

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 3 December 1997

The Council met at half-past Two o'clock

MEMBERS PRESENT:

THE PRESIDENT

THE HONOURABLE MRS RITA FAN, J.P.

THE HONOURABLE WONG SIU-YEE

THE HONOURABLE JAMES TIEN PEI-CHUN, J.P.

THE HONOURABLE DAVID CHU YU-LIN

THE HONOURABLE HO SAI-CHU, J.P.

THE HONOURABLE EDWARD HO SING-TIN, J.P.

DR THE HONOURABLE RAYMOND HO CHUNG-TAI, J.P.

THE HONOURABLE NG LEUNG-SING

PROF THE HONOURABLE NG CHING-FAI

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

THE HONOURABLE LEE KAI-MING

THE HONOURABLE ALLEN LEE, J.P.

THE HONOURABLE MRS ELSIE TU, G.B.M.

THE HONOURABLE MRS SELINA CHOW, J.P.

THE HONOURABLE MRS PEGGY LAM, J.P.

THE HONOURABLE HENRY WU

THE HONOURABLE NGAI SHIU-KIT, J.P.

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

THE HONOURABLE RONALD ARCULLI, J.P.

THE HONOURABLE MA FUNG-KWOK

THE HONOURABLE CHEUNG HON-CHUNG

DR THE HONOURABLE MRS TSO WONG MAN-YIN

THE HONOURABLE LEUNG CHUN-YING, J.P.

DR THE HONOURABLE LEONG CHE-HUNG, J.P.

THE HONOURABLE MRS SOPHIE LEUNG LAU YAU-FUN, J.P.

THE HONOURABLE MOK YING-FAN

THE HONOURABLE HUI YIN-FAT, J.P.

THE HONOURABLE CHAN CHOI-HI

THE HONOURABLE CHAN YUEN-HAN

THE HONOURABLE CHAN WING-CHAN

THE HONOURABLE CHAN KAM-LAM

THE HONOURABLE TSANG YOK-SING

THE HONOURABLE CHENG KAI-NAM

THE HONOURABLE FREDERICK FUNG KIN-KEE

THE HONOURABLE ANDREW WONG WANG-FAT, J.P.

DR THE HONOURABLE PHILIP WONG YU-HONG

THE HONOURABLE KENNEDY WONG YING-HO

THE HONOURABLE HOWARD YOUNG, J.P.

DR THE HONOURABLE CHARLES YEUNG CHUN-KAM

THE HONOURABLE YEUNG YIU-CHUNG

THE HONOURABLE IP KWOK-HIM

THE HONOURABLE CHIM PUI-CHUNG

THE HONOURABLE BRUCE LIU SING-LEE

THE HONOURABLE LAU KONG-WAH

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

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

THE HONOURABLE CHOY KAN-PUI, J.P.

THE HONOURABLE PAUL CHENG MING-FUN, J.P.

THE HONOURABLE CHENG YIU-TONG

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

THE HONOURABLE KAN FOOK-YEE

THE HONOURABLE NGAN KAM-CHUEN

THE HONOURABLE LO SUK-CHING

DR THE HONOURABLE LAW CHEUNG-KWOK

THE HONOURABLE TAM YIU-CHUNG, J.P.

THE HONOURABLE CHOY SO-YUK

MEMBERS ABSENT:

DR THE HONOURABLE DAVID LI KWOK-PO, J.P.

THE HONOURABLE YUEN MO

THE HONOURABLE LAU WONG-FAT, J.P.

THE HONOURABLE TIMOTHY FOK TSUN-TING

PUBLIC OFFICERS ATTENDING:

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

THE HONOURABLE ELSIE LEUNG OI-SIE, J.P.
SECRETARY FOR JUSTICE

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

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

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

MR DAVID LAN HONG-TSUNG, J.P.
SECRETARY FOR HOME AFFAIRS

MR CLEMENT MAK CHING-HUNG
SECRETARY FOR CONSTITUTIONAL AFFAIRS

CLERKS IN ATTENDANCE:

MR RICKY FUNG CHOI-CHEUNG, J.P., SECRETARY GENERAL

MR LAW KAM-SANG, J.P., DEPUTY SECRETARY GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

