. The increasing financial independence of women, the availability of legal aid and the accessibility of social services, albeit not to the extent which we would like it to be, have all contributed in one way or another to divorce decisions being now made with less constraints. No longer is it necessary for one to cling on to the empty shell of a broken marriage and endure whatever hardship that comes with it merely because of the fear that he or she may be thrown out into the streets or otherwise be without support after divorce. Our divorce laws should move forward with these changes. The proposals for change as contained in the Bill are very timely. They reflect the modern sentiments towards divorce and are well suited to the circumstances of Hong Kong.

I must point out that the ground for divorce remains unchanged, that is, the court must still be satisfied that the marriage has irretrievably broken down before it will grant a decree. Only the facts in support of that ground are proposed to be changed so that the requirements become less stringent and more realistic.

The Bill proposes abolition of the fact of desertion. During the consultation exercise carried out by the Law Reform Commission, there were mixed views as to whether this fact should be retained. The decision to abolish was taken on the basis that since the separation period for non-consent divorce cases is to be reduced to two years, the fact of desertion, which under the present law is also for a period of two years, becomes obsolete. There is, however, one difference between the two facts. In separation without consent cases, it may well be that the spouses agree to separate but only that no consent for divorce is forthcoming from the respondent spouse. In desertion cases, the spouse being deserted does not consent to the separation itself. The deserting spouse forces it on him or her. In these circumstances, it would not be fair to put the spouse being deserted and the deserting spouse in the same position and require the innocent party to have to wait for two years before instituting divorce. Furthermore, the behaviour of a spouse is a relevant factor which the court can consider when making orders relating to financial provision and the deserted spouse should not be deprived of the opportunity of putting forward the fact of desertion for consideration by the court. I therefore support the

amendment which the Honourable Peggy LAM will later on move to retain the fact of desertion but reducing the relevant period to that of one year.

Rev FUNG Chi-Wood intends to move an amendment to increase the time restriction on divorce proceedings from the one year after marriage as proposed in the Bill to two years. I have no doubt about Rev FUNG's good intentions. In my experience as a family law practitioner, I have witnessed the failure of many marriages, I have managed to salvage a few, but I have yet to see any marriage which has broken down being resuscitated merely by delaying the divorce process. Under the proposed new law, separation for one year with consent of the respondent spouse is sufficient to prove irretrievable breakdown of the marriage. If the marriage has broken down, then in my view, no useful purpose would be served by making the parties wait for another year even if this breakdown occurred in the early stages of the marriage. Rev FUNG may be worried about cases where the parties marry and then the following day or shortly thereafter give joint notice of intention to divorce so that divorce can take place one year after marriage. This may encourage people to make hasty decisions to marry, he may say. Apart from the fact that in practice, a divorce cannot be obtained so soon as one year after marriage for the divorce proceedings cannot be commenced before expiration of the one-year period and the divorce proceedings take at least six months, I do not believe that people marry with divorce in mind. I agree that the marriage may be more vulnerable at this early stage and that the parties to the marriage require some time to consolidate their relationship. But the parties themselves need to make effort. In the exceptional case where the parties do not make such an effort but rather bring themselves to actually agree to divorce very shortly after marriage, experience tells us that such marriages are usually not built on solid foundation in the first place and are doomed for failure in any event. To compel prolongation of such sand-castle type of marriages, which may result in children being born to the parties thus producing more complications, is in the interest of neither the parties themselves nor to society as a whole.

In a letter issued by Rev FUNG to Members of this Council, he pointed out that in the survey conducted by Market Behaviour in 1992 on behalf of the City and New Territories Administration, only 3% of 1 000 respondents supported the one-year option. What he has however omitted to mention is that in the same survey a significant 35% of the respondents supported total abolition of any time restriction on divorce after marriage. In these circumstances, I cannot support Rev FUNG's amendment.

Mr President, with these remarks, I support the Bill.

DR LAM KUI-CHUN: Mr President, it has long been accepted that marriage, sex and upbringing of children form a coherent triad in the central concept of the family. Despite variations in the structure of a typical family, this concept has so far served the human race well through the history of man. The reason

for this success is that children in such families are generally wanted and cared for, and this in the biological context works in favour of survival of the race.

In the last three decades or so, the three components of this concept are progressively disengaged in the rise of individualism in the western culture. This culture is pervading Hong Kong now. So, sex is indulged in outside of marriage. Children are aborted rather than born. Upbringing of children may be left to non-members of the family, sometimes to a total stranger called the Director of Social Welfare. Many societies change the definition of a family to a mother with her children, with or without some kind of man. In one case I know, a family consists only of a man and two stepchildren, his own having been taken away by his divorced wife.

From a different angle, marriage nowadays may be viewed as no more than a ceremony. Sometimes, the ceremony of marriage is not even a form of bondage but a means to an end, such as to get a resident status. Some couples see a need to make arrangements for divorce even before marrying, such as limiting the amount of alimony a divorced partner can claim from the other, and we had prominent revelation of one such example in Hong Kong last week. In the United States where love is the dominant theme in most social or entertainment activities, marriage is followed by a 50% divorce rate. This means that the average marriage in that country has no better a chance of life-long success than getting heads or tails on flipping a coin. The point in this observation relevant to the Matrimonial Causes (Amendment) Bill 1994 is that with easy and widespread divorce people enter the bondage of marriage without any deep thought about what ought to be a life-long commitment.

The problem with breaking down the traditional concept of the family is that broken families are associated with not only considerable misery to both parties but also neglect of children. Children brought up without proper family education live closer by the rules of the jungle than those of a civilized society. That leads to a higher crime rate. The behaviour of man injuring one another is detrimental to the human race.

This Matrimonial Causes (Amendment) Bill 1994 helps basically to facilitate divorce by shortening the waiting period from the time of decision to the formal breakup, although it also alters the basis of divorce to a no-fault mutual agreement for many cases. By making divorce easier, it further weakens the shaky concept of marriage being a life-long bondage.

The impact of the Bill can be assessed by the answer to the following questions:

1. By making divorce easier, would it generate more relief than misery? Views are conflicting. The Government accepts the view that allowing two incompatible people to part ways can only generate relief. It is also convinced that children would be better off staying with a single parent than with two quarrelling parents.

However, there is also the alternative view that children would prefer seeing both parents together, whether quarrelling or not. Apparently, there is no objective data on this issue.

2. Would shortening the waiting period to divorce increase the number of divorces? The Government can quote only from statistics in Scotland and conclude that this facilitation merely clears a backlog of divorces without affecting the long-term trend. I think one swallow does not make a summer. What worries me is that easy divorces destroy the concept of marriage being life-long bondages. Hence, people may enter marriage lightly, knowing they can opt out promptly. That leaves miserable children.
3. Would easy access to divorce cause more marriage to become irreparable? Lawyers seem convinced that by the time couples come to them seeking divorce, nothing effective can realistically be done to save the marriage. What the lawyers are not in a good position to assess is what goes on before they are approached. That is, whether mild family quarrels that formerly stay no more than such would now lead to rapid intolerance by one party, so that impulsive decisions might lead more readily to an early approach of the lawyer. This is a blind spot in the lawyer's vision. Unfortunately, this Bill is a recommendation from the Law Reform Commission, a law body. On this point, I realize that the Government has considered the desires of the public, which is supportive of early separation of incompatible couples. However, this consultation rests on the supposition that a marriage has already reached the state of irreparable damage, and so is beyond the stage of my present consideration. In the end, I think the possible demerits of this Bill has not been adequately annihilated by good objective data.

Mr President, this Bill strikes at the basic unit of society, that is, the family. I have the overall impression that it is drafted before all necessary information is available to evaluate its merits and demerits. I am very apprehensive about its long-term impact on society. I have grave reservations on the direction in which this Bill is taking our society.

MR MOSES CHENG (in Cantonese): Mr President, with the prevalence of married men "keeping second wives" in the Mainland, the younger generation adopting an open attitude towards sex and the rate of divorce ever increasing, people at first glance of the Matrimonial Causes (Amendment) Bill 1994 may criticize that it will help spread the above malpractices, thereby further destroying the marriage system. But as a matter of fact, the intention of this amendment is just the opposite. We only want to alleviate the unnecessary pressure of divorce on married couples. And the final goal is still to render families harmonious and united.

I have to emphasize that the amendment to the Matrimonial Causes Ordinance cannot be regarded as an encouragement to divorce. Even though the law has loosened the restriction on divorce, I believe that it will not directly stimulate the rate of divorce. The reason is very simple. Will decriminalization of homosexuality make more people change their sexual tendency? For the same reason, will an affectionate couple separate simply because of this amendment?

Our legislation seeks to regulate the marriage system; unfortunately, it cannot guarantee that every couple will remain united till the end of their lives. In order to maintain a long marriage life, what is needed is not a marriage certificate but the deep affection between husband and wife. Because of this, to those couples who have problems in their marriage, the purpose of the proposed amendment is that apart from reducing the poignant experience that a broken couple has to endure during the divorce proceedings, it will safeguard the rights and interests of both husband and wife by providing an opportunity for the couple to mend the crack in their marriage so as to avoid ending in divorce.

Mr President, on one hand we have to help relieve the pain of those broken couples during the divorce proceedings, while on the other hand what is more important is that the Administration has to step up publicity and counselling services in order to strengthen the social recognition of the important concepts such as marriage and family as well as to consolidate the entirety of family network.

“Precaution is better than cure”. This is true not only with our health care, but also with our marriage system. In promoting family education, the government departments and the organizations concerned now tend to adopt a crisis-management approach, that is, they will provide assistance to a married couple only after their marriage problem has arisen. In my opinion, apart from providing counselling services, the Hong Kong Government should also adopt a set of preventive policies to positively educate single or married people on how to face the marriage system with a right attitude, how to maintain happy marriage life with affection, how to face and solve the marriage problems, and so on.

As a matter of fact, there are at present enquiry counters set up in various Marriage Registries by the Family Planning Association of Hong Kong to provide the related counselling services to the prospective married people. However, people always focus their attention on family planning but neglect the equally important, if not more important, pre-marriage and post-marriage counselling services. The success of the “Two is Enough” family planning propaganda is obvious to all, and which is entirely attributed to the protracted and comprehensive promotion and publicity work. The Administration should use this successful example as reference. It should combine the existing service resources of the government departments and the related voluntary agencies in order to implement a set of precaution-oriented marriage counselling and family service policies.

According to the information provided by the Health and Welfare Branch, the Administration is now considering to introduce “one-stop” comprehensive counselling services to those couples who ask for a divorce. I would welcome this proposal. However, I cannot help asking why the Administration does not positively arrange “one-stop” marriage counselling services instead of taking a negative attitude by making the potential divorcees as their service targets. The Administration explained that the reason for not setting up an independent organization to co-ordinate the provision of marriage counselling services was to avoid double spending of resources for the same purpose. I would not agree with the above explanation. I would think that with a specific organization to co-ordinate and to provide marriage counselling services, the time of the users can be saved on the one hand while the unnecessary procedures of case-referring among the departments can be reduced on the other. As a result, the resources can be more efficiently allocated while the effects more notable. What can be better than killing two birds with one stone?

Mr President, with these remarks, I support the Matrimonial Causes (Amendment) Bill 1994.

SECRETARY FOR HOME AFFAIRS: Mr President, I would like to thank the Honourable Mrs Peggy LAM, chairperson of the Bills Committee to study the Matrimonial Causes (Amendment) Bill 1994, and the other Members of the Bills Committee for their constructive suggestions, time and effort spent in scrutinizing the Bill.

The law of divorce in Hong Kong has remained largely unchanged for the past 20 years or so. Over that period, community attitudes towards divorce have altered. There is now a widespread view that current divorce legislation imposes unnecessarily onerous requirements on those seeking a divorce. This view is reflected in the findings of a comprehensive survey of public opinion commissioned by the Law Reform Commission. Further to those findings and its consultations with experts and interested parties working in this field, the Law Reform Commission made recommendations in 1992 for an overhaul of the divorce law. The Bill seeks to implement these recommendations.

As I mentioned when I introduced the Bill into this Council on 12 October 1994, its underlying objective is to reduce the hardship, acrimony and distress that so often accompany divorce proceedings. Such ill feeling can arise in part from the current requirement that divorce proceedings must be conducted on an adversarial basis, with one party as petitioner and the other party as respondent. To avoid this, the Bill provides for the introduction of a new non-adversarial means of obtaining a divorce by joint application based on either one year’s prior separation or one year’s period of notice. Under the latter procedure, the couple are not obliged to separate. This will mitigate difficulties caused by the current requirement to find separate accommodation in advance of divorce where prior separation is relied on in divorce proceedings.

In supporting this new joint application procedure, Members of the Bills Committee suggested that it should be available to all couples undertaking divorce proceeding. That is, by means of consequential amendments to the Matrimonial Proceeding and Property Ordinance, couples who have not reached final agreement with respect to child custody, financial arrangements and other matters concerning ancillary relief should also be able to undertake divorce proceedings by joint application. We accept this suggestion. It is in line with the principle of our Bill to promote a non-fault-based approach to divorce.

The Bill provides for a reduction in the time restriction on divorce early in marriage from the current three years to one year. I note that Rev FUNG Chi-wood is due at Committee stage to move an amendment that would provide for the time restriction on divorce early in marriage to be set at two years. The Administration's view remains that the one-year period proposed by the Law Reform Commission is appropriate. The proposed two-year time bar will create undue hardship to the couples whose marriages have genuinely broken down irretrievably at an early stage. I note that the proposal was not supported by a majority of the Bills Committee.

Members of the Bills Committee expressed concern about whether the Administration is making adequate provision for marriage counselling services in the community. Indeed, Honourable Members who have just spoken highlight these concerns. Let me take this opportunity to re-assure Honourable Members and the public generally that the Administration recognizes the family as fundamental to society and has been devoting considerable resources to expand, strengthen, and promote the services in support of the family. I understand from the Secretary for Health and Welfare that a number of new initiatives have been undertaken recently to strengthen these services. They include an increase in the number of family caseworkers, and the opening of a Family Care Demonstration and Resources Centre and 19 Family Activity and Resources Centres. We are also committed to making information on marriage counselling and mediation services more available and accessible to potential clients. The information will be widely distributed through various channels including the Divorce Registry, Legal Aid Offices, the police, the Social Welfare Department, District Offices of the Home Affairs Department, non-governmental organizations and legal practitioners working in the family law area.

With these remarks, Mr President, I recommend the Bill to Members.

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

Bill read the Second time.

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

LAND SURVEY BILL

Resumption of debate on Second Reading which was moved on 30 March 1994

Question on Second Reading proposed.

MR EDWARD HO: Mr President, the Land Survey Bill, introduced into the Legislative Council on 30 March 1994, seeks to provide a regulatory framework for the control of standard of land boundary surveys by the registration of authorized land surveyors who will be required to carry out the work according to codes of practice approved by the Land Survey Authority.

At present, Hong Kong has no statutory regulation of standards of land boundary surveys or how such surveys should be carried out. There is no requirement for land boundary plans to accompany instruments registered in the Land Registry under the Land Registration Ordinance. Although plans are usually attached to the instruments for registration purposes, they are of varying degrees of accuracy and reliability. The Bill is intended as a first step in raising the standard of land boundary plans. After the commencement of the Ordinance, deeds and instruments affecting the division of land will need to be accompanied by land boundary plans prepared and certified by Authorized Land Surveyors.

The Bills Committee, of which I am the chairman, was set up to study the Bill. The Bills Committee held four meetings with the Administration. It received written representations from the Real Estate Developers Association, the Law Society of Hong Kong and two interested individuals and met with representatives of the first organization.

The Real Estate Developers Association's main concerns are whether there is an adequate number of qualified land surveyors in the private sector, whether other sites or section boundaries would be legalized when a deed is registered by an authorized surveyor and the likelihood of increase in boundary disputes which the courts may not be able to cope with.

The Law Society's Land Use Planning Committee questions whether it is necessary or desirable to have separate registration and disciplinary procedures for land surveyors. It also considers that the rationale for clause 31, which only permits an authorized land surveyor or an employee authorized by the surveyor to obtain copies of land boundary plans, should be explained. Regarding clause 32 subclause (2), it considers that there should be provisions for representations before the filing of any notice by the Authority and that there should be provision for an appeal against such notice by a person aggrieved thereby to the Lands Tribunal. It also suggests that the Bill should enable owners to file plans of past transactions and other interests over land so as to enable a more authoritative and accessible system to be built up generally.

One of the individuals who have written in criticizes the lack of provision for public inspection of land boundary plans under the Bill. He is also concerned that clause 32 may adversely affect the title of the land owner.

The Bills Committee discussed these areas of concern and other points raised by Members with the Administration. I will briefly report on the discussion of the main issues.

The Bill seeks to establish a Land Surveyors Registration Committee to establish and maintain a register of Authorized Land Surveyors, and to consider and decide on applications for registration, renewal and reinstatement. The Administration has considered adopting the registration and disciplinary procedures of the Surveyors Registration Ordinance in the Land Survey Bill. However, since the Ordinance provides for the registration of all disciplines of surveyors while the Bill provides for the registration and discipline of land surveyors engaged in land boundary surveys and for the control of survey standards, the Administration considers that the objects of the Bill would be better achieved by a separate registration and discipline system. Separately, the Administration is considering the overall questions of applying professional registration to statutory functions and the matter will be reviewed in that wider context.

Regarding the supply of land surveyors, the Administration has confirmed that there are sufficient practitioners in the market to meet the demand arising from the implementation of the Bill. A new degree course in the Hong Kong Polytechnic University has produced its first batch of graduates last summer and there is a steady supply of qualified land surveyors.

At present, the Hong Kong Institute of Surveyors is required to publish under its own constitution the recommended scale of professional charges and such information is available for public inspection. I have written to the Institute requesting it to confirm that it would accept and investigate complaints from members of the public relating to the charges and quality of service provided by its members. The Institute has given its assurance that there would be proper channels for complaints and adequate protection for consumers.

In order not to create a sudden surge of demand on the services of both the Land Registry and Authorized Land Surveyors, under clause 30, only instruments effecting a division of land and delivered to the Land Registry for registration under the Land Registration Ordinance will need to be accompanied by a land boundary plan prepared and certified by an Authorized Land Surveyor. The usual conveyancing documents involving no physical division of land parcels will not be affected by the Bill. I have also written to the Hong Kong Institute of Surveyors asking it to advise how it would ensure that its clients fully understand that only the new division lines would be guaranteed by the Authorized Land Surveyor. In response, the Institute has undertaken to look into the possibility of making it obligatory for the future Authorized Land

Surveyors to advise their clients that the new legislation only has effect on new division of land.

In addition, I understand that the Honourable Ronald ARCULLI will be moving an amendment to clause 30 at the Committee stage. To make it clear, the land boundary plans submitted under clause 30 shall not affect any other land boundaries. Although Mr ARCULLI's proposed amendment was put in after the Bills Committee has concluded its scrutiny of the Bill, Members have not indicated any objection to the amendment.

Regarding the concern over the rationale of clause 31 which only allows authorized land surveyors and their employees to obtain copies of land boundary plans or survey record plan, the Administration has explained that there is no intention to restrict public access to the records. Land survey plans will continue to be available to the general public in the Land Registry. However, survey record plans and other survey data will be restricted to Authorized Land Surveyors and their authorized employees to avoid the misuse of data which could have serious repercussions.

Finally, to allay concern that the registration of a notice of inaccuracy under clause 32 may adversely affect the title of the land owner, the Administration has proposed to delete the clause. It has also proposed amendments to clause 20(1) and the addition of a new subclause 30 (7A) to confer statutory power on the Land Survey Authority to improve the accuracy of the land boundary plans and survey record plans deposited with the Authority. The Authority may require an authorized Land Surveyor who certifies a land boundary plan or a survey record plan to amend it to comply with any code of practice under the Bill. If he fails to comply with the requirement, he could be disciplined according to clause 20 of the Bill. The Secretary for Planning, Environment and Lands will move a number of amendments at the Committee stage to bring about these changes.

Mr President, with these remarks, I commend the Land Survey Bill to Honourable Members.

MR RONALD ARCULLI: Mr President, I am grateful for this opportunity to explain to Honourable Members the background to my proposed amendment to clause 30 of the Land Survey Bill.

As has already been explained by my colleague, the Honourable Edward HO, chairman of the Bills Committee, the intention of the Bill is to help establish land boundary records. The Real Estate Developers Association (REDA) expressed concern over the effect of clause 30. After subjecting the text to detailed scrutiny, I share REDA's concern of the potential problem, namely that upon sub-dividing a piece of land and thus creating one new boundary, statutory recognition might unintentionally be given to all other surrounding boundaries. After detailed consultation with the Administration, an

amendment has therefore been proposed with the intention of placing it beyond doubt that land boundary plans submitted under clause 30 shall not affect any other land boundaries.

I hope that by so stating in the Bill, any confusion which might otherwise have arisen over this issue can be avoided. Despite initial hesitancy, I am grateful to the Administration for not disagreeing with this approach.

I urge my honourable colleagues to support my amendment which I will move at the Committee stage.

Thank you, President.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr President, I am grateful to the Honourable Edward HO, chairman of the Bills Committee on the Land Survey Bill, for supporting the Bill, and to other Members of the Bills Committee for their careful and detailed deliberations over the last 11 months.

The Land Survey Bill seeks to provide for the registration and discipline of land surveyors engaged in land boundary surveys, for the control of standards of land boundary surveys, for the establishment of land boundary records and for related matters.

In the course of the Bills Committee's deliberations, Members raised concern over clause 30(1). This clause requires any deed, conveyance or other instrument in writing effecting a division of any land and delivered in the Land Registry for registration to be accompanied by a land boundary plan. The plan should show and delineate the parcels of land resulting from the division and be signed and certified by an authorized land surveyor. There was concern that this provision would affect the rights and interests of land owners.

I would like to assure Members that the Bill does not affect or change the law relating to entitlements to land and interests of land owners. A system of registration of deeds is provided under the Land Registration Ordinance. Such deeds are, as a normal practice, accompanied by plans. Clause 30(1) of the Bill only requires that such plans must accompany the deeds and be signed and certified by an authorized land surveyor where the deeds concern divisions of land.

Registration of instruments, whether or not accompanied by a plan, only governs the priority of each registered instrument under the Land Registration Ordinance. Registration by itself does not confer validity on the instrument or the plan accompanying it when it does not otherwise have.

Through the enactment of the Bill, the Government will be able to start building up an effective land record system which will provide a more reliable, accurate and unambiguous definition of land parcel boundaries.

The Bills Committee also raised concern over the protection of consumers with regard to the publication of fees charged by authorized land surveyors.

Members may wish to note that such information is already quite accessible to the general public. The Hong Kong Institute of Surveyors publishes a “Scale of Professional Charges for Land Surveying Services in Hong Kong” and revises it annually. All chartered land surveyors practising in Hong Kong are encouraged to adopt the scale. In view of Members’ concern, the Administration will advise authorized land surveyors to inform their clients of the availability of the Scale upon commencement of the legislation.

Mr President, as a result of the Administration’s discussion with the Bills Committee, I shall later move 18 amendments during the Committee stage to improve the Bill.

The Administration also does not disagree with the Honourable Ronald ARCULLI’s proposed addition of new clause 30(9) to the Land Survey Bill. A land boundary plan under the Bill does not have effects beyond those it has under the Land Registration Ordinance. As I have said earlier, the Bill does not effect a change of law relating to entitlements to land and interests of land owners.

Thank you, Mr President.

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

Bill read the Second time.

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

Committee Stage of Bills

Council went into Committee.

MATRIMONIAL CAUSES (AMENDMENT) BILL 1994

Clauses 1 to 5, 9 and 11 to 18 were agreed to.

Clause 6

SECRETARY FOR HOME AFFAIRS: Mr Chairman, I move that clause 6 of the Bill be amended as set out under my name in the paper circulated to Members.

Clause 6(a) seeks to amend section 6 of the Principal Ordinance under which a wife is treated differently from a husband in respect of the court's jurisdiction to presume death. Clause 6(a) provides for habitual residence of three years in, or substantial connection with, Hong Kong by either of the parties to a marriage to be grounds for jurisdiction in such circumstances. In practice, however, where it is submitted that the respondent should be presumed to have died, it would not be possible to show that he or she had been habitually resident in Hong Kong for three years "immediately preceding the date of the petition". We therefore propose to amend clause 6(a) by substituting "the petitioner" under the new section 6(1)(b) for "either of the parties to the marriage".

Mr Chairman, I beg to move.

Proposed amendment

Clause 6

That clause be amended, by deleting "either of the parties to the marriage" and substituting "the petitioner".

Question on the amendment proposed, put and agreed to.

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

Clause 7

SECRETARY FOR HOME AFFAIRS: Mr Chairman, I move that clause 7 of the Bill be amended as set out in the paper circulated to Members.

The amendment to clause 7 corrects a printing error in the gazetted version of the Bill in the alphabetical numbering under the new section 11.

Mr Chairman, I beg to move.

Proposed amendment

Clause 7

That clause 7 be amended, in the proposed section 11, by deleting “(a)” where it last occurs and substituting “(b)”.

Question on the amendment proposed, put and agreed to.

MRS PEGGY LAM: Mr Chairman, I move that clause 7 be further amended as set out under my name in the paper circulated to Members.

Clause 7 seeks to abolish desertion for two years as a fact that can be cited in divorce proceedings to demonstrate that a marriage has broken down irretrievably. The rationale put forward for this proposal was that the fact of desertion for two years would be made redundant by the proposal to reduce the minimum separation period for divorce, where one party does not consent from five years to two years. The Bills Committee that studied the Bill, of which I was chairperson, considered that the proposed abolition is unfair to petitioners for divorce in two regards.

Firstly, divorce without consent and divorce upon desertion are different in nature. Abolition of the latter would deprive petitioners of a unique cause to seek divorce.

Secondly, the behaviour of the parties to a marriage is one of the considerations of the court in granting court orders with respect to child custody and financial arrangements. In this regard, abandonment of spouses and even children is considered as an indication of irresponsibility and usually results in court orders being granted to the favour of the deserted party. The proposed abolition of desertion as a fact to be cited for divorce petition would deprive the deserted parties of the right to establish this fact during the proceedings concerned. Accordingly, I proposed retaining desertion as a fact to be cited in divorce petitions. In order to maintain the spirit of the principal Ordinance that the minimum separation period for divorce where one party does not consent should be longer than the minimum duration of desertion, the amendment provides for the latter period to be shortened to one year immediately preceding the divorce petition.

