

OFFICIAL RECORD OF PROCEEDINGS

Thursday, 1 February 1996

The Council met at half-past Two o'clock

MEMBERS PRESENT:

THE PRESIDENT

THE HONOURABLE ANDREW WONG WANG-FAT, O.B.E., 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 MARTIN LEE CHU-MING, Q.C., J.P.

THE HONOURABLE SZETO WAH

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

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE CHIM PUI-CHUNG

THE HONOURABLE FREDERICK FUNG KIN-KEE

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 HENRY TANG YING-YEN, J.P.

THE HONOURABLE JAMES TO KUN-SUN

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

THE HONOURABLE HOWARD YOUNG, J.P.

THE HONOURABLE ZACHARY WONG WAI-YIN

THE HONOURABLE CHRISTINE LOH KUNG-WAI

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

THE HONOURABLE LEE CHEUK-YAN

THE HONOURABLE CHAN KAM-LAM

THE HONOURABLE CHAN WING-CHAN

THE HONOURABLE CHAN YUEN-HAN

THE HONOURABLE ANDREW CHENG KAR-FOO

DR THE HONOURABLE ANTHONY CHEUNG BING-LEUNG

THE HONOURABLE CHEUNG HON-CHUNG

THE HONOURABLE DAVID CHU YU-LIN

THE HONOURABLE IP KWOK-HIM

THE HONOURABLE LAU CHIN-SHEK

THE HONOURABLE AMBROSE LAU HON-CHUEN, J.P.

DR THE HONOURABLE LAW CHEUNG-KWOK

THE HONOURABLE LAW CHI-KWONG

THE HONOURABLE LEE KAI-MING

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE BRUCE LIU SING-LEE

THE HONOURABLE MARGARET NG

THE HONOURABLE NGAN KAM-CHUEN

THE HONOURABLE SIN CHUNG-KAI

THE HONOURABLE TSANG KIN-SHING

DR THE HONOURABLE JOHN TSE WING-LING

THE HONOURABLE MRS ELIZABETH WONG CHIEN CHI-LIEN, C.B.E.,
I.S.O., J.P.

MEMBERS ABSENT:

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

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

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

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

THE HONOURABLE MICHAEL HO MUN-KA

DR THE HONOURABLE HUANG CHEN-YA, M.B.E.

DR THE HONOURABLE PHILIP WONG YU-HONG

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE PAUL CHENG MING-FUN

THE HONOURABLE CHENG YIU-TONG

THE HONOURABLE CHOY KAN-PUI, J.P.

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE LO SUK-CHING

THE HONOURABLE MOK YING-FAN

THE HONOURABLE LAWRENCE YUM SIN-LING

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE MRS ANSON CHAN, C.B.E., J.P.
CHIEF SECRETARY

MR GORDON SIU KWING-CHUE, J.P.
FINANCIAL SECRETARY

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

CLERK IN ATTENDANCE:

MR RICKY FUNG CHOI-CHEUNG, SECRETARY GENERAL

PURSUANT TO STANDING ORDER 4AA, HIS EXCELLENCY THE GOVERNOR, THE RIGHT HONOURABLE CHRISTOPHER FRANCIS PATTEN, ATTENDED TO ADDRESS THE COUNCIL AND TO RECEIVE QUESTIONS.

PRESIDENT: Will Members please remain standing for the Governor?

CLERK: His Excellency the Governor.

PRESIDENT: The Governor will answer questions on working relationship with the Preparatory Committee and labour relations. These two topics have been notified to Members. A Member who has asked a question may ask a very short follow-up supplementary but only for the purpose of seeking elucidation. A show of hands please?

GOVERNOR: I thought that I would allow more time for questions by not making a statement today.

PRESIDENT: Mr SZETO Wah.

MR SZETO WAH (in Cantonese): *Mr Governor, the Executive Council practises collective responsibility, so does the Preparatory Committee. If a person is a member of both the Executive Council and the Preparatory Committee, to which collective do you think that person should be responsible? Do you think it should be "the first joined is more important and should be counted" or "the later joined is more important and should be counted"?*

GOVERNOR: I congratulate the honourable gentleman on such a clever, thoughtful, intellectually provoking, constitutional question.

It is not for me to comment on the working practices of the Preparatory Committee, save to say that perhaps it is easier to have collective responsibility and confidentiality in a body as small as an Executive Council or a cabinet, and perhaps a little more difficult — and that is not meant as a criticism, it is a statement of my view on human nature — when you have got 150 people. But I wish those who are organizing the work of the Preparatory Committee the best of luck in that respect.

As for the dilemma which the Honourable Member mentioned, I would very much hope that were there such a dilemma in practice, the member of the Executive Council and Preparatory Committee would use his own judgement and apply his own integrity to decide what the honourable course of action was. I think it is difficult to answer the question in the abstract. I would only add that knowing who the Honourable Member has in mind, I have no doubt at all that the honourable gentleman concerned would, in that case, as in others, behave with complete integrity.