PAPERS

The following papers were laid on the table pursuant to Rule 21(2) of the Rules of Procedure:

Subject

Subsidiary Legislation	<i>L.N. No.</i>
Dangerous Drugs (Amendment) Regulation 1997	556/97
Medical Laboratory Technologists (Registration and Disciplinary Procedure) (Amendment) Regulation 1997	557/97
Physiotherapists (Registration and Disciplinary Procedure) (Amendment) Regulation 1997	558/97
Radiographers (Registration and Disciplinary Procedure) (Amendment) Regulation 1997	559/97
Air Navigation (Hong Kong) (Amendment) Order 1997 ...	560/97
Veterinary Surgeons Registration (Fees) Regulation	563/97
Tax Reserve Certificates (Rate of Interest) (No. 3) Notice 1997	564/97
Hawker (Permitted Place) Declaration 1997	565/97
Non-local Higher and Professional Education (Regulation) Ordinance (Cap. 493) (Commencement) (No. 2) Notice 1997	566/97
Non-local Higher and Professional Education (Appeal Board) Rules (L.N. 264 of 1997) (Commencement) Notice 1997	567/97

Non-local Higher and Professional Education (Regulation) Rules (L.N. 265 of 1997) (Commencement) (No. 2) Notice 1997	568/97
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Sessional Papers

No. 42 — Environment and Conservation Fund
Trustee Report 1996-97

No. 43 — Hong Kong Tourist Association
Annual Report 1996/97

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. The question time shall not be more than one hour 30 minutes. The average time for each question is therefore 15 minutes. The first question. Dr Raymond HO.

Contaminated Landfills

1. **DR RAYMOND HO** (in Cantonese): *Madam President, it is reported that the Government will spend several hundred million dollars to decontaminate two polluted landfills in Tseung Kwan O. In this connection, will the Government inform this Council:*

- (a) *of the landfills in Hong Kong which are polluted;*
- (b) *whether it has any plan to change the planned land use of these landfills (such as to enable the building of sitting-out areas on them); if so, whether the authorities will decontaminate the landfills before commencing the construction work, so as to ensure the safety of the users; and*
- (c) *of the measures in place to ensure that the decontaminated landfills will not pose health hazards to the users of the facilities built there on?*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President,

- (a) There are 13 old landfills in Hong Kong. All of them have been closed. They were designed some 30 to 40 years ago using the technology of the day, and are hence deficient in terms of our current environmental control measures. These sites have become contaminated as a result of the gradual decomposition of the buried waste.
- (b) The Government considers that the old landfill sites can be put to beneficial use after suitable decontamination and restoration. Our plans are that at least four of the sites can be used for recreational purposes. The Secretary for Broadcasting, Culture and Sport is responsible to co-ordinate the development of these sites. The Environmental Protection Department is implementing a restoration programme to restore all the old landfill sites to a safe and environmentally acceptable condition. The works include the construction of gas and leachate management systems. An operation and maintenance programme for these systems will also be carried out until these landfill sites are brought back to normal development use. Construction of the restoration facilities on seven of these landfill sites is already in progress.
- (c) Once the restoration facilities are in place, the emission of gas and discharges of leachate from the old landfills can be controlled. Regular monitoring by the Environmental Protection Department and its restoration contractors will be made to ensure that these landfill sites are safe to the users of the facilities built on them, nearby residents or the wider environment.

Thank you, Madam President.

PRESIDENT (in Cantonese): Dr Raymond HO.

DR RAYMOND HO (in Cantonese): *Madam President, will the Government consider setting a standard on volatile organic gases to ensure that people will not inhale excessive poisonous gas coming out of the landfills which would be hazardous to their health?*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, I believe Dr Raymond HO was referring to the control of the emission of methane gas produced in the landfills. In our restoration plan, we will require the contractor to construct facilities to let out the methane gas. As regards the control of the emission, one passive approach is to allow the gas to emit into the atmosphere by itself, while a more active approach is to install a methane management system to pump out the gas from the landfills and burn it out with very high heat. After the system is in place, we should be able to ensure that the facilities built on the landfills will not become a hazard to the health of their users and the residents in the nearby area.

PRESIDENT (in Cantonese): Mrs Miriam LAU.

