

# **OFFICIAL RECORD OF PROCEEDINGS**

**Wednesday, 16 April 1997**

**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 NGAI SHIU-KIT, O.B.E., J.P.

THE HONOURABLE SZETO WAH

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

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

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

THE HONOURABLE 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 MICHAEL HO MUN-KA

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

THE HONOURABLE EMILY LAU WAI-HING

THE HONOURABLE LEE WING-TAT

THE HONOURABLE ERIC LI KA-CHEUNG, O.B.E., 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, O.B.E., F.Eng., 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

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 PAUL CHENG MING-FUN

THE HONOURABLE CHENG YIU-TONG

DR THE HONOURABLE ANTHONY CHEUNG BING-LEUNG

THE HONOURABLE CHEUNG HON-CHUNG

THE HONOURABLE CHOY KAN-PUI, J.P.

THE HONOURABLE DAVID CHU YU-LIN

THE HONOURABLE ALBERT HO CHUN-YAN

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 LO SUK-CHING

THE HONOURABLE MOK YING-FAN

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.

THE HONOURABLE LAWRENCE YUM SIN-LING

## **MEMBERS ABSENT**

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

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

THE HONOURABLE ANDREW CHENG KAR-FOO

## **PUBLIC OFFICERS ATTENDING**

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

THE HONOURABLE DONALD TSANG YAM-KUEN, O.B.E., J.P.  
FINANCIAL SECRETARY

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

MR CHAU TAK-HAY, C.B.E., J.P.  
SECRETARY FOR BROADCASTING, CULTURE AND SPORT  
MR GORDON SIU KWING-CHUE, J.P.  
SECRETARY FOR TRANSPORT

MR NICHOLAS NG WING-FUI, J.P.  
SECRETARY FOR CONSTITUTIONAL AFFAIRS

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 RAFAEL HUI SI-YAN, J.P.  
SECRETARY FOR FINANCIAL SERVICES

MR JOSEPH WONG WING-PING, J.P.  
SECRETARY FOR EDUCATION AND MANPOWER

MR PETER LAI HING-LING, J.P.  
SECRETARY FOR SECURITY

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

MR KWONG KI-CHI, J.P.  
SECRETARY FOR THE TREASURY

MISS DENISE YUE CHUNG-YEE, J.P.  
SECRETARY FOR TRADE AND INDUSTRY

MR LAM WOON-KWONG, J.P.  
SECRETARY FOR THE CIVIL SERVICE

MR STEPHEN IP SHU-KWAN, J.P.  
SECRETARY FOR ECONOMIC SERVICES

MRS STELLA HUNG KWOK WAI-CHING, J.P.  
SECRETARY FOR HOME AFFAIRS

**CLERKS IN ATTENDANCE**

MR RICKY FUNG CHOI-CHEUNG, SECRETARY GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

**PAPERS**

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

*Subject*

## Subsidiary Legislation

*L.N. No.*

Hong Kong Academy of Medicine Ordinance (Amendment of Schedule) Order 1997 .....	133/97
Public Health and Municipal Services Ordinance (Public Pleasure Grounds) (Amendment of Fourth Schedule) Order 1997.....	134/97

## Sessional Papers 1996-97

- No. 84 — Estimates for the year ending 31 March 1998 General Revenue Account Summaries Revenue by Heads and Subheads
- No. 85 — Report of the Broadcasting Authority September 1995 - August 1996

**WRITTEN ANSWERS TO QUESTIONS****Fires Caused by Power Leakage**

1. **MR CHOY KAN-PUI** asked (in Chinese): *Will the Government inform this Council:*

- (a) *of the total number of fires which were related to power leakage in the past three years; and whether such fires were caused by power leakage in electrical appliances or power cords or as a result of short circuits; and*

- (b) *whether the existing legislation provides sufficient control measures to prevent the outbreak of fires due to power leakage?*

**SECRETARY FOR SECURITY** (in Chinese): Mr President,

- (a) The total number of fires recorded by Fire Services Department (FSD) in the past three years which are believed to be originated from electrical fault are 1 667, 1 608 and 1 628 for 1994, 1995 and 1996 respectively. Electrical and Mechanical Services Department (EMSD) has investigated 23 of the major incidents which were suspected to be electrical in origin. 15 of these incidents were suspected to be due to faulty electrical installations while the other eight were due to faulty electrical appliances (including power cords).
- (b) The Electricity Ordinance (Cap. 406) and its subsidiary legislation provide control measures regarding electrical safety, which include:
- (i) a requirement that a fixed electrical installation shall, after completion (including any work completed after repair, alteration or addition) and before it is energized for use, be inspected, tested and certified by a registered electrical worker and contractor to confirm that the requirements of the Ordinance have been met;
  - (ii) existing fixed electrical installations located in specified types of premises have to be periodically (yearly or five-yearly) inspected, tested and certified by registered electrical workers and contractors; and
  - (iii) provision to empower the Director of Electrical and Mechanical Services to disconnect any unsafe electrical installation when there is imminent risk of an electrical accident.

These measures are considered to be adequate to prevent the outbreak of fires due to power leakage.



## Language Benchmark Pilot Exercise

2. **DR ANTHONY CHEUNG** asked (in Chinese): *Regarding the Secretary for Education and Manpower's recent proposal to require primary and secondary school teachers to participate in the language benchmark pilot exercise, will the Government inform this Council:*

- (a) *of the date of introducing the above language benchmark pilot exercise and the specific details of the pilot exercise;*
- (b) *of the following information regarding specialized language training of school teachers:*
  - (i) *the respective numbers of Chinese language teachers in primary and secondary schools who have received specialized language training;*
  - (ii) *the respective numbers of Chinese language teachers in primary and secondary schools who have not received specialized language training;*
  - (iii) *the respective number of English language teachers in primary and secondary schools who have received specialized language training;*
  - (iv) *the respective numbers of English language teachers in primary and secondary schools who have not received specialized language training; and*
- (c) *whether the Government will provide training for teachers who fail the benchmark assessment test so as to enable them to attain the required standard?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Chinese): Mr President,

- (a) We plan to conduct a pilot language benchmark exercise in 1997-98. The pilot exercise will involve about 1 200 teachers in the following three categories for whom tentative benchmarks have already been developed:
- teachers of English in lower secondary levels;
  - primary school teachers using Chinese as the medium of instruction; and
  - primary school teachers of Putonghua.

"Benchmark" refers to minimum acceptable language proficiency standard for effective teaching of various subjects, including language subjects.

The aim of the pilot exercise is to finalize the tentative benchmarks developed, assess re-training needs, consider if certain exemption criteria should be established and to work out a detailed plan for full implementation.

Teachers participating in the pilot exercise will go through an assessment, which will include written and oral language proficiency examinations as well as classroom language observation. In view of the time required to develop the oral and written examination papers, we aim to conduct the pilot written and oral examinations in the first quarter of 1998. The classroom language observation will start earlier, in the first quarter of 1998, and will be completed by the third quarter of the same year.

The pilot benchmark exercise arises from the Education Commission Report No. 6 (ECR 6) which recommended that language benchmark qualifications should be specified for all new and serving primary and secondary teachers, including language teachers, so as to address the problem of declining language standards of our students. This is one amongst a host of measures which ECR 6 recommended to solve the language ability problem. The Advisory Committee on Teacher Education and Qualifications (ACTEQ) was tasked to develop the

benchmarks. With the help of language consultants and after one year's study, ACTEQ has drawn up tentative benchmarks for finalization in the coming pilot exercise.

ACTEQ will co-ordinate the pilot benchmarking exercise. The Hong Kong Examinations Authority will administer the written and oral examinations while the Education Department will be responsible for conducting the classroom language observation.

In order to ensure that the finalized benchmarks will be representative and appropriate, the 1 200 teachers will be randomly selected from different types of schools, with different qualifications and lengths of teaching experience.

To allow teachers to have early knowledge of the standards required and what would be included in the benchmark assessment, syllabuses and specimen tasks will be published well in advance.

Subject to the results of the pilot and any exemption criteria subsequently developed, new and serving teachers will be required to reach the benchmarks. We plan to implement the language benchmarks, once finalized, for new teachers as soon as possible, and in 1999 at the earliest. As for serving teachers, ECR 6 recommended that they might be allowed 10 years to reach the benchmarks. ACTEQ will, based on the results of the pilot and re-training needs, advise on this.

- (b) According to the results of the 1996 Teacher Survey conducted by the Education Department, the statistics of Chinese and English language teachers with and without subject training are as follows:
  - (i) The numbers of Chinese Language teachers who are subject-trained at primary and secondary levels are 9 848 (that is, 87.3%) and 3 884 (that is, 79.2%) respectively.
  - (ii) The numbers of Chinese Language teachers who are non-subject-trained at primary and secondary levels are 1 438 (that is, 12.7%) and 1 023 (that is, 20.8%) respectively.

- (iii) The numbers of English Language teachers who are subject-trained at primary and secondary levels are 3 798 (that is, 44.4%) and 2 922 (that is, 54.4%) respectively.
- (iv) The numbers of English Language teachers who are non-subject-trained at primary and secondary levels are 4 754 (that is, 55.6%) and 2 451 (that is, 45.6%) respectively.
- (c) One of the main purposes of the pilot exercise is to assess re-training needs. Ample re-training opportunities will be provided to enable teachers to upgrade their language standards. Other than those who require re-training after the assessment, we are considering giving teachers the option of taking the training course before they go through the benchmark assessment. This is in line with the primary objective of the benchmarking exercise, which is to ensure that our teachers will be fully competent in the teaching of languages or in using them as a medium of instruction. Pending the results of the pilot exercise, ACTEQ will advise and the Education Department will work out the arrangements for re-training.

### **Social Security Allowance Scheme Review**

3. **MR LAW CHI-KWONG** asked: *As the Government is undertaking a review of the Social Security Allowance (SSA) Scheme, will the Government inform this Council:*

- (a) *of the purpose and scope of the review;*
- (b) *of the time schedule of the review;*
- (c) *of the composition of the review group, and whether service users (such as the elderly and people with a disability) are represented on the review group; and*
- (d) *given the concern over a proposal to introduce means-testing to the SSA Scheme, of the position the Government takes on the proposal and whether the issue will be addressed by the review group?*

**SECRETARY FOR HEALTH AND WELFARE:** Mr President,

- (a) The current Social Security Allowance (SSA) Scheme has been in operation since 1993. It is timely to conduct a review on the objectives and the operation of the Scheme to ensure its cost-effectiveness.
- (b) Given the social significance of the SSA Scheme, the review must be thorough and circumspect. Although it is premature to speculate, we aim nevertheless to complete the review in 1997-98.
- (c) An inter-departmental steering group comprising representatives from the Health and Wealth Branch, the Finance Branch, the Social Welfare Department and the Census and Statistics Department and chaired by the Director of Social Welfare which conducted the Comprehensive Social Security Assistance (CSSA) Review has started to review the SSA Scheme — the other prominent feature of the existing social security system. The steering group will take into account the needs of various service users (including the elderly and people with a disability). The Administration has also undertaken to consult Members of this Council and other interested parties on the review's recommendations before any decision on changes is made.
- (d) The review will cover all aspects of the Scheme including eligibility. Our concern is to ensure that vulnerable elderly and people with a disability are getting assistance in the best possible way. It would not be appropriate to speculate on the review's recommendations before its completion.

**Real Wage Index of Employees**

4. **MR CHENG YIU-TONG** asked (in Chinese): *Will the Government inform this Council whether it has collected any data on the real wage index of employees by industry group:*

(a) *if so, please list the respective percentage changes in the real wage index of the following monthly income groups in September 1996 as compared to the corresponding figures in the month of September in 1993, 1994 and 1995:*

(i) *\$4,999 and below,*

(ii) *\$5,000 - 6,999,*

(iii) *\$7,000 - 8,999,*

(iv) *\$9,000 - 14,999,*

(v) *\$15,000 - 19,999,*

(vi) *\$20,000 - 29,999,*

(vii) *\$30,000 or above;*

(b) *if not, why not; and whether it will consider collecting such data and publishing them on a regular basis?*

**SECRETARY FOR FINANCIAL SERVICES** (in Chinese): Mr President,

(a) The Census and Statistics Department compiles and publishes, on a half-yearly basis, wage indices for occupations up to the supervisory level, and on an annual basis, salary indices for the managerial and professional occupations, covering a number of selected sectors and industries.

Statistics on changes in the real wage indices by major sector and by broad occupation group up to the supervisory level from September 1993 to September 1996, along with the corresponding average wage levels in September 1996, are appended in Table 1. Statistics on changes in the real salary indices for managerial and professional occupations by major sector from June 1993 to June 1996, along with the corresponding overall salary levels for this category of employees, are appended in Table 2. Some further breakdowns of these statistics by industry are available from the Department and can be furnished upon request.

- (b) There are however no available statistics on wage changes broken down by income range of employees in specific sectors or industry groups. To collate such statistics would most likely require tallying from the wage levels of individual employees in the company payroll. The practical difficulty is that company payroll records are commonly arranged by job categories or occupation hierarchies, rather than by income ranges of the employees. Requiring employers to provide such information would create an undue additional reporting burden.

In conducting statistical surveys, the Census and Statistics Department has to strike a reasonable balance between the production of more statistics the value of which may become increasingly marginal, and the reporting burden on respondents. In this instance, the existing breakdown on wage changes are considered to be ample and appropriate.

Table 1: Changes in Wage Levels in Real Terms for Workers up to Supervisory Level as Measured by Real Wage Indices by Occupation Group, September 1993 to September 1996

*(A) Manufacturing sector*

<i>Occupation group</i>	<i>Average monthly wage (HK\$)</i>		<i>Year-on-year change in real wage index (%)</i>		
	<i>September 1996</i>	<i>September 1993</i>	<i>September 1994</i>	<i>September 1995</i>	<i>September 1996</i>
All selected occupations of which:	8,851	1.9	-0.4	-2.9	2.2
Supervisory and technical workers	13,784	3.9	3.6	-1.7	2.9
Clerical and secretarial workers	9,657	3.4	1.7	-1.3	1.4
Craftsmen	11,000	1.6	-2.3	-1.5	2.3
Operatives	7,046	1.1	-2.1	-4.5	2.2
Service workers	N.A.	N.A.	N.A.	N.A.	N.A.
Miscellaneous non-production workers	6,864	0.9	0.2	-2.4	1.8

*(B) Wholesale, Retail and Import/Export Trades, Restaurants and Hotels sector*

<i>Occupation group</i>					
All selected occupations of which	10,804	2.2	1.3	-1.4	-0.1
Supervisory and technical workers	14,369	2.1	2.0	-0.7	1.1
Clerical and secretarial workers	10,046	2.3	0.7	0.4	1.0
Craftsmen	N.A.	N.A.	N.A.	N.A.	N.A.
Operatives	N.A.	N.A.	N.A.	N.A.	N.A.
Service workers	9,523	2.5	0.9	-3.4	-2.6
Miscellaneous non-production workers	7,845	1.4	1.0	-3.1	-1.7



*(C) Transport Services sector*

<i>Occupation group</i>	<i>Average monthly</i>		<i>Year-on-year change in real wage index (%)</i>		
	<i>wage (HK\$)</i>				
	<i>September 1996</i>	<i>September</i>	<i>September</i>	<i>September</i>	<i>September</i>
		<i>1993</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>
All selected occupations of which:	12,077	2.7	1.9	-1.9	1.7
Supervisory and technical workers	17,104	0.8	5.0	0.3	2.7
Clerical and secretarial workers	10,633	0.9	6.0	-1.3	2.6
Craftsmen	12,350	5.7	-2.5	-4.3	0.2
Operatives	10,504	0.1	-2.4	-1.0	4.2
Service workers	6,164	-4.5	15.1	2.5	-4.7
Miscellaneous non-production workers	8,745	6.6	-0.5	#	5.1

*(D) Financing, Insurance, Real Estate and Business Services sector*

<i>Occupation group</i>					
All selected occupations of which:	10,271	4.0	0.3	-0.5	3.0
Supervisory and technical workers	16,512	3.7	-1.5	0.6	6.0
Clerical and secretarial workers	11,149	2.7	3.6	-0.4	2.3
Craftsmen	10,400	1.6	-5.3	1.5	1.5
Operatives	N.A.	N.A.	N.A.	N.A.	N.A.
Service workers	6,428	2.8	-1.6	-11.0	4.7
Miscellaneous non-production workers	7,108	8.1	-0.7	3.5	-5.5

*(E) Personal Services sector*

<i>Occupation group</i>	<i>Average monthly wage (HK\$)</i>		<i>Year-on-year change in real wage index (%)</i>		
	<i>September 1996</i>	<i>September 1993</i>	<i>September 1994</i>	<i>September 1995</i>	<i>September 1996</i>
All selected occupations of which:	6,069	2.3	2.7	-0.7	0.9
Supervisory and technical workers	10,924	0.3	2.8	3.5	1.1
Clerical and secretarial workers	10,292	7.3	-4.0	6.2	4.9
Craftsmen	11,776	3.3	-4.0	1.3	2.1
Operatives	N.A.	N.A.	N.A.	N.A.	N.A.
Service workers	4,887	0.4	3.7	-4.6	-0.1
Miscellaneous non-production workers	4,956	2.8	5.3	-3.4	0.2

Notes: N.A. Not Applicable.  
# Less than 0.05%

Source: Labour Earnings Survey, Census and Statistics Department.

Table 2: Changes in Salary Levels in Real Terms for Managerial and Professional Employees as Measured by Real Salary Index (A), June 1993 to June 1996

<i>Economic sector</i>	<i>Average monthly salary (HK\$)</i>		<i>Year-on-year change in real salary index (A) (%)</i>		
	<i>June 1996</i>	<i>June 1993</i>	<i>June 1994</i>	<i>June 1995</i>	<i>June 1996</i>
Manufacturing, Electricity and Gas Sector	40,737	-4.3	-2.0	-1.0	0.2
Wholesale, Retail and Import/Export Trades Sector	30,846	-1.7	0.6	1.3	1.7
Transport, Storage and	37,442	2.3	0.1	-0.6	1.8

## Communications Sector

	<i>Average monthly salary (HK\$)</i>	<i>Year-on-year change in real salary index (A) (%)</i>			
<i>Economic sector</i>	<i>June 1996</i>	<i>June 1993</i>	<i>June 1994</i>	<i>June 1995</i>	<i>June 1996</i>
Financing Institutions and Insurance Sector	34,528	3.1	-0.3	0.6	0.1
Building and Construction and Related Trades Sector	43,903	1.4	2.0	3.1	1.6

Notes: The Salary Index (A) is compiled by comparing the average salary rates of individual occupations in June of the reference year with those in June of the preceding year. The Salary Index (B) measures the changes in the salary rates for only those employees who remained in the same occupation and in the same company in both the reference year and the preceding year. It therefore only accounts for changes due to general increment, meritorious increase and gain in seniority. The Salary Index (A) is a more comprehensive measure of changes in salary rates.

The figures cover the middle-level managerial and professional employees only. Top management employees are excluded owing to difficulty in collecting accurate salary data from them.

Source: Annual Survey of Salaries and Employee Benefits — Managerial and Professional Employees, Census and Statistics Department.

## Container Terminal No. 9

5. **DR SAMUEL WONG** asked: *Will the Government inform this Council of the latest progress regarding the construction of Container Terminal No. 9 on Tsing Yi Island and the scheduled date of completion of the project?*

**SECRETARY FOR ECONOMIC SERVICES:** Mr President, we are negotiating with the developers on the detailed land grant conditions for Container Terminal No. 9 (CT9). The negotiations are expected to be completed and the site handed over to the developers for construction work to begin by the end of this year. Allowing about 24 months for the construction of the terminal, the first berth of CT9 is expected to come into operation by the end of 1999, followed by other berths at six-month intervals. The timing is in line

with the current forecast requirement dates for the berths of CT9 under the Port Cargo Forecasts endorsed by the Port Development Board.

### **Land Sales Revenues**

6. **MR ERIC LI** asked (in Chinese): *As the Government records revenues derived from land sales on a cash accounting basis, will the Government inform this Council:*

- (a) *of the amount of revenues derived from land sales in 1996-97 which will be recorded in the accounts of the following fiscal year; and*
- (b) *whether consideration will be given to adopting an accrual accounting system for recording revenues, so as to reflect accurately the revenues received in each fiscal year?*

**SECRETARY FOR THE TREASURY** (in Chinese): Mr President,

- (a) The amount of revenue from land sales in 1996-97 which will be accounted for in Hong Kong Government's consolidated accounts in 1997-98 is estimated to be \$7.3 billion. The time-lag in the crediting of land revenue into Hong Kong Government's consolidated accounts is due to the need to allow time for the proper sharing of the proceeds from land sales with the Hong Kong Special Administrative Region Government Land Fund in accordance with Annex III to the Sino-British Joint Declaration.
- (b) We currently adopt a cash basis of accounting. Revenue and expenditure are recorded when cash is actually received or paid. While this meets the primary objective of Government's financial reporting, which is to demonstrate that the spending of public funds is for the purposes and within the limits approved by the legislature, we recognize the potential benefits of an accrual accounting system in terms of providing more comprehensive information on Government's financial position and facilitating resource management. In the light of the findings of a 1994 study on the subject and subsequent efforts in producing accrual-based departmental resource accounts for a number of departments, we will continue to explore the wider use of accrual-based accounts and then

determine whether we need to make changes to the basis of government accounting. However, to record land revenue on an accrual basis when all other revenue and expenditure items are accounted for on a cash basis would result in a hybrid system. This would not be a good accounting practice and may result in misleading information.

### **"Going-out Passes"**

7. **MR FRED LI** asked (in Chinese): *Regarding the issue of temporary permits (commonly known as "going-out passes") — which allow holders of such permits to move about in the territory — to certain illegal immigrants or visitors who have been granted extension of stay, will the Government inform this Council:*

- (a) of the procedures for the issue of "going-out passes" and the ranks of public officers who are authorized to issue such passes;*
- (b) of the criteria for issuing "going-out passes";*
- (c) whether the number of "going-out passes" issued during the first quarter of this year shows an upward trend in comparison with those issued in the corresponding period over the past two years; and*
- (d) whether holders of "going-out passes" are eligible for the Hong Kong Identity Card if they remain in the territory after 1 July this year?*

**SECRETARY FOR SECURITY** (in Chinese): Mr President,

- (a) Our policy is to repatriate all illegal immigrants and overstayers immediately unless there are justifiable grounds (see (b) below). Under such circumstances, the person will normally be released on recognizance under section 36(1) of the Immigration Ordinance in lieu of detention under the authority of a Chief Immigration Officer. They are required to provide a surety of \$2,000 from a close relative

resident in Hong Kong and report to the Recognizance Office every two to four weeks. These recognizance forms are commonly known as "out-going passes". They are issued to illegal immigrants and overstayers in specific circumstances and are not applicable to visitors who have been granted extension of stay. Extension of stay endorsements are made on the applicants' travel documents.

- (b) Recognizance will only be considered when the following criteria are met:
  - (i) there are strong compassionate grounds, for example, non-release will result in long period of detention pending processing of their cases; and
  - (ii) there is no likelihood of abscondment.
- (c) There has been an upward trend in the number of persons granted recognizance in the first three months this year because of the recent increase in the number of surrendered illegal immigrant children and Two-way Permit overstayers.

Statistics of recognizance granted since 1995 are as follows:

	<i>TWP</i> <i>overstayers</i>		<i>Illegal</i> <i>immigrants</i>		<i>Total</i>	
1995	92	(15)	3 383	(584)	3 475	(599)
1996	808	(88)	3 736	(590)	4 544	(678)
1997 (Jan-Mar)		(383)		(1 996)		(2 379)

- ( ) denotes the number of persons granted recognizance from January to March in the respective year.

The trend is being closely monitored. Both the Hong Kong and the Chinese authorities have undertaken to make publicity to quell the rumour of amnesty for illegal immigrants. Security forces on both sides have also stepped up their border patrol to prevent illegal immigration.

- (d) The recognizance form does not confer any permission for the holder to stay in Hong Kong. It is only a prescribed form issued to an illegal immigrant or overstayer who has been granted recognizance temporarily as an alternative to detention while the case is being processed. It sets out certain conditions for the holder to comply with, such as the amount of money or number of sureties to be provided; and the time and frequency of reporting to the Immigration Department. The holder's status as an illegal immigrant or overstayer remains unchanged and once the person's presence in Hong Kong is no longer required, removal will be effected at the earliest opportunity. Holders of recognizance forms are not eligible for a Hong Kong Identity Card even if they remain in the territory after 1 July 1997.