Mr Chairman, I beg to move.

Proposed amendment

Clause 7

That clause 7 be further amended, in the proposed section 11A(2) by adding —

“(e) that the respondent has deserted the petitioner for a continuous period of at least 1 year immediately preceding the presentation of the petition.”.

Question on the amendment proposed, put and agreed to.

Question on clause 7, as amended, proposed, put and agreed to.

Clauses 8 and 10

REV FUNG CHI-WOOD (in Cantonese): Mr Chairman, I move that Clauses 8 and 10 be amended as set out under my name in the paper circulated to Members. The amendment seeks to define the time restriction on divorce proceedings as two years after marriage. I wish Members will support the amendment.

Proposed amendments

Clause 8

That clause 8 be amended, by deleting the clause and substituting —

**“8. Restriction on petitions within
three years of marriage**

Section 12(1) is amended by repealing “no petition for divorce shall be presented to the court before the expiration of the period of 3 years” and substituting “no petition for divorce or application for divorce shall be presented to the court before the expiration of the period of 2 years”.

Clause 10

That clause 10 be amended, by deleting the clause and substituting —

“10. Hearing of petition

Section 15 is amended -

(a) by repealing subsection (1) and substituting -

“(1) In any proceedings for divorce it shall be the duty of the court to inquire, in so far as it reasonably can, into any facts alleged by any party to the proceedings.”;

- (b) in subsection (3)(a) by repealing “3 years” and substituting “2 years”.”.

Question on the amendments proposed.

SECRETARY FOR HOME AFFAIRS: Mr Chairman, in reply to Rev FUNG Chi-wood’s proposed amendments to clauses 8 and 10 to reduce the time restriction on divorce early in marriage from three years to two years, we continue to believe that the one-year period proposed by the Law Reform Commission is appropriate.

First, the Bill provides for separation for one year to be sufficient evidence of marital breakdown where both parties consent to the divorce. It is arguably inconsistent to require couples whose marriages have genuinely broken down irretrievably and who have satisfied the one-year separation requirement to stay married until after two years of marriage.

Second, blocking divorce for two years may cause unnecessary hardship and distress to parties locked unwillingly into marriage. Some Members worry that the shorter time restriction will encourage divorce. In response to this, I would like to point out that elsewhere such a reduction in the time restriction on divorce early in marriage has not resulted in a significant change in the long-term divorce rate trend.

I therefore recommend that Members not support Rev FUNG Chi-wood’s proposed amendments.

MRS ELSIE TU: Mr President, I have some sympathy with Rev FUNG’s proposed amendments. I appreciate his desire to give a marriage every chance of survival especially if trouble begins in the early days after the knot has been tied.

However, I think that the happiness of the children, if there are any, should come first, because the earliest experiences of a child are those that may shape his future life or character. Nothing damages a child’s respect more than to live with the constant bickering of his parents.

If, as Rev FUNG fears, a marriage breaks down within the first year and the couple need to wait two years for divorce as Rev FUNG proposes, there is the possibility that in those two years there may be one or two small children to consider, and one-parent families are invariably at risk. The longer the couple stay together, the greater the likelihood of there being more children whose lives may be shattered by the breakup of the family. I shall therefore not support Rev FUNG’s amendments.

The Bills Committee, in its deliberations, did emphasize the need for counselling services, and some even considered the possibility of making counselling compulsory. However, in the long run, it is the couple themselves who must make the decision whether or not to divorce, and legislation cannot save a marriage that has irretrievably broken down. Nor should either party need to be proven guilty before the law will permit them to divorce, as was the case in the past.

I shall therefore not repeat what the other Members of the Bills Committee have said but can only hope that the changes brought about by this Bill will reduce the suffering that martial conflict creates in the lives of all concerned.

MR JAMES TO (in Cantonese): Mr President, I agree that we should not rely on the law to maintain a marriage. In regard to Rev the Honourable FUNG Chi-wood's amendment today, I believe that Members in this Council can make their judgement to decide how many years after marriage a couple should wait before a divorce can be obtained. Should the waiting be three years, two and a half years, two years or even one year as in the present proposal? As a matter of fact, I think that Honourable Members can base their judgement on their personal knowledge about society, the current changes of society, and even their professional qualifications or job-related contacts, to see by themselves whether this is in conformity with the way of the world as well as the present situation of society.

The Democratic Party proposes that the period be two years. And our grounds have already been clearly explained by Rev FUNG Chi-wood. We only think that the present change from three years to one year is too drastic and is difficult for people to adapt. On the other hand, I do not want to create any misunderstanding that we intent to make use of the marriage to bind those couples who have to be separated. A moment ago, the Honourable Mrs Elsie TU talked about the interests of children. In fact, legally speaking, the divorce proceedings may not be completed in one or two years. But even though the marriage relationship is still there, in real life, the couple concerned can live separately or make the necessary adjustments. Therefore, a couple who nominally maintains the marriage relationship may not necessarily cause any harmful influence or adverse effects to their children.

I hope that Honourable Members will consider whether to support this amendment according to their understanding of the existing social conditions.

Question on the amendments put.

Voice vote taken.

THE CHAIRMAN said he thought the “Noes” had it.

REV FUNG CHI-WOOD claimed a division.

CHAIRMAN: Council will proceed to a division.

CHAIRMAN: Will Members please proceed to vote?

CHAIRMAN: Are there any queries? If not, the results will now be displayed.

Mr Martin LEE, Mr SZETO Wah, Mr TAM Yiu-chung, Mr Andrew WONG, Mr Albert CHAN, Mr CHEUNG Man-kwong, Rev FUNG Chi-wood, Mr Frederick FUNG, Mr Michael HO, Dr HUANG Chen-ya, Dr Conrad LAM, Mr LEE Wing-tat, Mr Eric LI, Mr Fred LI, Mr MAN Sai-cheong, Mr TIK Chi-yuen, Mr James TO, Dr Samuel WONG, Dr YEUNG Sum and Mr WONG Wai-yin voted for the amendments.

The Chief Secretary, the Attorney General, the Financial Secretary, Mr Allen LEE, Mrs Selina CHOW, Mr HUI Yin-fat, Mr PANG Chun-hoi, Mr Edward Ho, Mr Ronald ARCULLI, Mr Martin BARROW, Mrs Peggy LAM, Mrs Miriam LAU, Mr Jimmy MCGREGOR, Mrs Elsie TU, Mr Peter WONG, Mr Moses CHENG, Mr Marvin CHEUNG, Mr Timothy HA, Dr LAM Kui-chun, Miss Emily LAU, Mr Steven POON, Mr Henry TANG, Dr TANG Siu-tong, Miss Christine LOH, Ms Anna WU, Mr James TIEN and Mr LEE Cheuk-yan voted against the amendments.

Mr CHIM Pui-chung abstained.

THE CHAIRMAN announced that there were 20 votes in favour of the amendments and 27 votes against it. He therefore declared that the amendments were negated.

Question on the original clause 8 proposed, put and agreed to.

Clause 10

SECRETARY FOR HOME AFFAIRS: Mr Chairman, I move that clause 10 of the Bill be amended as set out under my name in the paper circulated to Members.

The amendment to clause 10 will bring section 15(3)(a), which relates to the hearing of petitions for divorce early in marriage, into line with the proposal to reduce the time restriction on divorce early in marriage from three years to one year.

Mr Chairman, I beg to move.

Proposed amendment

Clause 10

That clause 10 be amended, by deleting the clause and substituting —

“10. Hearing of petition

Section 15 is amended -

- (a) by repealing subsection (1) and substituting -

“(1) In any proceedings for divorce it shall be the duty of the court to inquire, in so far as it reasonably can, into any facts alleged by any party to the proceedings.”;

- (b) in subsection (3)(a) by repealing “3 years” and substituting “1 year”.”.

Question on the amendment proposed, put and agreed to.

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

Heading before New clause 19	Consequential Amendments Matrimonial Proceedings and Property Ordinance
New clause 19	Section substituted
New clause 20	Commencement of proceedings for financial provision orders, etc
New clause 21	Power of court hearing petition to terminate subsisting maintenance order made by another court

Clauses read the First time and ordered to be set down for Second Reading pursuant to Standing Order 46(6).

SECRETARY FOR HOME AFFAIRS: Mr Chairman, I move that Heading before new clause 19, and new clauses 19, 20 and 21 as set out in the paper circulated to Members be read the Second time.

New clauses 19, 20 and 21 are added to the Bill to meet the Bills Committee's suggestion that the new divorce procedure by joint application provided for in clause 7 of the Bill should be available to couples who have not reached agreement on financial and custody matters. The clauses amend sections 3, 25 and 29A(1) of the Matrimonial Proceedings and Property Ordinance (Cap. 192) to enable ancillary and other relief to be granted by the court to couples seeking divorce under the new joint application procedure.

Mr Chairman, I beg to move.

Question on the Second Reading of Heading before new clause 19 and new clauses 19, 20 and 21 proposed, put and agreed to.

Clauses read the Second time.

SECRETARY FOR HOME AFFAIRS: Mr Chairman, I move that Heading before new clause 19, and new clauses 19, 20 and 21 be added to the Bill.

Proposed additions

Heading before new clause 19 and new clause 19

That the Bill be amended, by adding —

”Consequential Amendments

**Matrimonial Proceedings and
Property Ordinance**

19. Section substituted

The Matrimonial Proceedings and Property Ordinance (Cap. 192) is amended -

(a) by repealing section 3 and substituting -

“3. Maintenance pending suit in case of divorce, and so on.

On a -

- (a) petition or joint application for divorce; or
- (b) petition for nullity of marriage or judicial separation,

the court may order either party to the marriage to make to the other such periodical payments for his or her maintenance and for such term, being a term beginning not earlier than the date of the presentation of the petition or making of the application and ending on the date of the determination of the suit, as the court thinks reasonable.”;

- (b) in the Chinese text by repealing section 3 and substituting -

“3. 在審訊離婚等訟案期間提供的贍養費

就 —

- (a) 離婚的呈請或共同申請；或
- (b) 婚姻無效或裁判分居的呈請，

法庭可命令婚姻的任何一方在法庭認為合理的期間內，向另一方作出法庭認為合理的定期付款作為贍養費，但該段期間開始之日不得早於提交呈請書或提出申請的日期，並須於該訟案裁定當日結束。”。

New clause 20

That the Bill be amended, by adding —

20. Commencement of proceedings for financial provision orders, and so on.

Section 25 is amended -

- (a) in subsection (1) -
 - (i) by repealing “for divorce, nullity of marriage or judicial separation has been presented” and substituting “or joint application for divorce or a petition for nullity of marriage or judicial separation has been presented or made”;
 - (ii) by adding “or the making of the application” after “the presentation of the petition”;

- (b) in subsection (2) -
 - (i) in paragraph (a) by adding “, joint application” after “the petition”;
 - (ii) in paragraph (b) by adding “, making of the joint application” after “the petition”;
- (c) in the Chinese text -
 - (i) in subsection (1) -
 - (A) by repealing “離婚、婚姻無效或裁判分居的呈請書已經提交” and substituting “離婚的呈請書或共同申請或婚姻無效或裁判分居的呈請書已經提交或提出” ；
 - (B) by adding “或申請提出” after “呈請書提交” ；
 - (ii) in subsection (2) -
 - (A) in paragraph (a) by adding “、共同申請” after “呈請書” ；
 - (B) in paragraph (b) by adding “提交、共同申請提出” after “呈請書” 。

New clause 21

That the Bill be amended, by adding —

21. Power of court hearing petition to terminate subsisting maintenance order made by another court

Section 29A(1) is amended -

- (a) by repealing “of a petition for divorce” and substituting “or making of a petition or joint application for divorce”;
- (b) by adding “or application” after “the petition” in both places where it occurs;
- (c) in the Chinese text -

- (i) by repealing “呈請書” and substituting “共同申請或呈請書提出或”；
- (ii) by adding “申請或” before “呈請雙”；
- (iii) by adding “申請或” before “呈請的” .”.

Question on the addition of Heading before new clause 19, and new clause 19, 20 and 21 proposed, put and agreed to.

LAND SURVEY BILL

Clauses 1 to 6, 8 to 14, 17, 18, 19, 21 to 26, 29, 33, 35, and 37 to 42 were agreed to.

Clauses 7, 15, 16, 20, 27, 28, 30, 31, 32, 34 and 36

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr Chairman, I move that the clauses specified be amended as set out in the paper circulated to Members.

Clauses 15 and 16 are amended to bring the Bill into line with similar provisions under the Surveyors Registration Ordinance.

The addition of a new clause 30(7A) and consequential amendment to clause 20(1) seek to confer statutory power on the Land Survey Authority to improve the accuracy of the land boundary plans and survey record plans deposited with the Authority by an authorized land surveyor.

The Administration considers that the Authority should have the power to require an authorized land surveyor who certifies a land boundary plan or a survey record plan to amend them to comply with any approved code of practice under the Bill. This is the purpose of the new subclause 30(7A). Upon failure to comply with the requirement of the Authority to rectify the plan in accordance with the code of practice, the authorized land surveyor could be disciplined according to clause 20(1) of the Bill.

The Administration agrees that clause 32 should be deleted to allay the public's concern that the registration of a notice of inaccuracy may adversely affect the title of a land owner.

Proposed amendments to clause 34 are consequential amendments to the deletion of clause 32.

Proposed amendments to clauses 7, 27, 28 and 31 of the Chinese version of the Bill are aimed to clarify the meaning of the provisions as stated in the English version of the Bill.

The various fines prescribed in clause 36 are amended to refer to levels instead of amounts to accord with the prevailing practice.

Mr Chairman, I beg to move.

Proposed amendments

Clause 7

That clause 7(4) be amended, by deleting “行爲” and substituting “履行職務”。

Clause 15

That clause 15(1) be amended, by deleting paragraphs (c) and (d).

That clause 15 be amended, by adding —

“(1A) The Registrar may remove the name of an authorized land surveyor from the register if the authorized land surveyor has -

- (a) failed to apply for renewal of his registration within 3 months from the expiry of his registration; or
- (b) ceased to hold a qualification by virtue of which he was registered.”.

That clause 15(2)(a) be amended, by deleting “(1)(c)” and substituting “(1A)(a)”.

Clause 16

That clause 16(1) and (5) be amended, by deleting “(1)(c)” and substituting “(1A)(a)”.

Clause 20

That clause 20(1) be amended, by adding “or (7A)” after “30(6)”.

Clause 27

That clause 27(1) be amended, by deleting “當事人”。

Clause 28

That clause 28(4) be amended, by deleting “負責” where it first occurs and substituting “負上個人責任”。

Clause 30

That clause 30 be amended, by adding —

“(7A) The Authority may by notice in writing require an authorized land surveyor who deposited with the Authority under subsection 4) a duplicate land boundary plan and a survey record plan to amend the duplicate land boundary plan or the survey record plan or both so deposited with respect to the new boundary line created by a division of land and shown and delineated thereon in such manner as specified in the notice to make them comply with any code of practice approved under this Ordinance within such time as specified in the notice.”.

Clause 31

That clause 31 be amended —

- (a) by deleting “在訂明費用繳交後，” where it first occurs.
- (b) by adding “並在繳交訂明費用後” after “在辦公時間內”。

Clause 32

That clause 32 be amended, by deleting the clause.

Clause 34

That clause 34(3)(a) be amended, by adding “or” at the end.

That clause 34(3)(b) be amended, by deleting “; or” and substituting a full stop.

That clause 34(3) be amended, by deleting paragraph (c).

Clause 36

That clause 36(1) be amended, by deleting “of \$50,000” and substituting “at level 5”.

That clause 36(2) be amended, by deleting “of \$10,000” and substituting “at level 3”.

That clause 36(3) be amended, by deleting “of \$25,000” and substituting “at level 4”.

Question on the amendments proposed, put and agreed to.

MR RONALD ARCULLI: Mr Chairman, I move that clause 30 be further amended as set out under my name in the paper circulated to Members.

Mr Chairman, I have no wish to repeat what I have said earlier during the Second Reading debate and for those reasons, I urge Members to support my amendment. Thank you.

Proposed amendment

Clause 30

That clause 30 be amended, by adding —

“(9) For the avoidance of doubt, it is declared that a land boundary plan referred to in subsection (1) shall not have effect other than the effects it has by virtue of its being a plan attached to or endorsed on or accompanying an instrument delivered into the Land Registry for registration under the Land Registration Ordinance (Cap. 128).”.

Question on the amendment proposed, put and agreed to.

Question on clauses 7, 15, 16, 20, 27, 28, 30, 31, 32, 34 and 36, as amended, proposed, put and agreed to.

Council then resumed.

Third Reading of Bills

THE ATTORNEY GENERAL reported that the

MATRIMONIAL CAUSES (AMENDMENT) BILL 1994 and

LAND SURVEY BILL

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

Question on the Third Reading of the Bills proposed, put and agreed to.

Bills read the Third time and passed.

PRIVATE MEMBER'S MOTIONS

PRESIDENT: I have accepted the recommendations of the House Committee as to the time limits on speeches for the motion debates and Members were informed by circular on 15 May. The movers of the motions will have 15 minutes for their speeches including their replies. Other Members will have seven minutes for their speeches. Under Standing Order 27A, I am required to direct any Member speaking in excess of the specified time to discontinue his speech.

REVIEW OF HOME OWNERSHIP SCHEME

MR SZETO WAH moved the following motion:

“That this Council urges the Government and the Hong Kong Housing Authority to conduct a comprehensive review of the Home Ownership Scheme (HOS), which should include: (1) the number of flats produced and pace of production, (2) the ratio of HOS flats to public rental housing flats, (3) the pricing policy and method of mortgage repayment, (4) the construction materials used and maintenance and repair, (5) the system of management, and other related issues; and to submit a report on the review to this Council within six months.”

MR SZETO WAH (in Cantonese): Mr President, my motion consists of the words “comprehensive” and “and other related issues”, which mean that in addition to the five areas specified in the motion, other various issues pertaining to the Home Ownership Scheme (HOS) should also be reviewed as long as it is worthy of doing so.

The first thing I wish to bring up is the role of the HOS in the entire territory-wide housing policy. This is not listed in the motion but is a vitally important element.

The housing problem has always been the most serious problem affecting people's livelihood. Real estate has created tens of thousands of billionaires but it has also exploited all the rest of the people mercilessly. The highest proportion of complaints, petitions, processions, protests and confrontations is related to the housing problem. In order to continue our endeavours to solve the housing problem faced by residents in Hong Kong, we have to think about what the role of the HOS in future is. Will it be the same as it was in the past or

will it be different? If we were to consolidate our projection of both the economic and political development in future, we have to review the HOS as an important element in the territory-wide housing policy, so as to identify its strategic role.

In the following paragraphs, I will bring up some problems about the five areas listed in the motion. This is not a review but a mean to trigger off a review.

(1) *The number of HOS flats produced and pace of production*

From Phase 14A to Phase 16A (totalling six phases), HOS flats were oversubscribed by 11 times on average in each phase. The recent Phase 16A was even oversubscribed by as many as 16 times, reflecting the dramatic disparity between supply and demand.

At present, the income ceiling of \$25,000 is in fact rather low. Does it necessarily mean that families with earnings above this threshold can afford to buy or rent a flat in the private sector?

If additional HOS flats are built at the expense of the number of public housing units constructed, this will be detrimental to the poverty-stricken applicants for public housing. Yet, relaxing the income ceiling of the HOS will certainly bring about an even greater disparity between supply and demand. Such being the case, how can the conflict be overcome? It seems that the only alternative is to substantially increase the number and speed up the construction of public housing units and HOS flats and this hinges on the additional provision of land by the Government.

(2) *The ratio of HOS flats to public rental housing units*

The ratio of public rental housing units to HOS flats in recent years is roughly 1:1 and it will become 4:6 in the next few years. This is apparently a proof to what I said just now that HOS flats are built at the expense of the number of public housing units produced. This approach is like “scooping out a piece of flesh to cure a boil”, and will only aggravate the conflict in the society and jeopardize social stability, particularly in times of economic and political instability.

Perhaps the Housing Authority (HA) thinks that residents who are affected by redevelopment projects will be attracted to buy HOS flats by according them priority and their public housing units will subsequently be spared for the applicants on the Waiting List. But the reality is that in the past three years, a mere 4% to 9% of these people were attracted to buy HOS flats. Evidently, the desired aim is not achieved. As a matter of fact, public housing is more attractive than HOS flats to the community. The ratio of 1:1 is already a cause for public denunciation. If it is further revised to 4:6, I believe that it will certainly give rise to even stronger opposition.

(3) *The pricing policy and method of mortgage repayment*

The HA has formulated a policy that the selling prices of HOS flats are determined with reference to property prices in the private sector. When property prices in the private sector go up, the prices of HOS flats are increased nevertheless by an even higher rate and when private property prices drop, there is no proportional reduction in the prices of HOS flats.

Over the five years between 1990 and now, the HA put up 91 340 HOS flats for sale. These flats costed \$29,394.15 million in total and yielded a net profit as high as \$43,438.11 million. This is actually a 148% rate of return.

Why does the HA, which is not a commercial concern, go after such a high rate of return? If it is to go by commercial principles, it should “boost sales by cutting down profits”. Now that HA has a ready market for HOS flats, it should “build more flats and cut down profits’ instead. It seems that the profits made by HA should also be brought under control and that HA should only be allowed to add a reasonable profit on top of the cost to be the selling price of HOS flats.

(4) *The construction materials used and maintenance and repair*

The quality of HOS flats has always been severely criticized. Usually, the problems are: mosaic tiles on the external wall falling off easily; poorly-plastered walls with plaster coming off easily; drainage at bath tubs functioning unsatisfactorily; broken doors, windows, electricity sockets etc. Besides, many problems are found related to the floor, toilet, walls, the position of electricity wires, iron gate, and so on, ranging from materials to the design of these facilities. Siu On Court in Tuen Mun is an example of a very bad case with roofs leaking and public sewage pipes constantly in need of repairs. HOS flats built under the Private Sector Participation Scheme are also packed with flaws. The Grandway Garden in Tai Wai, Sha Tin is a case in point. The materials used are of poor quality and elevators break down frequently. In Carado Garden, sewage flows in a reverse direction into the flats as a result of blocked manholes and elevators are frequently out of order.

We call upon the HA to conduct a review as soon as possible to find out whether the existing measures are adequate to monitor the construction of HOS flats. It should also enforce prosecution against contractors who work shoddily and use materials of poor quality. The standard of acceptance should be raised in order to guarantee the quality of HOS flats.

Where there are problems in the quality of HOS flats, the burden of undertaking repairing works will certainly become greater. In that case, many more problems concerning repair are sure to arise.

(5) *Management System*

The Housing Department charges owners of HOS flats professional management fees but the standard of management cannot in the least be taken as professional. With the management fees increasing year by year at a rate higher than inflation, no wonder there are widespread grievances among residents.

Finally, I feel obliged to bring up the Ko Chun Court incident, about which the media is deeply concerned recently. I hope that government officials can give us an answer immediately. The Ko Chun Court is beset with problems but there are two which are most important:

- (1) Delays in the date of occupation: The handover date was originally set at last December. It was deferred over and over again and it was announced recently that the handover date would be the coming July. The case is really yet unknown. It is stipulated in the contract that contractors who failed to complete the project within the specified time will be liable to pay a fine to the Government. However, according to the contract made between the Government and the buyers, the Government is not required to compensate buyers in the event of delay in the date of occupation. As such, it is an unequal contract. As a result of the parties concerned repeatedly striving for compensation, the Government finally promised to make compensation. But most of the residents will only receive some \$1,000 and they have already refused to accept it. In view of the residents' rejection, how will the Government deal with this matter?
- (2) Final product not in conformity with specifications. Mosaic tiles, which are originally stipulated as the materials used for the external walls, have turned out to be acrylic paint. In doing so, the cost of construction is reduced by 25%. But the Government refused to make compensation on this ground. Neither did it undertake to lengthen the liability period for maintenance and repair.

Now the organization formed by the residents is planning to institute a law suit against the Government through the Consumer Council. I hope that the Consumer Council will fight well in this battle and build up a reputation for the Consumer Representative Action Fund in the minds of the people.

Mr President, with these remarks, I move the motion.

Question on the motion proposed.

THE PRESIDENT'S DEPUTY, MRS ELSIE TU, took the Chair.

MR TAM YIU-CHUNG (in Cantonese): Madam Deputy, in recent years, the Administration has changed its housing policy, making it Home Ownership Scheme (HOS) - oriented rather than public housing-led, with public housing estates and HOS estates each taking up 50% of flat production. With the increasing number of HOS estates, the complaints against them have also been grossly increasing in these years. The subjects of complaints are various, from late completion and water seepage through bay windows to poor management, and so on. These complaints have reflected that with the rapid development of HOS estates, the quality of flats has obviously been sacrificed.

Of course, poor housing quality of HOS estates is not a problem only found in the recently completed estates. Hong Wah Court in Kwun Tong is one of the examples, though it only has no more than 1 000 households and has only been completed for seven to eight years. In a questionnaire survey conducted in Hong Wah Court last month by the Democratic Alliance for the Betterment of Hong Kong, 300 questionnaires were received within one day and there were altogether 700 complaints. The most popular subject of complaints was rusting of water pipes and ditches which accounted for 147 complaints; next was water seepage through ceiling which was accountable for 119 complaints; and there were also more than 100 complaints concerning cement or tiles falling off.

In the final analysis, the quality of HOS estates is inferior to that of private housing for two reasons: first, it is what some people say, “the higher the price, the better the quality of the merchandise”; and second, it is insufficient supervision on the part of the departments concerned. And these two factors are affecting each other. The criteria currently adopted by the Housing Authority (HA) in choosing contractors are that apart from meeting the basic requirements, what is considered most important is that they bid at low prices. Basically, the latter criterion gives no cause for much criticism. But the problem lies with insufficient supervision to construction works on the part of the departments concerned. This gives rise to a keen competition among the contractors who try to secure the HOS building contracts by reducing their tender prices as much as possible. But once they obtain the building contracts, they will usually set the priority of the private building contracts higher than the HOS building contracts when considering the allocation of resources to various construction sites, especially when sending workers to the sites. This explains why delay in occupation always happens to HOS estates but seldom occurs in private housing.