MR SZETO WAH (in Cantonese): *Mr Governor, as both the Executive Council and the Preparatory Committee practise confidentiality, what would be your advice to the member who sits on both bodies? Should he keep his silence to both; or should he actively serve in both? How do you think he can serve as a bridge?*

GOVERNOR: I think he should apply his integrity and common sense in this particular instance as he has in others. Speaking for myself, I think it is wholly welcome that we have a distinguished businessman playing this bridging role, if it is possible. It may be that in due course the tensions become very difficult, in which case I am sure that the Honourable Member concerned would know how to resolve them. But for the time being, I think the arrangements work perfectly satisfactorily. I do not hide from the Legislative Council that the Member concerned raised these questions with me, raised his own concern about them and I urged him to remain a Member of my Executive Council because I am sure he will be able to play a valuable role. But if it proves too difficult, both for him and for the two institutions of which he is a member, then I am sure he will know what to do.

PRESIDENT: Mr CHAN Wing-chan.

MR CHAN WING-CHAN (in Cantonese): *Mr Governor, the Preparatory Committee for the Hong Kong Special Administrative Region was recently formed in Beijing with 90-odd Hong Kong members, and the Government has expressed that it would co-operate with the Preparatory Committee. To demonstrate that the Government is sincere in co-operating with the Preparatory*

Committee, will you meet with the Hong Kong members of the Preparatory Committee to listen to their views on co-operation? If the answer is affirmative, what will be the format of the meeting with them? If not, why not?

GOVERNOR: I am sorry, the Honourable Member asked me to do what with the Hong Kong members of the Preparatory Committee?

PRESIDENT: To meet.

GOVERNOR: To meet?

MR CHAN WING-CHAN (in Cantonese): *That is to communicate with them, listen to their views. They may perhaps wish to offer you their views. Will you take the initiative to meet them and listen to their views?*

GOVERNOR: I would be delighted to meet them and listen to their views. And any time that they would like to come and see me, to see the Chief Secretary, to see other members of the Administration in Government House, we would be delighted to meet them. It has been my experience in the past that sometimes when I have asked people to come and meet me, they have had very full diaries. I would hope that, since we are talking about 94 people, there might be the odd space in one or two of those diaries over the next 17 months.

Let me go further. When the Vice Premier talked about the importance of the Preparatory Committee listening to people in Hong Kong and taking the views of people in Hong Kong; when, in the rules, I think, governing the conduct of the Committee it notes the importance of listening to all shades of opinion; I hope that that does not just include the Governor and members of the Administration, but members of Hong Kong's representative institutions as well.

MR CHAN WING-CHAN (in Cantonese): *Mr Governor, what I mean is: in order to show your sincerity in working with the Preparatory Committee, would you take the initiative to invite all or by batches these 90-odd Hong Kong members for a meeting with you? Would you take the initiative?*

GOVERNOR: I think the Honourable Member has made a very sensible suggestion and I will be delighted to follow it up.

PRESIDENT: Miss Christine LOH.

MISS CHRISTINE LOH: *Mr Governor, I would like to ask you how you will put together your policy address, the final policy address later on this year, because you said in your last policy address that obviously you will have to perhaps do your next policy address in a completely different way? I believe the Team Designate, led by the future Chief Executive, of course, may actually not be in place during the time when you are drafting your policy address. So I wonder whether you intend to work with the Preparatory Committee on the drafting of your policy address or how you are going to put it together?*

GOVERNOR: I will put it together with my customary application and verve, with the help of the excellent team of staff in the Hong Kong Administration. But self-evidently, the Governor's policy address in the autumn of 1996 is going to be a very different creature to the policy addresses of the last decades. I daresay, it will be unique because I guess that no Chief Executive Designate will be facing the same challenging caesura in Hong Kong's history that we face in 1997. I think it would be extremely foolish if I were to try to map out the next five years in the same sort of way that I did when I made my first policy address in 1992. What I will want to do and I do not want to give away all my trade secrets at this stage, is to review progress in working through the five-year agenda that I set out in 1992. I will want to talk about the Joint Declaration and the progress we have made in trying to ensure that the Joint Declaration is a reality after 1997. I will want to talk about Hong Kong's role in the world and I will want to talk, without in any way being prescriptive about the future, about some of the challenges which I believe Hong Kong will face and perhaps suggest ways in which they could be addressed. But I certainly will not attempt to steal the

thunder of my successor who will want to get out for him or herself the agenda for the Special Administrative Region Government.

I promise the honourable lady that I will be shorter than I was last year, but I hope that there will still be enough of interest to keep the honourable lady's attention.