### Road Traffic Noise Mitigation Study

8. **MR ALBERT CHAN** asked (in Chinese): *In May last year, I wrote a letter to the Planning, Environment and Lands Branch concerning the abatement of road traffic noise, and I was subsequently advised in writing by the Branch that the Environmental Protection Department had commissioned a territory-wide consultancy study to assess the feasibility of implementing remedial road traffic noise mitigation measures. As the study has now been completed, will the Government inform this Council:*

- (a) *of the roads listed by the consultancy firm as requiring the implementation of noise mitigation works, and of the expected commencement dates of such works;*
- (b) *as it is learnt that the consultancy firm has recommended in its report that noise mitigation works should be carried out in three stages, of the expected commencement dates of the works in the second stage covering Tuen Mun Road and Cheung Pei Shan Road; and*
- (c) *when the measures on the abatement of road traffic noise currently in force will be reviewed?*

**SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS** (in Chinese): Mr President, first of all, I would like to clarify the scope and objectives of the consultancy study which is the subject of this question. The consultancy study is on the feasibility of retrofitting noise mitigation measures on existing roads. It comprises two parts. The first is a desk-top review based on available traffic data and physical constraints such as space and fire fighting requirements in order to assess the practicability of installing noise barriers or enclosures on the noisy roads. It was completed in December 1995. Of some 740 road sections reviewed, 16 have been selected for detailed engineering investigations. The second part of the study focuses on these 16 road sections and aims to establish technical feasibility in terms of safety, public disturbance, maintenance, cost requirements and effectiveness. It commenced in October 1996 and is scheduled for completion in mid 1998. With regard to the specific questions raised:

- (a) The list of road sections identified for more detailed engineering investigations is at the Annex. An implementation timetable will be drawn up subject to the outcome of the study.
- (b) The first part of the study only made preliminary recommendation to the Administration. The consultant is now proceeding with the second part to assess the engineering feasibility of implementing noise mitigation measures on the 16 selected road sections, including Tuen Mun Road and Cheung Pei Shan Road. The actual implementation timetable would be drawn up in the light of the findings.
- (c) We will review the policy to deal with traffic noise from existing roads on the basis of the findings of the study.

Annex

*Road Sections Identified for Detailed Engineering Investigations*

- 1. Island Eastern Corridor — Tai Koo Shing
- 2. Tung Tau Tsuen Road
- 3. Che Kung Miu Road
- 4. Tai Chung Kiu Road



5. Ma On Shan Road
6. Ting Kok Road
7. Po Lam Road
8. Fung Shue Wo Road
9. Tuen Mun Road — Tsuen Wan
10. Tuen Mun Road — Tsing Lung Tau

*Road Sections Identified for Detailed Engineering Investigations*

11. Tuen Mun Road — Sam Shing Hui
12. Castle Peak Road — Hung Shui Kiu
13. Castle Peak Road — Ping Shan
14. Hiram's Highway
15. Cheung Pei Shan Road
16. Junk Bay Road — Kwun Tong

**Routes 3 and 9**

9. **MR HOWARD YOUNG** asked: *As Route 3 and Route 9 are the only two arteries connecting Tsing Yi Island with the new airport at Chek Lap Kok and the rest of the territory, will the Government inform this Council:*

- (a) *of the comparison in terms of the higher traffic volume handled and speed limit imposed on Route 3/Route 9 and other major highways in the territory;*
- (b) *of the traffic volume on Route 3 and Route 9 since they have become operational; and*
- (c) *whether the Government will consider relaxing the present speed limit imposed on other major highways in the territory to bring it in line with that imposed on Route 3 and Route 9, so as to avoid the occurrence of "bottlenecks" on those highways as a result of traffic coming in from the direction of the new airport and the North Lantau Expressway; if not, why not?*

**SECRETARY FOR TRANSPORT:** Mr President,

- (a) The speed limits imposed on Route 3/Route 9 and other major highways and their capacities are shown in the Annex;
- (b) As regards Route 3, the West Kowloon Expressway and the Kwai Chung Viaduct were open to traffic in February 1997. The peak hour traffic volume is about 1 200 vehicles/hour one way on both highways. The rest of Route 3 and Route 9 are not yet open to traffic.
- (c) When setting speed limits for roads in Hong Kong, the Administration has regard primarily to safety and takes into consideration a number of factors including—
  - (i) the length of the route;
  - (ii) topography and geometric design of the route; and
  - (iii) road surface characteristics.

It is on this principle that the speed limits of the roads connecting Route 3/Route 9 have been determined. It should be noted that permitting higher vehicle speed would not necessarily increase road capacity as a longer distance between vehicles is required for safe braking.

Routes 3 and 9 join Tuen Mun Road at the northern end and the Western Harbour Crossing and the road network on Hong Kong Island at the south. Because of the topography, design and safety, the speed limits on Tuen Mun Road and on Hong Kong Island

cannot be increased.

## Annex

	<i>No. of Lanes in one direction</i>	<i>Maximum Traffic Capacity (vehicles/hour/direction)</i>	<i>Speed limits (km/hour)</i>
Route 3			
- Western Harbour Crossing (to be opened in late April 1997)	3	5 400	70
- West Kowloon Expressway (opened in February 1997)	3	5 400	80
- Rambler Channel Bridge (to be opened in May 1997)	3	5 400	80
- Cheung Ching Tunnel (to be opened in May 1997)	3	5 400	80
- Approach Road to North west Tsing Yi Interchange (to be opened in May 1997)	3	5 400	80
- Ting Kau Bridge (to be opened in early 1998)	3	5 400	80
- Kwai Chung Viaduct (opened in February 1997)	4	7 200	80
Route 9			
- Lantau Link	3	5 400	100
- North Lantau Expressway (to be opened in May 1997)	3	5 400	100
Other Highways	3	5 400	80/100
Tolo Highway			

Island Eastern Corridor	3	5 400	70
Tuen Mun Road	3	4 600*	70

\* Lower capacity due to sharp road bends and steep gradients.

### **Triad Activities**

10. **MISS CHRISTINE LOH** asked: *It is reported that the recent fire at a karaoke bar killing 17 persons was suspected to have been caused by arson committed by triad members. In view of this, will the Government inform this Council whether:*

- (a) *it has any policy of vigorously combating triad activities; if so, what the details are; and*
- (b) *it has carried out any study to ascertain if there is a widespread public perception that triad activities are prevalent and likely to become worse in the future; if so, what the outcome of the study is?*

**SECRETARY FOR SECURITY:** Mr President,

- (a) The Government has always accorded a high priority in combating triad activities by adopting a three-pronged approach, viz., dedicated police units, support by necessary legislation and a well-formulated publicity strategy.

#### *Dedicated Police Units*

The police have established dedicated units to take proactive action against triad activities. In 1994, the Organized Crime and Triad Group were split into two bureaux, namely, the Organized Crime and Triad Bureau and Criminal Intelligence Bureau, to deal with triad activities more effectively. In addition, both the Narcotics Bureau and the Commercial Crime Bureau take special interest in triad activities within their areas of responsibility. Apart from that, each Police Region has its own Anti-Triad Unit and each District has its own Anti-Triad Squad.

The manpower of these units has been significantly increased over the years. In 1995-96, 400 police officer posts were created for front-line operational duties, of which 45 were specifically assigned to anti-triad duties. In 1996-97, over 350 posts were created for front-line operational duties, of which 232 were devoted to anti-triad duties at regional and district levels.

### *Supporting Legislation*

To ensure that there are adequate legislative powers to tackle the triad problem, the Organized and Serious Crimes Ordinance (OSCO) was fully implemented in 1995 to enhance the police ability to investigate organized and serious crimes, including triad offences. The Ordinance makes provisions for special investigative powers, confiscation of proceeds of certain crimes including money laundering for certain offences. By the end of March 1997, the police had made 24 applications to the courts for enhanced sentences and were successful in 11 of them involving 19 persons. The enhanced sentences ranged from an increase of one third to two thirds of the usual sentence. The total amount of proceeds of crime confiscated is more than \$5.8 million.

In 1996, we introduced the Witness Protection Bill into this Council to enhance the effectiveness of the existing Witness Protection Programme and to establish a system for the change of identity of high-risk witnesses. If enacted, we believe that this will further encourage members of the public to come forward to give evidence, particularly in triad-related cases.

### *Publicity Strategy*

The police need co-operation and support from members of the public in combating triad activities. To this end, the police maintain on-going publicity and close liaison with the public. The Police Public Relations Branch plays a key role in this area by formulating a series of anti-triad publicity, including the screening of announcement of public interest on television, advertising billboards and the production of information leaflets. The Crime Prevention Bureau also liaises closely with shops and firms to encourage them to report triad activities.

- (b) We have not carried out any study to ascertain public perception in relation to triads. Contrary to some impressions that triad activities are prevalent, the ratio of triad involvement in overall crimes in the past five years has remained relatively stable at about 5%. Indeed,

the measures in part (a) have yielded encouraging results in combating triad activities. In 1996, there were a number of very successful anti-triad operations, for example, nine of the territory's largest loansharks were smashed. The number of triad-related crimes, including blackmail, intimidation, wounding and serious assault and unlawful societies offences, dropped by 21% when compared with 1995. To tackle the perception problem, we will continue with our publicity efforts to allay public concern in this area through every opportunity, such as regular reports on crime situation to the Fight Crime Committee, district boards, District Fight Crime Committees and the media as well as close liaison with members of the public by our Police Public Relations Officers at the district level.

### **Female Drug Addiction Problem Study**

11. **MR WONG WAI-YIN** asked (in Chinese): *It is learnt that the Government-commissioned study on the female drug addiction problem conducted by the Department of Psychology of the Chinese University of Hong Kong was completed in the latter part of last year. Will the Government inform this Council of:*

- (a) *the findings and recommendations of the above study and how the Government will implement those recommendations;*
- (b) *the number of female drug abusers in the territory in each of the past three years, and whether these figures indicate a rising trend in the number of female drug abusers; and*
- (c) *the treatment and rehabilitation facilities provided for female drug abusers and the effectiveness of such facilities?*

**SECRETARY FOR SECURITY** (in Chinese): Mr President,

- (a) The study on young female drug abusers was commissioned by the Action Committee Against Narcotics in 1995 and was completed in December 1996. It seeks to identify the circumstances leading to drug abuse among young females and the implications for preventive and treatment programmes.

The circumstances leading to drug abuse, or so called "risk factors", include positive attitude towards drugs, tendency for sensation seeking, susceptibility to peer group pressure, family disharmony, and exposure to peer and family drug users. On the other hand, women's sense of self-efficacy, family cohesion, and the presence of social support are identified as "Protective factors" that may buffer against drug abuse behaviour.

The findings also suggest that the effects of risk and protective factors on female drug abuse are mediated by women's psychological state. In particular, life satisfaction augments the buffering effect of protective factors in reducing drug abuse behaviour, whereas the presence of psychological distress enhances the effect of risk factors in increasing the vulnerability to drug abuse.

The study recommends a multi-component approach to the prevention and treatment of female drug abuse. On the prevention side, it is suggested that:

- (i) public education activities and media campaigns be launched to address the female drug abuse problem;
- (ii) women who are at risk of drug abuse be encouraged to take part in alternative activities and to develop healthy hobbies; and
- (iii) family life education programmes which emphasize harmony, cohesion and support among family members be organized as a buffer against the risk of drug abuse.

As far as treatment is concerned, the study recommends that:

- (i) drug treatment programmes for female drug abusers should be flexible in its duration and format to allow for individual needs;
- (ii) apart from modifying drug abuse behaviour, women's

psychological health should be attended to in the treatment process as the presence of psychological distress may compromise their response to the treatment programme;

- (iii) programmes for female drug abusers' parents, spouses and support providers be available to help them become effective change agents and support providers; and
- (iv) as the average relapse time for female drug abusers is about six months, the existing aftercare services for female drug abusers should be strengthened to include various skills training, job placement assistance and establishment of mutual support groups among female drug abusers and their family members to facilitate their re-integration into the community.

The Government endorses fully the recommendations of the study. On preventive education, a TV API featuring female drug abuse problem has been produced and will be broadcast in the coming months. Joint programmes will also be organized with district School Liaison Committees to strengthen parent-child relationship. The Beat Drugs Fund further provides an additional source of funding to finance preventive education programmes for women at risk and other related anti-drug programmes. Concerning the treatment of female drug abusers, recommendations of the study have already been incorporated into the existing services provided by Government and voluntary agencies for treatment of female drug abusers. Follow-up discussions will continue to be held on the effective methods of strengthening and improving on the existing programmes.

- (b) There is an upward trend in the total number of female drug abusers reported to the Central Registry of Drug Abuse during the years 1994-96, as follows:

<i>Year</i>	<i>Total number of drug abusers</i>	<i>Number of female drug abusers</i>	<i>% of total</i>
-------------	---	--	-------------------



---

1994	20 327	2 183	10.7%
1995	19 343	2 321	12.0%
1996	19 626	2 417	12.3%

- (c) Drug addiction is a chronic relapsing medical condition affected by complex socio-psychological factors. We have a long-standing policy of adopting a multi-modality approach in the provision of drug treatment and rehabilitation services. Specific treatment facilities for female drug abusers include a compulsory treatment programme in the Chi Ma Wan Drug Addiction Treatment Centre operated by the Correctional Services Department, and a subvented voluntary in-patient treatment and rehabilitation programme in the Sister Aquinas Memorial Women's Treatment Centre run by the Society for the Aid and Rehabilitation of Drug Addicts (SARDA). Apart from these, there are six non-subvented agencies, including Christian treatment agencies, providing drug treatment, aftercare and/or halfway house services for female drug abusers.

On the effectiveness of treatment and rehabilitation services for female drug abusers, in 1996, 74.8% of the total number of female drug abusers who completed the one-year compulsory supervision following their discharge from Drug Addiction Treatment Centre had neither relapsed into drug abuse nor been convicted of any crime during the supervision period. In the same year, for those female patients who completed SARDA's two-year programme of treatment, rehabilitation and aftercare, 69.2% remained drug-free during the programme period. Such figures are higher than those for male drug abusers. Meanwhile, the effectiveness of these treatment programmes is being further looked into through a three-year research study to review the objectives and outcomes of various drug treatment modalities in Hong Kong. The study will be completed by the end of 1988.

As for the voluntary drug treatment programmes run by non-subvented agencies, an evaluation study on the effectiveness of their services is now being conducted by an independent institute. The study will be completed by the end of this year.

**Epileptic Patients**

12. **DR HUANG CHEN-YA** asked (in Chinese): *Does the Government know of:*

- (a) *the total number of epileptic patients who attended the outpatient departments of public hospitals in the past year;*
- (b) *the total number of patients who underwent epileptic surgery in the past year;*
- (c) *the total number of epileptic patients discharged from public hospitals, as well as the number of these discharged patients who were in unstable condition after discharge and had frequent seizures, in the past year; and*
- (d) *the current estimated number of patients who need to undergo epileptic surgery?*

**SECRETARY FOR HEALTH AND WELFARE** (in Chinese): Mr President,

- (a) As the Hospital Authority's (HA's) present automated recording system categorizes outpatients according to specialties, and not diseases, the HA does not have readily available information on the number of epileptic patients attending the out patient departments of public hospitals in the past year.
- (b) In 1996-97, 43 patients received surgical treatment for epilepsy in HA's hospitals.
- (c) During the period July 1995 to June 1996, which is the latest information available for a full year, 3 803 patients were admitted into HA's hospitals for treatment of epilepsy. Out of these 3 803 patients, 237 had four or more episodes of hospitalization during this period.
- (d) Epileptic surgery was only recently introduced as a pilot scheme to

deal with poorly controlled epilepsy patients potentially amenable to surgical therapy. The number of patients who need to undergo epileptic surgery will be assessed based on the outcome of the current pilot programme, which is still under evaluation.

### **Revenue from Sale of Special Stamps**

13. **DR ANTHONY CHEUNG** asked (in Chinese): *The issue of special stamps by the Post Office has resulted in a substantial increase in the revenue of the Post Office. In this connection, will the Government inform this Council:*

- (a) of the total number of special stamp sets issued by the Post Office over the past three years, together with the quantity of each set issued and the net revenue generated from the sale of each set;*
- (b) whether the Post Office will consider reducing the rate of postage increase in future or not increasing the postage this year; and*
- (c) how the Government ensures that the extra revenue from the sale of special stamps will be put to effective use so as to enhance the cost-effectiveness of the Post Office Trading Fund?*

**SECRETARY FOR ECONOMIC SERVICES** (in Chinese): Mr President, the Post Office has issued five sets of commemorative stamps each year from 1994 to 1996 and one set of commemorative stamps in 1997 to date. The Post Office has also issued several sheetlets each year. It issued more sheetlets in 1996-97, mostly related to the Hong Kong '97 Stamp Exhibition. Details of the quantity of commemorative stamps and sheetlets sold and the total revenue generated (including handling charges and so on) are at Annex. The Post Office does not keep separate records of the sale of commemorative stamps after the first day of issue.

The recent surge in demand for philatelic products from the Post Office has generated additional revenue for the Post Office Trading Fund. After taking

this factor into account together with the financial position of this trading fund and its projected revenue in the next few years, the Post Office proposes not to revise postage rates this year. It is, however, considering ways to improve the local postage rate structure.

The Post Office is considering options on how to make the best use of its operating surplus to enhance the cost-effectiveness of postal services to the public.

## Annex

### First Day Sales of Commemorative Stamps and Related Philatelic Products

<i>Commemorative Stamp issue</i>	<i>Date of issue</i>	<i>Souvenir Sheets Sold</i>	<i>Mint Stamps Sold</i>	<i>Total Revenue HK\$</i>	<i>Denomination of Minit Stamps</i>	<i>Related Philatelic Products</i>
<i>1994</i>						
Year of the Dog	27 January 1994	936 000	3 955 000	21,800,000	\$1.00, \$1.90, \$2.40, \$5.00	
A Stamp is Born	18 February 1994	1 108 000		6,000,000		\$5 Definitive Sheets
150th Anniversary of Police	4 May 1994		7 879 000	22,000,000	\$1.00, \$1.20, \$1.90, \$2.00, \$2.40, \$5.00	
Traditional Chinese Festivals	8 June 1994		4 375 000	11,300,000	\$1.00, \$1.90, \$2.40, \$5.00	
CCPA Pre-Congress Stamp Sheetlets	18 August 1994	732 000		7,600,000		\$10 Definitive Sheets
Commonwealth Games	25 August 1994		3 881 000	10,700,000	\$1.00, \$1.90, \$2.40, \$5.00	
Hong Kong Corals	17 November 1994	872 000	4 069 000	19,900,000	\$1.00, \$1.90, \$2.40, \$5.00	

*1995*

Year of the Pig	17 January 1995	916 000	4 439 000	23,300,000	\$1.00, \$1.90, \$2.40, \$5.00	
Hong Kong International Sporting Events	22 March 1995		4 046 000	11,000,000	\$1.00, \$1.90, \$2.40, \$5.00	
Hong Kong Rural Heritage	24 May 1995		4 968 000	13,300,000	\$1.00, \$1.90, \$2.40, \$5.00	
Royal Hong Kong Regiment	10 August 1995		4 085 000	11,600,000	\$1.20, \$2.10, \$2.60, \$5.00	
Singapore '95 \$10 Definitive Stamp Sheetlets	1 September 1995	545 000		5,700,000		\$10 Definitive Sheets
Classics No. 6 \$10 Definitive Stamp Sheetlets	9 October 1995	621 000		6,500,000		\$10 Definitive Sheets
Hong Kong Movie Stars	15 November 1995		6 071 000	17,200,000	\$1.20, \$2.10, \$2.60, \$5.00	
	<i>Date of</i>	<i>Souvenir</i>	<i>Mint</i>	<i>Total</i>		
<i>Commemorative Stamp issue</i>	<i>issue</i>	<i>Sheets</i>	<i>Stamps</i>	<i>Revenue</i>		
		<i>Sold</i>	<i>Sold</i>	<i>HK\$</i>	<i>Denomination of</i>	<i>Related Philatelic</i>
					<i>Minit Stamps</i>	<i>Products</i>
<i>1996</i>						
Year of the Rat	31 January 1996	898 000	5 587 000	28,100,000	\$1.20, \$2.10, \$2.60, \$5.00	
Hong Kong '97 \$10 Definitive Stamp Sheetlets	23 February 1996	810 000		8,500,000		\$10 Definitive Sheets
No. 1						
1996 Olympic Games	20 March 1996	929 000	4 820 000	26,100,000	\$1.20, \$2.10, \$2.60, \$5.00	
Hong Kong '97 \$10 Definitive Stamp Sheetlets	18 May 1996	1 446 000		15,000,000		\$10 Definitive Sheets
No. 2						
Archaeological Finds of Hong Kong	26 June 1996		4 938 000	14,400,000	\$1.20, \$2.10, \$2.60, \$5.00	
Opening of 1996 Summer Olympic Games	19 July 1996	1 197 000	4 407 000	25,800,000	\$1.20, \$2.10, \$2.60, \$5.00	
Hong Kong Mountains	24 September 1996		6 150 000	18,500,000	\$1.30, \$2.50, \$3.10	

					\$5.00	
Hong Kong '97 \$10	16 October 1996	1 828 000		18,900,000		\$10 Definitive Sheets
Definitive						
Stamp Sheetlets No. 3						
Olympic Games \$10	29 October 1996	2 702 000		28,400,000		\$10 Definitive Sheets
Definitive						
Stamp Sheetlets No. 11						
Hong Kong Urban Heritage	20 November 1996		9 786 000	30,600,000	\$1.30, \$2.50, \$3.10,	
					\$5.00	
Serving the Community	4 December 1996	3 358 000		19,400,000		\$5 Definitive Sheets
	<i>Date of</i>	<i>Souvenir</i>	<i>Mint</i>	<i>Total</i>		
<i>Commemorative Stamp issue</i>	<i>issue</i>	<i>Sheets</i>	<i>Stamps</i>	<i>Revenue</i>		
		<i>Sold</i>	<i>Sold</i>	<i>HK\$</i>	<i>Denomination of</i>	<i>Related Philatelic</i>
					<i>Minit Stamps</i>	<i>Products</i>
<i>1997 (January-March)</i>						
Hong Kong 1997 New	26 January 1997	2 874 000	- Low	228,800,000	10¢, 20¢, 50¢, \$1.00, High and Low Value	
Definitive			Value		\$1.20, \$1.30, \$1.40,	Souvenir Sheets
Stamps		1 362 000	- High		\$1.80, \$2.00, \$2.10,	
			Value		\$2.50, \$3.10, \$5.00,	
					\$10.00, \$20.00,	
					\$50.00	
Hong Kong '97 \$10	12 February 1997	3 861 000		40,200,000		\$10 Definitive Sheets
Definitive						
Stamp Sheetlets No. 4						
Classics No.7, 8 and 9	14 February 1997	3 315 000		168,300,000	\$45.00 set of three	Definitive Sheets
Definitive					sheets	
Stamp Sheetlets						
Hong Kong '97 \$10	16 February 1997	4 161 000		43,300,000		\$10 Definitive Sheets
Definitive						
Stamp Sheetlets No. 5						
Year of the Ox	27 February 1997	7 975 000	19 729 000	185,300,000	\$1.30, \$2.50, \$3.10,	
					\$5.00	

**Unemployment out of Dismissal or Redundancy**

14. **MR CHENG YIU-TONG** asked (in Chinese): *The information provided by the Government indicates that since 1995, the main reasons for unemployment among those who had worked before were dismissal or redundancy. Amongst those people who became unemployed in the third quarter of last year, 59.4% were dismissed or made redundant, which was much higher than the figure of 30.7% in the same period in 1991. In this connection, will the Government inform this Council of the following:*

(a) *whether it has collected any information relating to items (i) to (iv) below; if so, please provide the following information in the past three years:*

- (i) *the breakdown of the number of unemployed persons who were dismissed or made redundant by "sex and previous employment by trade classification", "age and previous employment by trade classification", "sex and previous occupation" and "age and previous occupation";*
- (ii) *the numbers of persons, amongst the unemployed who were dismissed or made redundant, who had taken part in courses under the Employees Retraining Scheme or received Comprehensive Social Security Assistance payments respectively;*
- (iii) *the numbers of persons, amongst the unemployed who were dismissed or made redundant, who were engaged in the same trade for less than one year, one to less than four years, four to less than six years, and six years and above respectively;*
- (iv) *the policies put in place by the Government to assist unemployed persons who were dismissed or made redundant to obtain re-employment, and the number of such persons who have been re-employed;*

*if not, what the reasons are; and whether the Government will consider collecting such information and publishing it on a regular basis; and*

(b) *whether it will consider requiring employers to inform the Labour Department when employees are dismissed or made redundant, so that the Labour Department can assist the displaced employees in obtaining re-employment; if not, why not?*



**SECRETARY FOR EDUCATION AND MANPOWER** (in Chinese): Mr President,

- (a) (i) The different breakdown of the number of unemployed persons who became unemployed because of dismissal or lay-off for the past three years are set out in Tables 1-4 at Annex:
- Unemployed persons with the mode of leaving last job being "dismissed or laid off", by previous industry (detailed group) and sex (Table 1);
  - Unemployed persons with the mode of leaving last job being dismissed or laid off, by previous industry (detailed group) and age (Table 2);
  - Unemployed persons with the mode of leaving last job being dismissed or laid off, by previous occupation and sex (Table 3); and
  - Unemployed persons with the mode of leaving last job being dismissed or laid off, by previous occupation and age (Table 4).
- (ii) In the past three years (that is, 94-95, 95-96 and 96-97), a total of 65 110 persons had participated in the various full-time retraining courses offered by the Employees Retraining Board. Those retrainees who were unemployed were accorded priority in enrolment for retraining courses.