In the past few years, in order to reduce the building costs, some contractors did not scruple to sacrifice the building quality by sending fewer workers to the HOS construction sites from which only meagre profits could be derived. The contractors even employed illegal workers to work on those sites. One can easily imagine how the quality of HOS estates have been affected. Take seepage at the window as an example. The reason for water seepage is very simple. If the window ledge is not slightly slanting outwards for the rain water to flow out, rain water will easily accumulate at the ledge and will thus lead to seepage. Building defects caused by insufficient labour at construction sites or

carelessness of illegal workers thus become the subjects of complaints in the future.

What the HOS residents have castigated most severely is that the HA has not been carrying out its duty to monitor the contractors so as to make sure that the quality of the HOS estates is up to the standard. Besides, the defects of the HOS buildings will usually emerge one or two years after occupation when the maintenance period of the HOS has already expired. Hence the residents will be forced to pay the maintenance fees out of their own pockets. One good example of such problems is the case of Fu Ning Garden in Tseung Kwan O. If the residents concerned had not united themselves and forced the HA to ask for an extended maintenance period from the contractor, the contractor concerned would have got away with it.

The case in Ko Chun Court is another example which has caught the most attention of the public recently. The date of its occupation has been postponed time and again while the facilities are not built in full conformation with the sale explanatory statement. In their reply to the prospective flat owners, the authorities concerned put the blame on the weather of recent months. However, everybody knows that it takes one to two years to construct an estate. To attribute the project delay to the bad weather in recent months is indeed unacceptable to all. On the contrary, had the Housing Department urged the contractor to send enough workers to the construction site before it was too late, I believe that Ko Chun Court would not have had so many problems. The Housing Department said earlier that occupation could take place in mid July. But the flat owners of Ko Chun Court are afraid that the quality of the completed estates will not be up to the standard, especially in structure, and that there may be problems like water leakage. They have therefore requested the Housing Department to extend the maintenance period and to take up the responsibilities concerned.

Besides, the Housing Department should also observe the requirements in the sale explanatory statements. The flat owners of both Hong Pak Court and Ko Chun Court think that the Housing Department has broken its promises in the explanatory statements and has the intention of deceiving the flat owners. I hope that the Housing Department can give a proper explanation for this and find out a solution in regard to the criticism. It should consider carefully what to do so as not to affect the reputation of the Administration.

Madam Deputy, it is everybody's wish to live and work in peace and contentment. It was originally a good idea that the Administration tried to speed up the pace of HOS construction so that members of the public could purchase their own flats. Nevertheless, since it appears that the Administration has placed too much emphasis on quantity instead of quality, even when the public can afford to purchase the HOS flats, it is still far away from the target of living in peace. Therefore, if the Administration still sets the target production of flats built under the HOS and the Private Sector Participation Scheme in the next few years at 20 000 units but without conducting any review

in the aspects of pricing and monitoring, I can hardly envisage any improvement in the quality of HOS flats.

In my view, both the quality and the quantity of the HOS flats can be taken care of at the same time. The current practice of the Administration is to lease pieces of land, which are premium-exempted, to the HA for building HOS estates. The officials in the Housing Department have always been ambiguous when referring to the criteria in setting the HOS selling price. They only revealed that public affordability was their yardstick. As you can see, the selling price of HOS flats is about 50% of the price of private housing while the cost of construction only accounts for a small portion of the selling price. Thus, the HA should be very flexible in lowering the selling price of HOS flats and at the same time increasing the construction cost of HOS estates. It can choose some better reputed contractors who bid at reasonable prices and can improve the quality of HOS flats by stepping up its supervision on contractors.

I therefore reckon that when the Administration and the HA conduct a comprehensive review of the HOS, they should focus their attention on selling price and supervision of contractors. If they really put their efforts on these two aspects, there should not be a reason for the quality of the HOS flats being inferior to that of private housing. Finally, I would like to remind the Administration that while building quantity is of course an important factor in assessing the Administration's performance in regard to its housing policy, the number of complaints from the HOS residents is also a reflection of the appraisal report received by the Administration.

With these remarks, I support the motion.

MR FREDERICK FUNG (in Cantonese): Madam Deputy, this is the 17th year since the Home Ownership Scheme (HOS) was first launched. To many people, the term HOS housing is not a synonym for "low price and good quality". Rather, it is often linked with such descriptions as "product unworth the price", or "expensive and poor in quality". When case after case concerning the quality of HOS flats come to light, from recent ones such as the Ko Chun Court and Yuet Wah Villa to earlier ones such as the On Ning Garden and Carado Garden, the above descriptions are making deeper impressions in the minds of the public.

Although the sale prices of the HOS flats are maintained at about 55% of the market value, the Housing Authority (HA) has been making a great profit since the HOS was first launched. According to its Annual Report for 1993-94, proceeds from the Home Purchase Loan Scheme were over \$1.62 billion, representing 61% of the total revenue. Out of these proceeds, income from the sale of HOS flats were already \$1.59 billion. A further and more careful analysis reveals that profits from the HOS accord with the phenomenon of "a ship that goes up with the rising water". Five years ago, net profit from one flat in Phase 12A was only about \$170,000, but now the net profit from one flat

in Phase 17A has risen to \$730,000. The increase is 400%. The net profit from one Phase 12A flat was able to support the building of 1.77 units of the same type but the net profit from one Phase 17A flat can now build 2.85 units of the same type. It can be seen that to the HA, HOS is literally a “tree that bears gold coins”.

I am well aware that the present pricing policy is part of the HA’s overall policy to achieve the target of its housing construction programme. Therefore, as regards the need to lower the present sale price so that the public do not have to “work till death for a flat or to economize on food and clothing in order to pay for one”; so that they can still have some money to save up or to spend on other leisure activities and to engage in consumption activities to boost economy, there is in fact not much room for the HA to manoeuvre. The above goal cannot be achieved unless the Government is willing to take the housing policy on itself, by not only continue to provide free land but also injects money to the HA, so that the HA can be richer financially and have no need to be self-sufficient or be “money-oriented”. The formulation of this policy cannot be centred on “profits” only.

At present, the public housing policy is to encourage the public to buy their own homes. Raising the percentage of home ownership has become one of the Government’s goals. This goal has been clearly announced by the Government as long ago as in the 1988 Long Term Housing Strategy and in the Governor’s policy address in 1992. To encourage more people to own their property is an indisputable aim and, I believe, is widely supported. However, if the Government does not provide any assistance in this respect, home ownership to these people means that they have to continue toiling for their property. To the general public, it may still be beyond their affordability to purchase their own property. In the past few years, I have repeatedly pointed out that the main idea of the present long term housing strategy of “giving priority to the private sector” is not in the interest of the public. It also limits the public housing programme developed by the HA and forces batch after batch of people to look for flats in the private property market, giving rise to today’s situation of “developers make tat profits at the expense of the small citizens”.

Therefore, in the face of this situation, I have reservations about the HA efforts to increase the construction of HOS housing because in the prospect that land supply for public housing is not increased, to increase the construction of HOS housing will undoubtedly mean that the supply of rental housing flats will be relatively reduced. Since 1989, the proportion of HOS housing in the whole area of public housing has gone up. According to the statistics, from 1980 to 1987, construction of rental housing and HOS housing was maintained at the ratio of 3:1, but after the implementation of the Long Term Housing Strategy, the ratio from 1988 to 1995 has dropped to 1.94:1, or almost 2:1. And in the coming six years between 1996 and 2001, the ratio will further drop to 1.22:1, or almost 1:1. In recent years, out of all public rental flats which are available for allocation, only one third is allocated to those on the Waiting List. With the proportion of rental flats in public housing shrinking further and further, the

chance for those on the Waiting List to move into rental flats becomes slimmer and slimmer. We need to give priority to the lowest class in society. Therefore, I think that the Government should adjust the present strategy and change the policy of “giving priority to the private sector” by reverting to the former policy of public housing as the guiding principle, and construct more public rental housing to resolve the housing problem of the remaining 110 000 households on the Waiting List and those who continue to join the Waiting List. I feel that it fits the present situation of Hong Kong better for the Government to resolve all these problems before it explores the possibility of increasing the proportion of HOS housing in the public housing programme.

Moreover, since the HA has been continuously building HOS flats, it has become the biggest property developer in Hong Kong. To shake off the infamous name of being “unscrupulous”, it must take up the necessary responsibility of ensuring that the quality of the HOS flats meets the required standard. Besides, as the Authority is a public body, it cannot shirk the responsibility of making sure that the residents live in peace so that they can have a good sleep at night, not having to worry about the structure of the building and troubling over external walls falling off, water pipes bursting and toilets being clogged up. To prevent these from happening again, the Authority must, when inviting tenders and during the process of construction, conduct reviews and monitors the whole process more carefully and efficiently by deploying more manpower to do the work. It is only by imposing heavier penalties on those constructors who do not perform properly, who are unscrupulous or those who fail to finish the construction work on time without reasonable reasons that the Authority can ensure the quality and quantity of the HOS flats.

With these remarks, I support the motion.

MR EDWARD HO (in Cantonese): Madam Deputy, the motion before us today is about the Home Ownership Scheme (HOS); however, I believe that we should always consider the housing problem of Hong Kong from an all-round perspective instead of a single-faceted approach. Hong Kong has to provide sufficient public and private housing to cope with the overall housing demand. In view of this, the consideration of the overall adequacy of housing provision should always come before the consideration of the respective numbers of public housing units and HOS flats. I have repeatedly pointed out in this Council that it is mainly due to the shortage of land supply that the overall number of flats and units in Hong Kong has fallen far behind the demand.

A report recently released by the Development Committee under the Housing Authority (HA) reveals that the Government has to allocate an additional 38 hectares of land by the end of the year if the housing problem of Hong Kong has to be resolved before year 2001 in accordance with the Long Term Housing Strategy. That figure has not taken into account the possible delay in turning the land into residential buildings, since the process of

planning, designing, vetting up to completion of buildings will take a total of five years. In addition, in view of the low rate of completion of new flats by the HA in the recent years, even if the Government can really allocate that 38 hectares of land before the end of the year, an annual production of over 60 000 flats is required in the years 1998 to 1999. I doubt if the resources in the construction industry of Hong Kong can complete so many flats within such a timeframe. All the more, does the HA possess sufficient resources to immediately allocate the flats to the tenants?

The Housing Branch was set up last year with the prime objective of co-ordinating the supply of land between the Government and the HA. Unfortunately, over the months, the Housing Branch is still at the stage of researching and studying. In fact, the HA's forecast of housing supply and land demand has been formulated on the basis of the detailed study jointly undertaken by the Housing Department and the relevant government departments. Why should the Housing Branch keep on studying and reporting after setting up?

With respect to the implementation of the HOS, we must cautiously work out the ratio of public rental housing units to HOS flats. We of course hold that top priority should be accorded to those who are on the Waiting List and have urgent need, so that housing of reasonable standard is provided to them. However, at the same time, we should not overlook the importance of providing assistance to the public to purchase their own flats because home ownership can stabilize the society and take care of the need of people of different social strata. We should not forget that with the purchase of HOS flats with green forms by those public housing tenants who are in a position to afford, their original units can then be vacated for occupation by those who have genuine housing need. Therefore, we should provide every chance for the public to purchase their own flats while bearing in mind that the housing and land resources should not be shifted from public rental housing to HOS flats.

In this respect, the Liberal Party has over the years been actively advocating that a scheme to offer public housing units for sale should be adopted. The merit of the scheme is the provision of chance for a substantial number of people to purchase their own flats while no additional resources are required from the Government for that purpose. I understand that the Honourable Mrs Selina CHOW will speak on this issue in due course and therefore I will not go into the details.

On the pricing policy of HOS flats, I personally hold the opinion that since HOS is a scheme that the entire community is subsidizing, we must ensure that: (1) the level of subsidy should be confined to meeting the demand of the public, which means that different levels of subsidy should be offered to people of different income level within the income ceiling of HOS applications; (2) the HOS flats should not be priced such that the level goes beyond the affordability of the eligible applicants for HOS flats. On the question over the pegging of HOS prices to cost, that is not reasonable because that formula of pricing means total disregard of the differences in the levels of subsidy required by different

people. That is an unfair utilization of social resources. Madam Deputy, in recent years, each phase of HOS application meets with over-subscription of over 10 times, that should have illustrated the fact that the prices of the HOS flats have not gone beyond the affordability of the buyers.

On the quality of public housing, I of course support that the quality of public housing should be guaranteed to be keeping up to the standard. I understand that the HA has implemented a lot of measures to maintain the quality, for example, the requirement for the contractors to adhere to the international standard known as ISO 9000, the prefabrication of facades and other building materials, the exercising of site supervision, and so on. Overall speaking, it is a most obvious fact that great advances have been made consequent upon the implementation of these new measures. I do not think that the work of the HA is as worthless as the Honourable SZETO Wah has described. Of course, there is also no cause for complacency for the HA.

Over the past 10 years, the supply of manpower and the provision of training can hardly meet the requirement of the prosperous development of the construction industry, thereby making it difficult to maintain the quality of buildings. This is a problem that the entire construction industry has to face up to and even private housing is of no exception. The HA produces nearly 40 000 to 50 000 units every year, it is thus understandable that minor problems cannot be totally eradicated. As I have said, it is the duty of the HA to persevere in an effort to keep raising the quality of its buildings.

Madam Deputy, I so submit in support of the motion.

MR ALBERT CHAN (in Cantonese): Madam Deputy, the Private Sector Participation Scheme (PSPS) has a far-reaching bearing on the Government in the development of the Home Ownership Scheme (HOS). While the PSPS can make use of the resources of private developers to increase the production of flats, the Housing Authority has to strengthen its role before the rights and the interests of residents can be safeguarded.

I would like to start with the quality of flats built under PSPS. As all of us may still recall, it was reported in the press during the past few years that the quality of PSPS flats was very poor and the situation was startling. A myriad of problems have arisen in Carado Garden since residents moved in at the end of 1989. The most serious problem is probably the blockage of sand traps, causing sewage to flow back to the flats on the lower floors. Besides, this estate is also notorious for the frequency of elevator breakdowns. The failure rate of elevators in this estate is three times the overall elevator failure rate of all public housing estates and HOS/PSPS estates in Shatin on an average.

Apart from Carado Garden, On Ning Garden in Tseung Kwan O, which was completed in 1991, also has structural problems including subsidences of the ground and cracks on walls. It can be said that these estates are packed with

problems. Besides the problems mentioned above, there have been cases of aluminium window frames being blown off by strong wind and falling onto the streets, elevators malfunctioning and so on. Residents of On Ning Garden lodged a total of some 2 800 complaints in less than two months' time after they moved in. As for Grandway Garden in Tai Wai, Shatin, there were problems of blocked trunk sewers causing sewage to flow in a reverse direction, frequent elevator failures, management deficiencies and so on coming up in less than a month after residents moved in. The residents saved up the money they made out of their sweat and toil in the hope of buying a flat where they can live comfortably. They thought they were lucky as they were allotted HOS/PSPS flats in the ballot exercise. Who would have ever thought that new flats would turn into some dilapidated ones? One can imagine how distressed the residents are.

Flats built under PSPS are plagued by many problems. This is because the practice of the Housing Authority in handling tenders is to award the contract to whoever made the lowest bid. In the past, the standard of construction required by the contract was lower than the standard that private properties are required to attain. Therefore, developers, one after another, lowered their bids in order to win the contract. Under the principle of profit maximization that private developers go by, the quality of the flats is therefore subject to the bid that the developer made. Consequently, flats built under PSPS become "second-class flats".

Madam Deputy, in order to safeguard the interests of owners of PSPS flats, the role played by the Housing Authority in PSPS ought to be strengthened. At present, the Housing Authority is responsible for underwriting the sales of flats, appointing practising surveyors to supervise the progress of projects under PSPS, issuing Completion Certificates and so on. We are of the view that in addition to choosing a developer who has offered "a reasonable bid", the Housing Authority must also take into consideration the quality aspect. The Housing Authority must monitor the developers more closely in the course of construction to ensure that developers do not work shoddily and use inferior materials and that the quality of flats will not be affected by problems relating to the skills of the workers.

Besides, the jurisdiction of the Housing Authority in determining the use of vacant areas in PSPS estates is not defined clearly. Neither is the respective spheres of management of the Housing Authority, property management companies and developers laid down clearly. Such ambiguities have brought about many problems. The most "well-known" example is Carado Garden. The Housing Department, private property management companies and developers all stated that they could only exert a limited influence on the use and management of non-domestic use areas in the estate, such as the shopping arcade, carparks or vacant areas around the flower bed. Moreover, in Carado Garden there were cases of shops doing business in carparks and, surprisingly, the Housing Authority and the developer concerned thought that these cases did not come under their spheres of management. Now, four years has lapsed and

the Housing Authority has yet attempted to address these problems in Carado Garden positively. Furthermore, we think that insofar as the management of PSPS flats are concerned, many problems pertaining to the terms of reference of different parties have to be spelt out in clear terms or else the Housing Authority, private management companies or the developers will not be able to deal with any unlawful usage of land in these estates in future.

Madam Deputy, at present, the selling prices of parking spaces in PSPS estates are determined by the developers but given that developers are going after profit maximization, more often than not they have set the prices of parking spaces at a very high level. In fact, PSPS flats are built for a designated income group. In this connection, the prices of flats or in respect of various kinds of facilities (including the prices of parking spaces and the rent of shop spaces) should be on par with other HOS estates. The prices of parking spaces and the rent of shop spaces in PSPS estates should not be higher than those in estates constructed by the Housing Authority, because the pressure of the prices will eventually be borne by the residents.

Madam Deputy, we suggest that the rent of shop spaces and the prices of parking spaces in PSPS estates should conform with the rent of shop spaces in public housing estates and the prices of parking spaces in HOS estates under the Housing Authority so as to safeguard the interests of the residents.

Madam Deputy, HOS/PSPS flats are in essence part of public housing. The Government must take up all its responsibilities and absolutely should not shirk its duties simply because there is participation from the private sector.

Madam Deputy, with these remarks, I support the motion.

MR CHEUNG MAN-KWONG (in Cantonese): Madam Deputy, home ownership is what everyone in Hong Kong hopes for. Since 1978 when the Government first introduced the Home Ownership Scheme (HOS), its goal was to assist the middle to lower-class to purchase their own homes in the face of spiralling property prices. However, with private property prices keep rocketing in recent years, the prices of HOS flats move in tandem and even look set to overtake them. One cannot help thinking that the purpose of the HOS has changed to one of profiteering.

Let us take applications for the two recent phases of HOS flats as examples. On these occasions, successful applicants were not eager to choose their units; the rate of submitting application forms by eligible persons has dropped drastically. The reaction of the public is that the prices of HOS flats are too high to be affordable. They can only “bemoan their inadequacy in the face of the high-priced property”. Although the Government’s policy is that no more than 40% of a household’s income should be used for the mortgage loan repayment, it has so juggled the discount on HOS property prices that they are in fact pegged to the market prices in a disguised form.

This will do more harm than good to the community, especially when the present property market stays far beyond the affordability of the general public. Take for example a unit of 700 sq ft in the private market. Its value as estimated by the Housing Authority (HA) is about \$2 million. With a discount of 45%, people have to pay \$1.1 million for its purchase. For a family the household income of which is \$25,000, almost 40% will be used in mortgage loan repayment which together with rates and management fees, will add up to an actual housing expenditure of more than 40%. Therefore, even if a discount of 50% is given, HOS flat prices are still a heavy burden for the middle class, and the burden would remain there for the next 20 years. How many 20 years does one have in his whole life?

Madam Deputy, as we lash at the spiralling private market property prices, how many of us have noticed that the rate of increase in HOS flat prices is even greater than the private ones. According to the information provided by the Subcommittee on Property Speculation of the Legislative Council, prices of HOS flats have risen by 1.72 times between 1989 and 1993, whereas it is only 1.46 times for private flats. The increase is really alarming.

Madam Deputy, as the biggest property owner of Hong Kong, the HA has been selling HOS flats to make huge profits. From 1988, when the HA became independent to the last audit year, the net income derived from HOS sales amounts to \$31.7 billion. This is high both in terms of profits and return, and compare well with the profits made by private market property developers. A welfare policy that was meant to benefit the middle class and enable them to buy their property at low prices has now become a profiteering policy. Compared with property developers, the Government is merely “the pot calling the kettle black” in respect of its HOS policy. The profiteering nature is basically the same.

Why does the HA keep pushing up the prices of HOS property? What is the huge surplus for? Last year, the Government proposed the HA to set up a development fund with its surplus for the construction of public housing and HOS housing, including payment for the cost of land formation so as to speed up the construction of housing units. Such proposal is obviously an attempt to ask the HA to shoulder completely the resources for housing provision. When the HA wants to find the money to build houses, the easiest way is to sell HOS flats to finance public housing and subsidize public housing projects which are not financially viable. The result is that resources squeezed from middle-class families are used to meet the housing need of the lower class. This is analogous to “scooping out a piece of flesh from the middle class to cure the boil of the lower class”. I cannot help asking: Is public housing meant to be a kind of welfare? Where is the role to be played by the Government? Is it a socially equitable principle to require the middle class toiling for 20 years to pay their mortgage loan that will become the subsidy for the lower class?

Therefore, we have to reconsider the selling prices of HOS housing which should reasonably be those of construction cost plus a reasonable profit, so that the HOS will have sufficient resources to remain viable and to operate independently. As to investments for other property development of the HA, they should not rely on the income derived from selling HOS flats; they should instead be borne by the Government. A public housing policy for the general public should be one that stabilizes the society. Where people are left without homes, social upheaval follows suit. The Government should not use insufficient resources as an excuse to shirk its responsibility.

As a 90% mortgage loan is offered to those buying HOS flats (an advantage that private property developers are unable to offer), and in the absence of better options, the middle and lower class who need to own property are naturally inclined to go for HOS housing. But we must never forget that the real function of the HOS is to enable the middle class to own their property by making their own efforts. When the price of HOS housing are not what they can afford, and when HOS housing becomes some long-standing burden and subject of exploitation for the middle-income families, the value of the HOS will diminish, and the idea of home ownership will become an absurdity and a true lie. Therefore, the HA should seriously reconsider the price of HOS housing, the relationship between HOS income and the finance of the HA, as well as Government's commitment to public housing.

Madam Deputy, with these remarks, I support the motion.

DR TANG SIU-TONG (in Cantonese): Madam Deputy, housing policy has been one of the hot topics discussed in this Council. This Council and the public have, on many occasions, urged the Government to increase the land supply, build more public housing and take the provision of rental housing as the guiding principle in carrying out its housing policy. Unfortunately, the response of the Government has been disappointing on every occasion. Since the introduction of the Home Ownership Scheme (HOS) in 1978 and the occupation of the first batch of HOS flats in 1980, the housing policy has been affected by the change in the Government's administrative direction over the last 15 years, causing changes to the quality of HOS flats.

During the past few years, there have been repeated complaints about the lack of uniformity in quality, delay in issuing occupation permits and poor management of HOS flats, pointing to the need for a thorough review of the Scheme which has been implemented for over 10 years. Initially, the HOS sought to help the lower middle-classes which did not have the means to purchase flats in the private sector to realize their dreams of owning a flat. Hence, HOS flats were sold at cost price, exclusive of land value. However, in recent years, profits from the sale of HOS flats have amounted to hundreds of thousand dollars, and the price of these flats is still rising. The continuous rise in the price of HOS flats owes much to the "push up" exercise of the Government and developers. By pushing up the prices of these flats, the

Government can continue with its high land price policy. Under this recurrent state of affairs, HOS flats have reduced to the money-making tools of the Housing Authority (HA). Collusion between the Government and developers would only make the public suffer.

HOS flats were originally designed to be affordable and acceptable in quality. Nowadays they are no longer so. Starting from 1991, 16 HOS estates have been the subjects of complaints because of poor and substandard quality. Eight of these estates are situated in western New Territories, including Tin Yau Court in Tin Shui Wai, Affluence Garden, Tsui Ning Garden, Siu Lun Court, Siu Pong Court, Siu Lung Court, Siu Kwai Court, Sun Wai Court and Yuet Wu Villa in Tuen Mun. Seven out of these 16 estates were built with the participation of the private sector and they happen to have the poorest quality. For example, in On Ning Garden in Tseung Kwan O, the ground has subsided and cracks have developed on the walls, beams and ceilings, with water seeping through these cracks. In the case of Yuet Wu Villa in Tuen Mun, not only has the issue of occupation permits been delayed, but the plaster has also peeled off. There are cracks on the external walls, the bricks of the interior walls would fall with the slightest push and water has seeped through cracks in the bay window, the walls and the toilets. No wonder the owners of the flats have protested in anger saying, "The Home Ownership Scheme makes your tears fill a stream".

Undeniably, the supply of HOS flats can be increased with private sector participation. However, developers are so eager to become the successful tenderer that they would offer very high prices. Taking the costs into consideration, they would tend to use cheaper materials to gain the biggest profits which would result in poor building quality. The loss suffered by owners of HOS flats is undoubtedly a predetermined tragedy caused by the Private Sector Participation Scheme. The HA's decisions to amend the unfair provisions in the Sale and Purchase Agreement of HOS flats and to grant *es gratia* payments ranging from a thousand dollars to tens of thousand dollars, to owners of Ko Chun Court in Yau Tong as a kind of compensation are, however, sensible because they have taken the practical needs into consideration.

Although the HOS has not yet reached a disastrous state, it is in fact full of problems. In reviewing the Schemes, I have the following suggestions to make:

First, the housing policy should be revised to make provision of rental housing the main guiding principle. The number of HOS flats to be built should not be proportionately larger than that of public housing units.

Second, the price of HOS flats should be based on the real purchasing power of the public and not pegged to the market price. Considering the financial situation of the people eligible to apply for the HOS, it would only be reasonable for the price to be reduced further.