MRS MIRIAM LAU (in Cantonese): *Madam President, will the Secretary for Planning, Environment and Lands inform this Council, as there has been a lack of parking spaces for lorries and container trucks, whether he will consider turning some of the old landfills into parking lots so as to solve this problem?*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, we have yet to finalize the future use of the old landfills except the four mentioned earlier which are definitely planned for recreational use. We are still studying that. As the long-term use of other landfills is not yet decided, we still have room to consider Mrs LAU's suggestion. However, we must strike a balance among the various demands and needs of all sides.

PRESIDENT (in Cantonese): Second question. Mr CHENG Kai-nam.

Quality of the Housing Authority Estates

2. **MR CHENG KAI-NAM** (in Cantonese): *Madam President, in connection with the quality of the Housing Authority estates, that is, estates under the Home Ownership Scheme and the Private Sector Participation Scheme, will the Government inform this Council:*

- (a) *of the measures in place to prevent contractors and developers from letting tender prices compromise workmanship, and to ensure the quality of building inspections; and*
- (b) *whether it will review the existing system of the Private Sector Participation Scheme, under which the Buildings Department will issue "Letters of Compliance" according to the building inspection reports submitted by private developers; and of the measures in place to ensure the credibility of the results of building inspections carried out by these developers?*

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): Madam President, the Home Ownership Scheme (HOS) is developed by the Housing Authority (HA). In selecting contractors for construction projects, tender price is not the only criterion adopted. Financial capability, past performance and current workload of tenderers are also taken into account.

Housing projects under the Private Sector Participation Scheme (PSPS) are undertaken by private developers. A weighted scoring system is adopted to ensure objective assessment of tenders submitted by developers. In selecting tenders, consideration is given not only to the tendered premium but also to the "non-premium" aspects of tenders which include overall planning and detailed design of projects, past performance and financial capability of tenderers, and other proposals relating to construction, environment and future management.

Concerning building inspections, HOS projects are inspected by the Housing Department's professionals. The practice for PSPS projects, which is similar to that for private housing developments, is prescribed in the Buildings Ordinance. Authorized Persons and Registered Structural Engineers are to give such periodical supervision of building works or structural works of PSPS projects as may be necessary, and registered contractors are to give such continuous supervision of building works. Their roles are to ensure that buildings constructed are in accordance with the plans approved by the Building Authority and the provisions of the Ordinance and regulations. In addition, the Director of Housing appoints an independent surveyor to generally oversee the development of the project and to monitor the progress.

As regards part (b) of the question, the general practice for private housing developments is followed in the case of PSPS projects. Occupation Permits are issued by the Building Authority based mainly on certificates submitted by Authorized Persons. These certificates must be signed by Authorized Persons, Registered Structural Engineers and registered contractors of these projects, all of whom must be registered with the Building Authority under the Buildings Ordinance.

PRESIDENT (in Cantonese): Mr CHENG Kai-nam.

MR CHENG KAI-NAM (in Cantonese): *Madam President, according to the Government's reply just now, the issuance of occupation permits is subject to the signing of the "Letters of Compliance". Does this mean that the relevant government departments are to be responsible for the final approved inspection report? In the circumstances, should structural problems appear in a building, is the Government to bear the same responsibility as that of the contractor or does it only play the role of a mediator?*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, first of all I would like to explain something about the so-called "Letter of Compliance". Such a term does not exist in the Buildings Ordinance. The "Letter of Compliance", so called by the public, generally refers to the document issued by the Lands Department certifying that the development on the site has complied with the conditions of grant. By "Letter of Compliance", I believe the Honourable Member is referring to the procedures for issuing the occupation permit.

In general, under the Hong Kong system, the Building Authority will require the authorized persons and registered structural engineers to sign a certificate, stating that the building has been built in accordance with the Buildings Ordinance. This responsibility lies with the authorized persons and the structural engineers. After receiving the certificate, the Building Authority can proceed with the issuance of the occupation permit. Therefore, the responsibility of ensuring that the building is constructed in accordance with the Buildings Ordinance falls upon the authorized persons and the structural engineers.

PRESIDENT (in Cantonese): Mr Henry WU.