The Employees Retraining Board (ERB) keeps no separate statistics on the number of retrainees who became unemployed as a result of retrenchment or lay-off, as these retrainees were eligible to apply for retraining courses on the same basis and enjoy the same priority as with any other unemployed persons. The ERB will consider whether it is useful to collect and publish these statistics on a regular basis.

We do not keep statistics on the number of unemployed persons who had been dismissed or laid off, and who are receiving Comprehensive Social Security Assistance (CSSA). This is because the CSSA Scheme seeks to provide assistance to financially vulnerable members of our community to meet their basic needs, regardless of sex, age, family status and background.

- (iii) A breakdown of the unemployed who were dismissed or laid off by length of service is not available. This is because respondents to Government's household survey usually have difficulty recalling the number of years he/she has worked in the same industry. As such, collecting the required information will impose an undue additional burden on respondents. The accuracy of the data collected may also be doubtful. For these reasons, the Government has no plan to collect such data.
- (iv) In tackling the unemployment problem, the Government's objective is to help all unemployed workers including those who were dismissed or laid off to re-enter the labour market mainly through the provision of employment services and appropriate training in the skills required of the labour market.

Since April 1995, the Labour Department has been providing unemployed persons with personalized employment service through the Job Matching Programme (JMP). Unemployed job-seekers joining this programme are provided with in-depth counselling, guidance and active job-matching service. Where appropriate, the Department will also refer unemployed job-seekers to tailor-made retraining programmes provided by the ERB. Since its inception in April 1995 to 31 March 1997, the JMP has registered 15 048 unemployed job-seekers and secured 11 427 job offers for them, representing a success rate of over 70%.

The ERB provides suitable retraining courses for unemployed and displaced workers so as to facilitate them to re-enter the job market. Many training bodies also provide placement service for those trainees who wish to seek employment upon completion of training. Since its inception in late 1992, ERB has provided a total of 174 553 retraining places for over 90 000 persons through its 58 training bodies at 133 training centres. The ERB estimates that around 70% of those who completed full-time retraining programmes could subsequently obtain employment.

We are also providing a comprehensive system of technical education and vocational training through the Vocational Training Council (VTC), Clothing Industry Training Authority and the Construction Industry Training Authority. The training courses so provided aim at enabling both the unemployed and employed persons to acquire new skills to enter the labour market or to upgrade their skills in order to avoid being displaced in the labour market.

During the past three years, the VTC had provided training for 94 000 full-time and 90 700 part-time students. As an active provider of ERB courses, the Clothing Industry Training Authority has provided training to about 2 300 unemployed/displaced workers during the same period. Meanwhile, the Construction Industry Training Authority has been providing a range of full-time short courses which are specially designed for workers who have been displaced as a result of economic restructuring. Some 2 920 workers were trained in these courses in the past three years.

- (b) We do not consider it appropriate nor necessary to make it compulsory for employers to inform the Labour Department when employees are dismissed or laid off for the sake of providing employment service for the affected workers, for the following reasons:
  - (i) The Labour Department has in place a set of administrative measures to gather information about potential large-scale dismissals or retrenchments. These measures, which include maintaining close contacts with trade unions and employers concerned, have proved to be very effective in enabling the Department to offer timely employment services to affected workers.
  - (ii) The Labour Department's Outreaching Placement Service (OPS) responds speedily to any major retrenchments by providing on-the-spot registration and immediate/priority job-matching and other employment-related services to retrenched workers. Since its inception on June 1995, the Department has provided this service for 12 926 workers in 118 retrenchment exercises.
  - (iii) Making it a mandatory requirement for employers to notify the Labour Department of their retrenchment plans will unnecessarily compel them to disclose their commercial decisions. Moreover, employers may wish to make alternative employment arrangements for the affected workers themselves, whilst the employees may wish to seek re-employment through other avenues.
  - (iv) It would impose an undue burden on small employers employing less than 20 persons who constitute 94% of the employers in Hong Kong.

- (v) The Labour Department has been making continual efforts in publicizing its employment services for unemployed job-seekers. Through its liaison work, it has also been encouraging employers to inform the Department of any major dismissal.

Table 1 Unemployed persons with the mode of leaving last job being dismissed or laid off by previous industry (detailed group) and sex

<i>Previous industry</i> <i>(Detailed group)</i>	<i>1994</i>			<i>1995</i>			<i>1996</i>		
	<i>Sex</i>			<i>Sex</i>			<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
Manufacturing	5 600	3 100	8 700	10 100	6 700	16 700	9 500	4 700	14 100
Food and beverage	300	100	300	100	*	100	200	100	300
Clothing and footwear	2 800	2 100	4 900	4 700	4 300	9 000	3 900	2 700	6 600
Paper and printing	300	*	300	1 100	300	1 400	1 300	100	1 400
Other manufacturing industries	2 200	900	3 100	4 200	2 100	6 200	4 100	1 800	5 900
Construction	4 600	100	4 700	11 100	100	11 200	9 200	100	9 300
Foundation and superstructure	2 800	100	2 800	5 600	100	5 700	5 400	100	5 500
Decoration and maintenance	1 800	*	1 900	5 600	0	5 600	3 800	*	3 800

*1994**1995**1996*

<i>Previous industry (Detailed group)</i>	<i>Sex</i>			<i>Sex</i>			<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
Wholesale, retail and import/export trades, restaurants and hotels	3 300	1 800	5 100	6 900	4 000	10 800	8 900	4 100	13 000
Wholesale/retail	900	800	1 700	1 800	1 400	3 200	3 000	1 900	4 900
Import/export trades	800	400	1 200	700	900	1 600	1 500	1 000	2 500
Restaurants/hotels	1 600	600	2 200	4 400	1 600	6 000	4 400	1 200	5 600
Transport, storage and communication	1 600	200	1 900	3 300	300	3 600	4 400	400	4 800
Transport	1 400	200	1 600	3 100	200	3 300	4 100	300	4 400
Storage	100	0	100	100	0	100	100	*	200
Communication	100	*	100	100	100	200	200	100	200
Financing, insurance, real estate and business services	300	200	600	1 000	400	1 400	1 600	500	2 200
Financing	100	100	100	200	100	300	400	200	600
Insurance	*	0	*	100	0	100	*	*	*
Real estate and business services	200	100	400	700	300	1 000	1 200	300	1 500
Community, social and personal services	1 000	300	1 200	2 000	1 200	3 200	2 200	1 000	3 200
Public administration	*	0	*	200	100	300	300	100	300
Education, medical and other health and welfare services	100	*	100	200	400	600	300	500	800
Other services	800	200	1 100	1 500	700	2 200	1 600	500	2 100

1994

1995

1996

<i>Previous industry</i> ( <i>Detailed group</i> )	<i>Sex</i>			<i>Sex</i>			<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
Others	200	0	200	100	0	100	*	*	*
Total	16 600	5 700	22 300	34 500	12 700	47 200	35 700	10 900	46 700

Note: \*Less than 50.

Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the table.

Since all estimates in the table are subject to sampling error, a zero figure may mean a non-zero figure of a small magnitude.

Table 2 Unemployed persons with the mode of leaving last job being dismissed or laid off by previous industry (detailed group) and age

	<i>1994</i>				<i>1995</i>				<i>1996</i>			
	<i>Age group</i>				<i>Age group</i>				<i>Age group</i>			
<i>Previous industry</i> ( <i>Detailed group</i> )	<i>15-29</i>	<i>30-49</i>	<i>□50</i>	<i>Total</i>	<i>15-29</i>	<i>30-49</i>	<i>□50</i>	<i>Total</i>	<i>15-29</i>	<i>30-49</i>	<i>□50</i>	<i>Total</i>
Manufacturing	1 300	5 200	2 200	8 700	2 600	10 700	3 500	16 700	2 700	8 700	2 800	14 100
Food and beverage	100	100	100	300	0	100	0	100	100	100	100	300
Clothing and footwear	600	3 000	1 400	4 900	1 000	6 200	1 700	9 000	700	4 300	1 600	6 600
Paper and printing	100	100	200	300	400	800	200	1 400	600	600	100	1 400
Other manufacturing industries	400	2 100	600	3 100	1 200	3 600	1 500	6 200	1 200	3 600	1 000	5 900

1994

1995

1996

	<i>Age group</i>				<i>Age group</i>				<i>Age group</i>			
	<i>15-29</i>	<i>30-49</i>	<i>□50</i>	<i>Total</i>	<i>15-29</i>	<i>30-49</i>	<i>□50</i>	<i>Total</i>	<i>15-29</i>	<i>30-49</i>	<i>□50</i>	<i>Total</i>
Previous industry (Detailed group)												
Construction	1 300	2 100	1 300	4 700	2 200	6 500	2 600	11 200	2 400	4 700	2 200	9 300
Foundation and superstructure	800	1 300	800	2 800	600	3 600	1 400	5 700	1 500	2 600	1 500	5 500
Decoration and maintenance	600	800	500	1 900	1 500	2 900	1 200	5 600	900	2 200	700	3 800
Wholesale, retail and import/export trades, restaurants and hotels	1 800	2 700	600	5 100	3 100	5 700	2 000	10 800	4 900	6 400	1 800	13 000
Wholesale/retail	800	800	200	1 700	1 000	1 600	600	3 200	2 200	2 100	500	4 900
Import/export trades	400	700	100	1 200	700	700	200	1 600	1 100	1 200	200	2 500
Restaurants/hotels	600	1 200	300	2 200	1 300	3 400	1 300	6 000	1 500	3 100	1 000	5 600
Transport, storage and communication	800	800	300	1 900	1 300	1 900	500	3 600	1 800	2 200	700	4 800
Transport	700	700	200	1 600	1 100	1 700	500	3 300	1 600	2 100	700	4 400
Storage	*	0	100	100	*	*	*	100	100	100	*	200
Communication	100	100	0	100	100	100	0	200	200	100	0	200
Financing, insurance, real estate and business services	200	300	100	600	700	500	300	1 400	800	1 100	300	2 200
Financing	100	0	0	100	200	100	0	300	200	400	*	600
Insurance	0	*	0	*	100	*	0	100	*	0	0	*
Real estate and business services	100	200	100	400	400	400	300	1 000	600	700	200	1 500



	1994				1995				1996			
	<i>Age group</i>				<i>Age group</i>				<i>Age group</i>			
Previous industry	15-29	30-49	≥50	Total	15-29	30-49	≥50	Total	15-29	30-49	≥50	Total
(Detailed group)												
Community, social and personal services	400	400	400	1 200	1 300	1 500	300	3 200	1 200	1 500	500	3 200
Public administration	0	0	*	*	100	200	*	300	100	200	100	300
Education, medical and other health and welfare services	100	0	*	100	300	300	100	600	200	400	100	800
Other services	400	400	300	1 100	1 000	1 100	200	2 200	900	900	300	2 100
Others	0	200	*	200	0	100	100	100	0	0	*	*
Total	5 900	11 600	4 900	22 300	11 100	26 800	9 200	47 200	13 700	24 600	8 400	46 700

Notes: \*Less than 50.

Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the table.

Since all estimates in the table are subject to sampling error, a zero figure may mean a non-zero figure of a small magnitude.

Table 3 Unemployed persons with the mode of leaving last job being dismissed or laid off by previous occupation and sex

	<i>1994</i>			<i>1995</i>			<i>1996</i>		
	<i>Sex</i>			<i>Sex</i>			<i>Sex</i>		
Previous occupation	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
Managers and administrators, professionals, and associate professionals	1 500	300	1 800	3 700	900	4 600	4 700	700	5 400
Clerks	700	1 200	1 900	1 500	2 800	4 400	1 800	3 100	4 900
Service workers and shop sales workers	1 800	900	2 700	4 900	2 000	6 800	5 800	2 500	8 300
Craft and related workers	5 500	200	5 700	12 900	500	13 400	11 200	400	11 500
Plant and machine operators and assemblers	3 200	2 500	5 700	4 200	4 000	8 200	5 000	3 000	8 000
Elementary occupations	3 800	700	4 500	7 300	2 400	9 700	7 100	1 300	8 500
Others	*	0	*	100	0	100	*	*	*
Total	16 600	5 700	22 300	34 500	12 700	47 200	35 700	10 900	46 700

Notes: \* Less than 50.

Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the table.

Since all estimates in the table are subject to sampling error, a zero figure may mean a non-zero figure of a small magnitude.

Table 4 Unemployed persons with the mode of leaving last job being dismissed or laid off by previous occupation and age

	1994				1995				1996			
	<i>Age Group</i>				<i>Age group</i>				<i>Age group</i>			
<i>Previous occupation</i>	<i>15-29</i>	<i>30-49</i>	<i>≥50</i>	<i>Total</i>	<i>15-29</i>	<i>30-49</i>	<i>≥50</i>	<i>Total</i>	<i>15-29</i>	<i>30-49</i>	<i>≥50</i>	<i>Total</i>
Managers and administrators, professionals, and associate professionals	500	1 100	200	1 800	1 200	2 600	800	4 600	1 400	3 400	700	5 400
Clerks	900	900	100	1 900	2 300	1 600	500	4 400	2 800	1 600	500	4 900
Service workers and shop sales workers	1 200	1 100	400	2 700	2 000	3 700	1 100	6 800	3 200	4 000	1 100	8 300
Craft and related workers	1 500	2 600	1 600	5 700	2 900	7 500	3 000	13 400	2 900	6 300	2 300	11 500
Plant and machine operators and assemblers	1 000	3 700	1000	5 700	1 200	5 700	1 400	8 200	1 600	5 000	1 400	8 000
Elementary occupations	800	2 100	1 500	4 500	1 500	5 700	2 400	9 700	1 800	4 300	2 300	8 500
Others	0	*	0	*	0	0	100	100	0	0	*	*
Total	5 900	11 600	4 900	22 300	11 100	26 800	9 200	47 200	13 700	24 600	8 400	46 700

Notes: \*Less than 50.

Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the table.

Since all estimates in the table are subject to sampling error, a zero figure may mean a non-zero figure of a small magnitude.

**Container Transportation of Dangerous Goods**

15. **MR WONG WAI-YIN** asked (in Chinese): *On 24 February this year, an explosion occurred in a container truck which was carrying motorcycles at the time, and it is learnt that there is at present no legislation prohibiting the carrying of motorcycles by container trucks. In this connection, will the Government inform this Council:*

- (a) of the controls which the Fire Services Department, the Transport Department and the Marine Department have under the existing legislation in regard to the carrying of dangerous goods by container trucks, and the details of such controls; and*
- (b) whether, in the wake of the above accident, these departments will consider amending the existing legislation concerned, so as to bring in new control measures to prevent the occurrence of similar accidents; if so, of the expected implementation date of these new measures?*

**SECRETARY FOR SECURITY** (in Chinese): Mr President,

- (a) The Dangerous Goods (General) Regulations (Cap. 295) provides control on the conveyance of Cat.2 (compressed gas except Liquefied Petroleum Gas) and Cat.5 (substances giving off inflammable vapour) dangerous goods. No person shall use any mechanically propelled vehicle for the conveyance by road of these goods in containers unless the use of such vehicle has been approved by the Director of Fire Services. The Director of Fire Services also needs to be satisfied that these dangerous goods are carried in a tank wagon of an approved size, type and construction, and is equipped for the carriage, loading and discharge of such goods.

Under the Road Traffic (Traffic Control) Regulations (Cap. 374) Transport Department has published the Code of Practice for the Loading of Vehicles which deals with the safe loading/mounting of goods on vehicles. The Code of Practice has a reminder on the need to seek the Director of Fire Services' approval on the transport

of dangerous goods.

Marine Department do not have control on transportation by container trucks on land.

- (b) Following the accident, Fire Services Department, Transport Department and Marine Department held discussions to examine possible improvement measure to handle similar problems in future. Transport Department would formulate and add advisory guidelines in the Code of Practice for the safe transport of vehicles. It will advise that the fuel tanks of all vehicles and motor cycles must be drained before they are packed and carried by vehicles. They would also issue, in two months' time, a summary pamphlet on Safe Loading of Vehicles with an advisory paragraph on safe transport of vehicles. Fire Services Department will also arrange meetings with people involved in the trade to ensure that they are well aware of the fire safety precautions that should be taken.

### **Bank Loans Make-up**

16. **DR HUANG CHEN-YA** asked (in Chinese): *Will the Government inform this Council of the average and largest percentages, in terms of number and amount, of the following categories of loans out of all loans granted by the banks in the territory, as well as the standard deviation of percentages, in each quarter of the past year:*

- (a) *personal property mortgage loans;*
- (b) *company residential property mortgage loans;*
- (c) *commercial property mortgage loans;*
- (d) *borrowings by property developers; and*
- (e) *other property related loans?*

**SECRETARY FOR FINANCIAL SERVICES** (in Chinese): Mr President, the Hong Kong Monetary Authority (HKMA) collects information from authorized institutions under the Banking Ordinance about loans and advances in terms of total amount outstanding on a quarterly basis. Statistics related to individual transactions are not kept by the HKMA. The relevant information in respect of property-related lending by authorized institutions in 1996 is set out in the following table:

Property-related lending in Hong Kong by authorized institutions in 1996  
(in HK\$ million)

	<i>Personal property mortgage loans</i>	<i>Company residential property mortgage loans</i>	<i>Commercial property mortgage loans</i>	<i>Borrowings by property mortgage developers</i>	<i>Other property-relat ed loans</i>	<i>Total loans and advances for use in Hong Kong</i>
As at end of	<i>(Note 1)</i>	<i>(Note 2)</i>	<i>(Note 3)</i>	<i>(Note 4)</i>	<i>(Note 5)</i>	
1st Quarter	362,893	56,341	77,076	94,760	34,871	1,445,529
% of total loans	(25.1%)	(3.9%)	(5.33%)	(6.56%)	(2.41%)	
2nd Quarter	382,085	62,631	80,332	97,711	36,086	1,518,367
% of total loans	(25.16%)	(4.12%)	(5.29%)	(6.44%)	(2.38%)	
3rd Quarter	396,535	69,381	82,273	100,802	38,125	1,559,551
% of total loans	(25.43%)	(4.45%)	(5.28%)	(6.46%)	(2.44%)	
4th Quarter	420,748	78,030	87,134	106,074	42,998	1,635,337
% of total loans	(25.73%)	(4.77%)	(5.33%)	(6.49%)	(2.63%)	

	<i>Personal property mortgage loans</i>	<i>Company residential property mortgage loans</i>	<i>Commercial property mortgage loans</i>	<i>Borrowings by property developers</i>	<i>Other property-relat ed loans</i>	<i>Total loans and advances for use in Hong Kong</i>
As at end of	<i>(Note 1)</i>	<i>(Note 2)</i>	<i>(Note 3)</i>	<i>(Note 4)</i>	<i>(Note 5)</i>	
Highest percentage	25.73%	4.77%	5.33%	6.56%	2.63%	-
Average percentage	25.36%	4.31%	5.31%	6.49%	2.47%	-
Standard Deviation	0.25%	0.33%	0.02%	0.04%	0.10%	-

Notes :

- (1) Personal property mortgage loans refer to residential mortgage loans to private individuals and include those for the purchase of flats in Home Ownership Scheme and Private Sector Participation Scheme.
- (2) Company residential property mortgage loans refer to loans to companies to finance investment in residential properties.
- (3) Commercial property mortgage loans refer to loans to companies to finance investment in commercial properties. Loans to finance the acquisition of properties for a borrower's own use are not included under this category and are classified separately according to the principal activities of that borrower.
- (4) Borrowings by property developers refer to loans to finance property development for various types of activities, including those for building and construction.
- (5) Other property-related loans refer to loans to finance investment in industrial properties and other cases where a loan cannot be readily classified by type of properties, for example, where a loan is extended to a property developer not specifically tied to a particular project or where the borrower is involved in more than one sector.

**Urban Renewal**

17. **MR NGAN KAM-CHUEN** asked (in Chinese): *Will the Government inform this Council:*

- (a) *on the progress in the implementation of the proposals set out in the policy statement on "Urban Renewal in Hong Kong";*
- (b) *whether an agreement has been reached with the Land Development Corporation (LDC) to the effect that the LDC in future may, without having to seek approval from the Executive Council, invoke the Crown Lands Resumption Ordinance to resume land required for urban renewal projects; and*
- (c) *when an agreement can be reached with the LDC regarding the setting up of an Urban Renewal Authority?*

**SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS** (in Chinese): Mr President,

- (a) Good progress has been made in implementing the proposals set out in the policy statement on "Urban Renewal in Hong Kong". We have already set up dedicated urban renewal teams in the Planning, Environment and Lands Branch and Planning Department and proposed a Building Safety Inspection Scheme to ensure proper building maintenance. We will be granting land at reduced premium to the Hong Kong Housing Society for the construction of rehousing units for the Land Development Corporation (LDC). We are finalizing arrangements for introducing the linked site approach by which a profitable site is granted to cross-subsidize a financially non-viable redevelopment project. An inter-departmental working group has also been set up to study and to make recommendations on the establishment of an Urban Renewal Authority (URA) and the creation of a rehabilitation fund to assist owners of domestic units to renovate or upgrade their buildings.



- (b) There is no such agreement. It has always been our intention that approval for land resumption will rest with the Executive Council.
- (c) As mentioned in (a), an inter-departmental working group is studying the proposal to set up a URA. The subject is highly complex and it will take the working group probably another six months to examine the various issues in detail.

### "Theft by Finding"

18. **DR LAW CHEUNG-KWOK** asked (in Chinese): *Will the Government inform this Council of:*

- (a) *the number of reported cases of loss of wallets, and the number of such cases in which the lost wallets were recovered, in each of the past three years;*
- (b) *the number of persons convicted of "theft by finding", as well as the average penalty imposed on these offenders, in each of the past three years; and*
- (c) *the measures taken by the Government to publicize the message that "theft by finding" is an offence under the law?*

**SECRETARY FOR SECURITY** (in Chinese): Mr President,

- (a) The Police keep statistics on cases according to the nature of offences. They do not keep separate statistics on the number of reported cases of loss of wallets, which is not an offence.
- (b) The number of persons arrested and subsequently convicted of "theft by finding" were 339 in 1994, 326 in 1995 and 208 in 1996. The penalty imposed ranged from caution to imprisonment. The details on penalties imposed on offenders are at Annex.

- (c) Instead of publicizing the sole message that "theft by finding" is an offence under the law, the Administration have incorporated this in the overall context of publicizing the values of "honesty and integrity" by:
- (i) distributing booklets and teaching kits on responsible citizenship as part of the civic education programme;
  - (ii) establishing honesty, principled morality and common good as the core values of the Guidelines on Civic Education in Schools;
  - (iii) incorporating the values of honesty and integrity into the subjects of Chinese Language, General Studies and Religious Education from primary to senior secondary levels; and
  - (iv) stressing the importance of law abiding behaviours and the consequences of committing criminal offences in the Police's anti-crime publicity.

## Annex

Number of Persons Convicted  
for "Theft by Finding" and the Penalties Imposed

<i>Penalties</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>
Immediate Imprisonment			
Less than 3 months	30	66	42
3 months-less than 6 months	24	32	9
6 months-less than 9 months	6	12	4
9 months-less than 1 years	3	3	1
1 year-less than 3 years	6	2	2
Sub-total	69	115	58

	1994	1995	1996
Fine			
Less than \$1,000	76	66	41
\$1,000-less than \$4,000	103	77	57
\$4,000-less than \$7,000	6	6	7
\$7,000-less than \$10,000	1	0	0
Sub-total	186	149	105
Training Centre	2	0	1
Detention Centre	1	2	0
Drug Addiction Treatment Centre	14	15	14
Probation Order	11	12	6
Community Service Order	1	1	4
Detention Order	0	1	0
Suspended Imprisonment	31	18	16
Bound Over/Conditional Discharge	19	10	4
Caution/Absolute Discharge	5	3	0
Total	339	326	208

### Public Hospital Medical Staff Level

19. **DR DAVID LI** asked: *It is learnt that the Hospital Authority's budget for 1997-98 includes a provision for providing an additional 669 beds in public hospitals. However, it is learnt that the President of the Public Doctors' Association has stated that the establishment of medical personnel in public hospitals should be increased by a further 10% to alleviate the chronic shortage of medical staff, instead of providing more hospital beds. In this connection, does the Government know whether the Hospital Authority:*

- (a) *has assessed the staffing level of medical personnel in each of the public hospitals before drawing up the budget; and*
- (b) *will allocate additional provision for the recruitment of more*

*medical personnel?*

**SECRETARY FOR HEALTH AND WELFARE:** Mr President, the provision of sufficient manpower including doctors, nurses and allied health professionals is crucial to the delivery of quality care services, and the Hospital Authority has carefully assessed the staffing levels and requirements in each public hospital before drawing up its annual plan and allocating resources to different institutions.

The assessment includes a review of the current and projected workload, skill-mix between different professionals, advancement in medical developments, productivity improvements and changes in patients' requirements.

Whenever new beds are commissioned, a package of resources including manpower, drugs and other related provisions is provided to the hospital concerned. Accordingly, extra provision has been included in the 1997-98 Draft Estimates for the recruitment of additional medical personnel to cater for new beds.