Third, the HA should step up the control over the quality of the HOS flats that it builds and carry out regular checks on the progress of construction.

As regards the housing estates built with private sector participation, besides stepping up quality control, the HA should also revise its method of selecting developers. It should not use the highest price offered as the only criterion; it has to consider the past records of developers in terms of building quality as well. Those with a poor record should be blacklisted and prohibited from participating in any HOS tender for a period of time.

Fourth, the Housing Department should consider discarding the practice of contracting out the management of HOS estates to private companies. If the Housing Department does not have sufficient manpower to manage the estates itself, it should step up monitoring the managing companies and encourage the associations of owners or residents to participate in monitoring the companies so as to improve their standard of management.

Fifth, at present, the guaranteed general maintenance period of HOS flats is one year. The HA should consider extending this period because it is really too short.

Sixth, the HA has decided to amend the provisions of the Sale and Purchase Agreement of HOS flats to enable owners to claim compensation for any delay in the issue of occupation permits, except that the delay has been caused by bad weather. This amendment should start taking effect in April 1995 when the 17th phase of type A HOS flats became available.

Whether the amendment can offer sufficient protection to owners remains to be carefully examined. However, the amendment should give the same protection to the 24 000 owners of the third phase of the uncompleted HOS flats which are now available for sale.

Madam Deputy, with these remarks, I support the motion.

MR LEE WING-TAT (in Cantonese): Madam Deputy, it has been 17 years since the Home Ownership Scheme (HOS) was initiated in 1978, and it is now high time for a comprehensive review to be conducted. The HOS, as its name suggests, aims to facilitate the needy people to acquire home ownership so as to satisfy the aspirations and housing needs of the middle to lower groups, who, being unable to afford a flat in the private property market, are being reduced to “shell-less snails”. The HOS enables them to have a cozy home, thereby enhancing their sense of belonging to the society.

In order to achieve these objectives, the first and foremost task is to provide residents with sufficient HOS flats at genuinely affordable prices. The large volume of HOS applicants is attributable to the great demand for HOS flats from White Form applicants living in private domestic premises who cannot afford the market price for property.

But the success rate for White Form applicants is only one out of 30. These people have to apply again and again, and some of them have even applied for more than 10 times without success. Under this circumstances, when they can wait no longer they have no other choices but to purchase private domestic properties. So the Housing Authority (HA) is in one way or another helping real estate developers to profiteer. Moreover, the income limit of the HOS is set at a very low level. Families with a monthly income of \$26,000 or \$27,000 are already not eligible for HOS, but can they possibly afford to rent or own a flat in the private market? They can, if they afford to spend 70% or even 80% of their total income in mortgage payment. If the HOS cannot materialize the wishes of perspective buyers in due time, let us say, in two or three years' time, it is tantamount to using a scheme which exists in name only to tantalize residents living in private domestic premises.

The HOS selection process must be expedited not by means of reducing the number of public rental housing (PRH) units but by appropriating additional land for the construction of HOS flats. Although the Housing Department (HD) insists every now and then that sale prices of HOS flats are not pegged to market prices, as a matter of fact, private domestic property prices account for an important factor in the setting of HOS flats prices. It is even overtly stated that HOS flats prices are set at a specific discount rate to private property prices, and this shows that the HD actually pegs HOS flats prices to private property prices.

On the other hand, HOS flats prices are set at a level where White Form applicants shall spend no more than an average of 40% of their household income in mortgage payment; but the prices thus set are really too high. Prices of many HOS flats even require White Form applicants to spend 60% or as much as 70% of their household income in mortgage payment. It is a very heavy burden indeed if a family is to spend 40% to 70% of its household income in mortgage payment. This mortgage-to-income ratio has to be reduced significantly if HOS flats buyers are to enjoy their own cozy homes, pay back their mortgage easily and live happily. It is an acknowledged fact that HOS flats have yielded profits to both the HD and the HA. Last year, a surplus of \$7.1491 billion was yielded through the sale of HOS flats alone. If the HA does not lower HOS flats prices to a more reasonable level, then it is little different from those "blood-sucking" mighty real estate developers. Recently, the application rate from priority Green Form applicants and tenants affected by redevelopment and clearances has shown a continuous decline, and this shows that HOS's attractiveness has largely abated because its prices are far too high when compared with the rent of PRH. Application rate from White Form applicants remains high simply because private properties are too expensive and applicants simply have no better choices.

The quality of HOS flats is often criticized. A Member from the Democratic Party has just given an account of this matter and therefore I do not need to repeat it. Last week, the HOS Committee of the HA agreed to compensate HOS flat owners-to-be who have experienced delay in taking over the flats. But the amount of this *ex gratia* payment is not adequate enough. What is the use of such *ex gratia* payment of just over \$1,000 to most of the owners-to-be? It just cannot make up their losses in terms of additional rental costs during this six to nine months' period. Delays in taking over the flats have resulted in these owners-to-be having to pay addition rent and I suggested this should be the base for compensation. However, my suggestion was not accepted. I call on those victims and would-be-victims to get united and keep up their pressure on the HD and the Secretary for Housing so that there will be further improvement.

As far as Private Sector Participation Scheme (PSPS) is concerned, the developers are private firms and they build houses with a view to making profits. The HA has also a profit to share. Because someone else is sharing the profits, private firms will invariably scarify their construction standards, using low quality construction materials and getting low-priced but ill-equipped professionals and labours. In a nutshell, everything is sub-standard. They would do everything that could suppress production costs to seek the greatest possible profits. When the buildings are completed, developers will then set their eyes on car parks and commercial premises to further squeeze money from flat owners. We may say that there are more shortcomings than benefits in the PSPS projects over the years, and the HA should conduct a review to ascertain whether there is any value in the continued existence of this scheme.

Madam Deputy, before I conclude I want to talk about the maintenance of HOS flats. Many HOS courts, such as Siu Hong Court, Tuen Mun, and Yuet Lai Court, are over 10 years old, and many of their internal facilities such as sewage and drainage facilities, taps, lifts and so on are badly in need of replacement. But the HD refuses to provide maintenance services for these old buildings with the excuse that they did not get each and every owner's consent. But it is the HD, who, playing the role of a Manager, is ultimately responsible for these. Prevarication instead of finding solutions will only reduce old HOS courts into "private property slum".

Madam Deputy, in last Thursday's HOS Committee meeting a committee member proposed to conduct a comprehensive review of the HOS policy. I was caught by surprise. Why such a proposal in such haste? It is because the Honourable SZETO Wah was going to submit a motion debate on reviewing the HOS policy and related issues. Uncle Wah, you are really smart! Before you move the motion and before your motion gets carried, the HA will be conducting a review.

Madam Deputy, with these remarks, I support the motion.

MR LEE CHEUK-YAN (in Cantonese): Madam Deputy, having food and shelter is a basic human right for survival, but for over a century, the people of Hong Kong have been toiling for a whole life for a shelter. This can be regarded as an irony behind our prosperity.

To the ordinary citizens, buying a private sector flat by instalments can be considered a dream in the face of the present frenetic and rare phenomenon of high property prices that is not found anywhere else in the world. For those people who are living in the noisy public housing estates where management is practically non-existent, being able to buy a Home Ownership Scheme (HOS) flat is their only possible way of approaching the goal of living in contentment. To those households which do not have the means to buy a private flat and which are not eligible for public housing, they have to rent expensive private flats. Far too often, redevelopment of old buildings and the ever-rising rent have made them lose their homes and move about which has become a heavy burden on their livelihood. To these people, their whole life's dream is to move to HOS housing so that they can finally have a place that they can call their home.

From this we can see that the demand for HOS housing is very great and those who want to live in HOS housing estates are ordinary wage earners. Obviously, the Housing Authority (HA) has yet to satisfy the demand, in terms of both supply and sale prices.

HOS flats are put on the market for about three times a year. According to statistics, it will have to take 10 years to satisfy the needs of all the present white-form applicants. Application for HOS housing is like a gamble. Only the lucky ones are being drawn. As far as I know, one "unlucky" family which have entered the draw 10 times have not yet "won a prize".

The households who have "won a prize", on the other hand, are not that well-off because the price of the present HOS flats are too high. Take a family of five that I know as an example. They are going to move in their flat of 900 square feet in the Cronin Garden in Sham Shui Po in July. The price of the flat is \$2.3 million. The owner has to pay \$800,000 as down-payment and then a monthly repayment of \$15,000 for 20 years. Do not forget that the present household income limit for the applicants is only \$25,000, which is also the amount just revised in April. We can imagine how difficult it is for a family with a monthly income of \$20,000-odd dollars to pay the \$800,000 downpayment. They have to try every means to borrow money in order to make up this amount. If they pay a downpayment of \$300,000, then they will have to repay \$20,000 a month. In that case, how will this family still have money left for food? Even the present level of \$15,000 is still too high for a family with an income of \$20,000-odd dollars.

We can say that the present policy of linking the price of HOS flats with the market price is seriously delinking it with the income of the wage earners.

I hope that the Government will seriously and thoroughly review the sale price of HOS flats. At present, for every HOS flat that the HA sells, the revenue derived can allow the HA to build three such flats. Take the five years from 1990 to 1995 as an example. The HA has put a total of 91 340 HOS flats on the market at a total cost of \$29.3 billion (which includes construction cost, cost for land formation and other expenses) but the net profit was as high as \$43.4 billion. Take for example the Ko Chun Court Phase II. The cost of one square metre of building area is \$3,224 while the sale price of one square metre of building area is as high as \$15,200. It can be described that the HA is having “money flowing in from all directions”. For a public body to make such a huge profit and to make the wage earners falling into the deep gulf of having to struggle hard to buy a flat is indeed unreasonable.

I think that the present sale price of HOS flats has far exceeded the residents’ purchasing power. The HA has openly stated that the instalment repayments for flats should be set at 40% of the household income. This is unacceptable. I think that the instalment repayment should only be about 20%. The latest Consumer Price Index (A) indicates that expenditure on lodging accounts for 20% of the citizens’ income and the Hang Seng Consumer Price Index indicates that it accounts for 30%. Why do the HOS residents who belong to the middle to lower classes have to pay 40% of their income? I believe that the real reason is that the HA wants to maintain the policy of high land prices and high property prices and therefore insists on linking the price of HOS flats with the market price. This also reflects that the Government has no determination whatsoever to bring down property prices.

It is a wrong operational concept for the HA to squeeze wage earners to subsidize its other expenses, such as the construction of the public housing estates. The provision of public housing should be a social welfare policy to help those who do not have the means to provide themselves with accommodation. Take Singapore as an example. Nearly 90% of her citizens live in government-built public housing, out of which 94% buy the HOS flats. Singapore has a proper control over property prices. According to an official of the Singapore Housing Development Board, two major factors being taken into consideration in their calculation of property prices are the site formation cost and full construction cost. Singaporean citizens can purchase a 1000-square-foot flat for \$500,000 Hong Kong dollars which the people of Hong Kong can only envy.

The Hong Kong Government has stopped injecting capital into the HA since 1992. As a result, the HA can only squeeze owners of the HOS flats in order to make huge profits. This is highly irresponsible. I have to stress that having a place to live in is a basic human right. The Government should continue to inject capital into the HA so that the latter can produce HOS flats at cost to satisfy the needs of the labour class for buying a comfortable home. We estimate that if HOS flats are sold at cost, the present sale price can be lowered for another two-thirds. And because citizens buy the HOS flats at a low price,

the HA can alter the rules for the sale of HOS flats so that these low-priced flats may only be sold at the cost price.

The pricing policy of the HOS flats has inflicted much hardship on the wage earners. However, for those who are lucky enough to move into the HOS estates, they still have to face many problems such as leakage and outer walls falling off as a result of poor building materials and sub-standard interior fitting work. Flatowners usually have to wait for a very long time before the contractor would come to do the repair work.

I suggest the HA to set up a “works patching up team” to carry out the patching and fixing work for the problem flats within a month after the residents have moved in. After the one month period, the HA may charge a “patch up” fee from the HOS contractors who have not carried out the construction work properly. I also hope that after the Authority have collected a certain number of cases and found out the names of the problem contractors, it will terminate the co-operation relationship with these contractors.

Lastly, I want to stress that although my speech mainly focuses on the HOS housing, I still think that the Government’s housing policy should be that top priority is given to public rental housing so that those on the waiting list can have an early allocation of accommodation.

MR FRED LI (in Cantonese): Madam Deputy, I do not have a prepared speech. However, I would speak on two Home Ownership Scheme (HOS) estates.

The motion moved by the Honourable SZETO Wah to review the HOS policy suits the needs of the time. In regard to Hong Pak Court in Lam Tin and Ko Chun Court for which occupation permits would probably be issued in July, I have participated in group actions, acted as an adviser and lobbied for the owners’ rights. Hong Pak Court has been occupied for more than a year and it is situated in Lam Tin. It consists of seven cross-shaped blocks with about 2 000 households; it is a relatively big estate. It is, however, situated in that part of Lam Tin where there is no primary school. Opposite to Hong Pak Court is Kwong Tin Estate, a public housing estate which consists of four harmony blocks. Although there are slightly more than 20 000 residents in the area, there is not a single primary school. According to one of the reference materials supplied by the Education Department, a primary school pupil generally has to walk 400 m to school. But very unfortunately, I believe a pupil living in Hong Pak Court has to walk 1 400 m to school. Although the Legislative Council has already approved to allocate funds to build three new primary schools there, these schools will still be more than 1 400 m away from the HOS estate. When Ko Chun Court was available for sale, the pamphlet stated that a piece of land in the estate would be used to build a secondary school. However, the number of secondary school places in the area is already sufficient, the problem is that there is not enough primary schools. The owners have long since suggested to build a primary school on that piece of land. Very

unfortunately, the Education Department has returned the piece of land to the Housing Department on the ground that a secondary school is no longer needed. The Housing Department then decided to build a block of HOS flats on the piece of land to make up for the inadequate number of HOS units which will be supplied in the year 1997-98. Of course, this move has been strongly objected to by the owners of Hong Pak Court.

I mentioned this case to illustrate one point. Owners of HOS flats were very happy when they read the pamphlets and bought the flats, but some of the information contained in the pamphlets was probably misleading. For example, the prospective buyers were informed that, first, there would be a view of the sea and secondly, there would be schools in the estate. But now there is no view and no school because a block of flats will be built in front to block the view of the sea. If a person has bought that kind of flat with more than \$1 million which is all the savings of his life, how do you think he would feel? The small owners would naturally think that the Housing Department has browbeaten them because it has neither listened to them nor has it agreed to build any school.

Worst of all, it was stated in the pamphlet that a piece of open land would be used to build a secondary school. In point of fact, the size of the place did not warrant one more secondary school. In other words, although that piece of land would not be required to build a secondary school in 1991, the pamphlet still stated that it would be used for such a purpose. The above information was later discovered by the owners. If the Government cannot clear itself from the blame, what kind of information was that but misleading or disorganized information? What could the owners say if they had bought the flats on the basis of such information? Most unfortunate of all, the Commissioner for Administrative Complaints had accepted the explanation given by the Housing Department after an eight-month investigation. The report compiled by the Commissioner also contained wrong information about the case of Hong Pak Court. That is a matter which I would follow up.

As far as quality is concerned, Hong Pak Court is not any better than Ko Chun Court. I would like to show you a photograph which I have recently taken from Kam Pak House of Hong Pak Court. The photograph shows a public corridor next to a lift on one of the floors and we can see that a whole piece of ceramic tile has fallen off from the wall. It was not a piece of mosaic tile, it was a 6 in x 6 in ceramic tile. This condition was not unique to that particular location; similar conditions appeared on many storeys of the building. Despite the fact that Hong Pak Court has only been occupied for a year or so, such conditions have already appeared. It is most unfortunate that five months after the ceramic tile has fallen off, maintenance work has not been done. The condition of that wall has remained the same over these five months, where did the problem lie? It was found out that the Housing Department had expressed its intention to sue the construction company on the ground that there obviously was a latent defect. Although the maintenance period had expired, the Department claimed that it would still sue the company. However, five months have passed and the repeated demands of the owners have not brought forth any

result. I hope that Mr WONG Sing-wah and representatives of the Housing Department would pay serious attention to the falling off of ceramic tiles in Hong Pak Court because it was not an individual case, as it has occurred on many storeys of the building. Today I have mentioned the case of Hong Pak Court and I would lend my support to the owners and residents in lobbying for the building of a primary school there.

The other case concerns Ko Chun Court about which many Members have already spoken. Ko Chun Court is not yet available for occupation. Initially, people were told that it would be ready for occupation in December last year, then they were told to wait until February, and then May, and now they have been told that the time would be July. It is still unknown whether this would be true or not. Ko Chun Court consists of five blocks; there are three blocks in Phase I and two in Phase II. Now the focus of attention is on the three blocks in Phase I. The quality of the three blocks is obviously a problem. It was stated in the pamphlet that the external wall of Ko Chun Court would be covered with spray paint and mosaic tiles. However, not the whole external wall of the building was covered with mosaic tiles, only the ground floor was covered with a small quantity of mosaic tiles. After the contracts had been duly signed, owners were left in the dark about the complete switch to the use of spray paint. Where has the money thus saved gone? The owners have no idea at all. Now the owners who are affected by the delay in the issue of occupation permits are given *ex gratia* compensation. They think it is unfair. It is particularly unfair to those would-be owners who are now renting private premises; those who have been forced to leave by the landlords or those who have to pay an especially big rise in rent. I believe a seesaw battle which would last for two or three months has to be staged with the Housing Department before the problem of Ko Chun Court can be solved. I hope that the Secretary for Housing and the staff of the Housing Department will really listen to what the owners of Ko Chun Court have said.

With these remarks, I support the motion moved by Mr SZETO Wah.

THE PRESIDENT resumed the Chair.

REV FUNG CHI-WOOD (in Cantonese): Mr President, I would like to concentrate my discussion on the management of flats under the Home Ownership Scheme (HOS). My speech will deal with the management of HOS flats only but not that of flats under the Private Sector Participation Scheme. Generally, there are two management patterns for HOS flats: (1) direct management by the Housing Department; and (2) management by private management companies appointed by the Housing Department, in which case the work of such private management companies will be monitored by the Housing Department and the Housing Department will collect a certain amount of money from the management fees that the owners of HOS flats are required to pay.

There are a great many problems in the management of HOS flats which come under the direct management of the Housing Department. It is because normally the same Housing Manager is also responsible for the management of adjacent or nearby HOS estates. Many problems in respect of management are resulted from the poor performance of the Housing Manager. In fact, the management standard of HOS flats very often depends on the performance of the Housing Manager. It depends on, for instance, whether the Housing Manager is hardworking, responsible and so on. Generally speaking, if the Housing Manager works with enthusiasm, less problems in the management are likely to come up. Very often, many of the problems in the management of HOS flats also exist in public housing estates. For instance, the problem of owners keeping dogs as pets. This problem has yet been handled positively and as a result, many residents of HOS flats have lodged complaints to the Housing Department or the management companies concerned. Another example is goods left in public places unlawfully. Leaving goods in corridors or passageways may even entail dangers. In addition, the performance of cleaning companies is mostly unsatisfactory in areas such as cleaning public places, collecting domestic refuse and the hygiene as well as location of the refuse collection point and so on. Moreover, the security guard system, which is introduced for HOS flats only, is not functioning well, thus prompting many residents to lodge complaints to the Housing Department. Furthermore, as mentioned by some Members, there is the maintenance problem. It was pointed out that for problems such as plaster coming off from walls, the floor in need of repairs and so on, remedies only come late. I have moved a motion debate in this Council on these management problems before. The motion at the time also included the problems in the management of public housing estates. Yet, no substantive improvement has been made in response to the views expressed and the problems presented then.

With regard to the second pattern of management, recently the Housing Department has been keen on entrusting private management companies with the management of the newly-built HOS flats and Housing Managers will be made responsible for monitoring the work of these management companies. Generally speaking, this management pattern tends to produce less problems but the owners are required to pay management fees of a greater amount because on the one hand, the owners have to pay for the management fees which goes to the private companies and on the other hand, they have to pay for the amount the Housing Department is entitled to collect. Very often, due to the needs arising from the nature of the management companies and for the sake of convenience, unreasonable expenses may be incurred in the operation. For instance, an overstaffed management team will bring up the expenses consequently.

On the other hand, when owners of HOS flats come across problems, usually they can only bring the problems to the attention of the private management companies and even when owners lodge complaints to the Housing Department, the complaints are often referred to the private management company concerned right away. Therefore, the complaints are not dealt with satisfactorily. In fact, the Housing Department should be responsible for the

monitoring work but its role in this regard has never been identified in clear terms. Many owners of HOS flats think that the Housing Department has no responsibility so they only approach the management companies. In fact, the Housing Department does have the responsibilities and many owners have forgotten their rights. The Housing Department should explain to the owners clearly under what circumstances owners can lodge complaints to the Housing Department about management problems and even against management companies.

The management company of a newly-completed HOS estate in Tai Po made things difficult for owners when they first moved in. It repeatedly attempted to obstruct the setting up of a residents' organization by not assisting owners to put up notices and so on. These management companies have forgotten that it was their duties to serve the owners of HOS flats. Another company responsible for the management of HOS flats in Tai Po has rejected even the District Board Member's request to let owners hold a residents' meeting in the playground of that HOS estate. It only agreed to let owners hold the meeting at a pavilion but the pavilion is so small that it is not suitable for holding a residents' meeting. It was because these private management companies operate in a manner different from the Housing Department that the request of the District Board Member and the right of the residents to hold a residents' meeting were therefore ignored.

Mr President, the Housing Department should carefully monitor the quality of private management companies. In particular, the Housing Department should consider whether the Manager appointed by such private companies possesses adequate expertise and experience. I have raised a written question on this subject in this Council before, hoping that the Housing Department would pay more attention to this matter. The Housing Department can consider conducting a yearly survey by means of questionnaires to consult the owners' opinions on the performance of the private management companies with a view to making improvement.

Furthermore, the Housing Department recently intended to implement a scheme to privatize the management of HOS flats. Under this scheme, HOS flats which are directly managed by the Housing Department will be managed by private management companies. The Housing Department has conducted surveys by distributing questionnaires to residents of the HOS flats concerned to see whether they agreed with the proposal to entrust the management of HOS flats to private management companies. As far as I know, some HOS estates do not accept such a change. The Housing Department should seriously give some thoughts to this matter. If private management companies have been managing the HOS flats well, residents will certainly welcome this management pattern. In fact, this pattern nevertheless has many deficiencies and ambiguities which are to be made good. On the other hand, if the Housing Department wanted to shirk its management responsibilities by implementing this scheme, it is totally unacceptable for us.

I very much hope that the Housing Department could manage its HOS flats properly. Whether the HOS flats are directly managed by the Housing Department or indirectly managed by the Housing Department through some private companies, there should be satisfactory performance.

Mr President, with these remarks, I support the motion.

MR ANDREW WONG (in Cantonese): Mr President, I rise to support the Honourable SZETO Wah's motion to urge the Government and the Housing Authority (HA) to conduct a comprehensive review of the Home Ownership Scheme (HOS). I wish to draw Members' attention to the wordings of the motion. The spirit of the motion is clear, I believe, and its basic concept is the need to have a comprehensive review of the HOS policy, in spite of the fact that the motion contains many rather technical details such as pricing policy and method of mortgage repayment, ratio of public rental housing (PRH) to HOS flats, number of flats built and pace of construction, management system, construction materials used and maintenance and so on.

Many members have opined that the sale prices should be based on construction costs or the market prices with a specific discount rate. Many Members have spoken on this and I do not want to speak on this again. I just want to remind Members of a paper recently sent to Members from the Housing Branch. That is a sitrep pursuant to the motion debate on land supply for the construction of PRH put to this Council on 22 February this year. Having read through the report, I was slightly disappointed. That was because the Government had flatly denied the target set in the 1994 policy address published last October. The additional 141 000 flats was nothing but a naked lie. Of course the HA is talking about the construction of 146 000 flats, but among them there about 70 000 flats which are to be built on sites where there are old buildings to be demolished, and this may involve the demolition of as many as 105 000 existing flats. In other words, from now on until the year 2001 only an additional 41 000 flats will be built for the purpose of PRH. But over the same period, the number of HOS flats to be built will reach 168 000, and that will be a net increase, irrespective of whether they are built on existing sites or newly formed sites. However, at the same time when PRH are built on existing sites, many existing flats will have to be demolished as well, and therefore the actual number of newly added flats will not be that many.

I agree that the HA will be able to build 146 000 new flats, but because 105 000 existing flats will be demolished concurrently, the net increase in flat number will only be 41 000. That is something which I think the Government should expound clearly. If from the very beginning a wrong message was conveyed and that it was meant to be a housing target instead of a net increase in flat number, then the Government must acknowledge that this is the existing policy and strictly adhere to it, although I hope the Government would review this policy, which aims to increase the supply of HOS flats at the expense of PRH units. If the Government will acknowledge that this is the existing policy,

then would Mr WONG Sing-wah confirm this point when he delivers his speech later? And now there are Members asking for a review of this policy. Some Members, such as those who are also HA members, may hold that this is a proper policy and nothing is wrong with it. But if the majority of the Members agree with my argument, then I would also like Mr SZETO Wah to confirm later whether the views I hold agree with what is in his mind.

It is said that the policy objective could generally be reached. But the objective is building only 41 000 additional flats. There are currently 150 000 families enlisted on the waiting list, but this time the defense was more skillful. It is said that not all of these people constitute a real demand for PRH flats, because some of them would accept an offer of a unit in Temporary Housing Area, while some of them would be willing to buy HOS flats; so not all of these 150 000 families on the list are waiting for PRH units. But I wish to remind the Administration that according to past experience every year there are an average of 16 000 to 18 000 new applications added to the waiting list. These applicants may be overcrowded families already living in PRH units who want to split. This is an issue which has to be tackled straight. Of the pleas for assistance lodged to my Member's office, about 35% relate to housing issue, representing a much higher rate than the requests for assistance received by other government departments. Enlisted on the waiting list may include overcrowded families living in urban private domestic premises, as well as residents living in illegal structures, that is, rooftop structures built on private domestic premises. Therefore, although the figure of 150 000 may not be exact, the fact that there is great demand for PRH, as acknowledged by the Government in the policy address, is something not to be ignored. With such acknowledged great demand the mere addition of 41 000 flats becomes unreasonable. Mr President, the sitrep identified the need to balance the number of flats built for PRH and HOS, but upon hearing the figures I quoted above, I believe we all have an idea in mind as to whether this balance has been struck.