MR HENRY WU (in Cantonese): *In the last part of the third paragraph of the main reply, the Secretary for Housing mentioned that the Director of Housing appoints an independent surveyor to generally oversee the development of the project and to monitor the progress. I would like to ask if problems are found in the supervision or monitoring of the works later on, whether the Housing Department or the independent surveyor is held responsible; and if there is a time limit for this. Thank you, Madam President.*

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): Madam President, in principle, the ultimate responsibility falls upon the authorized persons, registered structural engineers and registered contractors. Generally speaking, the independent surveyor appointed by the Housing Department is responsible for overseeing the progress of the various aspects of the project and carrying out limited supervision in this respect. Therefore, the ultimate responsibility still lies with the above authorized professionals. Thank you.

PRESIDENT (in Cantonese): Mr HUI Yin-fat.

MR HUI YIN-FAT (in Cantonese): *Madam President, is the Government responsible for repairing the structural defects of the HOS buildings? If not, from the standpoint of the consumers, would it not be that the HOS flat buyers have no protection over their purchase? How is the Government to set people's minds at ease when they purchase the HOS flats?*

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): Madam President, I think that we should look at this problem from two aspects; the first is the HOS and the other PSPS. As regards the HOS, flats are of course under the direct supervision of the Housing Department who must assume totally responsibility as it very closely monitors all aspects of the project; hence if anything goes wrong, meaning normal and generally predictable situations, the Housing Department should be able to bear this responsibility. As for the PSPS projects, the situation is the same as any private housing developments, and the responsibility should therefore be shared by the developers, contractors and all authorized persons concerned. Of course, that also depends on the extent of responsibility to be borne by the various parties as prescribed in the contract, that is, what responsibility lies with whom in what stage of the project. Thank you, Madam President.

PRESIDENT (in Cantonese): Miss CHAN Yuen-han.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, from what the Secretary for Planning, Environment and Lands and the Secretary for Housing have told us, it seems that no matter in what stage a project is, the Government is not involved. But in the reply, matters like "inspected by the Housing Department's professionals" and "the Director of Housing appoints an independent surveyor" have been mentioned. But what they have said just now seem to be entirely different. I would like to ask: take the existing PSPS projects as an example, has the Government conducted an overall assessment of its own? If problems are found during the assessment, will it be like what the two secretaries said, that they have nothing to do with them? Or the Government would continue to make reforms when problems arise?*

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): Madam President, if we look back on the past, we will find that from 1973 on and up till now, nothing like the recent incidents involving the buildings has happened. Similar incidents only happened before 1973. In principle, that is because since 1973, the HA and the Government have adopted a special international standards measure requiring that only contractors and material suppliers concerned and the like who meet the standards set by the International Standard Centre are allowed to tender for and participate in the Housing Department's housing construction projects and hence it is certain that the quality of the construction can be assured.

The Government has never said that there is no problem. In fact, the Government keeps on studying the responsibility of each party in various aspects to see if there is any need for amendments or improvements in the hope that the works done will be more satisfactory than before. Thank you, Madam President.

PRESIDENT (in Cantonese): Mr TAM Yiu-chung.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, I would like to ask if after the professionals of the relevant government departments have inspected a building and issued the inspection report, "Letter of Compliance" or occupation permit, the building is still found to be seriously defective, what punishment will be imposed on these professionals of these departments; and what responsibility they will have to bear.*

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): I would ask the Secretary for Planning, Environment and Lands to answer this for me.

PRESIDENT (in Cantonese): All right, Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): It is not convenient for me to comment in any detail on the case of the On Ning Garden here because the Housing Department is still undergoing a thorough investigation of the case and the result of the investigation may have to be submitted to the Building Authority for examination. At the moment, there is a system regulating professionals and if any of these professionals is found to have breached the Buildings Ordinance, the Administration may have to call a disciplinary board to conduct a hearing and see to what extent he is to be held accountable. Here, I wish to echo the words of the Secretary for Housing that the code of practice and standard employed in the construction of this kind of housing are the same as that of private housing in which the authorized persons, registered structural engineers and registered contractors are responsible for the quality of the construction, safety and structure of the building. Moreover, they must also certify that the building meets this standard and the legal requirements. At the moment, we have not yet reached this stage and we are still waiting for the report of the detailed investigation.