### **Foreign Visitors under Hong Kong Government Sponsorship**

20. **DR LAW CHEUNG-KWOK** asked (in Chinese): *Will the Government inform this Council:*

- (a) *of the number of overseas visitors who came to visit the territory in each of the past three years by arrangement of and under the sponsorship of the Hong Kong Government, together with a breakdown of these visitors by nationality;*
- (b) *of the policy objective and effectiveness of the above sponsored visits; and*
- (c) *whether the current policy objective of inviting politicians or other people from mainland China and Taiwan to visit the territory is the same as the policy objective mentioned in the answer to (b) above; if not, why not?*

**SECRETARY FOR HOME AFFAIRS** (in Chinese): Mr President,

- (a) The total number of overseas visitors to Hong Kong whose programmes were arranged and sponsored by the Hong Kong Government (mainly by the Government Information Services Department) over the past three years is as follows:

<i>Type of visit</i>	<i>1994-95</i>	<i>1995-96</i>	<i>1996-97</i>
1. Fully-sponsored <sup>1</sup>	83	96	138
2. Partially-sponsored <sup>2</sup>	31	53	47
3. Programme-only <sup>3</sup>	594	581	782

These visitors came from different parts of the world, as follows:

<i>Area</i>	<i>1994-95</i>			<i>1995-96</i>			<i>1996-97</i>		
	<i>Full sponsorship</i>	<i>Partial sponsorship</i>	<i>Programme only</i>	<i>Full sponsorship</i>	<i>Partial sponsorship</i>	<i>Programme only</i>	<i>Full sponsorship</i>	<i>Partial sponsorship</i>	<i>Programme only</i>
Continental	31	1	66	24	2	136	45	3	227
Europe									
United Kingdom	17	12	51	15	11	35	34	17	45
United States of America	4	3	363	5	33	213	4	0	391
Canada	1	11	26	2	0	54	4	0	4
People's Republic of China#	24	-	-	42	3	3	29	7	13
GATT/WTO	1	3	0	1	2	0	1	1	6
Japan	1	0	17	3	0	71	4	19	42
Australia/	0	0	24	2	1	11	5	0	13

New  
Zealand

<i>Area</i>	<i>1994-95</i>			<i>1995-96</i>			<i>1996-97</i>		
	<i>Full sponsorship</i>	<i>Partial sponsorship</i>	<i>Programme only</i>	<i>Full sponsorship</i>	<i>Partial sponsorship</i>	<i>Programme only</i>	<i>Full sponsorship</i>	<i>Partial sponsorship</i>	<i>Programme only</i>
Other regions*	4	1	47	2	1	58	12	0	41
Total	83	31	594	96	53	581	138	47	782

Notes:

1. Fully-sponsored visits: Those for which the visitor has been invited to Hong Kong by the Government and for which all expenditure relating to airfares, hotel accommodation, meals and land transport is met by the Government.
2. Partially-sponsored visits: Those for which the VIP, visiting Hong Kong for his own purposes, has been invited to extend his visit by a few days in order to undertake a Government programme. Hotel accommodation, meals and land transport are paid for by the Government.
3. Programme-only visits: Those for which there is minimal Government expenditure. Government simply arranges a programme of visits and meetings for the visitor.

\* Other regions include Belarus, Brazil, Congo, Czech Republic, Ecuador, Indonesia, Israel, Korea, Malaysia, Mexico, Peru, Russian Federation, Singapore, Thailand, Turkey, Vietnam, APEC and the United Nations.

# Visitors from the Mainland were sponsored to come to Hong Kong under the following programmes:

- (i) the Sponsored Visitors' Programme organized by the Government Information Services Department;
- (ii) the high-level sponsored visits arranged by the Constitutional Affairs Branch; and
- (iii) the legal study visits organized by the Legal Department.

(b) and (c)

The policy objective of the various sponsored visit programmes arranged by the Hong Kong Government is to provide an opportunity for important overseas visitors to gain first-hand knowledge of Hong Kong including a better understanding of how the Hong Kong Government works.

The Sponsored Visitors' Programme organized by the Information Services Department enables visitors from all over the world to be informed of the opportunities that Hong Kong offers so that they can perceive Hong Kong in a proper and positive manner. Targeted visitors include politicians, parliamentarians, business people, journalists, academics, officials and other important opinion-formers from countries with strong ties particularly economic, with Hong Kong. This Programme was extended to include Mainland officials in June 1995 thereby providing an additional channel for communicating with our Mainland counterparts.

In addition, the Constitutional Affairs Branch organizes some high-level sponsored visits on a reciprocal basis to allow very senior officials of Hong Kong and the Mainland to gain a better understanding of each other's administrative system. The Legal Department also arranges legal study visits with the Mainland on a reciprocal basis to enhance the mutual understanding of the two sides' legal systems.

These sponsored visit programmes have proved to be effective. While there is no precise science in monitoring whether the sponsored visits achieve the intended purposes, feedback obtained from various sources including our overseas offices and our officers who have met with the visitors indicates that many visitors use their newly-acquired knowledge of Hong Kong. They have helped to promote a better understanding between Hong Kong and the rest of the world including the Mainland.

Taiwan is not covered in the above sponsored visit programmes.

## GOVERNMENT MOTIONS

### IMPORT AND EXPORT ORDINANCE

***THE SECRETARY FOR TRADE AND INDUSTRY to move the following motion:***

"That section 5 of the Import and Export (Registration) (Amendment) Regulation 1995 (L.N. 544 of 1995), made by the Governor in Council on 21 November 1995, be approved."

She said: Mr President, I move the motion which has been printed on the Order Paper, namely, that section 5 of the Import and Export (Registration) (Amendment) Regulation 1995, made by the Governor in Council on 21 November 1995, be approved.

The purpose of this motion is to include a new method for traders using the Community Electronic Trading Service provided by Tradelink to pay declaration charges to the Government.

At present, trade declarations may be lodged either in person or by post. The corresponding declaration charges should be paid in cash or by cheque at the time of lodging the declaration.

It is now possible for traders to lodge trade declarations using the Community Electronic Trading Service, a paperless method of conducting business. Those traders using this service will need to have another method of paying the Government.

Tradelink and the Government have agreed that Tradelink will, on behalf of its customers, pay the Government the declaration charges for all declarations lodged using its service and then recover such sums from the relevant customers through its normal billing system.

Section 5 of the Import and Export (Registration) (Amendment) Regulation 1995 is amended to retain both the existing payment methods and to add the new payment method as agreed to by the Government and Tradelink.

Mr President, I beg to move.



*Question on the motion proposed, put and agreed to.*

**IMPORT AND EXPORT ORDINANCE**

***THE SECRETARY FOR TRADE AND INDUSTRY to move the following motion:***

"That the Import and Export (Registration) (Amendment) Regulation 1997, made by the Governor in Council on 18 March 1997, be approved."

She said: Mr President, I move the second motion which has been printed on the Order Paper, namely, that the Import and Export (Registration) (Amendment) Regulation 1997, made by the Governor in Council on 18 March 1997, be approved.

The purpose of this motion is to revise the declaration charges payable to the Government upon lodgements of trade declarations.

It is now possible for traders to lodge trade declarations using the Community Electronic Trading Service provided by Tradelink and our aim is to make this the only method of lodging trade declarations in three years' time. In addition to paying Tradelink for using its service, levies in the form of declaration charges are also payable to the Government. If such declaration charges remain unchanged, the use of the Community Electronic Trading Service will not be attractive for the business community because it will result in a higher overall charge. Apart from the phased withdrawal of the existing facilities for collecting trade declarations, we need a financial package to encourage the business community to stop using paper forms and switch over to a paperless method of conducting business.

Under the Import and Export (Registration) (Amendment) Regulation 1997, the existing set of charges will be replaced by two. Declaration charges for paperless lodgements will enjoy lower rates of charges. As far as possible, the combined government and Tradelink charges will be less or no more than the current charge. Declaration charges for paper lodgements will be increased. This is necessary as a disincentive for the continuation of paper lodgements. Without such a disincentive, the financial package will not be effective.

Mr President, I beg to move.

*Question on the motion proposed, put and agreed to.*

## **GOVERNMENT BILL**

### **Second Reading of Bill**

### **Resumption of Second Reading Debate on Bill**

### **Resumption of debate on Second Reading which was moved on 12 March 1997**

## **APPROPRIATION BILL 1997**

**SECRETARY FOR HEALTH AND WELFARE** (in Cantonese): Mr President, health and welfare services have always been a concern to the Legislative Council. Last week when several Members spoke on these two areas, I listened carefully to their views.

In the past couple of months, concern has been expressed by various people in various quarters about the disposition of elderly members of our community. Indeed, many Members of this Council last week called for an upward revision to the payment we provide to the elderly under our Comprehensive Social Security Assistance (CSSA) Scheme.

Let me reassure Members that looking after senior members of our community has always been a priority of this Government. We are particularly conscious of our growing responsibility in this area, as our population ages and our elderly population grows. In this connection, we have adopted a two-pronged approach —financial assistance and direct services.

### *Services for the Elderly*

Over the last five years, public expenditure on services for the elderly has increased at an unprecedented pace. For community support services, we have now 305 elderly centres providing day care, compared with 197 five years ago. We intend to provide an additional 30 such elderly centres this year. For residential care, we have more than doubled the number of residential places, from 7 000-odd five years ago to the current 15 500. We will further provide about 2 800 places in respect of residential and nursing care this year.

Work in the area of elderly services will continue. This year, we expect to spend another \$12 billion on financial assistance, medical services and social welfare for the elderly, a 7.5% increase in real terms over our expenditure in the last financial year.

To ensure the services we provide meet the changing needs of time, we have commissioned a consultancy study to assess the needs of the elderly for community support and residential care services. This most comprehensive survey on elderly services by the Government in recent years will be completed this summer. We shall then be in a better position to consider improvements to and the future direction of such services.

#### *Financial Assistance to the Elderly*

We are aware of the importance of providing a secure living to our elderly people. Members have also spoken on this issue. However, the income of retired people should come from personal savings, contributions from family members and contributory retirement protection schemes. Our proposed Mandatory Provident Fund (MPF) Scheme is under active preparations. When it is up and running for some time, it will supplement personal savings and contributions from family members to support our elderly citizens. As regards the CSSA Scheme, the intention is to provide assistance to the financially vulnerable elderly to meet their everyday basic needs. The CSSA Scheme is a non-contributory welfare scheme funded entirely from General Revenue. It is not a retirement protection scheme and CSSA payment should not be taken as pension.

I might just pause here to clarify a couple of points. The actual amount of CSSA payment an elderly person receives each month is not confined to the standard payment. Apart from receiving the standard payment, an elderly person receives various allowances such as for rent, for a telephone and other expenses. In fact, an elderly person receives on average about \$3,000 a month.

In addition, fees for medical treatment at government clinics and Hospital Authority (HA) Hospitals are waived for CSSA elderly.

Nevertheless, to ascertain more accurately the financial position and needs of the elderly, we have commissioned a consultancy study on CSSA elderly recipients, with a view to finding out their actual expenses, financial resources and needs, as well as their knowledge of the various special allowances available under the CSSA Scheme. The study will be completed in this summer.

Furthermore, we will also launch another study into low income non-CSSA elderly, with a view to finding out their knowledge of the CSSA Scheme and their reasons for not applying for CSSA.

The studies should provide us with useful pointers as to how we could focus our efforts to make the CSSA Scheme better suited to those elderly people who are in need.

#### *Services at General Out-patient Clinics*

Let me now turn to health services. Members have pointed to the need to provide more general out-patient (GOP) clinics to cater for the increasing population. In order to strengthen our GOP service, the Department of Health (DH) in 1997-98 will open one new clinic and improve the capacity of some existing clinics to provide an additional 180 000 patient consultations a year. Plans are also in hand to open another five GOP clinics in the next five years.

Some Members would like to see more GOP clinics operating on public holidays. Currently, eight GOP clinics provide service on public holidays. From end June this year, two more clinics, one in Sha Tin and one in Tuen Mun, will start providing GOP service on public holidays. In addition, the MediLink hotline service of the Hong Kong Medical Association provides useful information to the public on the availability of services provided by the private sector during public holidays. We shall continue to monitor the demand for GOP service on public holidays and make our best effort to increase our level of service in future.

Some Members have expressed concern about the service provided at GOP clinics to patients with chronic diseases such as diabetes mellitus. At the GOP clinics, patients with stabilized chronic illness referred from the Hospital Authority Hospitals are attended to for regular assessment and follow-up.

Patients with complications or in need of detailed investigations are referred back to the hospitals for further management. In addition to curative care, doctors and nurses at the clinics provide health education and individual counselling on lifestyle and self-care to patients. Support groups and health talks are arranged for patients and their family members to involve and assist them in taking care of the patients' health.

We shall continue to improve shared care arrangements between HA and DH, enhance professional training such as training on family medicine, nutrition and communication skills, so that chronic patients are given appropriate treatment and care in the most cost effective manner.

As Secretary for Health and Welfare, I naturally focus much of my concerned on the well-being of the sick and the elderly. We should never see old age as a "problem". In this modern society with the advancement in medicine, old age is never a synonym for frailty and destitution. Most elderly people in Hong Kong are healthy and strong. With years of life and working experience, elderly people can be treasures to their families and society as a whole if such experience is put to full play. I hope that elderly members of our community will adopt a positive attitude towards their life. I also hope that the community as a whole will likewise adopt a positive approach towards elderly people. In this way, elderly members of our community can spend their remaining years positively and meaningfully.

Thank you, Mr President.

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Mr President, I am grateful for the valuable and constructive views expressed by Members on education and manpower in the Budget debate last week. I will take this opportunity to make a general response.

### *Education*

Let me first deal with education. I am glad that Members generally welcomed the Government's proposal to increase expenditure on education. In the 1997-98 financial year, the estimate of the total expenditure on education will exceed \$45.3 billion, representing the largest share — 18% — of the total public expenditure, and 7.7% increase in real terms over the education

expenditure in 1996-97. Furthermore, it is higher than the average growth rate of 6.9% of the total public expenditure.

If we look at basic education alone, the increase in real terms is more than 10%. Some Members have called on the Government to spend more on education, in particular basic education. I am grateful for their concern on education.

As education has a significant bearing on the long-term development of society, the Government will, no doubt, continue to spend more on education to meet the needs and to cope with the long-term development of society. But if we think that merely by increasing education expenditure to a certain percentage of our Gross Domestic Product will substantially improve the quality of education, we have overlooked the complexity of the issue.

Some Members quoted the outcome of the Third International Mathematics and Science Study (TIMSS) and argued that the relatively weak performance of Hong Kong students in science subjects pointed to the need for an increase in expenditure on our education. But I would like to point out an important and instructive finding by some commentators in the same study. And that is: the size of education investment of a region or a country has no direct relationship with the quality of education output. For instance, education expenditure in terms of the percentage of GNP of some advanced countries in the western world is higher than that of Hong Kong, but the performance of their students in mathematics and science subjects lags far behind ours. Of course, I totally agree that students' performance in academic subjects is only one of the indicators in education. However, while we allocate more resources to education, we have to examine where the resources should go and what we expect to achieve.

I reiterate that the Government will continue to implement various measures to improve education in the next few years. For example, we will speed up the provision of whole-day primary schooling, provide additional graduate posts in primary schools, raise the language proficiency of students, enhance their information technology awareness, and improve services in special education. At the same time, we will make sure that our investment in education is result-oriented. Let me cite an example. The comprehensive strategy on enhancing the language proficiency of students the Government has endeavoured to promote is based on the recommendations of the Education Commission Report No. 6 published in 1996. One of the recommendations was to set up the Standing Committee on Language Education and Research (SCOLAR). Since October last year, SCOLAR has been actively conducting

researches to set the attainment targets for language learning at different levels of education and to design the relevant assessment methods, in order to evaluate the effectiveness of various language measures. We have also completed an initial phase of the language benchmark study for three types of teachers and will conduct a pilot exercise in 1997-98. Based on the result of the pilot exercise, we can work out the long term implementation plan.

Our aim is therefore not only to allocate more resources to develop education, but also to ensure that the resources are used effectively to enhance the overall quality of education. The consultation document for the Education Commission Report No. 7 (ECR7) proposed to promote the quality of school education from a macroscopic perspective. Among other things, it recommended ways to improve the school system, and to put in place a quality assurance mechanism to encourage schools to develop appropriate quality indicators according to their own characteristics and the needs of their students, in order to assess the performance of students in any of the major domains of education. I hope that ECR7, when finalized, will set education targets, recommend how a quality assurance mechanism as well as indicators and assessment methods of students' performance are to be developed. I also hope that a consensus will be reached in the education sector to have in place an award scheme to encourage quality school education.

I think that our school education needs more resources as well as reform. The Government and the education sector will join forces to open a new page for our education.

In increasing the investment in basic education, the Government will not ignore the development of higher education. As Members know, the University Grants Committee published a report on Higher Education in Hong Kong in October 1996 which sets the future direction for the development of higher education into the 21st century.

Tertiary education has entered a consolidation stage where the primary focus should be on quality rather than quantity. But consolidation does not mean stagnation. The Government remains committed to allocating resources for high-quality tertiary education. For instance, we plan to spend \$1.6 billion over the next few years to provide an additional 11 000 hostel places. Hostel life will sharpen students' communication skills and independent thinking abilities, nurture their leadership qualities and encourage participation in community affairs. At the same time, we also support the investment of tertiary institutions in emerging centres of excellence. This will enable our institutions

to achieve recognition as the renowned researchers in the Asia-Pacific region as well as in the world.

### *Manpower and Labour*

Some Members have expressed concern during the Budget debate over the Government's long term manpower training policy. I have to reiterate that it has long been Government's manpower policy to provide adequate and proper training for employees through vocational training and retraining schemes so as to ensure that our workforce is equipped with the requisite skills and expertise to meet the demands of the Hong Kong economy and to enhance Hong Kong's overall economic competitiveness.

We are now analyzing the public feedback gathered through consultation on the recommendations of the two reviews which we conducted in respect of the Vocational Training Council (VTC) and the Employees Retraining Scheme (ERS). In the light of this, we will map out, over the next few months, a comprehensive strategy which will set the future direction of both the VTC and ERS. Our aim is to ensure that these bodies are market-driven and responsive to Hong Kong's changing socio-economic needs.

### *Occupational Safety and Health*

One of our key priorities in the new financial year is to promote occupational safety and health. Therefore, we propose to allocate more resources to this area. In this regard, I am pleased to note that the Legislative Council Bills Committee has successfully concluded its scrutiny of the Occupation Safety and Health Bill. This Bill is a milestone which will ensure the protection of the entire workforce's safety and health at work. I hope Members will support the early enactment of this Bill.

One Member has expressed concern over the financial position of the Occupational Safety and Health Council (OSHC) and questioned the Government's commitment in ensuring that the Council is financially capable of discharging its role.

First of all, let me stress that the Government is most appreciative of the work of the OSHC. We are conscious of the fact that the declining income from



the Employees' Compensation Insurance levy has affected the expansion programme of the OSHC, which is a self-financing body. The Council has recently proposed an increase in the rate of the levy as a long-term solution to boost its recurrent income. We are carefully considering this proposal. However, even if this idea is materialized, it would take some time before a sizeable additional income would accrue. The Administration is examining how best to assist the Council so that it can launch its expansion programme, including the promotion of the Occupational Safety and Health Bill, pending the proposed increase in the levy rate.

### *Conclusion*

I have to thank Members again for their concern for our education, manpower and labour issues in Hong Kong. We will, together with Members and all interested parties, strive to provide quality education for our younger generations, safeguard the rights and interests of our working population, maintain our economic success and secure the stability and harmony of our society.

Thank you.

**SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS** (in Cantonese): Mr President, as Members have such a deep concern for the housing problem, especially on the problem of land supply, I first of all, hereby reiterate that the Government will try to dispose more land for housing development.

In his Budget speech, the Financial Secretary points out that over the next five years, we plan to release 327 hectares for public and 260 hectares for private housing, an increase of 46% over the previous five years.

However, our planning does not stop here. Let me spell out the items concerned. First of all, in the Territorial Development Strategy Review, we have already picked out ten Strategic Growth Areas as the target areas for the implementation of housing development programme over the 2001-2006 period. These areas include the South East Kowloon and the Kai Tak Airport, Tung Chung New Town and the remaining part of the Tseung Kwan O New Town, and the Au Tau -Kam Tin region. Planning, development and works studies for these areas are being carried out, and the implementation of the relevant public

works will follow so that there will be land in time to meet the requirements of housing and community needs.

Secondly, we are now looking for some vacated sites for thorough development feasibility studies to see if more housing land can thus be provided. Some of these sites are situated in locations originally ear-marked for industrial or unspecified government/institution/community use, and some in fully planned areas with community service and infrastructure capable of meeting the demand for a bigger population. Besides, there are sites located on the fringes of planned or developed areas. These are all new areas with development potential where additional road construction and infrastructure extension pose no great difficulties.

Thirdly, some old or run down industrial areas may be re-allocated for residential development use. A Government employed consultancy has completed two studies on the supply of new industrial land and buildings and on old industrial area redevelopment. These studies provide useful material in the formulation of our industrial land use strategy, and the re-allocation of industrial land for other uses (including residential development). The proposals are being studied and concerned committees and groups are being consulted for opinions.

Fourthly, we are committed to the re-zoning of land use, and the granting of reallocation of old and derelict industrial land for other uses. This is part of what we have been doing in urban planning. For instance, quite a number of residential lands in Sham Tseng, Tsuen Wan and Quarry Bay, and commercial land in Kwun Tong are granted in this way. We will continue to process such applications, and granting approval on individual basis.

Fifthly, we are now studying the feasibility of raising the development ratio of some areas and individual residential lands. These areas have to possess adequate community service facilities and infrastructure, and the residential land too has to have adequate service and facilities which can cope with a bigger population. For instance, Tsuen Wan Bay Reclamation Area, Pak Shek Kok Reclamation Area and Shatin 65A are on our list of consideration.

Sixthly, besides the above-mentioned opening up of more new residential land and additional facilities on housing land, we are now opening up the backup

land on existing towns for housing use. These include Tin Shui Wai backup land and the latter phase of the airport railway related residential development. Furthermore, a majority of our yearly housing land supply comes from redevelopment. We have been studying ways to speed up the process of planning and land works in order to facilitate housing development by developers through redevelopment. We have completed short term measures, and the reviewing of long term measures will be completed in a few months.

The Sino-British Land Commission held their meeting this morning — it might very well be their last plenary meeting, and agreed on the land disposal for 1 April -30 June, 1997. Besides the release of land for special use, the scheme has granted 7.82s hectares for commercial/residential, high density and low density residential use, and 4.45 hectares for home purchase scheme development. The granting of these land are being processed.

Over the years, the Chinese Side of the Land Committee has been supportive on our releasing all types of lands to satisfy the community needs. Though Annex III of the Joint Declaration specifies that the total amount of new land to be granted shall be limited to 50 hectares a year, it has exceeded that every year since the setting up of the Land Commission. As all know, to satisfy the market's demand, the amount of housing land granted by the land disposal scheme has been on the increase in recent years. The amount of housing land granted in the year 1996-97 is double that of the year 1993-94.

The land disposal scheme for the remaining nine months of the year 1997-98 falls into the SAR Government. Nevertheless, we can foretell that the coming land disposal schemes will take care of the public's concern on more allocation of land for housing purpose. We are working on the finalized proposal so that the SAR Government can announce it as soon as possible.

Mr President, before rounding up, I would like to point out that I am much concerned about some recent accusations of blaming the Government for maintaining a high land price policy. We feel disturbed as these accusations, though untrue, do pop up from time to time, especially when the property price is on the upward climb. I have to reiterate that these accusations are entirely groundless. The Government has not decided, nor carried out a high land price policy. Hong Kong is a city believing in free market economy. Land lots are mainly sold by tender or auction. We will not, and cannot decide the land price, nor do we speculate on the price beforehand. As a matter of fact, we have been

accused of failing to make accurate predictions on the land price. However, as the land is sold by tender or auction, the price is entirely decided by the market. Neither have I heard from these accusers any land sale suggestions which can ensure fairness on the one hand and our free market principle on the other. I do hope Members will believe that the aim of the Government is to ensure adequate supply of land to meet the demands from all sides. As I have just said, the 50 hectare ceiling of land release stated in Annex III of the Joint Declaration has not impeded on our land supply. We, while doing our utmost to satisfy private housing demand, will ensure that there is adequate land to meet the land demand for public and home purchase scheme housing development. Lastly, we have to bear in mind that the supply of land for housing development does not depend on the crown land alone. I believe Members are all aware that part of our land is privately owned, and the redevelopment of these lands is one major source of residential land supply. We will do our best to help in the realization of this type of redevelopment.

Finally, Mr President, I would like to say that the Government will spare no effort in carrying out the commitment, that there will be adequate land supply for housing and other purposes. We too hope that support will come forth from all sides to help us realize this commitment.

Thank you, Mr President.

**SECRETARY FOR HOUSING** (in Cantonese): Mr President, I thank Honourable Members for their views on various housing matters. This year, attention has been focused on four aspects, which include flat supply, residential property market, encouraging home ownership and provision of public rental housing to people in genuine need. I will respond to these four aspects.