Finally, I will come to a point concerning the review of housing demand. The Honourable LEE Wing-tat just now congratulated Mr SZETO Wah, because it seemed that even before Mr SZETO Wah's motion gets carried a review was going to get underway. In fact, the Government always conduct such reviews, but I hope the Government will actually do something. Even if action is restricted to a review of demand, at least there should be objective criteria to measure the genuine needs, instead of trying to suppress demand by administrative measures to make those who want to move into PRH units have no chance to do so. The review should delve into the very basic concepts of the policy, and should not be under a premise that existing policy will never change — in that case, the review would be entirely meaningless. Mr President, the review may finally come up with a conclusion that future HOS flats will be sold at construction cost. But existing HOS flat owners are having great troubles. This is because under existing policy HOS flats are sold at prices set at discounts of, say, 40%, 30% or 20% to their assessed market values. After 10 years, flats can be sold in the open market subject to the payment of a land premium.

Under existing arrangements this land premium is equal to 20% or 30% of the flat's current market value, that is, the discount rate flat owners enjoyed at the time they purchased their flats. But that is calculated on the latest market value, and I find that problematic. When property prices go up, it is not possible for them to buy another flat again. I think there should be another option, that is, flats owners may be allowed to pay back the original difference plus inflation rate — I am talking about existing HOS flat owners, and by inflation rate I mean the depreciation rate in monetary term and not the increase rate of property prices; flat owners should be given the discretion of choosing whichever is lower. Only through this way can citizens be helped to acquire home ownership and move elsewhere when they are economically better off.

Mr President, with these remarks, I support the motion.

MRS SELINA CHOW (in Cantonese): Mr President, recently it has come to our attention that there is gradual deterioration in the quality of flats under the Home Ownership Scheme (HOS). The Housing Authority may have stepped up its monitoring work on the construction and other aspects of HOS flats and revised the conditions of tender by stipulating that the principal contractors appointed by developers must comply with the requirement in respect of quality control as laid down in ISO 9000, but I wonder if those HOS flats which were already completed also have such guarantee. Mr President, we live in a capitalistic society which attaches importance to the right to own private property. We should lay emphasis on a well-structured legal system and consumer safeguards in order to protect the rights of the many consumers and property owners. Yet, before us today is the Ko Chun Court incident. Does it mean that there are still problems in the monitoring work and also in the protection given to property owners, particularly property owners of HOS flats?

However, looking back to the debate in the Legislative Council last year on the mid-term review of the long term housing strategy, it seems that anyone who still maintains that a public rental housing oriented housing policy is the answer to the housing problem has mistaken the wishes of many Hong Kong people. Those who hold such a view are completely oblivious to the hope of many grass-roots to own a flat of their own. Neither do they understand the positive effects that "home ownership" will bring to the entire society in the cultivation of the sense of belonging and the sense of responsibility.

Let me take the trouble again to reiterate the standpoint of the Liberal Party. We encourage people to acquire a flat of their own and that is the idea of "home ownership". It is because we believe that only through the establishment of the right to private property, which will in turn foster the sense of belonging and the sense of responsibility among residents towards the community, that a sound legal and market system can be instituted. Only in so doing can residents take root in the communities, live comfortably and work happily, thereby contributing to social stability as a whole. The Liberal Party always advocates

the sale of public housing units with a view to easing the shortage in the supply of housing. Take the HOS for an example. Applications can be submitted either in Green Forms or White Forms. White Forms are for middle-income families which do not own any property whereas the Green ones are for eligible families living in public housing estates and those on the Waiting List. At present, the policy of the HOS is to encourage tenants of public housing estates to buy HOS flats so their units can be subsequently spared for those on the Waiting List. Therefore, the ratio of successful applications between Green Forms and White Forms is set at 2:1. This proposal will benefit two parties only but under the Liberal Party's proposal to put up public housing units for sale, three parties will become the beneficiaries as the families applying in white forms under the HOS will also be benefited. We suggest that the Administration sells to sitting tenants of public housing estates new public housing units of high quality but encourage tenants of old public housing estates to buy HOS flats so as to vacate their flats in public housing estates for families on the Waiting List. Given that the sale of public housing units will reduce the number of applicants applying in green forms under the HOS, the Government can then consider readjusting the ratio to increase the chance of white form applicants in buying HOS flats, thereby benefiting more middle-income families. This will benefit all the three parties, two of which can even acquire a flat of their own. Why do we not put such a brilliant idea into practice? What is more, this proposal is highly feasible because tenants of old public housing estates tend to have a stronger desire and also a higher degree of affordability to buy HOS flats to improve their living environment. In addition, as new public housing estates have the quality to attract buyers, I firmly believe that this is the best way to alleviate the shortage of HOS flats and public housing units and to use our resources appropriately.

Moreover, I would also like to raise one point and that is, this motion today has made no reference to one important aspect of housing policy, namely the eligibility for HOS flats. At present, the income ceiling for families applying in white forms is \$25,000 a month. Take for example a HOS flat in Tsz Wan Shan, which is priced at \$1.5 million; the Government has recently put up the flat for sale. If the flat is mortgaged for 90% of the selling price at an interest rate of 9.5% per annum, the monthly mortgage repayment will be some \$12,300. If the family comprises four members, this repayment will put the family in even greater financial straits. As far as I know, many families with earnings close to this income ceiling are not in the least benefited. Many of them even have to fill in false information to be eligible for application. In this connection, I suggest that the Administration consider reviewing the income ceiling of the HOS and seriously weighing the affordability of families in repaying the mortgage loans before the selling prices are set.

Mr President, with these remarks, I support the motion.

MR WONG WAI YIN (in Cantonese): Mr President, people used to say, "succeeding in applying for a Home Ownership Scheme (HOS) flat is better than winning in the Mark Six". However, this saying has not been heard of in recent

years; on the contrary, many applicants of HOS flats now have the feeling that they are playing on enormous stakes because they are probably putting all their assets at risk. Most people will now ask you to try your luck if you succeed in applying for an HOS flat because it really depends on the quality of the HOS flat which you have been allocated. If you are lucky, you would have a home to settle; if, on the other hand, you are unlucky enough to have been allocated an HOS flat of poor quality, it would be the beginning of a nightmare. This shows that the quality problem of HOS flats has indeed reached an appalling state.

The problems of HOS flats are, to a large extent, related to their building quality. The most serious problems are certainly those about which residents have often complained: water seeping through the bay windows, seepage from toilet ceilings which has resulted in the peeling-off of their surfaces and even blockage of ditches which has resulted in seepage from the balconies and so on. In relation to these problems, the authorities concerned have earlier conducted a very good test. Representatives of the Housing Authority (HA) and the Housing Department have brought along local news reporters to a flat to conduct a seepage test to show them the quality of the flats. Surprisingly, seepage was immediately detected in the flat. A member of the HA stressed that they had not deliberately selected that particular flat. Checking upon a flat at random and a problem was immediately revealed. That really shows that similar seepage is actually common among other HOS flats. At present, flooding can occur to residents of HOS flats even if they are situated more than 30 storeys above the ground level. It certainly did not mean that the water level would rise more than 30 storeys to flood the flat. It meant that there was a case in which water seeped through the external wall of the flat in the middle of the night when it was raining heavily, flooding the living room and the bedrooms. The whole family had to scoop up the water all night because water was seeping through the external wall at an alarming rate. I had photographs taken of the situation; it was really disastrous. The whole family had to scoop up the water all night; if they had not done so, water would have flooded the entire flat. Certainly, I believe such extreme cases are rare, but as they have actually occurred, there obviously is a problem of quality.

The second problem is the flowing back of sewage into the toilets. The most notorious estate which has had this problem is Affluence Garden in Tuen Mun. The public of Hong Kong would certainly remember this estate. If one mentions the flowing back of sewage into the toilets, people would immediately think of Affluence Garden. One can imagine how serious the problem has become. Besides, the design of the balconies of some estates like Tin Yau Court in Tin Shui Wai is also a problem. There is a gap between the ditch and the balcony and water from one balcony would drip through the gap to the balcony below. Water would drip from one storey to the next, starting from the flats situated more than 30 storeys above the ground level. That obviously is a problem in the design of HOS flats. Initially, the Housing Department has denied any fault in the design but now it has finally agreed to fill up these gaps for the residents so that the sewage water would not drip to the flats below.

Besides, the peeling-off of the plastering and mosaic tiles of the external wall and cracks thereof are also common in Yuet Wu Villa in Tuen Mun. I would mention, in particular, that YTong blocks, a very new kind of building material, were used to build Yuet Wu Villa. I was told that YTong blocks were seldom used in Hong Kong although they were quite commonly used in other places. YTong blocks were then tried out and used for building partitions and when some of the residents were working on their flat, they found out that the wall was made of YTong blocks instead of solid bricks. Hitting on the wall would immediately leave a big hole in the wall which would allow a person to climb through into the next flat. We have examined the blocks; they would crumble upon being rubbed with fingers. The HA said that these blocks were heat-resisting. They may be heat-resisting, but they are not durable at all. You can cut them up with a saw and you can make holes in them with an awl. It is my ardent wish that the authorities concerned will not use these blocks any more.

Furthermore, loosening of the floor tiles is common. Finally, I have to mention the metal gates. The metal gates of many HOS flats nowadays can easily be forced open. They are like those in Kwai Tsing District, that is, in the Honourable LEE Wing-tat's constituency, in which a test has been conducted. It was found that the gates could be opened by a simple lifting movement. That, again, is obviously a problem of quality.

We have been stuck with these problems for many years and yet the HA and the Housing Department have turned a deaf ear to the complaints of the residents and the suggestions of the concerned groups, repeatedly emphasizing that the estates have been built properly and up to standard. However, these problems are apparently caused by the jerrybuilding of the estates by the contractors and inadequate monitoring by the HA. Although the HA has contracted works to qualified contractors, very often "the job would be given to the one who offered the lowest price", as many colleagues would know. And although there are guidelines for monitoring the quality and procedures of construction works, very unfortunately, many problems have been caused by human factors during the monitoring and building processes. Hence, the Democratic Party has the following proposals to make: first, extend the maintenance period. The present maintenance period of one year is not long enough for the structural problems to reveal themselves. We therefore ask that the maintenance period be extended to protect consumers' rights. I also suggest the HA to step up its efforts in prosecuting those contractors who have jerrybuilt and those who have committed technical building errors. These contractors should be blacklisted so that they could not participate in any future tenders. Furthermore, fines should be imposed. Another measure which can be considered is to make the balance of payment to contractors payable only after they have completed the works and after the maintenance period has expired. By adopting these measures, the HA and the small owners will be further

protected. I also ask the Administration to consider looking into the past records of contractors before signing building contracts with them.

Mr President, with these remarks, I support the motion.

SECRETARY FOR HOUSING: Mr President, I have listened with great interest to comments made by Honourable Members on various aspects of the Home Ownership Scheme (HOS), and am grateful for their views and suggestions. I shall respond briefly to the main points raised.

Number of flats, pace of production and proportion

Since the introduction of subsidized flats for sale in 1978, over 209 000 flats have been sold under the HOS and its sister scheme, the Private Sector Participation Scheme (PSPS). In the first few years, the average annual production was about 5 000 flats. Average annual production increased to about 13 000 flats between 1982 and 1990, representing about 30% of public sector flat production. Since 1991, the proportion has been adjusted to allow for the target production of roughly the same number of public rental flats and flats for sale in order to reflect the community's increasing prosperity and rising aspirations for home ownership. Even so, demand in recent sale exercises has exceeded supply by about 15 times. We have already announced the target of building another 148 000 subsidized flats for sale to low income families over the next six years.

We agree that the HOS and the PSPS play an important role in promoting home ownership which fosters a sense of belonging and contributes to social stability in Hong Kong. Moreover, these two schemes have assisted, in particular, about 120 000 public rental housing tenants to become home owners and consequently have enabled the Housing Department to recover over 83 000 rental flats for allocation to others in greater need on the General Waiting List. I thank the Honourable Selina CHOW for the support of home ownership in various forms. We will certainly review the rate and proportion of home ownership flat production in relation to public rental flats beyond the year 2001 in the context of the Long Term Housing Strategy review which will commence towards the end of this year.

Pricing policy

On pricing policy, the basic principle used to determine flat prices is affordability. Since the Government only charges the Housing Authority a nominal land cost at 35% of the building development cost, these flats can be offered for sale at a significant discount on market prices. The guiding discount rate adopted by the Housing Authority is 30%. However, as private property prices rose in the past few years, the discount rate was gradually increased to 48% in 1993 and 1994 to assist home buyers. As property prices softened since April last year, the discount rate was adjusted slightly downwards to 45% in the

first half of this year. Thus the discount rate movements reflect affordability in relation to property prices, which principle remains the prime consideration in pricing flats. We shall continue the practice of reviewing the discount rates in relation to affordability for future sales.

A few Members of this Council commented on the profits to the Housing Authority on the sale of HOS flats. A large proportion of the so-called profits comes from government subsidy on land as I have mentioned earlier. In any case, the profits are entirely ploughed back into the production of more subsidized housing for those who are in need of housing assistance.

Mortgage loans and repayments

As regards mortgage loans, the Housing Authority has reached agreement with lending institutions to provide loan financing to flat purchasers on very favourable terms. Purchasers may borrow up to 90% of sale prices, and in the case of “green form” buyers, loans up to 95% of sale prices are made, repayable over a maximum period of 20 years. The interest rate charged is only half a percentage point above the prime rate. In order to obtain these favourable terms from lending institutions, the Housing Authority provides a 100% guarantee. These financing arrangements have worked very well. It is difficult to imagine any further improvement to the already very favourable terms offered to borrowers.

Quality of flats

In terms of quality, HOS/PSPS flats are built generally to a high standard. The Housing Authority adopts a quality assurance system comprising three main features. First, structures are designed to British Standard 8110. It is a higher standard than British Standard 114 which is commonly used in the private sector. Notwithstanding the publicity given to occasional complaints against the quality of HOS flats, it is important that they should be seen in the proper perspective. To quote an example, out of 70 000 flats in harmony blocks, only 103 cases are window leakages or 0.15% were reported in the last two years. The record speaks for itself compared to the private sector. Second, all contractors used by the Housing Authority must be certified as having attained ISO9000, a specified international standard in terms of quality control procedures. Third, to provide an objective yardstick to measure contractors’ performance, the Housing Department has adopted a Performance Assessment Scoring System under which the quality of construction work is monitored and scores are assigned on a monthly basis. A contractor’s future opportunity to tender will be determined by his scores.

Only contractors with proven track records and constantly satisfactory performance are allowed to tender. Hence, while I agree with the Honourable TAM Yiu-chung that the tender system favours contractors who bid at low prices, it is not true to say that low prices lead to poor quality. The

Performance Assessment Scoring System coupled with the tender system assure good value for money.

While HOS/PSPS projects have generally been completed on schedule and with good quality, I regret that there has been a notable exception with one project in Yau Tong. The delay is due partly to inclement weather, but mainly to slow progress and poor workmanship on the part of the contractor. Although the causes are beyond the control of the Housing Authority, it has agreed recently to offer ex gratia payments to purchasers in view of the inconvenience caused. The Housing Authority has also decided to revise future sale and purchase agreements to protect the interests of purchasers, and to look for ways to improve further the quality of HOS/PSPS blocks and the performance of contractors.

Maintenance and repairs

As regards maintenance and repairs, HOS/PSPS flat owners are responsible for their properties in the same way as others in the private sector. As a responsible developer, however, the Housing Authority requires building contractors to observe a 12-month maintenance period, usually known as the defects liability period, during which any building or service defects not caused by irresponsible use of the premises will be rectified by contractors free of charge to owners. For certain items, for example roofing, the guarantee is up to 10 years, and for acrylic paint as external decorative coating, seven years. These are certainly more favourable maintenance arrangements than those prevailing in the private sector where contractors normally accept responsibility for a period of six months. After the defects liability period, Housing Department or management company staff still offer advice to flat owners on improvements which should be carried out to keep the building concerned in a proper state of repair. Although maintenance and repair standards of these blocks are generally high, we welcome and will consider Honourable Members' suggestions for further improvement.

System of management

On management of HOS/PSPS flats, it is the Housing Authority's policy to encourage privatization. Private management was first introduced in 1987 and, since 1989, has been employed in all newly completed blocks. At present, out of a total of 122 blocks, about 70% are managed by private management agencies. Housing Department staff pay weekly visits to check management standards and require monthly reports to be submitted. To ensure that flat owners are satisfied with management services, they are consulted on the renewal of contracts. The progress of privatization of management will be reviewed regularly.

Future of subsidized schemes of home ownership

Mr President, as I have indicated earlier, both the HOS and the PSPS have successfully promoted home ownership in the community, and have helped over 209 000 families to acquire their own homes. Nevertheless, we acknowledge that some problems have emerged and we believe that further improvements can be made. For this reason, the Home Ownership Committee of the Housing Authority has decided recently to conduct a comprehensive review of these two schemes. Although the review may not be completed within six months, we support the spirit of the motion and will be happy to furnish this Council with a progress report in six months' time. With these remarks, Mr President, we support the motion.

Thank you.

PRESIDENT: Mr SZETO Wah, you are now entitled to reply and you have six minutes out of your original 15 minutes.

MR SZETO WAH (in Cantonese): Mr President, I have the following points to make. Firstly, the Honourable LEE Wing-tat said I was "smart" because before my motion was even discussed or carried, a member of the Housing Authority has already put forward a proposal to have a comprehensive review of the housing policy. In fact, it was not that I was "smart", but that times have changed. Some people can keep abreast with the times. They follow not only good advice but also act pre-emptively, that is, they act when they smell trouble. To be able to act pre-emptively is definitely a good thing, but I hope people can do better. If they could act before there were any signs of trouble at all, our world would be an even better one.

Secondly, the Honourable Andrew WONG wanted me to respond to his comments. This, I am afraid, cannot be done because today what I demanded was a review. I am not conducting a review as such. We will have a lot of opportunities to exchange views in future. Today, a number of Members have spoken, putting forward their views from a number of angles. Not only are there opposing views among Members, but also there are often inconsistencies in the views expressed by the same Member. That is why we need more time to exchange ideas. Hence, I will not argue today. I hope to spend more time exchanging ideas after the review has started. Thus, we may achieve better results from a calm discussion of these ideas.

Thirdly, I would like to talk about ways in which the review should be conducted. The open door policy should be adopted. In other words, meetings should not be held behind closed doors. We should reach out to residents. In particular, we should discuss matters with mutual aid committees (MACs). We should listen to what they have to say. We should analyze the ideas collected from them. In this way, we will be able to have a substantial review. In

addition, we need to focus on some special cases into which in-depth investigation will be carried out. For example, we may choose Ko Chun Court, or Carado Garden, as was mentioned by some Members when they talked about the Private Sector Participation Scheme, as a case for study. I believe our review will be bettered if we investigate in-depth certain specific problem through case studies.

Fourthly, I was told by Mr WONG Sing-wah before this meeting that the review might not be completed within half a year. I do not think time is a problem, insofar as things are not delayed till after 1997. What matters is a review that is carefully done, and is helpful in solving problems. I hope that a report will be published after the review. I suggest that the report be submitted to this Council. Indeed, it should also be submitted to all residents in Hong Kong. I believe this report does not represent a conclusion. Perhaps, the Legislative Council will discuss the report so as to make it a more substantial one.

Finally, I wish to thank Members for supporting my motion.

Question on the motion put and agreed to.

DECLARATION OF WORLD SUMMIT FOR SOCIAL DEVELOPMENT

MR HUI YIN-FAT moved the following motion:

“That as both China and the United Kingdom are signatories to the Declaration at the United Nations Summit for Social Development held in Copenhagen in early March 1995 during which ten commitments were made to tackle the global problems of poverty, social disintegration and unemployment, this Council urges the Government to fulfil its obligations to enhance social development by publicizing the contents of the Declaration as soon as possible, formulating specific plans and undertaking the necessary financial commitment in order to eliminate poverty.”

MR HUI YIN-FAT (in Cantonese): Mr President, I move the motion standing in my name under the Order Paper circulated to Members. The title of the motion is stated on the Order Paper, and therefore I will not repeat it here.

Ever since the United Nations came into being in 1945, it has taken on the formidable task of fostering peace and eliminating poverty. According to Articles 55 and 56 of the Charter of the United Nations, the United Nations and its signatory members shall foster higher standards of living for the citizens, full employment and social and economic developments. However, as there are many subjective and objective constraints, different countries develop each on their own paces with different development strategies. 50 years down the track,

a wide disparity between the rich and the poor has been formed. Nowadays a quarter of the world's population live on US\$ 1 per day, whereas the discrepancy between the rich and the poor has widened twofold since 1960. Many worry that this might further threaten the stability of the society and international order.

Information provided by the United Nations shows that of the 5.6 billion population in the world, 1.3 billion are living under a state of "abject poverty". These are mostly people living in African countries located in the South of the Sahara desert, countries in Latin America, and countries in the South East Asia. Their lives are characterized by malnutrition, high illiteracy rates, rampant diseases, high infant mortality rates and short life span. Worse still, their houses, properties and means of production are under no protection at all. At times of natural disasters like droughts, floodings and earthquakes, they will have to face the threat of death. Women in the third world or in more backward countries have always been discriminated against, both in their social status and in their personal abilities, and this deserves more of our concern, since it is estimated that of the deprived population in the world, 70% of them are women, followed by the elderly and children.

Furthermore, developed Western countries simply cannot afford to ignore poverty. This is because half of the population in the United States and in countries of Western Europe are being classified as living under the poverty line, so it is evident that both advanced industrial countries as well as an economically maturing Hong Kong are not immune from domestic problems such as wealth disparity, enormous trade deficit and foreign debts. No wonder the United Nations Secretary-General Boutros BOUTROSGHALI believes that poverty has become globalized.

As a matter of fact, the astronomical foreign debts borne by these poor countries have implicated them into an abyss of structural poverty from which they cannot extricate themselves. As foreign debts make up 80% or more of the countries' GDP, even maintaining expenditures of basic necessities becomes difficult, not to mention the unshackling of the burden of poverty and the keeping of savings to generate wealth. In view of this, the creditors are obliged to assist the debtors in solving their financial crises, lest both sides suffer, or worse still, global financial crises will ensue.

As the saying goes, it never rains but it pours. Poverty is no longer an isolated issue. It is intricately intermingled with persistent high unemployment rate and social disintegration. Poverty cannot be eliminated without a comprehensive social development strategy. Given the fact that 88 million new born babies are added to the existing population every year, and the fact that progress in poverty alleviation lags far behind population growth, it is obvious that the state of global poverty is ever worsening. That is why the United Nations would have named next year as the International Year for the Eradication of Poverty and held the first Heads of State World Conference under the theme of social development in Copenhagen on 6 to 12 March this

year. It was hoped that through discussions a comprehensive programme could be reached to address global poverty, unemployment and social disintegration.

The fact that 110 heads of state have attended the conference and another 76 countries have sent their representatives shows that many countries are concerned about addressing the issue of poverty through social development. However, they attended the conference bearing in their minds different ideas on possible solutions and different expectations. For example, the poor countries expected advanced countries to increase their assistance, and not to reduce their assistance, as has been the case since 1992. However, advanced countries held the views that third world countries must carry out thorough structural reforms, eradicate corruptions and rectify administrative malpractices. Furthermore, the United States President Bill CLINTON, the British Prime Minister John MAJOR and the Russian President Boris YELTSIN were all absent, and the conference could only issue a Declaration consisting 10 commitments, which is non-abiding in effect, and to which the United Nations would not set up any monitoring mechanisms, although participant countries could oblige themselves to the commitments each according to their unique circumstances. In fact, the only substantive support came from the two not-so-rich host countries — Denmark and Austria. They have written off a loan totalled US\$ 26.6 billion, fully demonstrating their demeanour as an affluent state.

To put it simply, this Declaration, reached with concerted efforts from hundreds of heads of state, and which bears the signatures of, among others, representatives from China and the United Kingdom, aims to create an economically, politically, socio-culturally and judicially sound environment under which the targets of social development can be attained; it also aims to uphold justice, equality and freedom; emphasize on a world with participations from women, the handicapped and the mentally handicapped; so that global poverty could be swung away. The conference did not accomplish much, but it does not follow that the Hong Kong Government, which did not send any representative to the conference at all, were foresighted with discerning eyes. Showing concerns to the social development of backward countries, participating in discussions and sharing experiences were the main themes of this conference. As a matter of fact, this is the every first time the United Nations Heads of State Conference has taken on the theme of social development. Were not Hong Kong a desolated port in the wake of World War II? Is Hong Kong's enviable achievements not the fruit of 50 years of hard work by the entire population? I believe the majority of Hong Kong people are kind-hearted. Their devotions in various disaster relief donation campaigns, both domestic and overseas, have earned them international reputation. But why then the Hong Kong Government would have had no intention at all to make our voice heard through United Kingdoms's representatives, to pass on Hong Kong's success story and to express our concerns to the people of the poor countries?

I have personally sent letters to relevant department heads, informing them of this conference and hoping that representatives would be sent. Their withers were unwrung. In the end, three volunteers and I attended, funded out of our own pockets, a conference on the same theme organized by non governmental organizations held outside the venue of the United Nations conference. Since we were just visitors, we had to subject to tight security and could only watch the conference being held, without having any chance to relate the goodwill from the people of Hong Kong. How disappointed were we to learn that there were even representatives from Macau.

I want to emphasize, Mr President, that this motion debate aims not at all to embarrass the Hong Kong Government. It is just meant to be a remedial measure aiming to give more exposure to the media and to the people of Hong Kong on the message of the conference. It also aims to ascertain the stance of the Government. Although the Declaration of the conference is non-abiding, it does, by means of a comprehensive social development, offer valuable guidelines and information on how to eliminate poverty, increase employment and enhance social integration. Abject poverty is absent in Hong Kong, unemployment is not really serious, and much to our relief, there is little trace of severe social disintegrations, apart from those relating to the political system. However, this does not mean that Hong Kong could simply ignore the contents of the Declaration. We all know that wealth disparity between the rich and the poor in Hong Kong are widening, and that government-initiated improvements are badly needed, particularly on those basic necessities for the grassroots levels, such as housing and social welfare. On the other hand, women's social status has long been discriminated against and the fact they represent an enormous potential labour force has perennially been ignored. The Government needs to make reference to the Declaration and use it as an yardstick to improve social services.