PRESIDENT (in Cantonese): Mr TAM Yiu-chung, do you wish to follow up on that?

MR TAM YIU-CHUNG (in Cantonese): *Yes, I would like to follow up as I did not pinpoint at any particular case just now. All I was asking was should the officials make mistakes, what punishment they would come under. There should have been similar precedent cases. Would the Secretary tell us what punishment was meted out before?*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, I have to stress again that the responsibility lies with the professionals themselves as they are to certify that the building is constructed in accordance with the prescribed standards. If the certificates they issued are found to be inconsistent with the facts, with the presence of evidence, the Administration will convene a disciplinary board. In connection with this Ordinance, there have been professionals penalized before. From 1970 up till now, there have been two registered contractors convicted and besides that, five registered contractors and two registered structural engineers have received disciplinary punishments and have been fined. According to this Ordinance, the maximum penalty permissible is a fine of \$250,000 and three years' imprisonment.

PRESIDENT (in Cantonese): Mr Frederick FUNG.

MR FREDERICK FUNG (in Cantonese): *Madam President, I would like to raise a question on the PSPS housing in connexion with the third paragraph of the main reply of the Secretary for Housing. In the paragraph, the only place that refers to the Housing Department or the HA is the last sentence which reads "the Director of Housing appoints an independent surveyor to generally oversee the development of the project and to monitor the progress". There are three other points that involve the Housing Department and HA but have not been mentioned here. After describing the background, I would like to point out: first, every buyer of the PSPS flat is recommended by the HA; second, for each PSPS flat sold, the HA makes between \$600,000 and \$800,000; third, if the*

owners of PSPS flats sell their flats in future, they will have to pay a land premium to the HA. In view of these three factors, I would like to ask how the HA, from its point of view, can get away with no responsibility at all.

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): Madam President, as I have said before, in respect of contractual responsibility, it naturally lies with the professionals of the contractors. As for the implication on the HA, it is of course another story. But as I said when answering another supplementary question earlier, we are looking into every person concerned and every kind of people involved, what roles they should be playing and what responsibility they are liable for. In this respect, we will continue with our studies to find what improvements that we can make.

PRESIDENT (in Cantonese): Mr FUNG, do you wish to follow up?

MR FREDERICK FUNG (in Cantonese): No, *I feel that the Secretary has not answered my question. If those people are recommended by the HA to buy their flats, if there are problems with their flats, should the one who made the recommendation be responsible too?*

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): Madam President, this seems to be the relationship between the purchase of the flats and the construction of the building and the responsibility involving the two and the HA has said that it is not liable for that. In regard to this, I can only make this answer on behalf of the HA that I cannot say that the HA must be responsible. However, the Government will look into this matter thoroughly to see how it should handle such cases in the formal way. Thank you, Madam President.

PRESIDENT (in Cantonese): Mr IP Kwok-him.

MR IP KWOK-HIM (in Cantonese): *Madam President, the Secretary has made it very clear to us in the fourth paragraph that the Building Authority issues the occupations permits on the basis of the certificates submitted by authorized persons and the consumers are naturally under protection. But now the feeling we get is that whether it is the PSPS housing projects or privately developed housing, the owners are bound to find various problems with the structure or other aspects of the flats after they have bought them. I would like to ask the Government how it can ensure that the flat owners are protected after the occupation permits have been issued? I have heard the Secretary say in answering a supplementary question that the Government would consider amending the law. If so, what is the direction of that the Government is taking? And how is the progress of that?*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, in my earlier replies, I have more or less answered this question. Under Hong Kong's present system, the construction of all buildings are monitored by private professionals and after they have submitted the certificates, the authorities will then issue the occupation permit in accordance with the law. Generally speaking, the issuance of occupation permits depends on the certification by the professionals themselves. If they lie or overlook anything, they will be penalized in accordance with other laws, and prosecuted under, say, the Buildings Ordinance or their licences could be revoked or they would be fined after being found guilty by the disciplinary board. In fact, whether it is to the PSPS projects or the tens of thousands buildings that we own, this system is applicable. It is not that the law has anything wrong and needs to be amended. I believe what the Secretary for Housing has been referring to earlier is that if he is to study the matter again, he will have to look into the administrative measures or procedures involving the whole PSPS project that is under HA consideration at the moment and see what needs to be improved.