MISS CHRISTINE LOH: *Mr Governor, as you know, I have always, in the last two years at least, taken a particular interest in your policy address. I am obviously interested in what you might do in the future. But, from what you are saying, when you are putting together your final address, as you said, since you cannot map out in the same way as you have in the past, what role will this Council have? Because, of course, in the past, your officers have also taken the trouble to sound out the feelings of this Council. Do you expect the future Chief Executive Designate to be putting forward his or her policy address before the transfer of sovereignty in 1997?*

GOVERNOR: First of all, can I say that I am sure that there will be enough in my own policy address to warrant the preparation. It has become one of the more pleasant rituals of Hong Kong politics — the preparation of a shadow address by the honourable lady. I am sure that the community will look forward to that as much as it always does.

It is the case that my officials, and indeed I have done it myself, have discussed before my policy address with Honourable Members what they want to see in it and what they think our priorities will be. I will still want to consult Honourable Members as much as possible but as I said, we are moving into a situation where I imagine the Chief Executive Designate will be wanting to consult the community about what he is going to say and he is going to do for the future, or she.

I do not think that anybody can reasonably expect the policy address this year to be exactly the same sort of animal that it has been in the past. But I hope that there will still be plenty to discuss and I hope that it will at least in a general way point ahead to a number of the important challenges which Hong Kong still has to face.

PRESIDENT: Mr James TIEN.

MR JAMES TIEN: *Thank you, Mr President. Mr Governor, the business community has always been very supportive of an executive-led Government, especially in areas dealing with labour policy. As we all well know that on labour policy, businessmen always will voice their concern: it is tough to make a living, rents are high and so forth, difficult to get people; and on the employees' side, they will always be complaining about unscrupulous employers not paying their wages, skipping town and everything. So all along, all these years with the Labour Advisory Board (LAB) advising the Government and with the good management of the Secretary for Education and Manpower, the Government has been able to strike a right balance between the interests of the employer and the employee for the long-term benefit of Hong Kong.*

However, under the new legislature formed by you, Mr Governor, the balance seems to have tilted a little in favour of the labour side, together with the Democrats in this Council. Will the Governor shed some light on how the business community should tackle this problem? Shall we just decide to give our hands up, let the union leaders do whatever they want? Or does the Governor have some bright ideas for us?

GOVERNOR: The honourable gentleman raises an important question and perhaps I can respond at reasonable length.

First of all, it seems to me that when one looks at Hong Kong's success in the area of labour relations, it is due less to the lead given by the Government than by the co-operation that there has been, institutionalized through the LAB, between employers and employees. The Government has been there to hold the ring, but by and large we have had exceptionally successful labour relations in Hong Kong because we have had a consensual approach to labour matters and because, as in so many other areas of Hong Kong's life, people have looked for co-operation rather than confrontation.

I happen to believe myself that there is no reason at all why the development of democracy in Hong Kong should threaten that and after all, we are only part of the way along the road. The Basic Law promises us, if that is what Hong Kong wants, a completely directly elected Legislative Council. It

also suggests, in due course, the election by universal suffrage of the Chief Executive. So the process of democratization which has begun in Hong Kong is not suddenly going to end. It is going to continue and we have to learn to live with it and make it work in the best possible ways to underpin Hong Kong's strengths rather than to corrode them.

I think that the whole community would be very surprised indeed if any actions taken by this Legislative Council put at risk the consensual approach to labour matters and in particular, put at risk the LAB and its work. What are those who give their time and energy and commitment to the LAB to make of it, if after having reached a deal they find that deal chucked out by others. I quite understand the arguments about trying to ensure that the LAB has a better and closer working relationship with this Council. That is not in dispute. Our excellent Secretary for Education and Manpower is talking, I think to the Honourable Member among others, about how we can best achieve that. But I do not myself see how it is in anybody's interest to overturn a system of trying to deal with labour market problems which has worked extremely well, and I do not think people in the community would understand that.

Let me just add one other point. We have heard a lot about the importance of consensus and co-operation and I welcome what we have heard. Perhaps the best example we have seen of consensus and co-operation was the work led by the Secretary for Education and Manpower to find a way of dealing with the problems associated with labour importation which could have the support, however reluctant, of employers and employees. We had summits. We had meetings after meetings. We worked and talked and eventually we came up with proposals which got the endorsement of unions; which got the endorsement, whatever their reservations, of employers; which got the support, I think, of the majority of the community for dealing with labour importation. What is to be said for simply ignoring that, for driving a coach and horses through for nothing. I do not think that is an approach which the community would welcome and I very much hope that people will think again, just as I hope they will think again about issues like fees and charges.

This is, I repeat what I have said a thousand times before, an incredibly moderate community. It wants a more responsive Government, it wants a more accountable Government, but it does not want the Government turned on its head and it does not want, with great respect, confrontation day after day. So I hope that we will actually respond to the sort of community which Hong Kong has been and wishes to be in the way we develop all of our institutions.