*Flat supply*

First, I agree that we need an adequate and steady supply of land before we can provide sufficient flats in the public and private sectors to meet the demand. My colleague, the Secretary for Planning, Environment and Lands, has just described in detail the Administration's plan in respect of land supply.

Some Members question whether the Administration will be able to meet the housing production targets it announced. I would respond by saying that we

remain firmly committed to our massive public housing programme: 141 000 public rental flats and 175 000 subsidized home ownership flats are being produced for low and middle income families in the six-year planning period from April 1995 to March 2001. Annual levels of supply will increase steadily from 1997 onwards.

For the private property market, we are committed to facilitating the production of 195 000 private flats in the above mentioned six-year planning period. At the moment, the amount of land allocated is sufficient for producing 85% of our target. Although private sector flat supply in the past two years was relatively low, it will see a steady annual increase from 1997 onwards, to about 22 000 units in 1997, about 36 000 units in 1998, and more in the years to follow.

In addition to the production of new flats, there are still some 34 000 vacant flats (3.7% of housing stock) in the market. Since, on average, fewer than 25 000 units are taken up each year (for example, 20 500 units in 1996), there should be a sufficient supply of private flats in the market to meet present demand, especially for small to medium sized flats.

As for the next planning period from April 2001 to March 2006, we have set out clearly in the Long Term Housing Strategy Review Consultative Document released in January this year our intention to provide 390 000 new flats, a figure which includes a safety margin to allow for unforeseen circumstances in housing demand. We have also explained the ways in which this massive commitment can be achieved.

Some Members have expressed concern understandably over the problems which may arise to frustrate these announced targets, including lengthy approval procedures and site-specific difficulties. We will take a proactive approach to deal with these problems.

First, we are accelerating our production speed and housing production by streamlining and speeding up procedures for housing construction (as indicated by SPEL), examining the feasibility of increasing the development density of certain areas and re-zoning industrial areas for residential use. The Financial Secretary will soon set up a Task Force to co-ordinate these activities. This reaffirms the Government's determination to increase the supply of flats.

Second, I have decided recently to extend assistance to and the scope of our fast-tracking and monitoring mechanism to cover housing projects involving 200 flats or more each, as against the previous criterion of 500 or more flats for each project. This mechanism has already chalked up notable successes. Up

to now, assistance has been extended to the implementations of 58 public and private housing projects, involving over 130 000 flats. More flats are expected to be brought onto the market more quickly. We will continue to encourage private developers to bring to the attention of the Housing Branch difficulties they have encountered in their construction projects and we will do our best to assist.

Given the Government's firm commitment to supply adequate land for housing development, our determination to speed up procedures, and our successful fast-tracking mechanism for projects, we remain optimistic that we will be able to achieve the Policy Commitment to produce 511 000 flats in the public and private sectors by March 2001, and that we will continue to satisfy housing demand in the following five years.

### *Residential property market*

I now turn to the residential property market. In response to a spate of speculative activities at the beginning of this year, I announced respectively both in January and March this year series of measures to boost flat supply and to dampen speculation. These measures have been very effective: speculation through the use of companies has subsided; chip trading has disappeared; sale of flats has been conducted in an orderly manner; confirmors have been hit hard; asking prices for flats have gone down by 5% to 10%; and up to 18 000 flats are expected to be put onto the market earlier for pre-sale.

In addition, I am pleased to inform Members today that the pre-sale period for Sandwich Class Housing flats will be extended from 18 months to 24 months before completion. This will enable 2 000 such flats to be put onto the market earlier. The various new pre-sale arrangements, taken together, will enable about 20 000 flats to be put onto the market earlier.

I have also discussed with estate agents recently, exhorting them to drop unhealthy practices, to refrain from participating in speculative activities, and to adopt greater discipline within their own industry. Their response has been encouraging, and I will work out with them as soon as possible a set of guidelines to eliminate inappropriate operating practices.

In addition, I will initiate discussions with the Law Society soon on ways to clamp down on the buying and selling of flats by confirmors since such a transaction method is really unfavourable to genuine buyers and the risk involved

is also great. I have repeatedly warned the public against buying from confirmors, and I do hope that lawyers in Hong Kong will co-operate with the Government in this respect for the sake of public interest.

### *Encouraging home ownership*

Turning to home ownership, several Members have urged the Government to do more to help people buy their own homes. I wish to point out that there are already various subsidized home ownership schemes and loan schemes for low and middle income families earning up to \$60,000 per month. In addition, they are normally given attractive mortgage arrangements by financial institutions. Here, I would like to quote the example of a Member. A university lecturer with a family fails to get himself a flat. In fact, he can benefit from one of these schemes unless his family income exceeds \$60,000 a month, or he wishes to buy a large and more expensive flat. We will continue to provide money and resources in order to expand these schemes which I have just mentioned to benefit more low and middle income families.

### *Provision of public rental housing to people in genuine need*

Some Members have expressed concern at the plight of some inadequately housed families and pointed to the need to maintain an adequate stock of public rental housing. This is an appropriate opportunity for me to state once again our firm commitment to provide public rental housing at reasonable rents to families which are in genuine need, a commitment reiterated in our Long Term Housing Strategy Review Consultative Document. We have also proposed other improvements in the Consultative Document, that the Housing Authority should:

- assess the existing Rent Assistance Scheme to ensure that adequate assistance is available to families facing genuine hardship;
- increase the supply of small public rental flats for qualified single persons;
- consider the feasibility of clearing all Cottage Areas;

- explore the feasibility of clearing all squatter areas on mixed lots in urban areas; and
- phase out all existing Temporary Housing Areas quickly.

Thus, having regard to the opinions put forward by Members and the various proposed improvements which I have just mentioned, I am sure that the living conditions of these groups of people will improve in the years to come.

As regards the Waiting List for public rental housing, Members should know that in the last few years, it has already been progressively reduced, and is now six and a half years. We have pledged to reduce it further to under five years by 2001. If the measures we have proposed in the Long Term Housing Strategy Review Consultative Document are implemented in full, the waiting time should be reduced even further, although it would be premature to quantify in absolute terms or make an announcement regarding the extent of the reduction while public consultation is still continuing.

### *Conclusion*

In conclusion, Mr President, I would like to assure this Council that the Government is fully committed to improving housing conditions in Hong Kong, and that we are doing a great deal of positive work to meet the housing needs of the community.

Thank you, Mr President.

**FINANCIAL SECRETARY** (in Cantonese): Mr President,

### *Introduction*

First of all, I would like to thank Honourable Members for their thoughtful comments on my Budget. Your criticism and your support are both of interest and value to me. Constructive criticism challenges our thinking in the Administration. It keeps us alert, stops us from becoming complacent. It gives us a fresh perspective. And because we are a responsible and responsive



Administration, it can lead to change. Your support is useful, not only because it will result in votes for the Appropriation Bill, but also because it shows where we have got our proposals right. Members will note that we have fielded five speakers including myself. This is because we wish, like Members, to focus on the key issues.

During the last two days many words have been used to describe the Budget — "positive and upbeat", "conservative", "prudent", "confidence-boosting", "disappointing", "too rigid", "stingy" and even "boring". None of these, given the different constituencies involved, came as a surprise to me, except perhaps the epithet of "boring". After all, it has inspired 54 members to sometimes quite passionate debate for a total of over 10 hours!

More specifically, Members have called for us to do more for the elderly, to do more for education and for housing. But they have also supported the new tax allowances, tax bands' restructuring, and the new initiatives to help business. I am grateful for this support.

The community has also made clear its views, through newspapers, call-in programmes and feedback to District Board Members and district officers. Again, there is a mixed response.

But overall, both in this Chamber and in the community, there is I believe a mature understanding of the constraints we faced in drawing up our proposals. As I said in my Budget speech, this is a very special year for Hong Kong. And it calls for a special Budget, a prudent Budget, a Budget that would bridge the transition.

My colleagues have answered Members' questions on our expenditure proposals in detail during the Special Finance Committee meetings at the end of last month. And this afternoon they have responded to the main areas of criticism.

I will not repeat their points. I would like to touch briefly on three issues: housing, Comprehensive Social Security Assistance (CSSA) and our reserves. The Secretary for Housing and the Secretary for Health and Welfare have already explained just how much we are doing in the first two areas. I want to make a few more general points.

*Housing*

First, on housing. As a result of our recent measures, it appears that already there are fewer speculators in the property market. This is good news. But I accept that Government has a duty to continue its efforts. We need to help people to buy their own homes. Not, as I explained in my Budget speech, through general tax concessions. We must target our help and the community's resources on those who need such assistance. The best way, and in the long term the only sure way, is to balance better the equation of supply and demand. By continuing to build more subsidized housing and by providing more land. I am personally committed to tackling this problem. And I look forward to working with my colleagues in my special task force to come up with new initiatives to do so. Our terms of reference are as follows:

- to set overall programmes in supplying land for housing development so that planning, land acquisition, land formation, development of transport and other infrastructure can be prioritized and co-ordinated;
- to consider ways and means to remove constraints in, and to expedite, the approval process and to take quick decisions where there are competing priorities;
- to exploit opportunities for developing the land held by developers for housing purposes and to explore innovative proposals in providing the housing-related infrastructure; and
- to ensure that land available for public and private housing is fully and quickly developed into housing units.

*Comprehensive Social Security Assistance*

Next, the CSSA. The Secretary for Health and Welfare has described the impressive improvements we have made in the social welfare field in general and on CSSA in particular. As I said in my Budget speech, we have increased our expenditure on welfare by 88% in real terms over the past five years. The rate of increase in welfare spending in this Budget exceeds again by a wide margin the rates of increase allowed for all other major government spending

programmes. This is a good track record. It shows that we have consistently put priority on caring for those in our community who need support. I am sure we will continue to do so, so long as this reflects the wish of our community.

In this debate, Members have focused on CSSA payments for the elderly. We agree that this is an important issue. We have listened carefully to the arguments put forward to increase the standard rate, and will weigh them up carefully in the 1997 RAE that will shape the 1998 Budget. Next month, my colleagues and I will start our consultation exercise on spending priorities. This will give the whole community the opportunity to make their views known and to look at all proposals, including those on the CSSA for the elderly, together. The timing of the consultation and the two studies on the elderly mentioned by Secretary for Health and Welfare, to be completed this summer, fit together well. One study is on the financial position of elderly CSSA recipients. The other is on the needs of the elderly for services and support. So, our decisions will have a rational basis so that a caring idea from the heart will be pursued and decided upon rationally in the head. We are listening and our minds are open.

Some Members have demanded an immediate increase of \$300 per month. I would like to make two points in reply. First, while cash is clearly important, so too are the nursing homes, social support networks, day care centres, home help, and healthcare that we provide. There need to be a balance between financial help and direct services. We gave priority to cash assistance in the 1996 Budget. It was entirely reasonable for us this time round to put the emphasis on direct services.

Second, we have to ask ourselves what is it that allows Hong Kong to increase government spending in real terms year after year when many other countries in the world are cutting back. The answer is we have a sensible system based on discipline. Because we keep our discipline, our system works. It continues to keep our economy growing, it continues to create the new wealth that allows us to spend more. Some Members have suggested that we could get round the system by setting up a specific fund to help the elderly. But such a capital fund should only be used for genuinely one-off items. If a fund is used

instead for recurrent purposes, such as making regular cash payments, this circumvents our guidelines and smacks of creative accounting. No responsible Financial Secretary could agree to such a proposal. This would be a breach of discipline. Short term popularity would have been bought at the expense of long term prosperity. It is too high a price to pay.

In this regard, we should concentrate on what we can do in the coming year. This means, most of all, establishing a rational basis for any increase in the CSSA. Once that is done we should work further to find the savings for financing the increase in the course of this year or next. Some may see this determination to adhere to our "golden rule" as inflexible or rigid. But as I have said, keeping to the "golden rule" is one of the reasons Hong Kong has been able to lay a nestful of "golden eggs": our economic success, our low taxes, our steady increase in public spending and our fiscal reserves.

### *Fiscal Reserves*

This brings me to the final point I want to make. Many Members have suggested that our reserves have reached a level which is more than adequate to meet our needs.

Let me repeat what I said a year ago. This is not the time to weaken the security afforded by our fiscal reserves. This year, much more than any other, the need to maintain the stability of our financial systems must override all other considerations. Maintaining confidence, both locally and overseas, in the soundness of our financial systems is of paramount importance in the remaining months before the birth of the Hong Kong Special Administrative Region (SAR) Government and as we move into the new era.

Let me also put the size of our fiscal reserves into proper perspective. After taking account of the revised estimate of the surplus for 1996-97, our fiscal reserves at 31 March 1997 are \$163 billion. This is equivalent to 87% of our total expenditure in 1996-97. Five years ago, the corresponding figure was 107% and 15 years ago, it was 81%. One could argue that in relative terms, our fiscal reserves are no larger today than has been the case in the past.

But what makes today's situation very different is the prospect that from 1

July 1997 the SAR Government will have access to the balance which has been accumulated since 1985 in the Land Fund. This will effectively double the size of the reserves overnight. By 31 March 1998 — not now but next year — our forecast total reserves of \$359 billion will be equivalent to 177% of our expenditure in the year. I agree, this is a massive sum.

If the fiscal reserves have played a vital role in preserving the stability of our economy in the period leading to the establishment of the SAR, then the challenge we will face is how to use these reserves to the best for the benefit of our community in the next millennium, without inviting back double-digit inflation.

I agree wholeheartedly with those Members who have pointed out that our robust and healthy finances reflect the contribution over the years by our community. It is right that it should receive a return for its past endeavours.

The appropriate level of reserves in the longer term and how best to use those we have already accumulated are issues which my colleagues and I are already looking at. We will continue to listen to Members' suggestions on this important issue. But this is a debate for another day after we have successfully sailed through the transition.

### *Conclusion*

I would like to end by saying something about the Budget process. I see it as a continuous one; one in which the Administration consults this Council and the community, first on spending ideas and later on revenue proposals. We then draw up our package responding to requests as best we can. So the Budget that emerges each year is a shared responsibility. As guardian of the public purse, I cannot hope to please all the people all the time. But in my Budget, I do aim to please as many as I can when I can. For example, I am pleased to say our dialogue led to us responding positively to the vast majority of the Democratic Party's requests this year — as is shown in their latest bulletin. This dialogue is a fine tradition which we should cherish in the years ahead. And the dialogue is about to begin again.

This year the Budget had a unique role to play. It was right that it should

be prudent and conservative. The debate on it is only partly about our few differences. It is mainly about what we have achieved together in the many more items of expenditure and tax cuts that Members' proposed and we included in the Budget. It is mainly about coming together to agree the way forward for our community. We have come together. We have reached a broad consensus on the way forward. Together we stand ready to face this historic time of change. Thank you.

3.34 pm

**PRESIDENT** (in Cantonese): Upon the request of some Members, I announce that the sitting be suspended for 15 minutes. The question on the Second Reading of the Appropriation Bill 1997 will be voted on when the sitting is resumed.

3.50 pm

**PRESIDENT** (in Cantonese): Council now resumes.

*Question on the Second Reading of the Bill put.*

*Voice vote taken.*

**PRESIDENT** (in Cantonese): Council shall now proceed to a division.

**PRESIDENT** (in Cantonese): I would like to remind Members that they are now called upon to vote on the question that the Appropriation Bill 1997 be read the Second time.

Would Members please register their presence by pressing the top button and then proceed to vote by choosing one of the three buttons below?

**PRESIDENT** (in Cantonese): Before I declare the result, Members may wish to

check their votes. Are there any queries? The result will now be displayed.

Mr Allen LEE, Mrs Selina CHOW, Mr NGAI Shiu-kit, Mr LAU Wong-fat, Mr Edward HO, Mr Ronald ARCULLI, Mrs Miriam LAU, Dr LEONG Che-hung, Mr Eric LI, Mr Henry TANG, Dr Samuel WONG, Dr Philip WONG, Mr Howard YOUNG, Miss Christine LOH, Mr James TIEN, Mr CHAN Kam-lam, Mr CHAN Wing-chan, Miss CHAN Yuen-han, Mr Paul CHENG, Mr CHENG Yiu-tong, Mr CHEUNG Hon-chung, Mr CHOY Kan-pui, Mr David CHU, Mr IP Kwok-him, Mr Ambrose LAU, Mr LEE Kai-ming, Mr LO Suk-ching, Miss Margaret NG, Mr NGAN Kam-chuen and Mrs Elizabeth WONG voted for the motion.

Mr SZETO Wah, Mr Albert CHAN, Mr CHEUNG Man-kwong, Mr Frederick FUNG, Mr Michael HO, Dr HUANG Chen-ya, Miss Emily LAU, Mr LEE Wing-tat, Mr Fred LI, Mr James TO, Dr YEUNG Sum, Mr WONG Wai-Yin, Mr LEE Cheuk-Yan, Dr Anthony CHEUNG, Mr Albert HO, Mr LAW Chi-kwong, Mr LEUNG Yiu-chung, Mr Bruce LIU, Mr MOK Ying-fan, Mr SIN Chung-kai, Mr TSANG Kin-shing, Dr John TSE and Mr YUM Sin-ling voted against the motion.

Mr CHIM Pui-chung, Mr LAU Chin-shek and Dr LAW Cheung-kwok abstained.

THE PRESIDENT announced that there were 30 votes in favour of the motion and 23 against it. He therefore declared that the motion was carried.

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.

**APPROPRIATION BILL 1997**

**CHAIRMAN** (in Cantonese): We shall consider the Schedule first in accordance with Standing Order 55.

Heads 21 to 194 were agreed to.  
Schedule was agreed to.

**CHAIRMAN** (in Cantonese): We shall now consider the remainder of the Bill.

Clauses 1 and 2 were agreed to.

Council then resumed.

**Third Reading of Bill**

THE FINANCIAL SECRETARY reported that the

**APPROPRIATION BILL 1997**

had passed through Committee without amendment. He moved the Third Reading of the Bill.

*Question on the Third Reading of the Bill proposed and put.*

*Voice vote taken.*

The President said he thought the "Ayes" had it.

Dr YEUNG Sum claimed a division.

**PRESIDENT** (in Cantonese): Council shall proceed to a division.



**PRESIDENT** (in Cantonese): I would like to remind Members that they are now called upon to vote on the Third Reading of the Appropriation Bill 1997.

Will Members please register their presence by pressing the top button and then proceed to vote by choosing one of the three buttons below?

**PRESIDENT** (in Cantonese): Before I declare the result, Members may wish to check their votes. Are there any queries? Two short of the head count. Members may wish to check their votes again. Are there any queries? The result will now be displayed.

Mr Allen LEE, Mrs Selina CHOW, Mr NGAI Shiu-kit, Mr LAU Wong-fat, Mr Edward HO, Mr Ronald ARCULLI, Mrs Miriam LAU, Dr LEONG Che-hung, Mr Eric LI, Mr Henry TANG, Dr Samuel WONG, Dr Philip WONG, Mr Howard YOUNG, Miss Christine LOH, Mr James TIEN, Mr CHAN Kam-lam, Mr CHAN Wing-chan, Miss CHAN Yuen-han, Mr Paul CHENG, Mr CHENG Yiu-tong, Mr CHEUNG Hon-chung, Mr CHOY Kan-pui, Mr David CHU, Mr IP Kwok-him, Mr Ambrose LAU, Mr LEE Kai-ming, Mr LO Suk-ching, Miss Margaret NG, Mr NGAN Kam-chuen and Mrs Elizabeth WONG voted for the motion.

Mr SZETO Wah, Mr Albert CHAN, Mr CHEUNG Man-kwong, Mr Frederick FUNG, Mr Michael HO, Dr HUANG Chen-ya, Miss Emily LAU, Mr LEE Wing-tat, Mr Fred LI, Mr James TO, Dr YEUNG Sum, Mr WONG Wai-Yin, Mr LEE Cheuk-Yan, Dr Anthony CHEUNG, Mr Albert HO, Mr LAW Chi-kwong, Mr LEUNG Yiu-chung, Mr Bruce LIU, Mr MOK Ying-fan, Mr SIN Chung-kai, Mr TSANG Kin-shing, Dr John TSE and Mr YUM Sin-ling voted against the motion.

Mr LAU Chin-shek abstained.

THE PRESIDENT announced that there were 30 votes in favour of the motion and 23 against it. He therefore declared that the motion was carried.

Bill read the Third time and passed.

## **MEMBERS' MOTIONS**

### **HONG KONG ROYAL INSTRUCTIONS 1917 TO 1993 (NOS. 1 AND 2)**

***DR LEONG CHE-HUNG to move the following motion:***

"That the Standing Orders of the Legislative Council of Hong Kong be amended -

(1) by repealing Standing Order Nos. 60A(2) and 60B(2) and substituting -

"(2) The committee shall consist of a chairman, deputy chairman and five members who shall be Members appointed by the President in accordance with an election procedure determined by the House Committee. In the event of the temporary absence of the chairman and deputy chairman, the committee may elect a chairman to act during such absence. The chairman and two other members shall constitute a quorum.";

(2) by repealing Standing Order No. 61(2) and substituting -

"(2) The President shall decide the size of every select committee and shall appoint the chairman, deputy chairman and members thereof in accordance with an election procedure determined by the House Committee. In the event of the temporary absence of the chairman and deputy chairman, the committee may elect a chairman to act during such absence.";

(3) by repealing Standing Order No. 62(3)."

**DR LEONG CHE-HUNG:** Mr President, I move the motion standing in my name on the Order Paper.

The purpose of the motion is to amend the Standing Orders to provide an office of deputy chairman for a select committee appointed by the Council under Standing Order 61 — the Public Accounts Committee and the Committee on Members' Interests, and to provide for election of an acting chairman in the absence of both the chairman and the deputy chairman. The House Committee endorsed the proposal and the draft amendments to the Standing Orders at its meeting on 21 March 1997.

With these remarks, Mr President, I beg to move.

*Question on the motion proposed, put and agreed to.*

## **LEGISLATIVE COUNCIL (POWERS AND PRIVILEGES) ORDINANCE**

***DR LEONG CHE-HUNG to move the following motion:***

"That the Resolution made and passed by the Legislative Council for the purposes of section 15 of the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) on 25 May 1994, as amended on 20 November 1996, be further amended in paragraph 1 of the Schedule by deleting the definition of "relevant body" and substituting -

" "relevant body", (有關方面) in relation to a committee before which a witness is attending to give evidence or to produce any paper, book, record or document, means -

- (a) the chairman and deputy chairman of the committee, where both are present (and references to the delivering of the opinion of the relevant body shall be taken to mean the opinion of the chairman where the chairman and deputy chairman disagree);

- (b) the chairman alone where the deputy chairman is absent;
- (c) the deputy chairman alone where the chairman is absent; or
- (d) where both the chairman and deputy chairman are absent, the member elected to act as chairman during such absence."

**DR LEONG CHE-HUNG:** Mr President, I move the second motion standing in my name on the Order Paper.

A resolution was passed by the Legislative Council on 25 May 1994 concerning the usage and practice in regard to the determination of claims of public interest immunity made by persons appearing before a committee of this Council. The authority for determining claims of public interest immunity rests with the relevant body which is defined as the chairman and deputy chairman, if any, of a committee. The purpose of this motion is to amend the Legislative Council's resolution of 25 May 1994 to provide that an acting chairman would perform the functions of the relevant body in determining a claim for public interest immunity.

At its meeting on 21 March 1997, the House Committee endorsed the proposal that in the absence of both the chairman and the deputy chairman the acting chairman should assume full responsibilities including determination of claims of public interest immunity in order that the work of the committee would not be disrupted.

With these words, Mr President, I beg to move.

*Question on the motion proposed, put and agreed to.*

## **FATAL ACCIDENTS ORDINANCE**

***MR ALBERT HO to move the following motion:***

"That section 4(3) of the Fatal Accidents Ordinance be amended by repealing "\$70,000" and substituting "\$150,000"."

**MR ALBERT HO** (in Cantonese): Mr President, I move the motion standing in

my name on the Order Paper.

Mr President, according to section 4 of the current Fatal Accidents Ordinance, if death is caused to any person by any wrongful act, neglect or default, the dependants who live off the deceased may claim for damages for bereavement from the person who would have been liable in damages to the deceased in order to make up for the sorrow and pain caused by the sudden loss of their beloved family members. While such cases are usually related to traffic or industrial accidents, the family of the deceased may apply for damages in accordance with the laws and the court will judge whether there are people who should be held responsible for the neglect or default.

The sum to be awarded as damages is stipulated in section 4(3) of the Fatal Accidents Ordinance and the present damages for bereavement is \$70,000. However, this sum has not been adjusted since 1991, which is more than six years ago. We all know that, after so many years, the sum is widely divorced from the present living standard. If the claimant cannot apply for other damages, and if the deceased is a child or a retired person who has no dependent or leaves no estate, the sum of \$70,000 will not serve the purpose of compensation since it is not even enough to pay for the lawyer.

Therefore, the Democratic Party proposed the Members' Motion today to raise the sum of damages. The amendment to the Ordinance will not only adjust the sum in the light of inflation, but it will also reflect our economic changes in recent years and the dependants who lose their family members will receive a more reasonable compensation.