Hong Kong's achievements today are largely attributable to the policies implemented by the Government and the industries of the people of Hong Kong. However, contributions from foreign countries as well as voluntary organizations in the form of monies and materials from the post war period to the '70s have also had a part to play. I believe many of the high ranking staff both in the Government and in private firms would not have forgotten the days when Hong Kong people had to rely on relief materials from foreign countries. Nobody dares to guarantee that Hong Kong will never again require international concerns or assistance. In no way Hong Kong should isolate herself from the international community. I believe that the Government should take the lead to broaden Hong Kong people's international horizon, and the most direct way of doing so is to distribute brochures to publicize the main points of the Declaration. Apart from this, the Government should commit themselves to the commitments of the Declaration according to the needs and unique circumstances of Hong Kong, and be quick to draw up relevant specific programmes and financial commitments, so that the acute wealth disparity in Hong Kong can be alleviated and the crisis of rising unemployment properly addressed. The Government should work hard to foster social integration and

to eliminate social disintegration due to different political views so as to face the new challenges that would surface during the transfer of the sovereignty.

Mr President, the United Nations has decided to hold the fourth International Conference on Women in September in Beijing, China this year, and to name the year 1996 as “International Year for the Eradication of Poverty”. I whole-heartedly hope that the Government will firmly grasp this opportunity and show its commitment by concrete participations.

With these remarks, I beg to move.

Question on the motion proposed.

SECRETARY FOR HOME AFFAIRS: Mr President, the Administration welcomes this opportunity to hear Members’ views on the commitments agreed by the United Nations member states, including Britain and China, at the World Summit for Social Development in March this year.

These commitments cover nearly every form of human activity with a focus on three core issues — alleviating poverty, reducing unemployment and promoting social integration. They are a consensus of the concerns, interests and priorities of all United Nations member states.

The Summit did not create any mandates or institute new programmes of work. Implementation of the Declaration and the Programme of Action is left for each country to decide in the light of its own domestic priorities and policies. The Economic and Social Council of the United Nations will be considering what follow-up action is appropriate within the United Nations system.

We will ensure that the goals of the Summit are publicized in Hong Kong. As with all the United Nations covenants and conventions, we will prepare a bilingual booklet of the main recommendations and make this available through resource centres, public libraries and district offices. We will also promote the objectives and conclusions of the Summit through publicity programmes.

The commitments made at the Summit bring home how much there is to be proud of in Hong Kong. The Summit looked at the problems of the world and saw many:

- rich nations with high unemployment, disaffected youth, racial tensions, high crime rates and political instability, or
- desperately poor nations with problems of starvation and rampant disease, with constant warfare ravaging an uneducated population most of whom had not even the most basic of human rights.

Hong Kong is not without its problems, but in the world arena, it is a thriving and successful place — a fact which is all too often overlooked in the cut and thrust of domestic politics.

To pursue the objectives of the Summit, we already have in place a comprehensive array of government policies to foster the social and economic development of Hong Kong. Through our adherence to the International Covenants on Civil and Political Rights and Economic, Social and Cultural Rights, Hong Kong fully observes and respects international norms and standards on human rights. We have a well-entrenched tradition of the rule of law, a truly independent judiciary and a Bill of Rights Ordinance which provide a solid and enviable foundation for the protection of human rights. We have extended the Convention of the Rights of the Child to Hong Kong; we are now seeking the extension to Hong Kong of the Convention on the Elimination of All Forms of Discrimination Against Women; we have introduced the Sex Discrimination Bill and the Disability Discrimination Bill into the Legislative Council; we have introduced legislation to provide greater access to legal aid, and to set up an independent Legal Aid Services Council to oversee the administration of legal aid services. We have allocated extra resources to promote human rights education; we are also implementing an administrative Code on Access to Information to increase the transparency of the Government. All these steps give real effect to the commitments made at the World Summit.

In terms of social and economic development, the Government's approach to the economy is one of minimum interference and maximum support, a firmly-held economic philosophy which has transformed Hong Kong into one of the true miracles of the world in the late 20th century. We provide the necessary infrastructure and a sound, impartial, legal and administrative framework conducive to economic growth and prosperity. The basically free-enterprise, market-disciplined system has greatly contributed to the economic success of Hong Kong, generating the wealth required to meet the rising standards of public service that the people of Hong Kong demand. Over the last few years, there have been substantial improvements in the standard of living, health, welfare and cultural life of the people in Hong Kong.

The economy of Hong Kong has grown at an average rate of 6% in real terms over the past 10 years — double the corresponding growth rate for Organization for Economic Co-operation and Development countries as a whole. In terms of standard of living, Hong Kong's per capita GDP at US\$21,800 in 1994 is among the highest in Asia, second only to Japan.

Our strong economy allows us to offer highly subsidized hospital services and health care which compares well with what is provided elsewhere in the advanced world. We also have in place comprehensive "safety net" of social services for disadvantaged individuals and their families. Over 3 million people benefited, through our housing programmes, from various types of assisted housing.

This is an impressive record but there is no room for complacency. Our unemployment rate, for example, is low compared with other major economies but the latest unemployment figures show that the labour market has eased somewhat from the latter part of last year. This is a situation which must be monitored closely and assistance given to unemployed workers where we can. The Labour Department has recently launched a Pilot Job Matching Programme and has been successful in arranging job placements for over a hundred people in the first few weeks of its operation. Also, the Employees Retraining Board has stepped up its retraining efforts in equipping the unemployed with new skills so that they can rejoin our workforce.

We must also heed one of the most important calls made at the Summit for United Nations member states to look beyond their own boundaries and to actively participate in international, regional and sub-regional co-operation in social development through the United Nations and other multilateral organizations. We will continue to do all we can to contribute especially at the regional level through our involvement in Asia Pacific Economic Co-operation and Economic and Social Commission for Asia and the Pacific. We will also remain one of the staunchest supporters of free trade and multilateral trading system through our membership in the World Trade Organization.

The Summit's recommendations do not invoke courses of action for Hong Kong. We have always been a society which cares deeply about the well-being of our people. The recommendations do, however, remind us of our duty to use a proper share of the wealth we generate to ensure that members of our community do not suffer from poverty or deprivation and to ensure that they have the education, skills, job opportunities and circumstances to allow them to live a rich, full and meaningful life.

The Summit seeks to launch a new era of international co-operation between governments and peoples based on a spirit of partnership that puts people's needs, rights and aspirations at the centre of decision making and planning for the benefit of all humanity now and into the 21st century. We will look to fulfil our part in this common cause.

MR ERIC LI (in Cantonese): Mr President, at the moment, Hong Kong's unemployment rate is rather low. The aged and the unemployed, though not really well-off, do have sufficient food and shelter for subsistence through our social protection system. In Hong Kong, there is no racial or religious discrimination. Social discrimination against the minority is not serious. Indeed, Hong Kong is the envy of other countries in these aspects. To Hong Kong which is prosperous, poverty, unemployment and social disintegration appear to be something rather remote and irrelevant. Looking from an egotistic or a rather short-sighted angle, the ten commitments passed at the United Nations Summit for Social Development are not in any way related to most Hong Kong residents, a number of whom treat Hong Kong as a paradise. However, if one looks more carefully at those living in this paradise called Hong

Kong, one may find that there are still a few who are living in poverty, unemployment and social disintegration.

The Honourable HUI Yin-fat in his speech mentioned how women and labourers have long been neglected. I want to cite certain examples of the disabled as salient facts in support. At present, Hong Kong's unemployment rate has reached 3%, which may be regarded as a historical peak. Many residents feel that a 3% unemployment rate is a cause for alarm. A survey conducted back in 1986, however, revealed that 49% of the disabled were unemployed. Our efforts to make improvements in the last 10 years or so do not seem to have any success at all. Thousands of the disabled are still relying on comprehensive social security assistance payment for subsistence. It can be said that they live in poverty, when compared with most other Hong Kong residents. In regard to social disintegration, the prejudice of people shown in recent incidents in Tung Tau Estate and Laguna City tells us that the disabled have to face not only poverty and unemployment but also social discrimination.

In the case of the disabled, declarations do not mean solutions. Since the United Nations Declaration on the Rights of Mentally Retarded Persons was passed in 1971, in the ensuing 20 years, a number of international declarations or charters have been passed, with active participation from Hong Kong through signing documents, organizing activities, proposing plans and so on to reflect the status quo. But having international declarations may not be equivalent to guaranteeing the eradication of social injustice. In a society with free competition, cases of injustice continually emerge as a result of the law of the jungle and the principle of the survival of the fittest. In the struggle upstream against social injustice, one either forges ahead or falls behind. This Council would demand that the Administration takes the lead to promote objectives we all agree to, and formulate specific plans as far as resources are available. This is a responsibility the Administration must shoulder.

If we take a broader view on Hong Kong, we will understand that as an international city, Hong Kong owes its prominent economic success to international trade. We should actively commit ourselves in or give support to helping needy countries or individuals just as we actively engage ourselves in doing business. We should have a positive outlook. We should tell people that, although Hong Kong is a highly commercialized society, most capitalists do have a conscience. I very much hope that what takes place in Hong Kong mirrors what is stated in the Declaration of the United Nations Summit for Social Development: social development and economic development depends on and enhances each other. Hong Kong should enhance continual economic progress, and provide job opportunities. In this way, we may have a chance of minimizing unemployment, poverty and social disintegration.

At present, the economy of Hong Kong is gradually cooling off. Unemployment rate is on the rise. I hope that in caring about people's livelihood, Members should not forget maintaining the confidence of the

industrial and commercial sector by arousing their interests to make investments in Hong Kong.

With these remarks, I support the motion.

DR YEUNG-SUM (in Cantonese): Mr President, the United Nations Summit for Social Development discussed global problem of poverty, social disintegration and unemployment. General perception has it that poverty exists only in developing and under-developed areas, but in fact it is no less a problem in the affluent developed areas.

Countries in the world which are in different phases of economic development can be divided as the core countries and the peripheral countries. The former are those advanced industrial countries such as the United Kingdom, the United States, Germany, France and Japan whose Gross National Products are within the top ten in the world and whose multi-national enterprises have stretched to countries all over the world; the latter are under-developed countries like those in Africa and Latin American which are in the peripheral of the global economic activities and depend on the capital, technology and trading opportunities provided by the core countries.

Global poverty is also epitomized in Hong Kong, so to speak. The '80s have witnessed a structural transformation of the Hong Kong economy, and in the wake of it a dual economic structure has also appeared. During the '80s, Hong Kong was marked by dramatic developments in finances, properties, commercial services and communications, which became Hong Kong's core economic activities. Hong Kong has been called an international metropolis because of the intimate relationship these core economic activities have in the international arena. But on the other hand, our manufacturing industries are withering, which, if compared with the core economic activities, can be classified as peripheral economic activities.

A dual economic structure such as this generates a dual labour market. According to the Hong Kong Social and Economic Trends, the wage index for the manufacturing industries has a real increase of 3.5% from 1987 to 1992, but that of the commercial services reached 25.4%. At the social level, people who have been engaged in the core economic activities over the past few years have undoubtedly been able to improve their standards of living. But on the contrary, those who have not been able to get into the realm of such core economic activities have to struggle in the fading industries, and these are the people who experienced continue decrease in their standard of living and the wages offered by their employments.

Dual structural like this is not an abstract idea. A stroll in different districts will be enough to get a touch of it. For example, in the districts of Sham Shui Po, San Po Kong, Mong Kok, Kwun Tong and the Kowloon City, we can see old women mopping floors in restaurants and washing dishes in

restaurants, by the streets and in the alleys. There are still families of five members living on less than \$4,000 per month and residing in old flats with a total area of little more than 100 square feet. Such scenarios in the older districts are probably beyond the imaginations of those of us who are engaged in core economic activities in core places like the Central.

This is poverty in affluency. Every year when the Financial Secretary announces the Budget, we are looking at data and descriptions of Hong Kong's core economic activities, such as how our *per capita* GDP exceeds those of the foreign advanced industrial countries. However, it does not seem that such figures have any thing to do with people at the lower level in the older districts.

If this dual structure is to be altered and not allowed to deteriorate, the Government has much to do.

We put forward our suggestions on the topics of taxes and public expenditures on 2 June 1993 when the Honourable Frederick FUNG moved a motion on shortening the disparity between the rich and the poor. Now we want to focus on two most urgent aspects.

First, lessening poverty. An effective way of doing so is to provide the poor with an opportunity to move upward in society, primarily through education and training. This can enable these people to climb up the social ladder through their own efforts.

The latest unemployment figures show that Hong Kong's unemployment rate reached 3%, and presumably the unemployment rate at the lower level are far higher than this. Full employment is the pre-requisite for getting rid of poverty, but there is evident inadequacies in the Government's current labour policy. Ever since the General Labour Importation Scheme is implemented, unemployment rate has gained momentum. Facing competitions from foreign labours and the subsequent discriminations on grounds of age and sex, workers of the lower level are simply left in the lurch.

I strongly demand the Government to put a halt to the labour importation scheme on the one hand and inject more resources on the other to implement retraining policy to improve lower level citizens' positions in the labour market, and to create for them a favourable environment for social mobility.

Social protection is the second social issue for which urgent solution is needed. In spite of the fact that education and employment enhance the chances of upward mobility of the poorer people, in reality, there are always a group of people who cannot improve on their own due to factors like age and personal endowment and so on. The Government must allocate resources and provide sufficient safety nets.

In the Summit discussions on a comprehensive strategy to eliminate poverty, individual countries were requested to draw up their own assessment criteria for a clear definition of “absolute poverty”. But I think as far as Hong Kong is concerned, some modifications are necessary. This is because in Hong Kong absolute poverty is very rare, and rarely do we have people die of starvation in the streets as a result of lack of assistance. What Hong Kong needs nowadays is the introduction to the concept of “relative deprivation”, upon which poverty line is drawn. This Council has in past debates suggested that the standard at 30% of the median wage should be defined as relative deprivation. We urge the Government to seriously consider this.

The level of development in Hong Kong today is suffice to prove that the use of subsistence level as the yardstick for defining poverty line is outdated. Neither is it helpful to lessen wealth disparity.

The Democratic Party urges the Government to re-define poverty line based on the concept of “relative deprivation”, and to increase the payment level of the current Comprehensive Social Security Assistance. Poverty as a phenomenon has its structural factors as well as policy-related factors, and the Government must formulate relevant policy to tackle it.

Wealth disparity is a latent time bomb in our society. The later it is tackled, the higher the price our society will have to pay. Since unemployment rate is now on the rise, I hope the Government will understand this point.

With these remarks, I support the motion.

8.00 pm

PRESIDENT: It is now eight o'clock and under Standing Order 8(2) the Council should adjourn.

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

Question proposed, put and agreed to.

DR LEONG CHE-HUNG: Mr President, I rise to support the motion as moved by the Honourable HUI Yin-fat. In supporting the motion, I urge the Government not only to bring the 10 commitments to the public, fulfil the obligation of the Government in social development but also urge the participation of non-governmental organizations, private sector and all concerned so as to achieve a truly healthy and non-discriminatory environment for us and our future generations.

Mr President, amongst the 10 commitments, two areas are of particular concern to me and it is these two areas that I would like to dwell onto. These are two areas where I feel that the Government has not committed adequately and where there is insufficient participation in the private sector.

These two areas are, Mr President, firstly, providing a non-discriminatory atmosphere for the chronically ill, in particular for people with AIDS/ HIV positive; and secondly, providing the highest attainable standard of health care.

Mr President, since the first case of AIDS, which was discovered in Hong Kong in 1985, we have come a long way insofar as knowing what AIDS is all about, fearing what AIDS will bring and perhaps partly being convinced that the practice of safe sex is needed. But with regret, the social stigma against the sufferers are still very much with us. I shall not repeat the issues that there are funeral parlours refusing to do the after-death necessities for AIDS patients and there are hospitals still using all sorts of excuses not to admit patients with HIV positive or AIDS.

A recent survey by the Hong Kong AIDS Foundation (I have to declare myself as Chairman of that organization) showed that amongst some 50 of our clients, two are still facing threats of losing their jobs because of their disease, two are discriminated at work, and nine have not been able to get a job at all because of social stigma.

Since the day of Ming Chai being asked to leave school, one would have thought that such is history. But with regret this is not the case. Three of our poor hemophiliac kids are still facing difficulty in their schools, either they are not admitted or there is enough pressure from the school for them to voluntarily withdraw.

When it comes to insurance policy, almost all the insurance companies we have surveyed, except for one, will not cover people with HIV even at an increased premium. Some even require HIV testing. The one which is exceptional will only cover those who are tested for HIV five years after their taking up the policy. In other words, they had to be negative five years ago and have been negative for the last five years before they are considered.

Mr President, the quest to eradicate discrimination and stigmatization of HIV and other disability and chronic ill health need not only the effort of the Government, but also the co-operation of the private sector. In December last year under the auspices of the Department of Health and the Lions International, a Hong Kong Community Charter on AIDS was launched to entice the business sector to participate in the understanding of AIDS, promotion of AIDS education and encouraging anti-discrimination against people with AIDS/HIV positive for AIDS. This is of course a good move. Since then, some 27 companies and organizations have signed up on top of the seven founding signatories. But unfortunately, since then very little has come forth from this

movement. Mr President, I am of course still very hopeful, and would pledge that all these fanfare will bring into fruition of positive social development in Hong Kong and not just a lip service.

The Disability Discrimination Bill, which is now in the hands of this Council, alone will not go far enough without the proper push by the Government, the adequate funding for education and the proper societal co-operation.

Mr President, the Declaration also calls for the provision of the highest medical standard. In Hong Kong, this Council will agree that we have done our very good share. To this we have to be grateful to the Government and the health care workers for their unstinted effort.

But there are more that we can do. There are also fallacies that we should overcome. And there are two areas at least that need further consideration and are wanting:

- (a) Firstly, in spite of the fact that the Government has adopted the 102 recommendations of the Working Party on Primary Health Care, and in spite of the fact that some 99 of them are being done or in progress, yet, with respect, most of these pledges are only touched on and has not gone into detail or deep enough. Examples abound. The District Health System project which has been hailed as the hope of the future was stalled after the first one was established. There was only one Workers Clinic to tackle our 208 million workforce. In a recent Health Services Panel meeting, members of that panel was told by the Department concerned that they plan to have more of these systems and centres if funds were available. Mr President, the message is clear. We need financial commitment.
- (b) Secondly, the Government's motto has always been that "nobody will be devoid of proper medical care due to lack of means". Similarly, the Government says that our hospital care is heavily subsidized and which is true and that the charge per day is only \$60 for all. But let us not be misled, for \$60 is just the opening bid. You have to pay something like over \$10,000 plus for a tube to stretch your heart blood vessel if you have heart disease. You have to pay for your artificial joints if you cannot walk and so on. All these could well be insurmountable financial pressure on the needy who are sick and at the same time poor.

All these, Mr President, and others, the Government must take into serious consideration, make specific plans and undertake the necessary financial commitment so as to fulfil her obligation to the Declaration for social development that both our current and future sovereigns have endorsed.

I support the motion.

MR ALBERT CHAN (in Cantonese): Mr President, poverty is not a fault. But it is a sin for the Government to tolerate and deliberately make a group of people live in poverty knowing that they are incapable of changing their conditions; and it should be deemed a civilized crime to allow the continuing existence of poverty in an affluent society. Hong Kong is a society which is full of such civilized crimes. Those large consortia and developers are the masterminds behind these crimes either intentionally or unintentionally while the technocrats who execute the government policy which polarize the rich and the poor can be deemed the perpetrators of these crimes.

However, Mr President, this particular incidence of civilized crime which involved tens of thousands of victims will never be heard in any court. These victims will be living in misery for the rest of their lives, some may even freeze to death and nobody will bother to care; whereas the mastermind can live a luxurious life in endless enjoyment. As for those elite technocrats, through they may not be taken care of by the rich people after they retire from the civil service, they can still have their twilight years secured. We cannot help but ask: what kind of society is it?

Mr President, I shall leave the theory and analysis on the gap between the rich and the poor being increasingly widened and the various social problems caused by poverty to scholars and other Honourable Members to make their own comments and observations. I shall only raise a few points from the experience I have gained over the past 10 years or so.

Hong Kong is a “borrowed place” where, over the last century or so, there has never been any democracy movement taking root at the grassroot level. The transfer of sovereignty in 1997 will impose even greater restrictions on democracy movement. The people of Hong Kong will still be living under the rule of bureaucracy. Our Administration calls this illegitimate colonial rule by the fine-sounding name of “executive-led” government. Mr President, there may be a mistake in history, this mistake nevertheless did give birth to a capitalist society the success of which is universally acknowledged. In November 1994, the Fortune magazine named Hong Kong as the best commercial city in the world.

Mr President, the success and the bright side of Hong Kong are always acclaimed by others. We have our people travelling in the plushiest limousines, residing in the most valuable flats and drinking the best quality XO. Examples of people of Hong Kong living in great luxury are countless. But how many people will take notice of the dark side of Hong Kong? We still have more than 200 000 squatters and 3 000 cage residents plus thousands of street sleepers. We also have over 100 000 families on Comprehensive Social Security Assistance (CSSA) and are living below the poverty line. In addition, in Hong Kong which is regarded by the world as a place of success, there are still a number of villages without the supply of water and the people there are still using stream water. What has our Government done for them?

Mr President, during my service as a Council Member over the past four years, I have been reminding the Government that we should not forget those who are living in despair and those who need care. However, despite having a surplus of over \$100 billion, the Government still refuses to undertake to provide mains water to those villages, still refuses to provide accommodation for the 3 000 caged residents, and refuses to increase CSSA to a humane level of \$2,500 per person for those living below the poverty line. This so-called “executive-led” government is still at ease to play the role of a perpetrator of crimes.

Mr President, I would like to share an experience of mine with my colleagues. Back in 1984, I had not have any plan to run in any election. I was then a social worker working among the grassroots. At that time, there were still many squatter huts at the hillside of Tsuen Wan area. The condition there was very poor indeed. The residents applied for a sum of \$50,000 from the District Board for improvement to the access road leading to the village since there was no paved concrete road except a muddy path. The three lamp posts at the roadside were in fact stolen by the residents from a dumping site when a No.3 typhoon signal was hoisted. But the application was turned down. Subsequently, when I checked the financial condition of the District Board, I found that it had reserved a sum of \$300,000 for the expense of festival lighting. At that time, Mr President, I was very much enraged. I could not help wondering what kind of a Board was that. The glittering lighting could not shine on the difficulties of the poor. Nor could it shine on the forgotten ones living in those hillside huts. Thereafter, with the increase in the number of elected Council Members as well as increased allocations for the squatters, this kind of abnormal phenomenon reduced.

Mr President, poverty in Hong Kong is a cruel fact and a long standing problem. It will not disappear in the twinkling of an eye. It will be a difficult task to expect a poor country to deal with poverty. But for an affluent society to provide a more humane living environment for its people, it does not require any change in the institution. It only require changes in thinking and ideology. We can replace festival lighting with pavement; we can change wanton squandering for basic living needs. Hong Kong can certainly be turned from a society of crimes into one of humanity.

Mr President, as signatories to the Declaration at the United Nations Summit for Social Development held in Copenhagen, China and Britain have the responsibility to eradicate poverty in Hong Kong. Although they do not have to stand trial for the crimes they are perpetrating, they will be recorded in history as the creator of the stains and darkness in our civilization.

Mr President, with these remarks, I support the motion.

MR MAN SAI-CHEONG (in Cantonese): Mr President, the motion that the Honourable HUI Yin-fat moves today is rather meaningful because very few people in Hong Kong are aware of the 10 commitments made by the United Nations Summit for Social Development to tackle the global problems of poverty, social disintegration and unemployment.

As a matter of fact, the debate today has also brought up the problem of how in future the Hong Kong Government will deal with, implement or publicize commitments jointly agreed by international organizations. In the past, meetings such as the Earth Summit and the World Trade Organization conferences had made joint declarations and discussion topics. With the links between Hong Kong and the international community becoming increasingly close, how the Hong Kong Government fits in with and implements such declarations and principles and whether the Hong Kong Government is to participate in the formulation of such topics have become even more important than before. In the past, for high level contacts such as the Asia Pacific Economic Co-operation Summit, Hong Kong was represented by the Financial Secretary to take part in discussions and exchange of information. However, for issues other than those on economic and trade co-operation and environmental protection, such as cultural and social development issues, we hardly find government officials actively keeping in touch with international organizations to take up the responsibility of fulfilling the commitments jointly passed in the meetings concerned. The Hong Kong Government should work harder to consider this aspect and the future work.

Although Hong Kong is no longer a developing area, economic prosperity does not mean that the disparity between the rich and the poor does not exist. The Gini Co-efficient which reflects the income situations between the rich and the poor has been standing high with no sign of coming down. This reflects that the income earned by the highest-income group is many times higher than that earned by the lowest-income group. Old people have made up the sector representing the age of property. Hong Kong has been practising the so-called non-intervention policy and the so-called consensers capitalism. The result is, however, that only a certain part of the population has grown rich while those who are over 65, because of the lack of retirement protection and their dwindling working ability, have become the poor group in society. Another large group of people who are threatened by poverty are those middle-aged men and women who cannot find jobs owing to the economic restructuring. The Government has to acknowledge these problems and make greater efforts in the areas of retirement protection, public assistance and job conversion. The private provident fund scheme now proposed by the Government can provide no assistance whatsoever to those who have already retired. On the other hand, as regards Old Age Allowance, the Government keeps withdrawing itself from the issue. What does the Hong Kong Government, which owns a reserve of hundreds of billions dollars, have exactly in mind to deal with this group of poor old people? Or is it going to continue taking the attitude of “not letting a hair be plucked even if it is benefitting the whole world”?