MR JAMES TIEN: *Mr Governor, for once I fully agree with what you have said about your views on labour relations. But unfortunately the union leaders in this Legislature plus the Democrats do not seem to agree with you. I fully agree with you that the hard work of the LAB members on both the employer and employee sides should be well respected. But based on what happened yesterday, you can see that this is not happening.*

So would the Governor agree that on labour issues, since the Government cannot be executive-led, it is time to dissolve the LAB and let the Manpower Panel of this Legislature decide everything?

GOVERNOR: I certainly do not think that there is a case for dissolving the LAB, but I do very much agree with what the Secretary has been arguing for, that is, ways in which we can associate the work of the LAB more with the work of this Legislative Council. I think that yesterday's vote was most unfortunate. I think that it will have made a lot of employers, actually quite a lot of employee representatives as well, think: "What on earth is the point? What is the point of us making these commitments at meetings, if we are going to see people simply walk away from them?". I think it is a way in which Hong Kong would start to import some of the worrying labour practices which have done so much damage elsewhere; which is not to say that everything which has been done for the last 45 years has been perfect; which is not to say there are not abuses, some of them were brought to our attention recently by the unions, in the importation of labour schemes. Let us be honest about it. There are problems on both sides, but the people of Hong Kong do not want those problems addressed in a confrontational way.

It goes wider than labour relations. It touches on some of the issues that Members introduce private legislation on. We have got a Housing Authority which probably manages the biggest public housing agency in the world which has probably the biggest public housing building programme. There are problems which need to be addressed in the way it works. Nobody disputes that. But I do not think anyone seriously supposes that it makes sense, without any public discussion, without the sort of involvement of the community in the outcome, to simply overturn it overnight without adequate public discussion and debate.

So it is an issue which touches on other matters as well. But I am sure that good sense will prevail and I am sure that people in Hong Kong will continue to expect our affairs to be conducted in as co-operative a way as possible with as much public and shared trust as possible, and as I say, it covers the issues I have mentioned. It also covers, I think, the very strong feeling of people in Hong Kong that there is not such a thing as a free lunch whatever may be done from time to time about fees and charges.

PRESIDENT: Mr CHAN Kam-lam.

MR CHAN KAM-LAM (in Cantonese): *Mr Governor, I believe that you know very well that we had an exceedingly exciting debate last night in this Council on the motion moved by the Honourable Miss Emily LAU who, fearing there might be a second power centre and a shadow government in Hong Kong before 1997, proposed to urge the Chinese Government to allow the election of the future Chief Executive by a one-man-one-vote election. The results of the vote were a tie of 26 to 26, whereupon the President invoked a 19th-century voting practice in casting the deciding vote. If, Mr Governor, you were here at the time and could vote, how would you have voted? Could you tell us?*

GOVERNOR: If I had been in the Chamber it would have been, I imagine, as President, which is what the Governor of Hong Kong always used to be, and it is one of the real pleasures which other Governors enjoyed which I have denied myself: (*Laughter*) the ability to sit for hour after hour in this Chamber and listen to the speeches made by Honourable Members. Had I been here, I would therefore have cast my vote in exactly the same way as the President did because he was following the constitutional proprieties in what he did.

Can I just add one other point. The Basic Law points the way, eventually, to the election by universal suffrage of the Chief Executive of the SAR of Hong Kong. And I am sure that like most, if not all, Members of this Legislative Council, I hope that that day comes sooner rather than later. I am democratic to the core of my being and feel very strongly that in any society the greatest legitimacy in credibility is provided through the process of election, and that goes for me as well as it goes for everyone else. Plainly, the business of election, the process of election, provides credibility and legitimacy in the way that appointment does not and cannot.

In the shorter term, there will not be election by universal suffrage, but the process of election which is now being discussed by the Preparatory Committee will, we all hope, be as open and transparent and fair as possible. And I am sure that the 14 Members of this Council, who arrived here by a process themselves that was transparent, open and fair, will ensure that those criteria are met in the selection of my fortunate successor.

PRESIDENT: Mr CHAN Kam-lam, I should have ruled your first question out of order for being hypothetical.

MR CHAN KAM-LAM (in Cantonese): *Thank you, Mr President. Mr Governor, after the failure of the last 17 rounds of Sino-British talks, the Chinese side had said it would "build a second stove". Are you, up to the present moment, still strongly criticizing this proposal of "building a second stove"?*

GOVERNOR: First of all, can I just make the point that if hypothetical questions were always ruled out of order in this Chamber, I would have a much easier time, which is no criticism, Mr President, of your own rulings. But hypothetical questions are not unknown in this Chamber. *(Laughter)*

PRESIDENT: There would be less showtime then. *(Laughter)*

GOVERNOR: We might indeed have shorter question periods. *(Laughter)* We did have 17 rounds of discussions with Chinese officials in order to try to agree on arrangements for elections to this Council and, alas, we did not succeed. I think that it is generally agreed, whatever people may think about the Chinese criticisms of our proposals, that the proposals themselves, in the event, were fair and open, commanded confidence here in Hong Kong, and produced a balanced and representative Legislative Council.