PRESIDENT (in Cantonese): Mr CHAN Choi-hi.

MR CHAN CHOI-HI (in Cantonese): *Madam President, concerning the study mentioned by the Secretary for Housing earlier, is he in fact going to conduct a thorough review? I did not hear him say anything about a review. Will the result of the review or study be given to the Panel on Housing of the Provisional Legislative Council? We would like to know what the responsibility the Government will have to bear ultimately as regards this issue. Will he give an account to the Panel on Housing?*

PRESIDENT (in Cantonese): Secretary for Housing.

SECRETARY FOR HOUSING (in Cantonese): Madam President, we will certainly have to probe into the problem in depth in this respect before we can come up with some conclusion. When the Government gets a certain conclusion, it will surely discuss it with the HA. If we can arrive at some more definite conclusion, I firmly believe that we can give a report to the Panel on Housing of this Council in due course.

PRESIDENT (in Cantonese): Mr LAU Kong-wah.

MR LAU KONG-WAH (in Cantonese): *Madam President, the Building Authority is to approve the plans, that is, it will see whether the building is built according to the plan after it is completed. I would like to ask the Government if some buildings are found to "have shrunk in size", why the Government does not know anything about it.*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, please allow me to say that the buildings of On

Ning Garden have not "shrunk in size".

PRESIDENT (in Cantonese): Mr LAU Kong-wah.

MR LAU KONG-WAH (in Cantonese): *Madam President, I have never mentioned On Ning Garden. What I meant was only that the Verbena Heights buildings have "shrunk in size" and how come the Government does not know about it? Or perhaps the Secretary for Planning, Environment and Lands does not know that the buildings of Verbena Heights have "shrunk in size" either? (Laughter)*

PRESIDENT (in Cantonese): Secretary for Planning, Environment and Lands.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, if I have your permission to answer a question that is not related to the main question, I can try to answer it. I think the Secretary for Housing already explained to this Council that the problems with the Verbena Heights arose because when the authorized persons calculated the areas of the flats, they did so referring to the amendments to the plan and took the average of the figures as the basis. In fact, the building was completed in accordance with the plans of Verbena Heights submitted to the Government before. There was no deviation from the plans; it is only because the average was taken when the floor areas of the buildings were calculated, discrepancies were resulted. There was nothing wrong with the plans.

PRESIDENT (in Cantonese): Third question. Mrs Selina CHOW.

Meal Delivery Arrangements of the Social Welfare Department

3. **MRS SELINA CHOW** (in Cantonese): *Madam President, will the Government inform this Council:*

- (a) *of the current timetable of the Social Welfare Department (SWD) for the delivery of meals to elderly people living alone and the detailed arrangements in this respect;*

- (b) *whether it has stipulated the nutritional content of the meals;*
- (c) *of the days when meal delivery service is not available from the SWD, and the means to ensure that these old people can still be provided with meals on those days; and*
- (d) *of the present procedures for elderly people living alone to lodge complaints about the meal delivery arrangements; and the number of such complaints last year?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, the home help service is funded by the Government and provided by non-governmental organizations. It covers a wide range of services including meal delivery service, general personal care, household chores, purchase of daily necessities, laundry service and medical appointment escort service. When an application for home service is received, the responsible social worker will perform a detailed assessment of the need of the client in order to decide what services are required, including those on Sundays and public holidays, and then make the suitable arrangements.

- (a) Meal delivery service is a very important part of home help service. It is normally provided on weekdays and Saturdays. Two meals are delivered each day. The time of delivery will be arranged by the organizations according to operational needs. Normally lunch will be delivered from 11 am to 1 pm and dinner from 4 pm to 6 pm.

Other than delivering the meals, the home helpers will take the chance to have a chat with the elderly people and if problems are observed, the home helpers will inform the social worker who will then follow them up.

- (b) Every home help team is headed by a social worker, as the leader and co-ordinator. The SWD provides training to the home helper in-charge. The content of the training includes information on

nutrition, how to set up the menu and the eating habits of the elderly. In providing the meals, other than taking into consideration the client's likes and requests, the service agencies will also try to provide nutritionally-balanced diets. They will also provide special diets according to the medical recommendations for clients with specific needs, for example, clients with diabetes or high blood pressure.