The recent unemployment rate has once again become the focus of concern by the Hong Kong people. The Government has time and again denied that there is no direct relation between the increase in unemployment rate and the importation of labour, however, in the long run, will Hong Kong's economy continue to progress? This is indeed a big question. If economic growth in Hong Kong begins to slow down, it is the responsibility of the Government to review the labour importation policy to protect the jobs of the middle and lower classes. There are various signs showing that Hong Kong's economic momentum is slowing down. The consumption and purchasing power of the public have dwindled and the economic growth rate has been maintained at the 5% level for the last few years, but inflation rate has been standing high at the 8% to 9% level. If the Government does not formulate policies at an early stage to reduce the importation of labour, I am afraid that when economic recession occurs, there will be a sudden jump in the unemployment rate in Hong Kong.

With these remarks, I support the motion.

MR ANDREW WONG (in Cantonese): Mr President, I would like to thank the Honourable HUI Yin-fat for moving this motion in this Council. I have not read the Declaration made at the Summit held in March this year but it seems that I should do so. The Government should readily accept good advice by publicizing the goals of the Summit.

With regard to the three core issues raised in the Summit, namely, poverty, employment and social integration, Members have expressed a lot of opinions; however, they focus only on poverty, unemployment and social integration in the context of Hong Kong. It seems that they are not hitting right on the core points raised in the United Nations Declaration. However, with the wording of the Declaration, the gist is that if your country is well-off, you should lend a helping hand to the other countries while improving the conditions of your country.

Members have touched upon such points as the old age pension, the importation of foreign labour and the level of public assistance, as well as other general issues of Hong Kong relating to poverty. The above of course is worth our mentioning. I believe that with concerted efforts in this Council, the Government will seek to improve the situation of Hong Kong.

Members have also talked about the problem of social integration, albeit not at length. The Honourable Eric LI talked about the problem of disabled persons; Dr the Honourable LEONG Che-hung mentioned the problem of AIDS patients. Many people oppose the establishment of halfway houses for the mentally ill while not few people still object that sheltered workshops for the physically disabled be set up in the vicinity of their residences. By objecting to the provision on such facilities in the vicinity of their homes, it would seem that the public reject not only the physically handicapped but also the mentally handicapped. As for homosexuals, we understand that homosexual behaviour

between consenting parties may not necessarily constitute criminal offences, but such behaviour is seriously discriminated against by the community at large. More efforts have to be put in regarding the promotion of social integration. It is hardly sufficient that the work is undertaken by the Government alone. The input of Members of this Council is also essential because as representatives of the public, we may take the lead to affect our electorate so that they would understand the essence of social integration. Our discrimination against the Filipino domestic helpers and those new immigrants from China would in the long run, be detrimental to the development of Hong Kong.

Mr President, what I really try to say is about my understanding to the Declaration. I believe that the Declaration is made basically for the purpose of calling for the better-off countries to lend a helping hand to the worse-off countries in addition to addressing their domestic problems. We do not have any item in our Budget specified for the provision of economic assistance although we have raised the suggestion of providing economic assistance for Vietnam when Hong Kong was troubled by the problem of Vietnamese refugees. I wonder if we can include the item of economic assistance into our Budget starting from 1996, the United Nations International Year for the Eradication of Poverty, so that we can help the other countries resolve their problems of poverty, enhance employment and promote social integration.

Under Head 184 “Transfers to Funds” of our Budget this year, about \$35 million are reserved for providing assistance to the other countries with an intent of providing relief to disasters that occur outside Hong Kong. The money in this item has not been used in 1994-95 and the actual expenditure under this item for 1993-94 is \$50 million.

Since Members are not in a position to move any motion that will dispose of or charge on any part of the revenue of Hong Kong, I propose that the Financial Secretary considers establishing a fund for providing economic assistance to places outside Hong Kong under Head 184. The amount of money in the fund shall not be too little. My initial thinking is that the start-up fund may be in the region of \$100 million. That fund is not identical to the fund that provides emergency assistance to the places outside Hong Kong because the funds under the original item will only be allocated in case of natural disasters. My proposal is aimed at providing assistance to the other countries in a planned manner.

Maybe some of the Members argue that Hong Kong is only rich on the books because Hong Kong is still plagued by the problem of poverty. In fact, whether Hong Kong is rich or poor, we can also seek to help out within the confines of our own affordability. In the Bible, it is said that Jesus and his disciples one day walked past the temple, a poor widow put two very small copper coins into the temple treasury. Jesus said, “I tell you the truth, this poor widow has put in more than all the others.”

Mr President, with these remarks, I support the motion.

MR LEE CHEUK-YAN (in Cantonese): Mr President, today I am not going to talk about things in Hong Kong. In spite of the fact that Hong Kong's unemployment rate reached 3% as at yesterday, I will not talk about what Hong Kong should do to eliminate poverty, but will focus on global poverty problem instead. According to statistics from the United Nations (UN), a quarter of the world's population, or 1.3 billion people, are living under a state of abject poverty. These people live on no more than US\$1 per day, which, amounting to less than HK\$8, is not even enough to buy a lunch box here. Every 2.4 seconds, on a average, a child would die of poverty. Global wealth disparity has widened twofold since 1960. The "Poverty Clock" devised under the UN's Development Programme shows that during the seven-day long conference held in Copenhagen, 540 000 babies were born under a poor environment! I hope we will focus our attention on how these poverty-stricken babies can be helped.

Disparity in global wealth and resources allocation is a fact acknowledged by the whole world. The discrepancy in economics might between developed countries and less developed countries has become an issue which today's international community agrees quick solution is badly needed. It is this "North-South" issue that the Copenhagen conference aims to tackle.

An overview of the world will reveal that most of today's less developed countries, those African ones in particular, have been colonized by Western countries during the past few decades. The natural resources of these countries were looted and destroyed by the colonists at will, while their economies and societies were developed just to serve the interests of the invading countries and their capitalists. Never were social policies beneficial to domestic long term development devised. Even today when the colonial era has become a thing of the past, many Western countries are still continuing their "economic colonization" by means of their long established political influences and their multinational economic powers. Normal social development of these countries are being distorted, apart from the fact that local workers are being exploited and their natural resources looted.

The last few years witnessed many natural and man-made calamities in less developed countries, such as what has happened in Rwanda. As a matter of fact, these are racial disputes whose underlining causes were manipulations of the European colonists who had placed different African races into contradictory positions. Disasters like floodings and so on which are being faced by many developing countries can also trace their origins in the malicious exploitation of natural resources of these countries by the colonists and multinational capitalists.

Every country in the world has a part to play in the efforts to resolve the poverty issue of the less developed countries. But if global poverty is to be effectively reduced, and the pace of economic and social development in developing countries quickened, humanitarian assistances in the form of "disaster-relief" from developed countries are no longer adequate. The way to address this issue thoroughly is to foster long term social development in these

countries by means of assistance and international co-operation. As a matter of fact, it is the theme of the Copenhagen conference that assistance to less developed countries from developed countries should no longer be confined to humanitarian assistance or the development of their economies. A wider horizon should be sought which relates to the overall structure of social development.

Being a highly developed international metropolis, what is Hong Kong's commitment to the international community? Nothing to speak of, so as speak. The UN has in years ago set an index which invites international contributions to less developed countries. This index requests 0.7% of a country's Gross Domestic Product (GDP) for official development assistance and 0.15% to the least developed countries. As far as Hong Kong is concerned, its GDP in 1994 totalled above HK\$1 trillion, that is, HK\$1,000 billion, but at the same time there was only a "Disaster Relief Fund" which gave out assistance to less developed countries, and that is the HK\$35 million Mr Andrew WONG has just talked about. This HK\$35 million, if compared to the GDP, represents only 0.0035% of the latter, and there is apparently a long way to go to meet the requirement as laid down by the UN. The UN's index is 0.85%, whereas 0.0035% is only 1/243 of 0.85%.

It is my view that lip service alone from developed countries would do no help international community to resolve the poverty problem. The Hong Kong Government should also take immediate action and increase generously its assistance to less developed countries. Assistance to less developed countries currently available is only confined to disaster relief, but I think more emphasis should be placed on promoting social development in these countries. In fact, many overseas countries are doing more than disaster relief. More often they would subsidize social development programmes initiated by non governmental organizations. Therefore, if Hong Kong is to become a member of the international community, it should not, in my opinion, confine itself to the idea of disaster relief, but do more to subsidize development programme organized by non-government organizations, which is also a very important point of the Copenhagen Declaration. We hope that starting from 0.0035%, that is, HK\$35 million, this share can gradually increase to meeting the index of 0.85% as laid down by the UN. We will, of course, have to take into account the acceptability of Hong Kong's community, but we really hope that Hong Kong's community can give more concern to the global poverty problem.

Thank you, Mr President.

MR ANDREW WONG: May I make a point of explanation under Standing Order 28(2)?

PRESIDENT: On the basis that you have been misunderstood, Mr WONG.

MR ANDREW WONG (in Cantonese): Mr President, the suggestions made by Mr LEE Cheuk-yan just now should not be confined to economic assistance. What I had suggested was to provide economic assistance for overseas countries. By “economic” I meant the provision of monetary means to help the countries or regions concerned to have comprehensive development, assistance should go beyond economic projects.

SECRETARY FOR HEALTH AND WELFARE: Mr President, I am grateful for the opportunity provided by this motion debate to draw attention to the commitments made in the Declaration agreed at the World Summit for Social Development in March this year.

As my colleague, the Secretary for Home Affairs, has already said we are more than happy to publicize the contents of the Declaration as requested in the motion. Let us pause and think how well we measure up against the commitments in Hong Kong.

For my part, the commitments are of particular relevance with regard to the measures we take in Hong Kong to alleviate the effects of poverty and to meet our health care needs. Members will not be surprised to hear me say that I am wary of making commitments with regard to “poverty”. As I explained in this Council on 22 February this year in reply to a question raised by the Honourable Fred LI, the Administration sees no purpose in seeking to define “poverty”. As the Declaration itself makes clear, poverty exists in all parts of the world. However affluent a society may be, those who have the least in it are likely to be categorized as living in poverty. It is a relative and not an absolute concept and as such defies the clear definition needed if the term is to be used in setting policy goals.

Whilst, therefore, the Administration fully supports the spirit of Mr HUI’s motion, we must place on record our reservation about some of its precise wording. It would be rash, for example, for us to commit to the elimination of poverty when we know that, for all practical intents and purposes, we have no workable definition of it.

We have a strong welfare safety net in place in Hong Kong to catch those who, for whatever reason, are unable to meet their own basic needs. Nobody in Hong Kong needs to go without food; nobody needs to go without shelter and nobody will be denied medical care or education as a result of a lack of means. This is why we believe we comply already with the main commitments in this respect in the Summit Declaration.

That is not to say, however, that we are complacent. We know more can and must be done to help. That is why we have in recent years increased the rates for payments under the Comprehensive Social Security Assistance Scheme at a pace far in excess of inflation; rates have increased by an average of 30% over and above inflation in the last three years.

The Declaration also made commitments with regard to the provision of health care. In this field, we are already doing exceptionally well in global terms. For instance, our infant mortality rate was 4.7 per 1 000 live births in 1993, which was comparable to 4.5 in the case of Japan in 1992 but significantly better than other advanced western countries such as the United Kingdom and the United States, the same figure of which stood at 6.6 and 8.5 respectively in 1992. In Hong Kong, the average life expectancy at birth is 81 years for females and 75 years for males, both of which compared favourably to corresponding indices of 79 and 74 in the case of the United Kingdom or 79 and 72 in the case of the United States.

The main thrust of our health policy is to safeguard and improve the health of our community through accessible and affordable health care for all. The comprehensive range of health services available, together with improvements in the standard of living, have fostered a good general level of health in Hong Kong.

Communicable diseases are well under control. In particular, vaccine preventable infectious diseases have been contained at a low level as a result of the very high coverage of our free immunization programme for children against the nine common childhood infectious diseases, together with other services provided at the Maternal and Child Health Centres.

The Summit's commitments also refer to the treatment of AIDS and HIV infection. Our policy on this is clear. It entails four basic components:

- (a) Prevention of HIV infection and transmission;
- (b) Care of people with HIV/AIDS;
- (c) Surveillance and control; and
- (d) Partnership in HIV/AIDS prevention and care.

Our emphasis is on the promotion of AIDS awareness and on combatting prejudice and discrimination.

In health promotion, health education programmes are aimed at promoting healthy lifestyle practices for all and enhancing people's awareness of disease prevention.

We are continuing to emphasize primary health care as the most effective means of achieving the maximum benefits for health. Improvements to general out-patient service, the establishment of Woman Health Centres and Elderly Health Centres as well as the soon-to-be-launched Student Health Service reflects the Administration's efforts in implementing its health care policy directives towards these goals.

Mr President, the World Summit for Social Development set ambitious goals and made important commitments. When we look at what we are already doing in Hong Kong, we can see that our policies and action plans are fully consistent with the commitments set out at the Summit. Indeed, we are experiencing in almost all sectors a much greater success than most other places in meeting such commitments. We have mercifully left behind us the major problems still faced by so many in the Third World but have so far eluded most of the social and economic ills now besetting many advanced economies. But we must remain watchful.

We have the policies in place to support the sustained economic growth which is vital to enable us to continue to tackle successfully any social problems which may arise. Our social services have developed to a level where all basic needs, and some relatively more sophisticated needs, are met by publicly funded services at no cost or at heavily subsidized cost to those who cannot afford to pay.

The Administration feels comfortable, therefore, with the spirit of Mr HUI's motion and, with the reservation I have already mentioned regarding the definition of poverty, has no hesitation in supporting it.

PRESIDENT: Mr HUI Yin-fat, you are now entitled to reply and you have three minutes 40 seconds out of your original 15 minutes.

MR HUI YIN-FAT (in Cantonese): I thank all the colleagues who have spoken in support of my motion. Seeing that for a non-controversial motion such as this one, colleagues still remain until now, I am very touched.

My purpose for moving this motion is not to embarrass the Government. As I have said before, I wish to take the opportunity to arouse the concern of the people of Hong Kong and the Government about the United Nations declaration and remind them that we can do something. I have not expected that two Secretaries would give such a detailed account of the many things that Hong Kong has done in this respect. Actually I wanted to ask, after the Summit had made the 10 commitments, what can move us to do more. This is more important than what we have already done.

I am very grateful to the Honourable Andrew WONG for the novel suggestion that a fund to help the Third World countries be set up. Having been a social worker for decades, I remember that decades ago we received aid from foreign countries. With our economic conditions today, we should be able to do more. This is, in fact, very fair.

Moreover, what made me feel sad is that it was the first time that leaders of 200 countries participated this United Nations meeting, but our government of Hong Kong did not think of the need to send any representatives. This is

indeed a shame when I mentioned that even Macau had sent representatives to the meeting.

I hope that from now on, as regards matters which are concerned with the future development of Hong Kong, the Government can attach more importance and support individuals to participate, so that Hong Kong can move forward in tandem with the rest of the world.

Thank you, Mr President.

Question on the motion put and agreed to.

PRIVATE MEMBER'S BILL

Second Reading of Bill

THE HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY (AMENDMENT) BILL 1995

Resumption of debate on Second Reading which was moved on 26 April 1994

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

Bill read the Second time.

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

Committee Stage of Bill

Council went into Committee.

THE HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY (AMENDMENT) BILL 1995

Clauses 1 to 8 were agreed to.

New clause 9 Saving

Clause read the First time and ordered to be set down for Second Reading pursuant to Standing Order 46(6).

MR SIMON IP: Mr Chairman, I move that new clause 9 as set out in the paper circulated to Members be read the Second time.

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

Clause read the Second time.

MR SIMON IP: Mr Chairman, I move that new clause 9 be added to the Bill.

Proposed addition

New clause 9

That the Bill be amended, by adding —

“9. **Saving**

Nothing in this Ordinance shall affect or be deemed to affect the rights of Her Majesty the Queen, Her Heirs or Successors, or the rights of any body politic or corporate or of any other persons except such as are mentioned in this Ordinance and those claiming by, from or under them.”.

Question on the addition of the new clause proposed, put and agreed to.

Council then resumed.

Third Reading of Bill

MR SIMON IP reported that

**THE HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY
(AMENDMENT) BILL 1995**

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

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

Bill read the Third time and passed.

ADJOURNMENT AND NEXT SITTING

PRESIDENT: In accordance with Standing Orders I now adjourn the Council until 2.30 pm on Wednesday, 24 May 1995.

Adjourned accordingly at fifteen minutes to Nine o'clock.

Note: The short titles of the Bills/motions listed in the Hansard, with the exception of the Prevention of Bribery (Miscellaneous Provisions) Bill 1995, Pensions (Special Provisions) (The Hong Kong Institute of Education) Bill and Land Survey Bill, have been translated into Chinese for information and guidance only; they do not have authoritative effect in Chinese.

WRITTEN ANSWERS

Annex I

Written answer by the Secretary for Security to Mrs Elsie TU's supplementary question to Question 2

According to the information provided by the Security Branch, there were 181 IIs in 1994 and 19 IIs in the first five months of 1995 being detained as witness under section 32(4)(a) of the Immigration Ordinance for a short period.

Annex II

Written answer by the Secretary for Security to Mr Ronald ARCULLI's supplementary question to Question 2

I attach herewith a chart showing the penal population from May 1992 to April 1995 provided by the Security Branch.

Penal Population

<i>End of period</i>		<i>Total penal population</i>	<i>Chinese II population</i>		<i>Total</i>	<i>% of total population</i>
			<i>Male</i>	<i>Female</i>		
1992	May	10 723	2 981	409	3 390	31.6
	June	10 695	2 969	444	3 413	31.9
	July	10 543	2 902	443	3 345	31.7
	August	10 495	2 939	468	3 407	32.5
	September	10 772	3 165	463	3 628	33.7
	October	10 935	3 295	532	3 827	35.0
	November	11 093	3 291	569	3 860	34.8
	December	10 951	3 325	569	3 894	35.6
1993	January	10 583	3 190	582	3 772	35.6
	February	10 750	3 165	574	3 739	34.8
	March	10 984	3 223	579	3 802	34.6
	April	10 943	3 233	560	3 793	34.7
	May	10 751	2 964	567	3 531	32.8
	June	10 576	2 835	555	3 390	32.1
	July	10 529	2 742	563	3 305	31.4
	August	10 473	2 630	589	3 219	30.7
	September	10 257	2 410	562	2 972	29.0
	October	10 248	2 289	571	2 860	27.9
	November	10 489	2 310	591	2 901	27.7
	December	10 592	2 302	611	2 913	27.5

WRITTEN ANSWERS — *Continued*

1994	January	10 571	2 225	578	2 803	26.5
	February	10 310	2 167	528	2 695	26.1
	March	10 361	2 214	503	2 717	26.2
	April	10 557	2 275	501	2 776	26.3
	May	10 795	2 313	494	2 807	26.0
	June	11 031	2 342	505	2 847	25.8
	July	11 345	2 384	522	2 906	25.6
	August	11 523	2 417	589	3 006	26.1
	September	11 761	2 436	626	3 062	26.0
	October	11 922	2 441	686	3 127	26.2
	November	12 251	2 583	771	3 354	27.4
	December	12 146	2 695	677	3 372	27.8
1995	January	11 958	2 639	686	3 325	27.8
	February	12 098	2 538	714	3 252	26.9
	March	12 509	2 547	833	3 380	27.0
	April	12 529	2 548	842	3 390	27.1

Annex III**Written answer by the Secretary for Security to Ms Anna WU's supplementary question to Question 2**

According to the Security Branch, such information is not available.

Annex IV**Written answer by the Secretary for Health and Welfare to Miss Christine LOH's supplementary question to Question 3**

A list of 38 organizations falling within this category as at March 1996 is attached.

International Bodies Having Links with
Hong Kong Academy of Medicine

1. Academy of Medicine of Malaysia
2. Academy of Medicine of Singapore
3. British Paediatric Medical Association
4. The Australasian Faculty of Occupational Medicine

WRITTEN ANSWERS — *Continued*

5. Australian and New Zealand College of Anaesthetists
6. The Canadian Orthopaedic Association
7. Chinese Academy of Medical Sciences/Peking Union Medical College
8. Chinese Medical Association Orthopaedic Society
9. Chinese Paediatric Association
10. College of G.P. of Malaysia
11. Faculty of Occupational Medicine of the Royal College of Physicians
12. The International Association for the Study of the Liver
13. International Society for Infectious Diseases
14. Marshall University Department of Medicine
15. Monash University
16. National University of Taiwan
17. The Royal Australasian College of Physicians
18. The Royal Australasian College of Radiologists
19. The Royal Australasian College of Surgeons
20. Royal Australian College of General Practitioners
21. The Royal Australian College of Obstetricians & Gynaecologists
22. The Royal Australian and new Zealand College of Psychiatrists
23. The Royal College of Anaesthetists
24. Royal College of Obstetricians & Gynaecologists
25. The Royal College of Pathologists
26. The Royal College of Pathologists of Australasia
27. The Royal College of Physicians of London
28. The Royal College of Physicians of Edinburgh
29. The Royal College of Physicians of Ireland
30. The Royal College of Physicians and Surgeons of Glasgow
31. The Royal College of Psychiatrists
32. The Royal College of Radiologists
33. The Royal College of Surgeons of Edinburgh
34. Royal College of Surgeons in Ireland
35. Royal Postgraduate Medical School of London
36. The University of Birmingham, Department of Infection
37. University of Sydney, Department of Medicine
38. World Organization of National Colleges, Academies and Academic Associations of General Practitioners/Family Physicians

WRITTEN ANSWERS — *Continued***Annex V****Written answer by the Secretary for Health and Welfare to Miss Christine LOH's supplementary question to Question 4**

At present, Hong Kong Academy of Medicine (HKAM) recognizes the professional qualifications conferred by institutions in Australia, Canada, Malaysia, New Zealand, Singapore, United States of America and United Kingdom for the purpose of specialist medical training and examination in Hong Kong. Such recognition is granted with reference to the standard required for that specialty in Hong Kong, irrespective of the country involved. The Academy has no intention to discontinue the practice of recognizing overseas qualifications after 1997, particularly those from the United Kingdom.

Recognition by HKAM of an overseas qualification does not necessarily lead to reciprocal recognition of a local qualification by that country or professional body. The ties established by HKAM with overseas organizations are often aimed to facilitate and promote exchange of information regarding development or training programmes, clinical expertise and international conferences or seminars and so on.

Annex VI**Written answer by the Secretary for Home Affairs to Mr WONG Wai-yin's supplementary question to Question 4**

I now enclose a list covering:

- (a) villages which by 31 March 1995 have held elections on the "one-person-one-vote" rule;
- (b) villages which have held elections in April 1995 in accordance with the "one-person-one-vote" rule;
- (c) villages which have undertaken to hold elections on the "one-person-one-vote" rule and will hold their elections within the year; and
- (d) villages which have yet to be persuaded to comply with the "one-person-one-vote" rule.