Now I ask myself why in those circumstances, particularly given all the checks and balances which exist in the Basic Law, which perhaps does not exist today, would anybody want to change those arrangements. Would people like to

change those arrangements in order to make the arrangements for a Legislative Council election more fair, more free, more open? Is that what the argument is all about? Are we going to have an even more democratically elected Legislative Council if this one is, as a matter of ill-judgment, dismantled in 1997?

There is no need, there is no reason for dismantling this Legislative Council. I remind Honourable Members of something that I said earlier: Hong Kong is promised a steady and increasing pace of democratization. We have only just started along the road. Either that process is genuine or it is not, and that I think is what the argument in 1992 and 1993 was largely about.

PRESIDENT: Mr CHAN Kam-lam, you have had your follow-up already. Are you seeking a second follow-up? Or are you claiming that your question has not been answered?

MR CHAN KAM-LAM (in Cantonese): *Thank you, Mr President. My earlier question was not a hypothetical one, it was a reality. In fact, the Governor had said that he did not want to have "a second stove built". However, what the Preparatory Committee is doing is carrying out the plan of the Chinese side, that is, "build a second stove". Just now the Governor said that he would fully co-operate with the Preparatory Committee, but I would think it is quite strange for one to think one thing and do another thing in practice; how in such circumstances can there be any genuine co-operation? This casts a huge shadow of doubt indeed. I of course hope that the Governor and the incumbent "government team" can sincerely co-operate with the Preparatory Committee according to actual needs. The other motion debated in this Council yesterday represented a similar situation, that is, the matter was put before the Legislative Council before consensus was reached through discussions, with a view to doing something in this Council. I feel the two are very similar. I do hope that it will not be repeated.*

GOVERNOR: Well, I think we are perhaps suffering from the "stove" metaphor. As I understand it, a "second stove" was a phrase coined for the Preliminary Working Committee and meant — whether this was the intention or not — the attempt to have a rival centre of power in Hong Kong, another place where you could cook the dinner. I do not think that that is what the argument about the

Legislative Council is about because we are talking, as I understand it, about a future stove rather than a second stove.

Answering in that context, let me remind the Honourable Member of what I have always said. I have always said that we would want the maximum co-operation with the Preparatory Committee provided — and these were the reasonable parameters I spelled out, I think, first of all, in 1994 — that it is in line with the Joint Declaration, provided it is in interests of Hong Kong and the people of Hong Kong and so on. We gave some perfectly reasonable conditions.

I do not think that it would be in the interests of the people of Hong Kong to shut this Legislative Council out or to try to turn the clock back on the process of democratization in Hong Kong. I do not think it would be in the interests of the people of Hong Kong to try to go back on the promises that were made about elections in the Joint Declaration and subsequently. So I see no reason at all why the Government should collaborate in the destruction of this Legislative Council to which it is accountable.

PRESIDENT: Mr TSANG Kin-shing.

MR TSANG KIN-SHING (in Cantonese): *Mr Governor, it is not known whether it was fortunate or unfortunate, you yourself normally like to go visiting around, but you did not go to Hau Tak Estate last Friday, otherwise you could have been crushed to death by the fallen footbridge. Why do I say this? I also do not know if it was fortunate or unfortunate, but the point is: some people were unlucky. I feel that on the whole, the Government of Hong Kong has not fully done its job in the matter of industrial safety, for example, there is not a licensing system for construction workers, apart from most of the plumbers and electrical technicians.....*

PRESIDENT: Mr TSANG Kin-shing, the topics are labour relations and the Preparatory Committee.

MR TSANG KIN-SHING (in Cantonese): *All right, I shall then speak about labour problems. I am not talking about the Preparatory Committee or any other things. Even if I were to raise any question on the Preparatory Committee, he would not be able to answer. In the new airport in Chek Lap Kok, with an area about the size of Kowloon Peninsula, but there is no emergency medical service.....*

PRESIDENT: Mr TSANG?

MR TSANG KIN-SHING (in Cantonese): *This is a straightforward labour issue. Nevertheless, all right, I have another question. In the recent months, there have been cases of foreign workers having their wages docked. Would you please tell me what the summits managed to resolve? After the summits, the foreign workers were fired, what can the Government do? Does the Government admit that it is understaffed in its monitoring operation, or that it is ineffective in monitoring?*

GOVERNOR: First of all, can I offer my sympathy to those who suffered as a result of the bridge collapse.