- (c) Home help service is provided to people who cannot take care of themselves and whose families cannot take care of them in week-days. During holidays and Sundays, most of the elderly people will be taken care of by their families and friends. Those without family and who cannot take care of themselves can request the service agencies to provide meal delivery service during holidays and Sundays. Because of this, the SWD gives each home help team a special allowance.

The service agencies have the discretion to use the special allowance either as holiday allowance for the home helpers in the teams or as the honorarium for neighbours who will provide the meals instead. Enlisting the help of neighbours can also encourage community participation in the provision of elderly services.

- (d) Any comments or complaints about the meal delivery service from the elderly can be lodged with the service agencies or directly addressed to the District Social Welfare Officers of the SWD for appropriate actions.

Amongst the 18 000 or more clients who had been served in the past year, the SWD only received two anonymous complaints about the meal delivery service arrangements but none was received by the service agencies. The clients will sometimes offer their views on the service and food to the home helpers, for example, whether the food suit their wishes, and the service agencies will do their best to accommodate their particular requests.

PRESIDENT (in Cantonese): Mrs Selina CHOW.

MRS SELINA CHOW (in Cantonese): *Madam President, it has been mentioned in paragraphs (a) and (c) that under the present arrangements, meal deliveries are only available on weekdays and Saturdays but none on Sundays and holidays, assuming that the elderly people can be taken care of by their families or friends on such days. I would like to ask how many among the 18 000 clients have applied for this service on holidays or Sundays; and how the SWD can ensure that the elderly people would not be too afraid to lodge complaints or ask for help and thus do not dare to make the request.*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, among our clients of this service, other than elderly people, there are also handicapped people and other families. Elderly people account for about 80%, that is, about 15 000. According to our statistics, about 2 200 cases need the meal delivery service on holidays or Sundays. We get these figures from the survey conducted in March this year.

In the first paragraph of my main reply, I have somewhat mentioned that every time when the social workers perform an assessment, they will discuss with the clients, both the old people and other families, in detail about their needs such as what services are required or how they should be arranged. In this regard, the social workers will make a detailed assessment. During the assessment, they will ask whether the clients are cared for on holidays and whether they need this special service. This is the present arrangement.

This service is provided by many different social service agencies. According to the information provided by them, generally speaking, this service is quite well received and they have never received any complaints. In general, the clients are all very satisfied with this service because to deliver the meal, the home helpers visit the elderly people or other families twice a day and will build up a very close relationship with their clients and a bond between them. Other than delivering the meals, the home helpers also run many errands for them such as shopping for daily necessities, escorting them to see doctors, providing general personal care or bathing them and so there is usually a special bond between the helpers and the elderly people. This service is good on the whole

and we are quite satisfied with that.

PRESIDENT (in Cantonese): Mrs Selina CHOW, are you saying that the Secretary has not answered your supplementary question?

MRS SELINA CHOW (in Cantonese): *I feel that the Secretary has not answered the second part of my question. If the old people are not willing or are afraid to lodge complaints or ask for help, how can the SWD or the Bureau ensure that they can receive the help they need?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): If the elderly people have anything to complain about, I believe we will know. But if they do not lodge any complaints, there is no way that we can find out. After years of development, this service has expanded; it was provided by only one agency initially, now we are having the participation of many agencies. In addition, we also have a relatively objective indicator, and that is clients can choose different agencies to provide service to them. If they are not satisfied with a particular agency or team, they can always make a request to switch. However, according to our record, few clients have requested to drop the agency that they are receiving services from and switch to another one.

PRESIDENT (in Cantonese): Mr HUI Yin-fat.

MR HUI YIN-FAT (in Cantonese): *Madam President, if the Government provides this meal delivery service 365 days a year, how much extra cost will that incur? Will the Government consider, under the present circumstances that our fiscal resource is in ample supply, providing this service every day? If not, why not?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I can only answer it this way — if we find that there is a practical need, we will consider providing extra services. This is not that we have to consider the extra costs incurred to decide how many additional services we are to provide. In fact, we have to see the need of each case for not everyone needs the same service and we will provide the service according to their needs. Moreover, we have to consider that this service is not simply to deliver meals. The home helpers also do many other things for these elderly people or others, and their direct care and chatting with the clients often matter even more.