In fact, when the Attorney General proposed to establish this claim for bereavement in January 1986 and to amend the sum of damages in May 1991, he pointed out that the sum had to be varied with the passage of time in order to keep up with the ever-changing social and economic needs. It is a pity that when the Attorney General proposed the amendment in 1991, he only adjusted the sum according to cumulative inflation and did not touch on other factors of economic and social changes.

It has been more than 10 years since the sum of damages was first fixed, but its base has never been adjusted. The Democratic Party thinks that it is high time that appropriate adjustments be made in order to cope with the social needs and changes I mentioned a moment ago.

The adjustment proposals put forward by the Democratic Party today therefore include two parts: first, to raise the base of the sum of damages; second, to adjust the sum according to the cumulative inflation in recent years.

### *Method of calculating the sum of damages*

Here is how to calculate the base. We have looked into the report submitted by the Law Reform Commission of Hong Kong in February 1985 and find that when the Commission proposed to set up the damages for bereavement, it stated clearly that the fixing of the sum of damages was an "arbitrary decision". The Commission proposed, in accordance with the fixed damages stipulated in the United Kingdom at that time, to preliminarily fix the sum of damages at \$40,000 and to work out a mechanism which enables amendments to be made in the future. At that time, the United Kingdom fixed the sum of damages at  $\pounds$ 3,500.

Objectively, it is of course very difficult to calculate the sorrow and pain of the loss of a beloved family member, which is totally different from calculating the loss of working ability, income or necessities of life. Therefore, even if we are adjusting the base with our own method, we do not have the means to set objective criteria and can only refer to the figures used in the United Kingdom for the adjustment of our present base. In 1991, the base was fixed at  $\pounds$ 7,500 in the United Kingdom. If we calculate with an exchange rate of  $\pounds$ 1 to \$12, the sum should be \$90,000 which is higher than the \$70,000 fixed in 1991 in Hong Kong. So now we would employ a more conservative method and use the \$90,000 of the United Kingdom as the base. In the light of the Consumer Price Index A promulgated by the Government, the cumulative inflation from 1991 to 1996 amounts to 65.6%. If we multiply this rate by \$90,000, the sum of damages will come to \$149,040 which we round up to \$150,000. This is how the sum is calculated.

The Democratic Party thus officially proposes to adjust the fixed damages for bereavement from the current \$70,000 to \$150,000.

### *Influences of adjusting the damages*

Secondly, I would like to point out that the adjustment today has actually a minimal impact on the overall economy of Hong Kong or the industries affected. According to the statistical data of the Government, between 1991 and 1995, the average death toll of traffic accidents was 311, whereas in the same period the average death toll of industrial accidents was 254. As a result, the average total number of people influenced by this section of the Ordinance is 565, which means the influence is not great. If the above calculation method is employed, the increased sum of damages brought about by this adjustment will not exceed \$45 million. To the people concerned, especially those in the insurance business, such an amount is in fact a very small figure.

The Democratic Party is very grateful that the Attorney General has consulted the people concerned, who I believe include those of the legal profession and the insurance business which is directly influenced. He informed us recently that he will support today's motion. Of course we also have to thank the Honourable CHIM Pui-chung who said, in the House Committee meeting, that he has consulted his constituency and heard no voice of objection. Therefore, I hope that Honourable colleagues will support today's motion so that the people who lose their family members due to accidents or accidents caused by human neglect can obtain more compensation and feel a bit comforted.

There is one last point that I want to mention. In fact, a lot of fixed payment responsibilities exist in our laws. They include damages or other legal responsibilities which designate a fixed payment. I think that the Legal Department or the Attorney General can actually consider whether reviews should be done periodically, for example, once every two years, instead of reviewing after more than six years like the present case. In fact, it is extremely unfair to the claimants. I hope that there will be a good mechanism which makes adjustments periodically, or at least according to inflation. I wish that the Attorney General would respond on this.

With these remarks, I move the motion. Thank you, Mr President.

*Question on the motion proposed.*

**MR LEE CHEUK-YAN** (in Cantonese): Mr President, on behalf of the trade unions and the Association for the Rights of Industrial Accident Victims, I

support the motion. The current economic growth of Hong Kong has already attained the level of gross domestic product per capita at US \$25,000, which is higher than that of the United Kingdom. As a matter of fact, the British standard adopted by the Honourable Albert HO in the comparison is a rather conservative one. If the economy of Hong Kong develops in this way, and if no improvement is made to the award for bereavement paid to the family members of the victims of industrial accidents due to negligence, it will be indeed incompatible with the current economy of Hong Kong. We are very much in support of the motion in increasing the amount of the award for bereavement from \$70,000 to \$150,000. Besides, in response to the appeal of Mr Albert HO, I hope that the Attorney General can adjust the award for bereavement in future on a regular basis. In fact, from 1991 to 1997, the amount of the award for bereavement has not been adjusted in these six years. I hope that the amount of the award can, in the future, be reviewed regularly and improved with reference to the economic growth and inflation of Hong Kong.

Thank you, Mr President.

**MR JAMES TIEN** (in Cantonese): Mr President, the Honourable Albert HO, in his Fatal Accidents Ordinance motion, proposes amending the award from \$70,000 to \$150,000. I just heard him, in his speech, claim that the insurance companies will absorb the additional expenditure, and not redirect it to the business sector. Now I do not agree with this. Despite what the insurance companies have said, in practice, the additional expenditure will be reclaimed through other general charges.

My opinion is that, even when the employers consent that the revision is necessary, the proposal should first be submitted to the Labour Advisory Committee or other consultative bodies for discussion, and then be implemented only after a consensus is reached. Besides, the government departments have not formally raised this issue in this Council's House Committee for discussion. For the above reasons, the Liberal Party will oppose this motion.

**ATTORNEY GENERAL:** Mr President, the Administration supports this motion. I would like to thank the Honourable Albert HO for taking the initiative to move it.



An award for bereavement offers some financial consolation, some financial service to the dependants of someone tragically killed in an accident. When the award was first introduced in 1986, it was fixed at \$40,000. In May 1991, I moved a resolution which resulted in an increase in the amounts to \$70,000, in order to reflect inflation.

The current motion before the Council this afternoon does more than reflect the rate of inflation since 1991. An inflation adjustment would bring the amount up to about \$112,000. However, Mr Albert HO has argued that the award should be further increased to meet the changing social and economic conditions of Hong Kong.

Mr President, the Administration would not normally propose an amendment in respect of the administration of justice that has policy implications without consulting the two branches of the legal profession, the Judiciary and other interested parties. Since this motion has policy implications, I have therefore consulted those bodies and parties and I am pleased to say that there was general support for the motion.

Assuming that this motion is passed today, it will be necessary to ensure that the amount of the award continues to be adjusted to reflect inflation. I am happy therefore to confirm that this is my intention to review the amount of the award for bereavement every two years.

Mr President, as I said a moment ago, the Administration supports this motion.

*Question on the motion put.*

*Voice vote taken.*

The President said he thought the "Ayes" had it.

Mr James TIEN claimed a division.

**PRESIDENT** (in Cantonese): Council shall now proceed to a division.

**PRESIDENT** (in Cantonese): I would like to remind Members that they are now called upon to vote on the question that section 4(3) of the Fatal Accidents Ordinance be amended by repealing "\$70,000" and substituting "\$150,000".

Would Members please register their presence by pressing the top button and then proceed to vote by choosing one of the three buttons below?

**PRESIDENT** (in Cantonese): Before I declare the result, Members may wish to check their votes. Are there any queries? The result will now be displayed.

Mr SZETO Wah, Dr LEONG Che-hung, Mr Albert CHAN, Mr CHEUNG Man-kwong, Mr Frederick FUNG, Mr Michael HO, Dr HUANG Chen-ya, Miss Emily LAU, Mr LEE Wing-tat, Mr Fred LI, Mr James TO, Dr YEUNG Sum, Mr WONG Wai-Yin, Mr LEE Cheuk-Yan, Mr CHAN Kam-lam, Mr CHAN Wing-chan, Miss CHAN Yuen-han, Mr CHENG Yiu-tong, Dr Anthony CHEUNG, Mr CHEUNG Hon-chung, Mr Albert HO, Mr IP Kwok-him, Mr LAU Chin-shek, Mr LAW Chi-kwong, Mr LEE Kai-ming, Mr LEUNG Yiu-chung, Mr MOK Ying-fan, Miss Margaret NG, Mr NGAN Kam-chuen, Mr SIN Chung-kai, Mr TSANG Kin-shing, Dr John TSE and Mr YUM Sin-ling voted for the motion.

Mrs Selina CHOW, Mr Edward HO, Mr Ronald ARCULLI, Mrs Miriam LAU, Mr CHIM Pui-chung, Mr Eric LI, Mr Henry TANG, Dr Samuel WONG, Dr Philip WONG, Mr Howard YOUNG, Mr James TIEN and Mr David CHU voted against the motion.

Mr Paul CHENG abstained.

THE PRESIDENT announced that there were 33 votes in favour of the motion and 12 against it. He therefore declared that the motion was carried.

**INTERPRETATION AND GENERAL CLAUSES ORDINANCE**

***MR IP KWOK-HIM to move the following motion:***

"That in relation to the Western Harbour Crossing Regulation, published as Legal Notice No. 94 of 1997 and laid on the table of the Legislative Council on 19 March 1997, the period referred to in section 34(2) of the Interpretation and General Clauses Ordinance (Cap. 1) for amending subsidiary legislation be extended under section 34(4) of that Ordinance to the sitting of 23 April 1997."

**MR IP KWOK-HIM** (in Cantonese): Mr President, I move the motion as set out in the Order Paper, that in relation to the Western Harbour Crossing Regulation which was laid on the table of the Legislative Council on 19 March 1997, the period referred to in section 34(2) of the Interpretation and General Clauses Ordinance (Cap. 1) for amending subsidiary legislation be extended under section 34(4) of that Ordinance to the sitting of 23 April 1997.

I so submit, and beg to move.

*Question on the motion proposed, put and agreed to.*

**MEMBERS' BILLS****First Reading of Bills**

**CROSS-HARBOUR TUNNEL (CROSS-HARBOUR TUNNEL REGULATIONS) (AMENDMENT) BILL 1997**

**EASTERN HARBOUR CROSSING (EASTERN HARBOUR CROSSING ROAD TUNNEL REGULATIONS) (AMENDMENT) BILL 1997**

**TATE'S CAIRN TUNNEL (TATE'S CAIRN TUNNEL REGULATIONS) (AMENDMENT) BILL 1997**

**OCCUPATIONAL DEAFNESS (COMPENSATION) (AMENDMENT) BILL 1997****SMOKING (PUBLIC HEALTH) (AMENDMENT) BILL 1997**

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

**Second Reading of Bills****CROSS-HARBOUR TUNNEL (CROSS-HARBOUR TUNNEL REGULATIONS) (AMENDMENT) BILL 1997**

*MR IP KWOK-HIM to move the Second Reading of: "A Bill to amend the Cross-Harbour Tunnel Regulations made by the Governor in Council under section 61 of the Cross-Harbour Tunnel Ordinance (Cap. 203)."*

**MR IP KWOK-HIM** (in Cantonese): Mr President, I move that the Cross-Harbour Tunnel (Cross-Harbour Tunnel Regulations) (Amendment) Bill 1997 be read the Second time.

With the improvement of the living quality in society, it has become a major trend that people attach more importance to environmental protection. In response to the demand of the public, the Environmental Protection Department now announces air pollution index every day so that the public may know the quality level of the air they are breathing. However, although tens of thousands of people use vehicular tunnels each day, the public have no access to the data concerning the air quality inside the tunnels. This is certainly another problem that we should pay attention to and strive to improve.

In fact, an excessive amount of air pollutants inside the tunnels will definitely influence the health of the public. While too high concentration of carbon monoxide in the air is hazardous to the health of pregnant women and heart disease patients, over concentration of carbon dioxide may also cause discomfort to the respiratory system. Therefore, as responsible operators, the management companies of the vehicular tunnels should perform their duties to ensure that the concentration of air pollution inside the tunnels conforms with the standard so as to protect the health of tunnel-users.

The air quality of the three privately-operated tunnels, the Tate's Cairn Tunnel, the Cross-Harbour Tunnel and the Eastern Harbour Crossing, has always been an object of public denunciation. The air quality of the Tate's Cairn Tunnel is especially bad. Since the Democratic Alliance for the Betterment of Hong Kong (DAB) started to follow up the Tate's Cairn Tunnel case, the air quality of the other two vehicular tunnels also aroused our attention. We believe that, in order to improve the air quality inside the tunnels, the current tunnel regulations have to be amended so as to raise the standard of air quality inside the tunnels and implement a uniform standard for all tunnels.

At present, the air quality standard in the privately operated tunnels is based on the fire risks posed by the concentration of gases, rather than on the air quality. Different tunnels now have different requirements on the level of carbon monoxide. The concentration of carbon monoxide should not at any time exceed 125 to 400 parts per million, and the discrepancy is not small at all. The DAB, therefore, is of the opinion that the requirement should be amended and pitched at the same level. Meanwhile, other gases which will affect the health of the tunnel users. For example, the concentration of carbon dioxide and the visibility in the tunnels should be monitored by amending the relevant legislation.

It is stipulated in the Bill that at any time the concentration of carbon monoxide and nitrogen dioxide should not exceed 100 parts and 1 part per million respectively. These three standards have been set with reference to the Practice Note on Monitoring Air Quality in Vehicular Tunnels laid down by the Environmental Protection Department in 1993, which is also the existing international standard.

As regards the amendment Bill this time, some colleagues may worry that after the passing of the Bill, litigation may be resulted from the discharging of contractual obligations between the tunnel operators and the Government. After studying the cases, I think it is a very important principle that apart from making profits, a responsible operator has to take full account of the tunnel users' health when operating the tunnel. If the operators just focus on profits and disregard all other things, their loss, I am sure, will certainly outweigh the gain in the end. Furthermore, the existing Ordinance fails to impose any legal sanctions on the management company's default in operations. The only sanction that can be found in the Ordinance is one of administrative nature. If the company has failed to operate the tunnel as required by the Ordinance, the

Secretary for Transport has to serve on the company a notice, requiring the company to remedy the default within a specified period. Therefore, after the passing of the amendments, no criminal litigation will be brought about by the three privately operated tunnel companies. But at least we have come up with a requirement that conforms with the international standard for the operators to observe. The public can monitor the operators with this standard, so that the air quality in the tunnels can be enhanced.

As regards the present facilities of the tunnel companies, both the Cross-harbour Tunnel and the Eastern Harbour Crossing can meet the standard as specified in the above amendments, but the Tate's Cairn Tunnel has to upgrade its ventilation system in order to meet the requirement. This Bill can only seek to improve the air quality in the privately operated vehicular tunnels, because there is no legislation to monitor the air quality in the remaining three publicly run vehicular tunnels. From another perspective, apart from the privately owned tunnel companies, the Government, being the administrator of the publicly run tunnels, has the responsibility to ensure that the air quality in the tunnels complies with international standard. Moreover, the Cross-harbour Tunnel will be returned to the Government shortly. The DAB therefore welcomes the Government's plan to commission a study on the air quality of the tunnels under its management, with a view to installing air quality monitoring devices and improving the ventilation system.

With these remarks, I move the Second Reading of this Bill.

*Question on the motion on the Second Reading of the Bill proposed.*

*Debate on the motion adjourned and Bill referred to the House Committee pursuant to Standing Order 42(3A).*

## **EASTERN HARBOUR CROSSING (EASTERN HARBOUR CROSSING ROAD TUNNEL REGULATIONS) (AMENDMENT) BILL 1997**

***MR IP KWOK-HIM to move the Second Reading of: "A Bill to amend the Eastern Harbour Crossing Road Tunnel Regulations made by the Governor in Council under section 43 of the Eastern Harbour Crossing Ordinance (Cap. 215)."***

**MR IP KWOK-HIM** (in Cantonese): Mr President, I move that the Eastern Harbour Crossing (Eastern Harbour Crossing Road Tunnel Regulations) (Amendment) Bill 1997 be read the Second time.

*Question on the motion on the Second Reading of the Bill proposed.*

*Debate on the motion adjourned and Bill referred to the House Committee pursuant to Standing Order 42(3A).*

**TATE'S CAIRN TUNNEL (TATE'S CAIRN TUNNEL REGULATIONS)  
(AMENDMENT) BILL 1997**

**MR IP KWOK-HIM** to move the Second Reading of: "*A Bill to amend the Tate's Cairn Tunnel Regulations made by the Governor in Council under section 24 of the Tate's Cairn Tunnel Ordinance (Cap. 393).*"

**MR IP KWOK-HIM** (in Cantonese): Mr President, I move the Second Reading of the Tate's cairn Tunnel (Tate's Cairn Tunnel Regulations) (Amendment) Bill 1997.

*Question on the motion on the Second Reading of the Bill proposed.*

*Debate on the motion adjourned and Bill referred to the House Committee pursuant to Standing Order 42(3A).*

**OCCUPATIONAL DEAFNESS (COMPENSATION) (AMENDMENT)  
BILL 1997**

**MR LEUNG YIU-CHUNG** to move the Second Reading of: "*A Bill to amend the Occupational Deafness (Compensation) Ordinance.*"

**MR LEUNG YIU-CHUNG** (in Cantonese): Mr President, I move that the Occupational Deafness (Compensation) (Amendment) Bill 1997 (the Bill) be read the Second time.



The Bill seeks to amend the definition of "noise-induced deafness" under the Occupational Deafness Compensation Scheme and to raise the percentage of permanent incapacity with reference to noise-induced deafness.

Before the Bill formally came into effect in June 1996, there was no law in Hong Kong under which occupational deafness was regarded as a disease for which compensation may be applied. The Government estimates that there are at present as many as about 60 000 employees continuously affected by excessive noise in the work environment. Most of these employees work in the manufacturing or building industry. Since the beginning of the 1980s, the labour sector has been very much concerned about occupational deafness and has held that the Government should regard the occupational disease as one for which compensation can be applied. The reason is that the disease, like pneumoconiosis, is caused by continuous exposure to occupational risks. Occupational deafness is also a disease that can cause permanent incapacity.

The implementation of the Occupational Deafness (Compensation) Ordinance undoubtedly makes it possible for workers who are affected by noisy occupations to be given a certain amount of compensation. Under the Ordinance, employees who satisfy certain job and seniority requirements and suffer from "noise-induced deafness" may apply for compensation from the statutory Occupational Deaf Compensation Board, whose main source of income comes from money collected by the Employees' Compensation Insurance Levies Management Board and the fund provided by the Government for the compensation scheme. According to the definition contained in the Occupational Deafness (Compensation) Ordinance, "noise-induced deafness" means sensorineural hearing loss amounting to not less than 50 dB in each ear, where such loss is due in the case of at least one ear to noise and being the average of pure tone losses measured by audiometry over the 1,2 and 3 kHz frequencies. The calculation of compensation would be in accordance with the formula contained in the Employees' Compensation Ordinance (Cap 282) about compensation in case of permanent incapacity. According to the Occupational Deafness Compensation Scheme, as an occupational disease, total deafness is regarded as a 60% incapacity.

In the process of its formulation and after its coming into effect, the Occupational Deafness (Compensation) Ordinance has all along been under heavy criticism by labour groups and the Bills Committee then because of its

overly strict requirements of the compensation scheme and the inadequate compensation level. These criticisms are exactly the points I wish to amend when I put forward a Member's Bill. At the beginning of last year, the Labour Department set up a working group to conduct a comprehensive review of the compensation scheme. The working group reached a conclusion at the beginning of this year and recommended that the 50dB hearing loss in the definition of "noise-induced deafness" be changed to 40 dB. The original proposal was to be submitted to the Legislative Council, but unfortunately, on the pretext that the proposal might involve substantial expenses and therefore needed careful studying, the Government has suspended the decision on whether it would accept the proposal. As a result, the Member's Bill could not be submitted to this Council for examination and endorsement.

It is for exactly the same reason that I must put forward the Member's Bill with a view to obtaining reasonable compensations for workers being affected by their occupation.

According to standards in Britain or the United States, "noise-induced deafness" in general refers to a hearing loss of 25dB to 35 dB. Hence the definition contained in current laws is indeed too harsh. The Bill I propose recommends a more reasonable practice by making it possible to apply for compensation when there is a hearing loss of 30 dB so that more employees affected by noise over long periods have the opportunity for compensation.

Total hearing loss resulting from work is, under the present Occupational Deafness (Compensation) Ordinance, regarded as 60% incapacity. However, under the Employees' Compensation Ordinance total hearing loss resulting from work-related accidents is regarded as 100% loss of earning capacity. Therefore, it is not fair to calculate on a 60% basis. To enable all employees who suffer a total loss of hearing as a result of work (be it accidental or occupational) to receive compensation on the basis of 100% incapacity, the Bill proposes that the Occupational Deafness Compensation Scheme be amended by increasing the percentage of incapacity in the calculation of compensation.

I urge colleagues of this Council to support my Bill so as to set up a reasonable compensation system for workers who suffer deafness as a result of work and who have contributed by toiling for years for the prosperity of Hong Kong.

Mr President, with these remarks, I beg to move.

*Question on the motion on the Second Reading of the Bill proposed.*

*Debate on the motion adjourned and Bill referred to the House Committee pursuant to Standing Order 42(3A).*

## **SMOKING (PUBLIC HEALTH) (AMENDMENT) BILL 1997**

***DR LEONG CHE-HUNG to move the Second Reading of: "A Bill to amend the Smoking (Public Health) Ordinance."***

**DR LEONG CHE-HUNG:** Mr President, I move the Second Reading of the Smoking (Public Health) (Amendment) Bill 1997.

Mr President, the objects of the Bill are to amend the Smoking (Public Health) Ordinance (Cap. 371) so as to extend the prohibition of tobacco advertisement to all forms and manners and to extend the scope of the designated no-smoking areas.

Mr President, the World Health Organization (Western Pacific Region) called for, in April 1994, a tobacco-advertising-free region by the year 2000. The Hong Kong Government has pledged to act in line with this by introducing a series of measures. However, very little has been done so far and I was therefore forced to move a motion debate in January this year and to introduce this private Members' Bill. Perhaps it was due to pressure of this private Members' Bill, the Government gazetted their version of the Smoking (Public Health) (Amendment) (No. 2) Bill 1997. Yet, the proposal of this Bill is, in my words, still wishy-washy in that printed media and advertising under the disguise of sponsorship remained untouched. Neither is there any timetable for achieving the tobacco-advertising-free target by the year 2000.

Mr President, under the current provisions, tobacco advertisement is prohibited from being broadcast via radio or visual image or via visual exhibition of film. Tobacco advertising in printed publication and for display in permanent and semi-permanent form is allowed, as long as advertisements contain the statutory health warning.

Mr President, about 30 countries now have a total ban on tobacco advertising. These include our neighbouring countries like Thailand, Singapore, Macau, Mongolia and China. Many more countries have strong partial bans. But Hong Kong stands out to be lagging far behind. The Government has said that education is extremely important, but despite the legislative measures and anti-smoking education efforts so far, both from the Government and community bodies, the incidence of juvenile and woman smoking showed an alarming arising trend. Local independent research has also confirmed overseas findings that teenagers are more likely to be influenced by tobacco advertisements.

Real examples in Hong Kong and overseas are already sufficient to rebut the scare-mongering predictions of the tobacco and advertising industries on unemployment and economic setback. The tobacco ban on electronic media took effect from December 1990, yet the income of our two main television stations have surged ever since. In 1993, the advertising revenue of the two stations was already 50% more than that of 1990 before the tobacco advertisement ban. In Thailand, its overall advertising spending grew by 42% within two years after this total ban of tobacco advertisement. Similar overseas examples abound.

Consideration should also be given to the vast savings in our medical cost incurred because of smoking. A study by the medical profession in Hong Kong in 1995 revealed that the direct medical cost for smoking-related disease in Hong Kong amounts to something like \$670 million to \$970 million annually. Including indirect cost like loss of productivity and premature death, the cost even surged to an estimated \$1.3 to \$3 billion.

Mr President, while prohibition of tobacco advertising would constitute restriction on the right of freedom of expression under Article 16 of the Bill of Rights, such restriction is permitted for the protection of public health within the meaning of Article 16(3). Legal advice to the Government's previous attempt on similar restriction extension was that such was "unlikely to be regarded by the Hong Kong courts as having contravened BOR". This was the Health and Welfare Branch's submission to the Legislative Council Health Panel on 11 April last year.

Mr President, the proposals contained in this Bill have the support of the Hong Kong Medical Association, the Hong Kong Dental Association, the Hong

Kong Paediatric Society, the Council on Smoking and Health, the Action on Smoking or Health, the People Acting For A Smokeless Society and many other anti-smoking groups and various medical bodies. Although the advertising, tobacco and broadcasting, printed and publishing industries have so far not yet been consulted on this Bill, their views were expressed loud and clear before and during the Legislative Council debate in January this year on similar proposals. That motion which, I am sure, Mr President, you would recall, called for a total ban on tobacco advertisement and sponsorship, and designated all indoor public places as smoke-free areas, was carried, with 29 legislators voting for and in favour of, and 22 voting against, it — legislators who are in no doubt representatives of various sectors of the Hong Kong community. Some of their views expressed during the debate and the implementation problems in prohibiting smoking in certain public places have also been addressed in the drafting of this Bill.