Can I also say that I agree with the concern which the Honourable Member has about Hong Kong's record of industrial safety and in particular, of safety in the construction industry. We have, partly at the prompting of the Honourable Member and some of his colleagues, taken over the last couple of years a number of steps in the area of industrial safety which I hope will lead to a considerable improvement in our record, not just in the construction industry but in the manufacturing industry as a whole. There have been some improvements in the figures, but we have still got a long way to go to meet the sort of goals which a society as prosperous and successful as this should set for itself.

On the question of abuses of the labour importation scheme, particularly in relation to the Airport Core Programme (ACP), I think the Honourable Member is aware of the considerable efforts the Government has made over the last few months — first of all, to tighten regulations; secondly, to root out abuses; and thirdly, to provide more information to those who come into Hong Kong to work about their rights in general and their entitlements under their contracts in

particular. Many of the proposals that we have put forward have been at the prompting of representatives of employees, and I am grateful for that. There are further proposals that we are acting on, which I hope will mean that we see no abuse in the future. We do need the importation of some labour in order to complete the ACP but, of course, priority has got to be given to local employees, not least local employees in the construction industry. And the Honourable Member will know we have set up an office to try to ensure that we get more local employment to match local vacancies in ACP projects.

We will continue to pursue any instances where our labour law or our immigration law is abused by contractors or subcontractors. It is absolutely essential that any importation of labour is pursued with the maximum integrity and that those who come and help in the building of Hong Kong enjoy the protection of our labour laws.

MR TSANG KIN-SHING (in Cantonese): *Mr President, in the first place, the Governor has not answered my question, that is, whether emergency medical facilities would be provided for the workers in the airport work site in Chek Lap Kok which is not too easily accessible. Besides, as a result of the pressure from the unions and the Labour Department, many cases of foreign workers getting reduced wages came to light recently, but the workers concerned were subsequently dismissed without any reason. They were in fact victims of revenge. Does the Governor admit that the Labour Department and the related departments were derelict in their duties in the period from 1991 to 1995?*

GOVERNOR: First of all, on the question of accidents and emergencies and the provision of proper facilities, perhaps I can look into that question which has not been raised with me before and get in touch with the Honourable Member when I have had an opportunity of talking to the Department of Health and the Hospital Authority and the Airport Authority as well. I will let the Honourable Member know our views on that.

Secondly, I hope that the Honourable Member will accept that the new measures that we have brought in will ensure, or will come as close to ensuring as we can, that people do not have their wages docked, their wages cut for phoney purposes, large amounts taken away for allegedly the cost of meals or whatever. We know some of the things that have been done in the past and we

want to stop them happening in the future. I do not think that it is fair to say that the Government has been guilty of dereliction of duty. I do think that any other sensible government, when it finds abuse in the system, has worked as rapidly as possible and as openly as possible to deal with it as, and that is what I hope, we have been doing.

PRESIDENT: I am sorry, Mr TSANG Kin-shing, you have asked your follow-up. Dr LAW Cheung-kwok.

DR LAW CHEUNG-KWOK (in Cantonese): *Many Hong Kong people are very much concerned about the establishment of the future government of the Hong Kong Special Administration Region (SAR), and about the Preparatory Committee not considering and accepting our views. Under these circumstances, Mr Governor, what do you think you can do for us?*

GOVERNOR: I hope the Governor can continue to hope that the Preparatory Committee will do what its Director, the Vice Premier, suggested, which is to listen to the views of Hong Kong and listen to as wide a cross-section of the views of Hong Kong as possible. As I was saying a few moments ago, 14 Members of this Legislative Council have the honour and the responsibility of also being members of the Preparatory Committee and I am sure that they will know how important it is for the credibility of themselves and of the Preparatory Committee that it is seen to take the greatest possible account of local opinions and that it is seen to respond as openly and comprehensively as possible to local concerns. It is not provocative to say that. It is a statement of the blindingly obvious.

DR LAW CHEUNG-KWOK (in Cantonese): *Mr Governor, from your reply it seems that nothing much can be done. I wish to put forward a specific proposal here, that is, will the Government consider taking the initiative of conducting a large-scale public opinion survey exercise in relation to the various aspects of the establishment of the SAR?*

GOVERNOR: Well, the Honourable Member will know that I am not myself a member of the Preparatory Committee and that I am not responsible for its operations and I think were I to take the sort of action which the Honourable Member has suggested, it would be regarded by People's Republic of China officials and by members of the Preparatory Committee as a shade beyond my real responsibilities. I am looking at one or two members of the Preparatory Committee to see if that observation is rejected consumedly, but I get the impression from the body language around the Legislative Council that were I to propose taking surveys, public opinion surveys on the Preparatory Committee's work, it might be thought to be a fourth violation, to add to the three non-violations of which I am sometimes unfairly, ill advisedly accused. *(Laughter)*

But I assume that the Preparatory Committee will take account of public opinion, that it will be aware of the fact that there were surveys undertaken on the work and credibility of its predecessor body which told a certain message and a message which I am sure members of the Preparatory Committee would wish to be different when we are thinking about its own work.