WRITTEN ANSWERS — *Continued*

Village Representative Elections

- (A) Villages which have by 31 March 1995 held elections on the “one-person-one-vote” rule

North

1. Cheung Lek, Sheung Shui
2. Yin Kong, Sheung Shui
3. Liu Pok, Sheung Shui
4. Ping Kong, Sheung Shui
5. Kam Tsin, Sheung Shui
6. Fanling Wai, Fanling
7. Fan Leng Lau, Fanling
8. Shung Him Tong, Fanling
9. Kwan Tei, Fanling
10. Tong Hang, Fanling
11. Wa Mei Shan, Fanling
12. Lau Shui Heung, Fanling
13. Ma Mei Ha, Fanling
14. Ko Po, Fanling
15. Tan Chuk Hang, Fanling
16. Sze Tau Leng, Fanling
17. Siu Hang San Tsuen, Fanling
18. Fu Tei Pai, Fanling
19. Kat O, Sha Tau Kok
20. Ap Chau, Sha Tau Kok
21. Sheung Miu Tin, Sha Tau Kok
22. Shan Tsui, Sha Tau Kok
23. Tam Shui Hang, Sha Tau Kok
24. San Tsuen, Sha Tau Kok
25. Tong To, Sha Tau Kok
26. Yim Tso Ha, Sha Tau Kok
27. Shek Kiu Tau, Sha Tau Kok
28. Ma Tseuk Leng, Sha Tau Kok
29. Ha Wo Hang, Sha Tau Kok
30. Sheung Wo Hang, Sha Tau Kok
31. Man Uk Bin, Sha Tau Kok
32. Loi Tung, Sha Tau Kok
33. Wu Shek Kok, Sha Tau Kok
34. Kai Kuk Shue Ha, Sha Tau Kok
35. Tai Tong Wu, Sha Tau Kok
36. Kuk Po, Sha Tau Kok
37. Mui Tsz Lam, Sha Tau Kok

WRITTEN ANSWERS — *Continued*

38. Sam A, Sha Tau Kok
39. Kau Tam Tso, Sha Tau Kok
40. Wu Kau Tang, Sha Tau Kok
41. Tsat Muk Kiu, Sha Tau Kok
42. Lin Ma Hang, Sha Tau Kok
43. Wang Shan Keuk, Sha Tau Kok
44. Tai Long, Sha Tau Kok
45. Ngau Shi Wu, Sha Tau Kok
46. Pok Tau Ha, Sha Tau Kok
47. Ham Hang Mei, Sha Tau Kok
48. Ha Miu Tin, Sha Tau Kok
49. Tai Po Tin, Ta Kwu Ling
50. Nga Yiu Ha, Ta Kwu Ling
51. San Uk Ling, Ta Kwu Ling
52. Wo Keng Shan, Ta Kwu Ling
53. Tak Yuet Lau, Ta Kwu Ling
54. Tsung Yuen Ha, Ta Kwu Ling
55. Shan Kai Wat, Ta Kwu Ling
56. Lei Uk, Ta Kwu Ling
57. Ping Che, Ta Kwu Ling
58. Heung Yuen, Ta Kwu Ling
59. Lo Shue Ling, Ta Kwu Ling
60. Muk Wu, Ta Kwu Ling
61. Kan Tau Wai, Ta Kwu Ling
62. Lo Wu, Ta Kwu Ling
63. Fung Wong Wu, Ta Kwu Ling

Tuen Mun

64. Tsz Tin Tsuen, Tuen Mun
65. Tsing Tsuen Wai, Tuen Mun
66. Tuen Mun Kau Hui, Tuen Mun
67. Chung Uk Tsuen, Tuen Mun
68. Fu Tei Tsuen, Tuen Mun
69. Fuk Hang Tsuen, Tuen Mun
70. Ho Tin Tsuen, Tuen Mun
71. Kwong Shan Tsuen, Tuen Mun
72. Lam Tei, Tuen Mun
73. Tuen Mun San Tsuen, Tuen Mun (Lam Tei San Tsuen)
74. Leung Tin Tsuen, Tuen Mun
75. Luen On San Tsuen, Tuen Mun
76. Lung Ku Tan, Tuen Mun
77. Nai Wai, Tuen Mun
78. Po Tong Ha, Tuen Mun

WRITTEN ANSWERS — *Continued*

79. Sam Shing Hui, Tuen Mun
80. San Hing Tsuen, Tuen Mun
81. San Hui, Tuen Mun
82. San Wai Tsai, Tuen Mun
83. Sun Fung Wai, Tuen Mun
84. Siu Hang Tsuen, Tuen Mun
85. So Kwun Wat, Tuen Mun
86. Tai Lam Chung, Tuen Mun
87. Tin Fu Tsai, Tuen Mun
88. Tao Yuen Wai, Tuen Mun
89. Tseng Tau Tsuen, Tuen Mun
90. Tuen Tze Wai, Tuen Mun
91. Wor Ping San Tsuen, Tuen Mun
92. Yeung Siu Hang, Tuen Mun
93. Yick Yuen Tsuen, Tuen Mun
94. Siu Lam Tsuen, Tuen Mun

Tsuen Wan

95. Ma Wan Main Street, Ma Wan
96. Tin Liu Village, Ma Wan
97. Ma Wan Fishermen, Ma Wan
98. Luk Keng Village, Ma Wan
99. Ta Pang Po Village, Ma Wan
100. Tai Ching Chau, Ma Wan
101. Fa Ping, Tso Wan, Tai Chuen, Ma Wan
102. Chok Ko Wan, Pa Tau Kwu, Ma Wan
103. 13 Miles Fishermen, Ma Wan
104. Tsing Lung Tau Fishermen, Ma Wan
105. Hoi Pa Tsuen (Kwok Shui Road), Tsuen Wan
106. Chung Kwai Chung Tsuen, Tsuen Wan
107. Sham Tseng Chuen, Tsuen Wan
108. Pai Min Kok, Tsuen Wan
109. Ting Kau Tsuen, Tsuen Wan
110. Tsuen Wan Trade Association, Tsuen Wan
111. Wo Yi Hop Tsuen, Tsuen Wan

Yuen Long

112. Choi Uk Tsuen, Shap Pat Heung
113. Ha Yau Tin, Shap Pat Heung
114. Hung Tso Tin, Shap Pat Heung
115. Kong Tau Tsuen, Shap Pat Heung

WRITTEN ANSWERS — *Continued*

116. Lung Tin Tsuen, Shap Pat Heung
117. Ma Tin Tsuen, Shap Pat Heung
118. Muk Kiu Tau, Shap Pat Heung
119. Nam Bin Wai, Shap Pat Heung
120. Nam Hang Tsuen, Shap Pat Heung
121. Ngar Yiu Tau, Shap Pat Heung
122. Pak Sha Tsuen, Shap Pat Heung
123. Sai Bin Wai, Shap Pat Heung
124. Shan Pui Chun Hau, Shap Pat Heung
125. Shan Pui Tsuen, Shap Pat Heung
126. Sheung Yau Tin Tsuen, Shap Pat Heung
127. Shui Chiu Lo Wai, Shap Pat Heung
128. Shui Chiu San Tsuen, Shap Pat Heung
129. Sham Chung Tsuen, Shap Pat Heung
130. Shung Ching San Tsuen, Shap Pat Heung
131. Tai Ki Ling, Shap Pat Heung
132. Tai Kiu Tsuen, Shap Pat Heung
133. Tai Tong Tsuen, Shap Pat Heung
134. Tai Wai Tsuen, Shap Pat Heung
135. Tin Liu Tsuen, Shap Pat Heung
136. Tong Tau Po Tsuen, Shap Pat Heung
137. Tung Tau Tsuen, Shap Pat Heung
138. Wong Nai Tun Tsuen, Shap Pat Heung
139. Wong Uk Tsuen, Shap Pat Heung
140. Yeung Uk Tsuen, Shap Pat Heung
141. Ying Lung Wai, Shap Pat Heung
142. Chat Sing Kong, Pat Heung
143. Cheung Kong, Pat Heung
144. Cheung Po, Pat Heung
145. Chuk Hang, Pat Heung
146. Ha Tse, Pat Heung
147. Ho Pui, Pat Heung
148. Kam Chin Wai, Pat Heung
149. Kap Lung, Pat Heung
150. Lin Fa Tei, Pat Heung
151. Ma On Kong, Pat Heung
152. Ng Ka Tsuen, Pat Heung
153. Pang Ka Tsuen, Pat Heung
154. Shek Wu Tong, Pat Heung
155. Sheung Tse, Pat Heung
156. Shui Lau Tin, Pat Heung
157. Ta Shek Wu, Pat Heung
158. Tai Kong Po, Pat Heung

WRITTEN ANSWERS — *Continued*

159. Tai Wor, Pat Heung
160. Tin Sum, Pat Heung
161. Wang Toi Shan, Pat Heung
162. Yuen Kong, Pat Heung
163. Yuen Kong San Tsuen, Pat Heung
164. Lui Kung Tin, Pat Heung
165. Wing Lung Wai, Kam Tin
166. Pok Wai, San Tin
167. Fui Sha Wai, Ping Shan
168. Fung Chi Tsuen, Ping Shan
169. Ha Mei Sun Tsuen, Ping Shan
170. Hang Mei Tsuen, Ping Shan
171. Hang Tau Tsuen, Ping Shan
172. Hung Uk Tsuen, Ping Shan
173. Kiu Tau Wai, Ping Shan
174. Lam Hau Tsuen, Ping Shan
175. Mong Tseng Tsuen, Ping Shan
176. Mong Tseng Wai, Ping Shan
177. Ng Uk Tsuen, Ping Shan
178. Ngau Hom Tsuen, Ping Shan
179. San Hing Tsuen, Ping Shan
180. Sha Kong Wai, Ping Shan
181. Shan Ha Tsuen, Ping Shan
182. Shek Po Tsuen, Ping Shan
183. Sheung Cheung Wai, Ping Shan
184. Shui Pin Tsuen, Ping Shan
185. Shui Pin Wai, Ping Shan
186. Shui Tin Tsuen, Ping Shan
187. Tai Tseng Wai, Ping Shan
188. Shing Uk Tsuen, Ping Shan
189. Tin Shui Wai, Ping Shan
190. Tong Fong Tsuen, Ping Shan
191. Chung Sam Wai, Ping Shan
192. Fuk Hing Tsuen, Ping Shan
193. Lam Uk Tsuen, Ping Shan
194. Sai Tau Wai, Ping Shan
195. Tung Tau Wai, Ping Shan
196. Yeung Uk Tsuen, Ping Shan
197. Fung Kong Tsuen, Ha Tsuen
198. Ha Pak Nai, Ha Tsuen
199. Ha Tsuen Shi, Ha Tsuen
200. Hong Mei Tsuen, Ha Tsuen
201. Lee Uk Tsuen, Ha Tsuen

WRITTEN ANSWERS — *Continued*

- 202. Lo Uk Tsuen, Ha Tsuen
- 203. Pak Nai, Ha Tsuen
- 204. San Sang Tsuen, Ha Tsuen
- 205. San Wai, Ha Tsuen
- 206. Sik Kong Tsuen, Ha Tsuen
- 207. Sik Kong Wai, Ha Tsuen
- 208. Tin Sum Tsuen, Ha Tsuen
- 209. Tseung Kong Wai, Ha Tsuen
- 210. Tung Tau Tsuen, Ha Tsuen

Kwai Tsing

- 211. Chung Mei Lower Village, Tsing Yi
- 212. Chung Mei Upper Village, Tsing Yi
- 213. Lo Uk Village, Tsing Yi
- 214. Lam Tin Village, Tsing Yi
- 215. San Uk Village, Tsing Yi
- 216. Tai Wong Ha Village (Chan Uk), Tsing Yi
- 217. Tai Wong Ha Village (Cheung Uk), Tsing Yi
- 218. Tai Wong Ha Village (Tang Uk), Tsing Yi
- 219. Tai Wong Ha Village, Tsing Yi
- 220. Tai Wong Wu Village, Tsing Yi
- 221. Yim Tin Kok Village, Tsing Yi
- 222. Fung Shu Wor Village, Tsing Yi
- 223. Fisherman Village, Tsing Yi

Islands

- 224. Tai Pak Village, Peng Chau
- 225. Yi Pak Village, Peng Chau
- 226. Lo Tik Wan Village, Lamma North
- 227. Wang Long Village, Lamma North
- 228. Yung Shue Long Village, Lamma North
- 229. Luk Chau Village, Lamma South
- 230. Mo Tat Wan Village, Lamma South
- 231. Yung Shue Ha Village, Lamma South
- 232. Luk Chau Fishermen's Representative, Lamma South
- 233. Man Kok Tsui, Mui Wo
- 234. Ngau Kwu Long, Mui Wo
- 235. Pak Mong, Mui Wo
- 236. Tai Ho, Mui Wo
- 237. Wong Kung Tin, Mui Wo
- 238. Wong Ka Wai & Lung Tseng Tau, Tung Chung

WRITTEN ANSWERS — *Continued*

239. Sheung Ling Pei, Tung Chung
240. Shek Lau Po, Tung Chung
241. Nim Yuen & Lam Che, Tung Chung
242. Ngau Au, Tung Chung
243. Chek Lap Kok, Tung Chung
244. Ma Wan & Wong Nei Uk, Tung Chung
245. Keung Shan Lower, Tai O
246. Keung Shan Upper & Luk Wu, Tai O
247. Leung Uk, Tai O
248. Nam Tong Sun Tsuen, Tai O
249. Ngong Ping, Tai O
250. San Tau, Tai O
251. Sha Lo Wan, Tai O
252. Sham Shek, Tai O
253. Tai Long Wan, Tai O
254. Yi O, Tai O
255. Kaifong Representatives, Tai O
256. Fisherman's Representatives, Tai O
257. Upper Cheung Sha, South Lantau
258. Lower Cheung Sha, South Lantau
259. Ham Tin, South Lantau
260. Law Uk, South Lantau
261. Mong Tung Wan, South Lantau
262. Pui O Lo Wai, South Lantau
263. San Wai, South Lantau
264. Shen Shek Wan, South Lantau
265. Shui Hau, South Lantau
266. Siu Ah Chau, South Lantau
267. Tai Ah Chau, South Lantau
268. Tong Fuk, South Lantau

Tai Po

269. Tseng Tau Village, Sai Kung North
270. Tap Mun Village, Sai Kung North
271. Wong Chuk Yeung Village, Sai Kung North
272. Shum Chung Village, Sai Kung North
273. Kei Ling Ha San Wai, Sai Kung North
274. Kei Ling Ha Lo Wai, Sai Kung North
275. Sai Keng Village, Sai Kung North
276. Kwun Hang Village, Sai Kung North
277. Nai Chung Village, Sai Kung North
278. Sai O Village, Sai Kung North

WRITTEN ANSWERS — *Continued*

279. Cheung Muk Tau Village, Sai Kung North
280. Tai Tung Village, Sai Kung North
281. Tin Liu Village, Sai Kung North
282. Ma Kwu Lam Village, Sai Kung North
283. Tap Mun Fishermen Village, Sai Kung North
284. Shum Wan Village, Sai Kung North
285. Ko Lau Wan Village, Sai Kung North
286. Ping Chau Island Nai Tau Village, Sai Kung North
287. Ping Chau Island Chau Tau Village, Sai Kung North
288. Ping Chau Island Sha Tau Village, Sai Kung North
289. Ping Chau Island Chau Mei Village, Sai Kung North
290. Ping Chau Island Tai Tong Village, Sai Kung North
291. Hoi Ha Village, Sai Kung North
292. Uk Tau Village, Sai Kung North
293. Chek Keng Village, Sai Kung North
294. Pak Tam Au Village, Sai Kung North
295. To Kwa Ping Village, Sai Kung North
296. Ko Tong Village, Sai Kung North
297. Ha Yeung Village, Sai Kung North
298. Tai Tan Village, Sai Kung North
299. Tung Sum Kei Village, Sai Kung North
300. Tai Ka Wan Village, Sai Kung North
301. Pak Sha O Village, Sai Kung North
302. Lai Chi Chong Village, Sai Kung North
303. Namshan Village, Sai Kung North
304. Yung Shue O Village, Sai Kung North
305. Cheung Sheung Village, Sai Kung North
306. Mau Ping Village, Sai Kung North
307. Ngon Ping Village, Sai Kung North
308. Che Ha Village, Sai Kung North
309. Nga Yiu Tau Village, Sai Kung North

Sai Kung

310. Au Tau, Sai Kung
311. Hoklo Fishermen, Sai Kung
312. Kau Sai Fishermen, Sai Kung
313. Leung Shuen Wan, Sai Kung
314. Long Ke, Sai Kung
315. Long Keng, Sai Kung
316. Lung Mei, Sai Kung
317. Man Yee Wan, Sai Kung
318. Nam Ah, Sai Kung

WRITTEN ANSWERS — *Continued*

319. Ngon Wo, Sai Kung
320. Pak Ah, Sai Kung
321. Pak Lap, Sai Kung
322. Pak Tam, Sai Kung
323. Ping Tun, Sai Kung
324. Sai Wan, Sai Kung
325. Sha Ha, Sai Kung
326. Sha Tsui San Tsuen, Sai Kung
327. She Tau, Sai Kung
328. Shek Hang, Sai Kung
329. Tai Long, Sai Kung
330. Tai Mong Tsai, Sai Kung
331. Tai Po Tsai, Sai Kung
332. Tai Wu Kok and Tai Sum Tsai Fishermen, Sai Kung
333. Tit Kim Hang, Sai Kung
334. Tsak Yu Wu, Sai Kung
335. Tsam Chuk Wan, Sai Kung
336. Tso Wo Hang, Sai Kung
337. Tui Min Hoi, Sai Kung
338. Tum Wat, Sai Kung
339. Tung Ah, Sai Kung
340. Wong Chuk Wan, Sai Kung
341. Wong Keng Tei, Sai Kung
342. Wong Mo Ying, Sai Kung
343. Wong Yi Chau, Sai Kung
344. Wor Liu, Sai Kung
345. Yim Tin Tsai, Sai Kung
346. Hoi Pong Street, Sai Kung
347. Main Street, Sai Kung
348. Po Tung Road, Sai Kung
349. Sai Kung Road, Sai Kung
350. Tak Lung Front and Back Street, Sai Kung
351. Sam Mun Tsai, Sai Kung
352. Sha Kok Mei, Sai Kung
353. Shan Liu, Sai Kung
354. Tai Street, Sai Kung
355. Che Keng Tuk, Sai Kung
356. Hing Keng Shek, Sai Kung
357. Kai Ham, Sai Kung
358. Kau Sai San Tsuen, Sai Kung
359. Ma Nam Wat, Sai Kung
360. Man Wo, Sai Kung
361. Mok Tse Che, Sai Kung

WRITTEN ANSWERS — *Continued*

- 362. Nam Shan, Sai Kung
- 363. Nam Wai, Sai Kung
- 364. Pak Kong, Sai Kung
- 365. Pak Kong Au, Sai Kung
- 366. Pak Sha Wan, Sai Kung
- 367. Pak Wai, Sai Kung
- 368. Sai Kung Hoi Fishermen, Sai Kung
- 369. Tai Lam Wu, Sai Kung
- 370. Tai No, Sai Kung
- 371. Uk Cheung, Sai Kung
- 372. Wo Mei, Sai Kung
- 373. Wong Chuk Shan, Sai Kung
- 374. Wong Keng Tsai, Sai Kung
- 375. Ho Chung, Sai Kung
- 376. Pik Uk, Sai Kung
- 377. Ta Ho Tun, Sai Kung
- 378. Tsiu Hang, Sai Kung
- 379. Fu Tau Chau, Hang Hau
- 380. Ha Yeung, Hang Hau
- 381. Mau Wu Tsai, Hang Hau
- 382. Sheung Sze Wan, Hang Hau
- 383. Sheung Yeung, Hang Hau
- 384. Shui Bin Tsuen, Hang Hau
- 385. Tai Hang Hau, Hang Hau
- 386. Tai Po Tsai, Hang Hau
- 387. Tai Wan Tau, Hang Hau
- 388. Tin Ha Wan, Hang Hau
- 389. Tseung Kwan O, Hang Hau
- 390. Yau Yue Wan, Hang Hau
- 391. Ma Yau Tong, Hang Hau
- 392. Pan Long Wan, Hang Hau
- 393. Po Toi O, Hang Hau
- 394. Tseng Lan Shue, Hang Hau
- 395. Mang Kung Uk, Hang Hau
- 396. Hang Hau, Hang Hau

(B) Village which have held elections on the 'one-person-one-vote' rule in April 1995

North

- 397. Kai Leng, Sheung Shui
- 398. On Lok Tsuen, Fanling

WRITTEN ANSWERS — *Continued*

- 399. Leng Pei, Fanling
- 400. San Uk Tsai, Fanling
- 401. Shek Chung, Sha Tau Kok
- 402. Fung Hang, Sha Tau Kok
- 403. Lai Chi Wo, Sha Tau Kok
- 404. Ngau Ha, Sha Tau Kok
- 405. Muk Min Tau, Sha Tau Kok
- 406. So Lo Pun, Sha Tau Kok
- 407. Kong Ha, Sha Tau Kok
- 408. Nam Chung, Sha Tau Kok
- 409. Luk Keng Wong Uk, Sha Tau Kok
- 410. A Mat Wat, Sha Tau Kok
- 411. Sha Tau Kok Hui, Sha Tau Kok
- 412. Yim Liu Ha, Sha Tau Kok
- 413. Kap Tong, Sha Tau Kok
- 414. Lai Tau Shek, Sha Tau Kok
- 415. Tong Fong, Ta Kwu Ling
- 416. Chuk Yuen, Ta Kwu Ling
- 417. Nga Yiu, Ta Kwu Ling

Yuen Long

- 418. Sha Po Tsuen, Kam Tin

(C) Villages which have undertaken to hold elections on the 'one-person-one-vote' rule and will hold their election within the year.

North

- 419. Ng Uk, Sheung Shui
- 420. Lin Tong Mei, Sheung Shui
- 421. Tong Kung Leng, Sheung Shui
- 422. Ying Pun, Sheung Shui
- 423. Wah Shan, Sheung Shui
- 424. Tsiu Keng, Sheung Shui
- 425. Ho Sheung Heung, Sheung Shui
- 426. Hang Tau, Sheung Shui
- 427. Sheung Shui Heung, Sheung Shui
- 428. Kwu Tung, Sheung Shui
- 429. Ma Tso Lung, Sheung Shui
- 430. Tsung Pak Long, Sheung Shui
- 431. Tai Tau Leng, Sheung Shui

WRITTEN ANSWERS — *Continued*

- 432. Lung Yeuk Tau, Fanling
- 433. Ma Wat, Fanling
- 434. Tsz Tong Tsuen, Fanling
- 435. Hok Tau, Fanling
- 436. Leng Tsai, Fanling
- 437. Kan Tau Tsuen, Fanling
- 438. Hung Leng, Fanling
- 439. San Tong Po, Fanling
- 440. Leng Tsui, Fanling
- 441. Wo Hop Shek, Fanling
- 442. Yung Shue Au, Sha Tau Kok
- 443. Luk Keng Chan Uk, Sha Tau Kok
- 444. Sai Lau Kong, Sha Tau Kok
- 445. Ping Yeung, Ta Kwu Ling

Tuen Mun

- 446. Ki Lun Wai, Tuen Mun
- 447. Nim Wan Tsuen, Tuen Mun
- 448. Tsing Shan Tsuen, Tuen Mun

Tsuen Wan

- 449. Yeung Uk Village, Tsuen Wan
- 450. Sam Tung Uk Village, Tsuen Wan
- 451. Muk Min Ha Village, Tsuen Wan
- 452. Pak Tin Pa Village, Tsuen Wan
- 453. Pak Tin Pa Upper Village, Tsuen Wan
- 454. Ching Fai Tong, Tsuen Wan
- 455. Yau Kam Tau Tsuen, Tsuen Wan
- 456. Ku Hang, Tsuen Wan
- 457. Shui Sheung, Tsuen Wan
- 458. Hoi Pa Tsuen, Tsuen Wan (Cheung Pei Shan Road)
- 459. Hoi Pui Tsuen, Tsuen Wan
- 460. Kwan Mun Hau, Tsuen Wan
- 461. Sai Lau Kok, Tsuen Wan
- 462. Yi Pei Chun, Tsuen Wan
- 463. Ham Tin Tsuen, Tsuen Wan
- 464. Lo Wai Tsuen, Tsuen Wan
- 465. Yuen Tun Tsuen, Tsuen Wan
- 466. Ching Lung Tau Tsuen, Tsuen Wan
- 467. Sheung Kwai Chung Tsuen, Tsuen Wan
- 468. San Tsuen, Tsuen Wan

WRITTEN ANSWERS — *Continued*

- 469. Chai Wan Kok, Tsuen Wan
- 470. Shek Pik San Tsuen, Tsuen Wan
- 471. Shek Wai Kok Tsuen, Tsuen Wan
- 472. Kau Wah Keng Village, Tsuen Wan

Yuen Long

- 473. Ngau Keng, Pat Heung
- 474. Sheung Tsuen, Pat Heung
- 475. Shui Chan Tin, Pat Heung
- 476. Shui Tau Tsuen, Kam Tin
- 477. San Wai, San Tin
- 478. Woo Sang Wai, San Tin
- 479. Fung Ka Wai, Ping Shan
- 480. Sha Kiu Tsuen, Ping Shan
- 481. Tan Kwai Tsuen, Ping Shan
- 482. Tai To Tsuen, Ping Shan
- 483. Tong Yan San Tsuen, Ping Shan
- 484. Wing Ning Tsuen, Ping Shan
- 485. Ping Shan San Tsuen, Ping Shan
- 486. San Uk Tsuen, Ha Tsuen
- 487. Sha Chau Lei, Ha Tsuen

Islands

- 488. Kaifong Representative, Cheung Chau
- 489. Kaifong Representative, Peng Chau
- 490. Nim Shue Wan, Peng Chau
- 491. Cheung Sha Lan, Peng Chau
- 492. Hai Tei Wan, Peng Chau
- 493. Pak Kok Kau Tsuen, Lamma North
- 494. Ko Long Village, Lamma North
- 495. Pak Kok San Tsuen, Lamma North
- 496. Tai Wan San Tsuen, Lamma North
- 497. Tai Yuen Village, Lamma North
- 498. Yung Shue Wan Village, Lamma North
- 499. Sha Po Village, Lamma North
- 500. Tai Peng Village, Lamma North
- 501. Tai Wan Kau Village, Lamma North
- 502. Po Toi Island, Lamma South
- 503. Tung O, Lamma South
- 504. Sok Kwu Wan Fishermen's Representative, Lamma South
- 505. Lo So Shing, Lamma South

WRITTEN ANSWERS — *Continued*

- 506. Mo Tat, Lamma South
- 507. Sok Kwu Wan, Lamma South
- 508. Luk Tei Tong, Mui Wo
- 509. Tai Tei Tong, Mui Wo
- 510. Chung Hau, Mui Wo
- 511. Pak Ngan Heung, Mui Wo
- 512. Fishermen's Representative, Tung Chung
- 513. Tei Tong Tsai, Tung Chung
- 514. Ha Ling Pei, Tung Chung
- 515. Ma Wan Chung, Tung Chung
- 516. Mok Ka, Tung Chung
- 517. Tai Po, Tung Chung
- 518. Shek Mun Kap, Tung Chung
- 519. Shan Ha, Tung Chung
- 520. Fan Lau, Tai O
- 521. Shap Long, South Lantau
- 522. Tai Long, South Lantau

Sai Kung

- 523. Tai Wan, Sai Kung
- 524. For Tau Pun, Sai Kung
- 525. Pak Tam Chung, Sai Kung
- 526. O Long, Sai Kung

(D) Villages which have yet to be persuaded to comply with the 'one-person-one-vote' rule

Tsuen Wan

- 527. Lower Kwai Chung Tsuen, Tsuen Wan
- 528. Tai Uk Wai Tsuen, Tsuen Wan
- 529. Chuen Lung Tsuen, Tsuen Wan
- 530. Kau Wah New Village, Tsuen Wan

Yuen Long

- 531. Chi Tong Tsuen, Kam Tin
- 532. Fung Kat Heung, Kam Tin
- 533. Kam Tin San Tsuen, Kam Tin
- 534. Kat Hing Wai, Kam Tin
- 535. Ko Po Tsuen, Kam Tin

WRITTEN ANSWERS — *Continued*

- 536. Shui Mei Tsuen, Kam Tin
- 537. Tai Hong Wai, Kam Tin
- 538. Chau Tau, San Tin
- 539. Ching Loong Tsuen, San Tin
- 540. Fan Tin San Yi Cho, San Tin
- 541. Ha Wan, San Tin
- 542. Lok Ma Chau, San Tin
- 543. Mai Po, San Tin
- 544. Ming Tak Tong, San Tin
- 545. On Loong Tsuen, San Tin
- 546. Poon Uk Tsuen, San Tin
- 547. San Loong Tsuen, San Tin
- 548. Shek Wu Wai, San Tin
- 549. Tai Sang Wai, San Tin
- 550. Tung Chun Wai, San Tin
- 551. Wai Chai, San Tin
- 552. Wing Ping Tsuen, San Tin
- 553. Yan Sau Wai, San Tin
- 554. Yau Tam Mei, San Tin
- 555. Chuk Yuen, San Tin