With those remarks, Mr President, I move that the Second Reading debate of this Bill be adjourned.

*Question on the motion on the Second Reading of the Bill proposed.*

*Debate on the motion adjourned and Bill referred to the House Committee pursuant to Standing Order 42(3A).*

## **Resumption of Second Reading Debate on Bill**

### **MEDICAL REGISTRATION (TRANSITIONAL PROVISIONS) BILL 1997**

#### **Resumption of debate on Second Reading which was moved on 19 February 1997**

**MR LAW CHI-KWONG** (in Cantonese): Mr President, the Democratic Party basically supports the principle of the Bill. In considering giving support to the Bill, we have the following considerations.

First, before the students went abroad to study medicine, was there a reasonable ground for them to believe that they could be automatically qualified to practise in Hong Kong when they returned? In the latest reply of the

institution concerned on 17 July 1995 to letters of enquiry from overseas students, it was stated that holders of medical degrees from Australia could register in the territory when they returned. Therefore, we are of the view that there is a sufficient ground for the students to believe that they can register and practise in the territory when they return.

Our second consideration concerns the autonomy of the profession. The Democratic Party respects the autonomy of the medical profession and in particular, their autonomy in respect of registration. In its letter to the Medical Council of Hong Kong on 18 September 1996, the Hong Kong Medical Association expressly stated that Commonwealth medical students should not be affected by the amendments made in 1995 to the Medical Registration Ordinance. Besides, we learned from the Legislative Council Panel on Health Services that there were also divergent views within the Medical Council at the time. The Medical Association has now changed its position and although the provision that they "should not be affected" remains unchanged in English, their position has changed as it actually means they "would not be affected". Yet, it is worthwhile for us to consider the matter with reference to the divergence of opinions between the Medical Association and the Medical Council after 1995.

Our third consideration is whether it is a right for Commonwealth medical students to register as a medical practitioner in Hong Kong when they return. The Democratic Party is of the opinion that it is not a basic right and is unfair to medical graduates from countries elsewhere. We agree that this preferential treatment should be cancelled. However, as a transitional arrangement, the Bill proposed by the Honourable Mrs Selina CHOW is acceptable.

Fourthly, we have considered whether overseas students and local students are on an equal footing in terms of the treatment they received. It was only in the final deliberation of the Legislative Council on the Medical Registration (Amendment) Bill 1995 that the amendment seeking to exempt local students studying medicine at that time from the Licensing Examination was proposed and subsequently accepted by this Council. However, those who represented medical students studying in overseas Commonwealth countries were unable to ask for a similar exemption in time. Such being the case, our view is that under the Bill proposed by Mrs Selina CHOW, this group of overseas students can be considered for an exemption similar to that granted to local students. For this reason, we support the Bill in principle and will thus vote for it. Thank you, Mr President.

**MR MOK YING-FAN** (in Cantonese): Mr President, I am speaking on behalf of the Hong Kong Association for Democracy and People's Livelihood (ADPL) on the Medical Registration (Transitional Provisions) Bill 1997 moved by the Honourable Mrs Selina CHOW.

In fact, the Medical Registration (Amendment) Ordinance 1995 was originally a fair and reasonable ordinance which protected the professional status of local doctors. However, there were two shortcomings when it was drafted. First, it was too late. It should have been drafted earlier. Second, there was an "abrupt cut" which made 600-odd overseas students suffer innocently. We shall support the amendment moved by Mrs Selina CHOW because of the following three reasons:

Firstly, when the Medical Registration (Amendment) Bill was passed in 1995, no transitional period was granted and as a result, the students or housemen who had entered recognized medical schools before the new law was enacted on 1 September 1996 unknowingly lost their rights of registering freely in Hong Kong which the Government had promised them when they applied for overseas medical schools. While an appropriate "transitional period" was granted in Singapore when new medical laws were enacted, we have not done so with ours.

Secondly, loopholes existed and consultation was inadequate when the Medical Registration (Amendment) Bill was scrutinized in 1995. In particular, the views of overseas medical students were not sought sufficiently. When they came back after graduation, these students, especially those from Australia, were unable to find internship in Hong Kong. The Department of Health was not notified of the new law until this time, which implies loopholes or omissions existed in the course of the process. Since there were omissions when the ordinance was drafted, the ADPL thinks that a responsible government should face the matter squarely and make amendments accordingly.

Lastly, as all these students are permanent residents of Hong Kong, we shall support the Bill even from the viewpoint of safeguarding the rights of local permanent residents.

Thank you, Mr President.

**MR CHAN KAM-LAM** (in Cantonese): Mr President, I believe those Members who support today's Bill are, like me, not doing so for we have children studying medicine in Britain or the British Commonwealth countries and hence want to fight for some preferential treatment for them. We are doing so for one principle, which is that the execution of any law must be fair to all those being regulated. On the one hand, we do not want to create a privileged class; on the other hand we do not want anyone to suffer from unfair treatment as a result of the execution of the new law. Moreover, if any laws passed are found to contain loopholes, the Hong Kong Government has a responsibility of making immediate amendments to them or it should adopt other effective transitional arrangements.

Mr President, the Democratic Alliance for the Betterment of Hong Kong (DAB) agrees that all overseas medical students should be required to sit for a unified licensing examination before practising in Hong Kong. Undoubtedly, this is an extremely fair system. But we think that the view held by the Medical Council of Hong Kong is a pretext which misleads the public. The view holds that, if passed, the Bill today would perpetuate the original unfair system.

First, the Bill only targets at students registered in the 38 recognized British Commonwealth institutions or bodies before 1 September 1996. It provides for them a grace period in which they can be spared of any examinations. There are only 600 to 700 people. So, there is no question of an "unfair original system". The Government in fact has complete knowledge of the information concerning these students. There is no need to worry about the Bill being abused. There is also no question of other doctors or groups requesting exemption.

I would also like to point out here that when the Government submitted the Bill to this Council in 1995, the original proposal included medical students in the two medical schools in Hong Kong but granted them a grace period of five years so that registered students need not sit for the examination. Afterwards, the medical faculties of the two Universities raise strong objections to the arrangement. Consequently, the then Bills Committee Members agreed that graduates of the two Universities should be exempt from the relevant provisions



of the Bill. In other words, they should not be subject to a licensing examination. The provision relating to the five-year period was eventually deleted. But because at the time the Administration only had a month to consider the Bill, which was extremely short, the Government and the Bills Committee indeed neglected the transitional arrangements for medical students studying at recognized British Commonwealth institutions or bodies. Therefore, the spirit of the five-year grace period proposed for the medical students studying at the two Universities in Hong Kong was not extended to students studying in recognized British Commonwealth institutions and bodies. Thus the present problem arises when the Ordinance becomes effective.

Mr President, the Medical Council and some people from the medical sector are against the Bill put forward by the Honourable Mrs Selina CHOW and at the same time propose remedial measures. This shows they are aware that there is a problem. Their positive response is appreciated by the DAB but I feel their action still falls short of eliminating the loophole, and the outcome is far from being satisfactory. So, we will support Mrs CHOW's Bill.

Mr President, I so submit.

**MR LEUNG YIU-CHUNG** (in Cantonese): Mr President, when I was on the Duty Roster of the Legislative Council last year, a group of affected students told us that the Medical Registration (Amendment) Bill enacted 1995 had caused them a big problem as the Bill failed to take their situation into account. Then we realized that the Bill indeed had a great impact on them. Discerning their plight, the Honourable Mrs Selina CHOW promptly proposed this transitional amendment Bill. I would like to ask the Government, through Mr President, whether this affected group were deliberately or inadvertently overlooked when the Medical Registration (Amendment) Bill was scrutinized in 1995? I do hope the Government will give us a full explanation. If it was an overlook on all sides, then we should support Mrs CHOW's amendment to the Bill. However, if the omission in the Bill was intentional, the Government has to explain why this group has been singled out for such treatment.

Indeed, we all make plans for our own future. When these students went abroad to further their studies, they had plans of their own. What they did not know was that when they were studying overseas, there would be such a 180 degree about-turn in the law, and drastically affected their plans. More serious

still, I hear that some of the students would find it very difficult to practice their profession here in future. Under these circumstances, if we cling to the law and refute Mrs CHOW's amendment, I am sure it will be even more unfair to them.

In fact, just like them, we, Members of this Council, have planned to serve our four-year term, but now two years of our service will be clipped off unjustifiably. I think this is not fair. I myself finds this sudden change unacceptable as I have made plans for these four years. Now it is unjustifiably been altered to two. Hence, I do feel that everyone has their own plans and future, which should not be suddenly altered unilaterally and without prior consultation or agreement. Under these circumstances, I think that our original safeguards cannot be deprived. So, I fully support Mrs CHOW's amendment. I do hope that fellow Members, in the upholding of justice and fair deal, support her. Thank you, Mr President.

**DR LEONG CHE-HUNG** (in Cantonese) : Mr President, today, I can be labelled as "the odd man out". *(Laughter)*

On behalf of the medical sector, I raise a strong objection against this Member's Bill. Of course, some of my veteran colleagues sitting in the public gallery may query me by saying, "LEONG Che-hung, your view is not 100% representative of those of the medical sector." I cannot agree with them more. However, no Member of this Council dare to claim that his view is 100% representative of that of his constituency or functional constituency.

Mr President, as the legislative amendment will have a far-reaching effect on the medical sector, I have conducted a universal survey. Of the reply slips returned, 85% are against this Bill. Therefore, I can rightly and boldly proclaim that the medical sector strongly objects to this Bill.

Mr President, I believe that both the positive and negative implications of this Bill have been explained to many Members time and again and I am not going to waste time by repeating these implications here. However, there are certain points which have never been mentioned by anyone before and I would

like to raise them now, hoping that after listening to what I say, Members will at least not be misled.

Some people speak ill of the medical profession by alleging that it has an axe to grind. They claim that one of the reasons why medical practitioners raise such a strong objection to the Bill is that they are worried that the return of the 500 to 600 medical graduates to Hong Kong will snatch away their "rice-bowls". This is protectionism. It would be utterly ridiculous if Members and the people of Hong Kong should think like that. As everyone knows, the estimated 500 to 600 graduates concerned will come back in five to six years. Supposing they do return to Hong Kong to practise, there will be about 100 people coming back to Hong Kong to practise medicine each year. How can these 100 graduates snatch away the businesses of the existing 8 000 medical practitioners in the territory? Moreover, over the last few decades, many medical practitioners from Commonwealth countries came to Hong Kong to practise medicine each year. So far, I have never heard anyone from the medical profession complaining that these people have snatched away their businesses.

Mr President, among those who support this Bill, many say that they are ignorant about the legislative amendments proposed in 1995 on the introduction of a universal Licensing Examination. I am really puzzled about it. Maybe, Members of the Panel on Health Services will remember — (the Honourable Michael HO has just gone out.) — that the Secretary General of the Medical Council has confirmed with Members that the Council announced the decision to introduce the universal Licensing Examination in as early as 1992 and the issue received wide media coverage at that time. I consider it pardonable if an ordinary parent claims that he knows nothing about the legislative amendments. However, the people who speak with the loudest voice, show the greatest enthusiasm and express most opinions, Mr President, are unfortunately some of the colleagues in my sector and government officials. If they claim that they have no knowledge of the Licensing Examination, I dare say they go against their conscience by saying so.

Mr President, the rationale for introducing a universal Licensing Examination was discussed among the medical profession for over a decade.

As its representative, I explained and reported any progress made in the issue whenever I exchanged correspondence and views with its members over the past few years. I also put the issue on my election platform. Maybe, as the Chairman of the Bills Committee to study the Medical Registration (Amendment) Bill 1995 (MR(A)Bill 1995), the Honourable Philip WONG can confirm this. When the MR(A)Bill 1995 was under the scrutiny of this Council, many organizations put forward their views. Submissions received included those from the Hong Kong Medical Association, the Medical Council and the Association of Doctors of North America. Moreover, other medical associations which were not registered in Hong Kong also came here to give their views. In other words, many people know about this issue. If anyone from the profession claims that he knows nothing about it, to be frank, he is going against his conscience.

Mr President, I really have no idea why they say they know nothing about the legislative amendments. I wonder why they did not voice their views at the time when the MR(A) Bill 1995 was under scrutiny. After I had exchanged views with several parents, it suddenly dawned on me that there were three factors behind the issue. Firstly, when this universal Licensing Examination was introduced, many people considered that putting in place fair assessment was appropriate as it served to eradicate discriminatory practices. However, they later came to realize that their children, nieces and nephews were affected as a result and could no longer enjoy the privilege they used to be entitled to. When they found that putting in place such an examination was not worthwhile and appropriate, they raised their objection. Some people told me that these people originally took it for granted that graduates of the University of Hong Kong and the Chinese University of Hong Kong would not be exempted from taking the examination. However, when they came to realize that the graduates from these two local universities would enjoy the exemption, they were determined to voice their objection as they considered it not justified.

There is another factor. When the MR(A) Bill 1995 was under scrutiny that year, Hong Kong was experiencing a period of utmost uncertainty, and a tide of emigration still prevailed. Now that many people have returned to Hong Kong as a result of unemployment abroad, they have to bring up the matter.

Mr President, the need for professionals to register is simply to maintain quality and ensure attainment to the accepted level of competence. Professionals have to register with the relevant authorities before they can serve

the community. As for the setting of a professional standard, the Government absolutely is not capable of doing so or in a position to so. Neither are the public nor Members of this Council. The setting of suitable qualification necessary for registration should rest with no one but the professionals in the field concerned. This is professional autonomy. In other words, Mr President, that is why the Government appoints certain professional boards and councils to formulate a set of registration regulations and assessment criteria for determining who can be registered before they serve the community. It is in this way that public interests can be protected. Mr President, the Medical Council held two meetings to gather views from two different groups of members. It is clear that the Medical Council objects to the proposed amendments to the Medical Registration Ordinance, that is, this Member's Bill. I hope very much that Members of this Council, especially colleagues from professional sectors, will respect and treasure professional autonomy when they vote.

I remember that the Hong Kong Nurses Association held an open forum two weeks ago. At that time, the topic for discussion was the target group involved in the Nurses Registration Ordinance, and this involved the issue of professional autonomy. Apart from me, the Honourable LAW Chi-kwong and Michael HO were invited to attend the forum. All three of us unanimously emphasized one thing, namely, professional autonomy. I remember clearly that Mr LAW Chi-kwong said that the Government should give professional bodies the power to determine its mode of registration in order to meet the needs of the society and we should respect any decision made by those professional bodies. I also remember Mr Michael HO saying that like other committees, the Hong Kong Nurses Association should be given the power by the Government to determine its registration criteria. He described the Association as a professional "gatekeeper". In other words, it has the power to determine the qualifications and standard necessary for registration, how one can register by taking examinations, and even to exclude certain people from taking the relevant examinations. I really hope that these two Members will treasure professional autonomy and vote according to the principles they stated that day. Besides doing so, they should also convince Members of their political affiliations and other Members in accepting their views. Otherwise, people may take it as an evidence of double standards.

Mr President, after the Member's Bill was read the First time in the Legislative Council and was referred to the House Committee, the Honourable Mrs Selina CHOW, the Member who proposed the Member's Bill, stated that she

was against the setting up of a Bills Committee to study the Bill for two reasons. Firstly, the Bill was very straight forward and consisted of only two pages. Secondly, the Bill was subject to a tight legislative timeframe. Accepting these two reasons to be valid, the House Committee agreed not to set up any Bills Committee to study the Bill for the time being. Instead, the Bill should be referred to the Panel on Health Services for examining the spirit embodied therein. However, even though the Panel on Health Services had held three meetings to consider the Bill in detail, many problems were yet to be solved. The Government admitted that there were difficulties in implementing the Bill. Moreover, the mover of the Bill made six pages of amendments to her two-page bill one week ago. What followed were technical amendments which consisted of another six to seven pages. Mr President, if the Bill is passed in this Council today, can Members of this Council tell us and the public that they really understand how the proposals in the Bill will be implemented and whether these proposals are really practicable? Can they tell the public they have really examined the Bill in great detail? Some people criticize that the MR(A) Bill 1995 was passed hastily. This point has been echoed by some Members just now. However, let us not forget that the Bills Committee concerned held a total of three to four meetings to discuss the Bill. Four Members from the Liberal Party joined the discussion and gave their views. Mr President, up to now, we have not setting up a Bills Committee to study the Bill, and we have to pass so many Committee stage amendments. How can we assure the public that we clearly understand what is involved?

Mr President, I believe there is nothing more I have to say. I only hope that Members will understand all the factors I just mentioned. I also appeal to Members for voting against the Bill according to the rationale they have said and discussed and in the interests of the public.

Thank you.

**MISS EMILY LAU** (in Cantonese): Mr President, I will just make a simple speech to support the Honourable Mrs Selina CHOW's amendment. But first of all, I would like to give credit to Dr the Honourable LEONG che-hung's excellent speech. As I recall, it is the first time in a few years that .....

Some people applauded in the Public Gallery.

**PRESIDENT** (in Cantonese) : Order please.

**MISS EMILY LAU** (in Cantonese): But Mr President, the excellence lies in his speaking from his heart, and not from a draft. I believe he has much faith in what he has said, though I do not see eye to eye with him. However, this is a very good speech, and I hope there will be just as excellent speeches in this Council in future.

Mr President, I support the amendment and the reasons are simple. Firstly, I may not believe in or agree with what Dr LEONG just depicts as undesirable consequences. I hope that Mrs CHOW will clarify them in her concluding speech as she is the mover of the amendment. We do not want this amendment to bring forth any undesirable consequences; otherwise we all have to account for it in future. This is of course very important.

The other thing is, I agree with what some Members said: there was insufficient consultation when the Bill was passed in 1995. Though Dr LEONG said that some people did know but now deny it with a guilty conscience. I do not mean those who have a guilty conscience — those who do please stand up — I mean those who really were not aware of the amendment. Mr President, I myself have met with some parents and students. They really were not aware of it at that time. Mr President, I think this is really a matter about the spirit of the rule of law. The rule of law means more than putting laws into words and action; it also includes the process of passing the laws and consulting the people who may be affected and giving them a chance to speak out. Of course, we may not accept the opinions they have expressed. But at least we should have heard from all sides before we make our decisions. I think this is the spirit of the rule of law. If, there are now Members who do think that some people, for whatever reasons, were not consulted at that time — who are now asking the Government to clarify whether it made any mistakes at that time and why no consultation was held. Maybe this Council was at fault for not carrying out consultation at that time. Mr President, though our days are limited, I do hope that future legislators will inherit this spirit of the rule of law, that they would make full use of all channels to let people aware that with things directly affect

them, they should let their opinion be heard as soon as possible. I do not want to see that after a bill is passed, there are people coming out, saying that they were not aware of it at that time, and then ask for an amendment. This is not the proper way. Hence we have to clarify our legislation process, and I hope that there are very clear channels to let those affected know of the whole issue.

Dr LEONG also said that he had consulted his own group, his own functional constituency, and got 85% of support. Mr President, I am against functional constituency. I regard it as matter of a small circle. Besides the interest of your functional group, there is something called public interest. Whenever we discuss issues concerning a particular constituency, there are always such talks as having consulted their own constituencies. But have you consulted the public? Even though you are elected by the functional constituency, and I do not care it is one of the nine monster functional constituencies of the Governor Chris PATTEN's or whatsoever, you have to talk about public interest. I think this is of great importance. Hence, just talking about the 85% support does not mean much to me. Mr President, what does public interest mean?

Therefore, I hope that we can reach a proper balance today, and hope that Mrs CHOW will give us a detailed explanation later. I do not want to see that, in a year or two, there are new problems arising and the Bill comes back to the Council yet again.

Thank you, Mr President.

**DR YEUNG SUM** (in Cantonese): Mr President, the Honourable LEONG Che-hung's speech a while ago was wonderful. I, however, cannot quite agree with what the Honourable Miss Emily LAU said. She thought Dr LEONG has not done sufficient consultation because she supports direct election. As Dr LEONG was returned the functional constituency, he has a duty as a Councillor to consult his constituents.

I support the Bill put forward by the Honourable Mrs Selina CHOW for two major reasons. First, her Bill respects professional autonomy (a point Dr LEONG categorically emphasized just now). She deems it necessary to maintain the examinations, but she thinks that when the law was passed, a group



of people had been forgotten. She therefore puts forward a transitional plan to exempt these people. In fact, she thinks examinations have to be continued but the arrangement should not be applied to these people because when we were discussing the issue, not all of them knew about the situation. Even if some of them were aware, from the perspective of law, when some are unaware of this, the benefit of the doubt goes to the unwary, who would all be exempted. But the premise of exemption is that not all decisions of the profession are overturned. We have studied Mrs Selina CHOW's Bill carefully. We find that she is not overturning all the decisions of the profession. Instead, she accepted them, but when the law is implemented, she does not want it to apply to these people, for the special reason that they were forgotten in the discussion of the relevant law. Indeed, at the end of the day, all students from the Chinese University and the Hong Kong University will be exempted.

So, in my opinion, firstly, Mrs CHOW respects the profession. Secondly, she just cannot overturn the decision on the examinations as passed by the profession. Thirdly, supporting Mrs CHOW's Bill would not re-open a door because the exemption this time is restricted to the special group in question. Others are not included. Hence, the passing of this Bill does not mean that doctors from mainland China can follow suit. They may, in future, do so with the introduction of a bill, which I cannot tell right now, but by that time we will not be in this Council. The point is: decisions made should continue to be executed; the profession is given due respect and only a certain group is exempted from the qualifying examination.

I think the above arrangement contains the best of both worlds. It can cater to the group of students by showing sympathy, and it can respect the decisions of the profession. If, however, all decisions were overturned, the situation would be different. But the Bill does not overturn them. It only stresses that the arrangement should not be applied to these people. This restrictive arrangement, being accommodating to the profession, is, I think, capable of catering to the interests of both sides. In the circumstances, the Democratic Party supports the Bill proposed by the Mrs CHOW.

Thank you, Mr President.

**MR MICHAEL HO** (in Cantonese): Mr President, I did not intend to response. The Honourable YEUNG Sum and LAW Chi-kwong have already raised many

points and I will not repeat here. The Democratic Party has examined many pros and cons in considering whether it would support this Bill.

As regards professional autonomy, I have to make clarification on the opinion raised by the Honourable LEONG Che-hung just now. I wholeheartedly support the principle of professional autonomy. Different professional boards and councils should be given a free hand to determine their own registration criteria, training areas, professional standard, training programmes and what examinations people must sit before they can practice in Hong Kong.

In scrutinizing this Bill, we have carefully considered this transitional arrangement to see which group of people can be exempted from the examination. The training received by this group of people is definitely not our point of consideration in deciding their eligibility of medical registration. Neither have we examined whether their professionalism can meet the standard of the medical practitioners in Hong Kong. We have not touched on any of these factors in our deliberations at all.

Mr President, under such circumstances, we in fact have not touched on the issue of professional autonomy at all. We only look at the arrangement on the exemption of examinations which is outside the scope of professional autonomy.

These are my remarks.

**DR HUANG CHEN-YA** (in Cantonese): Mr President, I was a member of the Bills Committee responsible for scrutinizing this Bill. At that time, I sought clarification from the Medical Council whether this Bill would affect overseas students and whether the Council was well informed of the possible impact on them. At that time, the Medical Council only mentioned a student studying in Ireland. After some efforts were made by the concerned parties, the student's problem was resolved with the co-operation of the Medical Council. At that time, we asked the Medical Council to send letters to various universities in England and Australia so that the students could be informed of the situation. If the students felt that the Bill might bring about inconvenience, nuisance or other problems to them, they could raise them for the Committee's consideration. The Medical Council undertook to do so because they had no idea that there were

other students who would be affected. It was not until recently that we knew the Medical Council had never sent letters to the overseas universities and therefore many students knew nothing about the situation. However, some students did write to the Medical Council to make inquiries. Later we found that the Medical Council had not kept the students informed of the problems found during the scrutiny of the Bill. As a result, these students have never advised the Bills Committee of the problems that they may face. The Legislative Council was really misled at that time. I find it very regrettable. That is one of the reasons why we support Mrs Selina CHOW's Bill.

The second reason is professional autonomy. I am also a medical practitioner. Undoubtedly, I strongly support this principle. However, there is one condition for the implementation of this principle: the profession concerned should operate within the community. As such, we should strike a balance between professional autonomy and public interest. We can see that problems exist in the examination system of the Medical Council in terms of both equity and transparency. Firstly, the passing rate is extremely low. Secondly, due to improper examination arrangement, many students cannot sit the examination right after graduation. As a result, there may be an interval during which they cannot practise.

In fact, after the Legislative Council passed the legislation, the Medical Council should have improved the whole examination system so that it would not be exclusive or discriminatory. We should have had an examination system that is up to professional standard and in public interest. Unfortunately, two years has elapsed but the Medical Council has not put in adequate efforts. Even if this Bill is endorsed and the students studying in Australia and England are exempted from the examination, these problems still exist in the examination system. We have to pay attention to this point. If the Medical Council fails to improve the examination system, I think the existing Legislative Council or the future legislature should do its best to improve it so that it will not bring about unfairness to some members of our community. This is because if they graduate from universities in China, Taiwan or other countries, they have to sit and pass the examination before they can practise.