PRESIDENT: Mr LAU Chin-shek.

MR LAU CHIN-SHEK (in Cantonese): *From the Governor's answer to an earlier question on labour relations, it seemed that the role of the Government was rather vague. I think that in labour relations, all the three sides, namely, the Government, the employees and the employers, have a part of the responsibility. In labour issues, such as employment, unemployment, industrial safety, occupational safety or imported labour, more and more problems are emerging, but the Government of Hong Kong has all along been accused of not having a long-term labour policy. The Government in fact does not have an independent policy branch at present to specifically deal with labour matters, now placed in the portfolio of the Education and Manpower Branch. I think that sometimes education and manpower are two entirely unrelated matters. Has the Government ever considered taking the labour functions away from the portfolio of that particular policy branch, and place it under a new specialized one? If the Governor has not considered this matter, will he consider it? If not, why not?*

GOVERNOR: First of all, I am not sure that what I said on labour issues was vague. I think a lot of people will be saying, tomorrow, that it was all too clear. I do wholly endorse what the Honourable Member said about the importance of tripartite policy in this field. I know that on a number of occasions, the Honourable Member has himself stressed the importance of trying to deal with some of these very difficult problems, some of which have been on Hong Kong's agenda for years, by as co-operative an approach as possible. So I totally endorse tripartitism and hope that we can retain it.

I do not believe that criticisms of the Labour Department are fair. I think we have seen, not least in recent disputes, the Labour Department providing conciliation services in an exceptionally effective way and I would like to commend those who have done this difficult work for what they have achieved. I do not think one can entirely overlook, when one considers the work of the Labour Department, the astonishing record in the labour field of Hong Kong over recent years and the extraordinary low number of days lost through disputes, which is, above all, a tribute to the common sense and decency of Hong Kong's workforce, but also a tribute as well to employee representatives and to employer representatives as well. I suppose one should also say that you are more likely to have decent labour relations when you are having the sort of economic growth that Hong Kong has enjoyed than if your economy is stagnating.

The question of institutional arrangements should therefore, I think, be seen against that backdrop and I do not, though it is not a question for me of principle and it is not a question on which I have got an entirely closed mind, see the advantage in separating education from manpower. Indeed, in some other countries, we have seen in recent years them moving in the direction of Hong Kong and previously separated departments of labour and education have been brought together. That has happened recently in the United Kingdom. But I think it has happened in a number of other OECD countries as well. Why? Well, one reason is because of the growing recognition that education and skill-training are the most important elements in any labour market policy. Another reason is because of the overlap between academic learning and vocational training.

I think it is deplorable that for many years, developed countries — and I hope this would not ever happen in Hong Kong — took the view that these different forms of education and training should be put into completely separate boxes, when in fact there are a number of overlaps between them. So I do not actually agree with the honourable gentleman on that institutional matter, but as I say, it is not a matter on which I have got a closed mind and if he ever wants to talk to me further about it, my door is open.

MR LAU CHIN-SHEK (in Cantonese): *Mr President, when I put forward my question, I did not criticize the Labour Department. I am aware in fact that the Labour Department is an operational department, and I appreciate the recent difficult jobs done by the officers of the Department. My question was mainly concerned with the policy branch, and not operational matters. The problem relating to the policy branch is about the Secretary for Education and Manpower and his Branch. The Governor just said that education and manpower seemed to be related. But if labour matters could be separated from education matters, we can then see clearly a labour policy, for example on the matter relating to employment and future development. I think that in dealing with current or future and more onerous labour matters, there is such a need. I do hope that the Governor would consider this suggestion anew.*

GOVERNOR: As I said, I do not rule out thinking about that as a matter of principle, but I do think that there are practical advantages in relating education and labour market policies, and skill-training is only one aspect of that.

I acknowledge what the Honourable Member said in the first part of his second question when he paid, with his typical courtesy, a deserved tribute to the officials who work in the Labour Department and related areas.

PRESIDENT: Mrs Elizabeth WONG.

MRS ELIZABETH WONG: *Thank you, Mr President. Mr Governor, I shall not ask a hypothetical question, I would like to return to the question on working relations with the Preparatory Committee. I read in the papers — and I*

always believe what I read in the papers — that several thousand crack members of the Chinese Garrison will be posted to Hong Kong. And also, according to the papers, each soldier will be paid a miserable wage of between HK\$800 to HK\$1,100 per month, which is in fact less than Hong Kong's Comprehensive Social Security Assistance. Now some Hong Kong people feel very concerned about this as it is not fair to these soldiers; the cost of living in Hong Kong is very high compared with that in China.

If you ever get to exchange views with members of the Preparatory Committee, would you consider suggesting that the Chinese Garrison posted to Hong Kong should get a Hong Kong cost of living allowance additional to the salary, payable by the Chinese Central Government since defence and foreign affairs are strictly matters for the Chinese Government?