**SECRETARY FOR HEALTH AND WELFARE** (in Cantonese): Mr President, regarding the Member's Bill proposed by the Honourable Mrs Selina CHOW, I would like to explain the Administration's policy and stance concerning this Bill.

As long as patients' safety and medical standards are not jeopardized, we encourage self-regulation in the medical profession. Regarding self-regulation, we would listen to the views of the statutory bodies. The Hong Kong Medical Council is a statutory body responsible for matters concerning the registration, practice and disciplinary procedure of medical practitioners. In this regard, we definitely respect the views of the Medical Council.

When the Medical Registration (Amendment) Ordinance 1995 was passed in July 1995 by the Legislative Council, it was stipulated that people applying to practice medicine in Hong Kong, regardless of whether they have been trained overseas, must pass the universal licensing examination of the Medical Council. Before the amendment, our medical registration system was based on the qualifications recognized by the Medical Council of the United Kingdom. Medical graduates holding diplomas from the United Kingdom or certain Commonwealth countries could register and practice in Hong Kong without sitting any examination. Hong Kong at that time did not have its own set of standard which could cater for the local situation. In order to come up with a fair and reasonable regime to set standards, we accept the recommendation of the Medical Council concerning the universal examination. In the Medical Registration (Amendment) Ordinance 1995 passed by the Legislative Council in the same year, it was stipulated that overseas students applying for registration in Hong Kong have to pass the universal examination. The new provision concerning the examination took effect on 1 September 1996.

After the new law came into force, a group of overseas medical students objected to the new examination provision, saying that they had been enrolled in the programme before the legislation came into effect and therefore they thought they should be exempted. After some discussions, the Medical Council maintained the decision, thinking that it should not reinstate the previous unfair registration system to allow graduates with Commonwealth qualification to get automatic registration. We also know that bodies in the medical profession expressly said that they did not support the present Bill. The Medical Council has also undertaken to carry out administrative measures to assist these medical students to pass the examination and get local experience as soon as possible.

When the Medical Council made the decision on the commencement date of the new examination provision, it had considered the fact that the affected students could still come back to Hong Kong for registration and practice. It is only that they have to sit the examination and undergo internship. All the same, non-Commonwealth medical graduates have to take the same route for their registration and practise.

To my knowledge, when the Medical Council decided not to support Mrs Selina CHOW's Bill, there were several factors to consider. The Medical Council was of the opinion that pre-practice local experience is very important. First of all, some common local diseases are not common in overseas countries. Overseas medical students may not have enough experience regarding these diseases. In addition, local patients' response to medication and requirement for dosage may be different from those of overseas patients. So, the Medical Council is of the view that for public interest, overseas students should undergo internship and examination before they can practice. The Medical Council has decided to maintain its position and oppose to reinstating exemption for overseas medical students.

After we have considered the concern of the overseas students in Commonwealth countries and the provision of this Bill, we will support the decision of the Medical Council and oppose the Bill. We should not give preferential treatment to a group of Hong Kong students holding Commonwealth qualification. The core of the matter is not that they could have got exemption before the amendment to the law but whether we should reinstate, after formulating the new registration, the past double-standard registration system for a small number of people which will lead to the existence of two medical registration medical systems in Hong Kong in the years to come.

Thank you, Mr President.

**PRESIDENT** (in Cantonese): Mrs Selina CHOW, do you wish to reply?

**MRS SELINA CHOW** (in Cantonese): Mr President, how much time do I have?

**PRESIDENT** (in Cantonese): 15 minutes.

**MRS SELINA CHOW** (in Cantonese): Mr President, first of all, I am very grateful to various colleagues who have spoken during the debate. From their speeches, I am very glad to have heard that they fully appreciate the difficulties of the students affected and how unfair this is to them. I thank Members for spending time and energy to study this rather complicated issue. I also thank them for understanding the right and wrong of this matter. Actually, this is central to what we are discussing. So-called principles and professional autonomy must be guided by this crucial and fundamental issue of right and wrong.

Before I respond to Dr the Honourable LEONG Che-hung's impassioned speech, I would first like to answer questions raised by several colleagues and clarify some key points. First, I am very grateful to the Honourable Miss Emily LAU for raising those questions, which I believe colleagues need to be aware of. Since I have been following up this matter, I am more familiar with it. Miss LAU raised a very important question: From the perspective of public interest, would this bring undesirable consequences to Hong Kong? I can say with a clear conscience, "It will not." For many years, we have allowed graduates of these 38 Commonwealth medical institutes to return to practice in Hong Kong. Many practising doctors are graduates of these institutes and they have been practising very successfully. I have not heard comments that these graduates are substandard or that they fall short of professional standards. Therefore, I believe that granting a reasonable transitional period to students studying at these institutes would not have a negative impact on Hong Kong's medical system or standards. I hope Miss Emily LAU and other colleagues will rest assured on this point.

Dr the Honourable HUANG Chen-ya said that in the course of deliberation, it was mentioned that one student studying in Ireland would be affected. I

would like to clarify that this was not during the deliberation of the Medical Registration Ordinance 1995, but the amendment to the date of the Registration Ordinance in 1996. I looked up the records and it was Dr HUANG Chen-ya who brought this up. At that time, the Government replied that only one student would be affected and after solving this, there would be no problem. This was absolutely untrue and the Government must be held responsible for this error. So must the Medical Council of Hong Kong. However, talking of responsibility, I think that everyone of us is held responsible. When the parents of those students met with me, the first thing I said to them was, "How could you not have known that legislation had been passed which would affect your children?" They have to bear the responsibility. Even though they did not know, they have to bear the responsibility. As Legislative Councillors, we overlooked these students during the scrutiny of the Registration Bill 1995. Even though the Government did not tell us, even though Dr LEONG Che-hung did not tell us, even though the Medical Council did not tell us, we are responsible, because this is a mistake. Should the Medical Council be held responsible? Of course it should be, because these are their students. If it has thought of medical students in Hong Kong, but not our medical students studying overseas, does it have to assume responsibility? Of course it does. These students are qualified people. After training, they will be professionals of Hong Kong. The Medical Council must be held responsible for overlooking these students. Is Dr LEONG Che-hung responsible too? He too is responsible, since he represents not only his voters, but also the medical constituency, which includes students and the training of qualified people. However, he had forgotten about these people and did not say that their case had to be considered, and so he has the responsibility. Everyone of us, as Legislative Councillors who passed the legislation resulting in these students feeling that they are being unfairly treated, and we now agree that they are being unfairly treated, should be responsible, too.

Therefore, all of us have the responsibility to rectify this omission. Actually, I have tried to think of other ways to rectify this omission, but there is no other way, except legislation. I have pointed out that we had consulted some Queen's Counsels to see if this is the only way. The answer is positive. If we accept that these students should be allowed to register without going through that examination, the only way to rectify this mistake is through legislation. Therefore, this mistake can only be rectified if my Bill is passed.

Before responding to the views of Dr LEONG Che-hung, I want to comment on the Government's response. The Government's attitude can be

described as "irresponsible", because it does nothing but says that one must respect the profession and the Medical Council. Is the Medical Council infallible? If the Medical Council makes a mistake, who is going to rectify it? If the Government knew that one student studying in Ireland would be affected, did it not have the obligation to find out whether other students would be affected? Was it not the Government's responsibility to raise this matter and consider it from the perspective of public interest? What is the Government's attitude anyway? When Miss Emily LAU asked the Government in January whether any students would be affected, the official answer was the Government did not have any information. How could they say there was no information? They should have tried to find out. In fact, last September, the Hong Kong Medical Association already made public the fact that 600 students would be affected. I am sure that Dr HUANG knows about that too. Actually, a lot of information shows that several hundred students would be affected. Under these circumstances, how could the Government tell Miss Emily LAU that there was no information? Is this the right attitude for the Government to take?

Just now the Secretary for Health and Welfare said that it would be unfair to exempt these students. This means that she agrees with the view of the Medical Council, which is that it would be unfair if this Bill is passed, since these students would be exempted. However, we should not forget that in July, 1995, this Council decided that Hong Kong students should be exempted. Is that unfair too? We should decide whether they should be exempted based on actual circumstances and whether we have a pledge to these students, instead of sticking to the rules and refusing to give them exemption flat-out, thereby creating further unfairness. The reasons named by the Secretary for Health and Welfare just now are no different from those supplied by the Medical Council to the Government. So-called "local experience" is nothing but a reason which was suddenly put forward when a compromise could not be reached. I mentioned just now that the doctors practising in Hong Kong are also graduates of the 38 Commonwealth institutions. They did not have local experience at the start either. However, with their professional expertise and skill, they have now become very successful doctors.

Now I will respond to several rather impassioned points made by Dr LEONG Che-hung. Just now he said that he had conducted a comprehensive survey, which showed that neither were they afraid of their "rice-bowls" being snatched away, nor were they practising protectionism. I do not know whether the doctors considered it from the protectionist point of view. I hope not, but



the content of that survey certainly smacks of protectionism. Although it claims not to be protectionist, some passages mention that we are now in a political crisis due to the approach of 1997. If this door is opened, it might attract tens of thousands students from overseas or the Mainland to knock on it. Tens of thousands or a hundred thousand or so such doctors might come to knock on this door. I would like to ask Members what they would think if they were doctors.

As for being ignorant of the fact, I agree with Dr LEONG that some of them indeed knew about the legislation, because we can hardly say that all parents of the students affected were ignorant. However, undeniably, as Miss Emily LAU said, some of the parents were really ignorant. They are not from the medical profession and they had no idea. One thing we must bear in mind is that when the bill was submitted to the Legislative Council, the scrutiny process was also a consultative process. At that time, some amendments were made in respect of medical students in Hong Kong, who are permanently exempted. The Honourable Mr CHAN Kam-lam also mentioned that originally transitional provisions were made for Hong Kong students, which were then replaced by permanent exemption. This means that changes could have been made during the scrutiny period. The question is, whether these students had a chance to state their case and change the parts in the Bill which were unfavourable to them. The answer is "no".

With regard to Dr LEONG Che-hung's comment that my amendment might not be feasible, he need not worry, since my amendment has incorporated the Government's suggestions and many technical changes have been made. One crucial change was in fact made by incorporating Dr LEONG's opinion, that is, if a transitional provision is to be made for those students, a deadline for registration should be set. As for whether these amendments are feasible after their incorporation into the ordinance, I can tell everyone and assure colleagues who support me that they will definitely be feasible. If they were feasible before, they will certainly be feasible now.

Lastly, I want to say that if this is the attitude and approach adopted by representatives of Hong Kong's professional autonomy towards my Bill, I really wonder whether we should uphold such ruthless autonomy. If the profession, knowing that a wrong has been done against its younger generation, not only refuses to redress it, but resists such redress vigorously, can we accept or even condone such professional autonomy? When an error is made in the name of professional autonomy, it is up to this Council to rectify it, under the premise and

principle of upholding justice and righteousness.

For the above reasons, I hope Members will support my Bill.

**DR HUANG CHEN-YA** (in Cantonese): Mr President, can I provide certain information concerning the matters raised by the Honourable Mrs Selina CHOW?

**PRESIDENT** (in Cantonese): Do you want her to clarify something which she has mentioned?

**DR HUANG CHEN-YA** (in Cantonese): No, I just want to provide some information for the purpose of clarifying the issue which she does not state clearly. Would it be possible to do so?

**PRESIDENT** (in Cantonese): However, you cannot introduce new issues. If Mrs Selina CHOW just now did not understand your speech, or she misquoted you, you can make corrections but it is not possible to add anything new.

**DR HUANG CHEN-YA** (in Cantonese): I would like to make some corrections. Mrs Selina CHOW mentioned that the case of a student studying in Ireland was brought up when this Bill was being amended in 1996. As a matter of fact, before this case was discussed when the Bill was scrutinized, the Health Services Panel had already looked into this problem, and at that point in time, the Medical Council of Hong Kong should have had ample time to give an explanation.

**PRESIDENT** (in Cantonese): Dr HUANG Chen-ya, you have introduced a new issue. She has not misunderstood you and you are merely adding new information.

*Question on the Second Reading of the Bill put.*

*Voice vote taken.*

The President said he thought the “Ayes” had it.

Dr LEONG Che-hung claimed a division.

**PRESIDENT** (in Cantonese): Council shall proceed to a division.

**PRESIDENT** (in Cantonese): I would like to remind Members that they are now called upon to vote on the Second Reading of the Medical Registration (Transitional Provisions) Bill 1997.

Will Members please register their presence by pressing the top button and then proceed to vote by choosing one of the three buttons below?

**PRESIDENT** (in Cantonese): Before I declare the result, Members may wish to check their votes. Are there any queries? The result will now be displayed.

Mr Allen LEE, Mrs Selina CHOW, Mr SZETO Wah, Mr LAU Wong-fat, Mr Edward HO, Mr Ronald ARCULLI, Mrs Miriam LAU, Mr Albert CHAN, Mr CHEUNG Man-kwong, Mr Frederick FUNG, Mr Michael HO, Dr HUANG Chen-ya, Miss Emily LAU, Mr LEE Wing-tat, Mr Eric LI, Mr Fred LI, Mr Henry TANG, Mr James TO, Dr Samuel WONG, Dr Philip WONG, Dr YEUNG Sum, Mr Howard YOUNG, Mr WONG Wai-Yin, Miss Christine LOH, Mr James TIEN, Mr CHAN Kam-lam, Miss CHAN Yuen-han, Mr CHENG Yiu-tong, Dr Anthony CHEUNG, Mr CHEUNG Hon-chung, Mr CHOY Kan-pui, Mr David CHU, Mr Albert HO, Mr IP Kwok-him, Mr LAU Chin-shek, Mr Ambrose LAU, Mr LAW Chi-kwong, Mr LEUNG Yiu-chung, Mr Bruce LIU, Mr LO Suk-ching, Mr MOK Ying-fan, Miss Margaret NG, Mr NGAN Kam-chuen, Mr SIN Chung-kai, Mr TSANG Kin-shing and Dr John TSE voted for the motion.

Dr LEONG Che-hung voted against the motion.

Mr CHIM Pui-chung, Mr LEE Kai-ming and Mr YUM Sin-ling abstained.

THE PRESIDENT announced that there were 46 votes in favour of the motion and one against it. He therefore declared that the motion was carried.

**PRESIDENT** (in Cantonese): You still have to respect order even you are very happy.

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.

## **MEDICAL REGISTRATION (TRANSITIONAL PROVISIONS) BILL 1997**

### Clause 1

**DR LEONG CHE-HUNG** (in Cantonese): Mr Chairman, since I am against the principle of the Bill, I oppose all the clauses and amendments.

**CHAIRMAN** (in Cantonese): Dr LEONG Che-hung spoke on the Bill just now. He still has the right to speak before there is a final vote on the question. Members please proceed to vote again.

Clause 1 was agreed to.

Clauses 2 to 6

**MRS SELINA CHOW** (in Cantonese): I move that the above clauses be amended as set out in the paper circulated to Members.

Basically the amendment either relates to certain technical details or amends those provisions in the Medical Registration (Amendment) Ordinance 1995 changed and required to be reinstated for they are applicable to the limited number of Hong Kong medical students on regaining their rights.

A clause particularly worthy of mentioning is clause 3. Under the amendment, to qualify for provisional registration in Hong Kong, one has to make application, be employed and pay the prescribed fee. The amendment also includes a list of 38 approved medical institutions or bodies specified in the Schedule to avoid confusion or unnecessary misunderstanding.

Of greater importance is clause 5. The clause takes into consideration the queries raised by Dr LEONG Che-hung and other prominent figures in the medical profession. It aims at setting a reasonable period in which Hong Kong medical students affected can return to Hong Kong to register so that they have ample time to register but will not be given the privilege of having an indefinite period in which they can return to Hong Kong to register. The first category of persons targeted at by the amendment are Hong Kong permanent residents who before the Medical Registration Ordinance became effective on 1 September 1996 were studying in the 38 approved medical institutions or bodies. They can return to Hong Kong to register within two years of graduation. The second category are Hong Kong permanent residents who graduated within three years from the 38 institutions or bodies after the Medical Registration Ordinance was enacted on 3 August 1995. They may return to Hong Kong for registration within three years of the enactment of the Ordinance. The two time limits are meant to allow Hong Kong students protected by the Bill ample time to return to Hong Kong for registration. These time limits are reasonable ones. Hong Kong students will not be given the preference of having unlimited time to

register. If these persons do not register within the time limits, they will lose the right to automatic registration.

Other than clauses 3 and 5 and the Schedule, the amendments are for technical improvement to enable the wording of the Bill to fully reflect the central meaning of the Bill.

With these remarks, I beg to move.

*Proposed amendments*

**Clause 2**

That clause 2 be amended —

- (a) in the definition of "Commencement", by deleting "the commencement of the Amending Ordinance" and substituting "1 September 1996, being the day on which the Amending Ordinance (other than sections 14 and 16 thereof) came into operation by virtue of the Medical Registration (Amendment) Ordinance 1995 (87 of 1995) (Commencement) Notice 1996 (L.N. 158 of 1996);".
- (b) in the definition of "Original Ordinance", be deleting "prior to the" and substituting "immediately before".
- (c) in the definition of "Original Provisions", by deleting "specified" and substituting "set out".
- (d) by adding -

""Enactment Date" means 4 August 1995, being the date of the enactment of the Amending Ordinance;".

**Clause 3**

That clause 3 be amended, by deleting the clause and substituting —

"Section 12 is amended by adding -

"(1A) A person who is entitled to be provisionally registered under section 35(7) shall be entitled to be provisionally registered on application to the Registrar and production to the Registrar of evidence to the satisfaction of the Registrar that he has been selected for such employment as is mentioned in section 9(1) of the Original Provisions and on payment of a prescribed fee.".

#### **Clause 4**

That clause 4 be amended, by deleting the clause and substituting —

"Section 14(1) is amended by adding "and section 35(7)" after "this section"."

#### **Clause 5**

That clause 5 be amended, by deleting the clause and substituting —

"Section 35 is amended by adding -

"(7) A person satisfying the conditions set out in subsection (8)(a) and (b) shall notwithstanding section 8(1), be entitled to be registered or provisionally registered (as the case may be) as a medical practitioner in accordance with, but subject to subsection (9), the Original Provisions as if the same had not been amended or repealed (as the case may be) by the Amending Ordinance.

(8) The conditions referred to in subsection (7) are that -

- (a) (i) subject to subsection (9), the person, during the period of three years from the Enactment Date, is awarded a diploma within the meaning of section 7(1)(b) of the Original Provisions and makes an application to be registered or provisionally registered (as the case may be) as a medical practitioner; or
  - (ii) the person was immediately before Commencement registered or enrolled to pursue a diploma referred to in paragraph (a)(i) in an institution or body awarding such diploma, or was offered a place to pursue the same and such person shall have made an application to be registered or provisionally registered (as the case may be) as a medical practitioner within a period of two years after he is awarded such diploma;
- and
- (b) the person was at time of Commencement a Hong Kong permanent resident within the meaning of section 2(1) of the Immigration Ordinance (Cap. 115) as then in force.
- (9) For the purposes of section 35(7) and (8), the definition of "recognized Commonwealth diploma" in the Original Provisions shall be construed to mean a diploma granted by any of the recognized Commonwealth institutions or bodies specified in Schedule 4."

## **Clause 6**

That clause 6 be amended, by deleting the clause and substituting —



**"6. Schedules added**

The following Schedules are added -

"SCHEDULE 3

[ss 2 & 35]

The Original Provisions

**2. Interpretation**

In this Ordinance, unless the context otherwise requires -

"diploma" means any diploma, degree, fellowship, membership, licence, authority to practise, letters testimonial, certificate or other status or document granted by any university, corporation, college, or other body, or by any departments of or persons acting under the authority of the government of any country or place within or without Her Majesty's dominions;

"General Medical Council" means the statutory body of that name incorporated in the United Kingdom;

"qualifying diploma" means a diploma conferring, subject to compliance with the provisions of this Ordinance, entitlement to registration under section 7;

"qualifying examination" means an examination which has to be passed to qualify for a qualifying diploma;

"recognized Commonwealth diploma" means a diploma -

- (a) which is granted within the Commonwealth other than in the United Kingdom or in Hong Kong; and
- (b) which is for the time being recognized by the General Medical Council as being a qualification that makes the holder thereof

eligible to be registered in the United Kingdom as a fully registered medical practitioner;

"United Kingdom or Irish diploma" means any qualification specified in the second column of the Schedule which is granted by a body specified in relation to that qualification in the first column of the Schedule, or any combination of those qualifications, which makes the holder thereof eligible (or would make the holder thereof eligible if a national of a member state of the European Economic Community) to be registered in the United Kingdom as a fully registered medical practitioner.

**7. Qualifications for registration**

(1) Subject to the provisions of this Ordinance, the following persons shall be entitled to be registered as medical practitioners -

(b) any person who holds a United Kingdom or Irish diploma or a recognized Commonwealth diploma;

**8. Experience necessary for registration**

Subject to section 14A, a person shall not become registered, otherwise than by way of provisional registration, unless -

(a) in the case of a person claiming registration by virtue of a Hong Kong diploma, it is certified under section 9 that he has had the experience specified in that section; or

(b) in the case of a person claiming registration by virtue of a United Kingdom or Irish diploma or recognized Commonwealth diploma, the Council is satisfied that he has had such experience as is specified in section 10.

**9. Certificate of experience**

(1) A certificate for the purposes of section 8(a) shall not be

granted in respect of any person unless after passing a qualifying examination he has been engaged in employment in a resident medical capacity in an approved hospital or in an approved institution for such period as may be prescribed.

(2) A person satisfying the condition specified in subsection (1) may apply to the University of Hong Kong or to The Chinese University of Hong Kong for a certificate under this section, and if the University is satisfied that -

- (a) during the time the applicant has been so employed as aforesaid he has been engaged for such period or minimum period as may be prescribed in medicine, and for such period or minimum period as may be prescribed in surgery; and
- (b) his service while so employed has been satisfactory,

the University shall grant, in such form as may be prescribed, a certificate that it is so satisfied.

(3) Time during which an applicant, while employed as mentioned in subsection (1) has been engaged in midwifery, not exceeding such period as may be prescribed, shall be counted for the purposes of subsection (2)(a) either as time spent in medicine or as time spent in surgery, as the applicant may elect.

(4) Where during any period of such employment as is referred to in subsection (1) an applicant who has been engaged in medicine has also been engaged in surgery or in midwifery or both, or an applicant who has been engaged in surgery has also been engaged in midwifery, the period shall be apportioned for the purposes of this section in such manner as may be determined by the body granting the qualifying diploma by virtue of which the applicant claims registration.

(5) In this section -

- (a) "approved", in relation to a hospital or institution,

means approved for the time being by the University of Hong Kong or The Chinese University of Hong Kong for the purposes of this section;

- (b) reference to employment in a resident medical capacity shall be construed as reference to employment in the practice of medicine, surgery or midwifery, where the person in question is resident in the hospital or institution where he is employed or conveniently near thereto, and by the terms of his employment is required to be so resident.

#### **10. Other evidence of experience**

The matters as to which the Council must be satisfied for the purposes of section 8(b) are -

- (a) that the person claiming registration has been employed as mentioned in section 9(1) and has satisfied the conditions specified in subsection 2(a) and (b) of that section; or
- (b) that such person has rendered satisfactory service in an appointment (whether within or outside Her Majesty's dominions) such as in the opinion of the Council confers experience of the practice of medicine and surgery, or medicine, surgery and midwifery, not less extensive than that required for a certificate under section 9; or
- (c) that such person has otherwise acquired such experience as aforesaid."

*Question on the amendments put and agreed to.*

*Question on clauses 2 to 6, as amended, put and agreed to.*

Council then resumed.

**Third Reading of Bill**

MRS SELINA CHOW reported that the

**MEDICAL REGISTRATION (TRANSITIONAL PROVISIONS) BILL 1997**

had passed through Committee with amendments. She 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 Cantonese): In accordance with Standing Orders, I now adjourn the Council until 2.30 pm on Wednesday, 23 April 1997.

*Adjourned accordingly at ten minutes to Six o'clock.*

*Note:* The short titles of the Bills/motions listed in the Hansard, with the exception of the Import and Export Ordinance, Appropriation Bill 1997, Legislative Council (Powers and Privileges) Ordinance, Fatal Accidents Ordinance, Interpretation and General Clauses Ordinance, Cross-Harbour Tunnel (Cross-Harbour Tunnel Regulations) (Amendment) Bill 1997, Eastern Harbour Crossing (Eastern Harbour Crossing Road Tunnel Regulations) (Amendment) Bill 1997, Tate's Cairn Tunnel (Tate's Cairn Tunnel Regulations) (Amendment) Bill 1997, Occupational Deafness (Compensation) (Amendment) Bill 1997 and Smoking (Public Health) (Amendment) Bill 1997, have been translated into Chinese for information and guidance only; they do not have authoritative effect in Chinese.