GOVERNOR: I think the honourable lady's question will have made her even more popular in the People's Liberation Army (PLA) than she doubtless is already. *(Laughter)* I think the fact that the honourable lady has raised the question will ensure that it gets public attention. I do not think it would be proper for me to comment on the pay and conditions of service of members of the PLA. But obviously the honourable lady raises a realistic issue.

I have to say in passing that though they are paid rather more, I think, than some members of the British Garrison who in recent years have found the cost of living, not least the cost of beer, in Hong Kong rather more than they think their wages allow for.

But I hope that the PLA Garrison will behave with the same discipline and courtesy and restraint which has been shown, by and large, over the years by the British Garrison. And I very much hope that my successor, the Chief Executive, will find, as I have found, that there is no need for anybody ever to question me or question him or her about the role of the garrison. I am in a rather different position to the Chief Executive because I am Commander in Chief as well as Governor. But I hope that the relationship between the Chief Executive and the distinguished General who is commanding the Chinese Garrison will be so close that the constitutional difference will not matter.

PRESIDENT: Mr LEUNG Yiu-chung.

MR LEUNG YIU-CHUNG (in Cantonese): *Mr President, many people have of late said that many of the Members of the new term of the Legislative Council from the labour sector and the democratic camp have been incessantly fighting for the rights and interests of the grass-roots people, particularly for the labour force, resulting in many investors claiming that they may stop investing in Hong Kong. Today and during the debate last night, many Honourable Members also said something to that effect. These views have been in fact circulated to the Chinese Government, therefore we are seeing that within the Preparatory Committee, people from the business sector constitute an absolute majority. This has worried Hong Kong people, grass-roots citizens and the labour force in particular, that the future Special Administration Region government will turn back the clock on labour rights and interests, just as it will restore some of the laws, depriving the workers of Hong Kong the rights to which they are entitled. Their worry is aggravating. Will the Governor tell us how he is going to solve this problem that is worrying our workers and grass-roots people?*

GOVERNOR: I do not want to sound ideologically hostile to Marxist or Leninist ideology, but one of the reasons for Hong Kong's success over the years is that it has never been subjected to a class war; it has never had to endure class war politics. As I said earlier, politics have been incredibly moderate and people have proceeded on the basis of co-operation and consensus wherever possible.

I do not think that it is only union members or representatives who care about the well-being of workers. There would be no centre-right government in the world if that was the case. And we all know of employers who have played leading roles in improving not only the conditions of work but the social conditions beyond of their workforce.

Above all, of course, what employees want is a job. And in order to have a job, they need an employer who can run a business in a competitive way and make enough profit to invest in the future. And that is a factor that we need to bear in mind when considering developments of labour policy and labour market policy here in Hong Kong.

Coming to the Honourable Member's specific question, we are, as

members of the LAB know, reviewing a broad range of labour market issues, some of which have been on the agenda in Hong Kong for very many years, some of which have probably been on the agenda for too long, for too many years. But we are trying to find ways of dealing with them in that tripartite way commended earlier by Mr LAU Chin-shek, and, certainly, commended by the Governor and the Administration of Hong Kong. I do not think that it helps to see these issues in them versus us terms. I hope we can see them in a more co-operative spirit.

MR LEUNG YIU-CHUNG (in Cantonese): *Mr Governor, this way of thinking of yours is wishful thinking. Many people wonder whether it is the truth. From what we saw yesterday, what all the workers want is to get a bit more of whatever compensation they are legally entitled to, but this alone draws a broadside from many in the business sector. The worry is a genuine one. Will the Governor, in order to ensure that the clock would not be turned back further, establish the status of the labour force in this period before 1997, particularly protect the status of unions by legislation, so that unions can safeguard the rights and interests of the workers? For example, can we have, like many other countries, an established right of collective bargaining? Or can we introduce anti-unfair- dismissal legislation, giving more power to the workers, and creating a level playground for them, to bargain with the employers?*

GOVERNOR: A moment or two ago, the Honourable Member may have inadvertently missed my reply. We are reviewing a range of labour market issues at the moment, including some of those touched on by the Honourable Member, and I hope that we can find ways of addressing them which enjoy the support of employees and employers in the LAB, however its relationship with this Legislative Council develops.

I say this to the Honourable Member. Unless we do find ways of tackling these issues co-operatively, those ways would not survive. If we want serious improvements in people's working conditions; if we want serious improvements in their terms of employment and so on, then those changes have to be made with support across the community, otherwise they are not going to survive into the indefinite future. That would make any efforts in the next year or so entirely nugatory, entirely abortive. So, I hope that we can proceed in a way which maximizes co-operation rather than maximizes confrontation.

ADJOURNMENT AND NEXT SITTING

PRESIDENT: In accordance with Standing Orders, I now adjourn the Council until 2.30 pm on Wednesday, 7 February 1996.

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