PRESIDENT (in Cantonese): Mr CHAN Wing-chan.

MR CHAN WING-CHAN (in Cantonese): *Madam President, as regards the suggestion to have fast food shops to deliver meals to these elderly people, what is SWD's plan in this respect? If this suggestion of having fast food shops to provide this meal delivery service is accepted, how is the SWD to continue one important aspect as is mentioned in paragraph (a), that is, home helpers can take the chance of delivering meals to chat with the elderly people and if problems are observed, they would inform the social workers to follow up?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, we do not have any plan to replace the work of the home helpers by any other way.

PRESIDENT (in Cantonese): Mr TAM Yiu-chung.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, normally how many elderly people one home helper has to deliver meals to and how long can the helpers stay to talk to the old people?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, we do not have an average figure as every case is different and every agency also has its own arrangements. As for the time that the home helpers stay, it also depends on the need of the family. Some elderly people need to be fed and the home helpers will stay longer; some need people to do household chores for them and the home helpers will chat with them while doing the chores; some need general personal care and the home helpers may also stay longer; and some old people need to be escorted to the doctor and that even takes more time. Therefore, we do not have an average figure for every case is different.

PRESIDENT (in Cantonese): Mrs Peggy LAM.

MRS PEGGY LAM (in Cantonese): *Madam President, the old people have very high opinions of the home helpers' services. The Wan Chai District also have many of such cases. I would like to ask whether these services are available throughout Hong Kong, Kowloon and the New Territories. Are there anyone waiting to receive these services?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, we have at present 124 home helper teams and their services cover all districts in Hong Kong, Kowloon and the New Territories. If there are special needs, they will do their best to make this service available to their clients. For the time being, it is our plan to establish five additional teams in this fiscal year as we have seen the increase in demand for this service. Moreover, we are also planning to establish 15 more teams in the next year. Therefore, we do step up this service according to the demand of the community.

PRESIDENT (in Cantonese): Mrs Peggy LAM.

MRS PEGGY LAM (in Cantonese): *I asked if anyone was waiting. It seems that the Secretary has not answered this.*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): According to the information provided by the various agencies, there is not anyone waiting at the moment.

PRESIDENT (in Cantonese): Mr Henry WU.

MR HENRY WU (in Cantonese): *Madam President, it has been mentioned in paragraph (c) of the main reply that during the holidays, neighbours are enlisted to deliver meals to the clients. I find this practice very agreeable. I would like to ask whether these neighbours will do other work than delivering the meals? The Secretary has said that the home helpers also do other such work as household chores, laundry service, shopping for daily necessities and general personal care. If they are also to take up these tasks, do they have enough experience in providing personal care service?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, my main reply mainly answered the issue of meal delivery. Other services are undertaken by the home helpers because these can be done on weekdays and Saturdays. Other than this service, we also encourage volunteers to visit the old people and do other work and hence home helpers are not the only ones to provide the services.

MR HENRY WU (in Cantonese): *I would like to raise another question but it is not related to the previous question.*

PRESIDENT (in Cantonese): Sorry, Mr WU, please join the line and wait for your turn to ask the question. Mr HO Sai-chu.

MR HO SAI-CHU (in Cantonese): *The question that I wanted to ask was asked by Mr CHAN Wing-chan. I would like to put another one. It has been mentioned in paragraph (a) of the main reply that meals are delivered from 11 am to 1 pm and from 4 pm to 6 pm. Then if one receives the lunch close to 1 pm and then dinner at 4 pm, there will be 20 hours in between with no meal. I would like to ask whether there are better arrangements that the time between the two meal deliveries can be spread out more.*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, as regards this issue, I have also seen them deliver the meals. They put the food in a thermos container. After the meals are delivered, the clients do not have to eat the meal at once because the home helpers do not collect the container right away and therefore they can eat the meal at whatever time they please. The time of delivery is dictated by the route set by the agency for the home helpers but the clients have the absolute control over their meal time.

PRESIDENT (in Cantonese): Members, this question has already exceeded the 15 minute time limit. There are several supplementary questions that I cannot accommodate here. I hope that Members will follow them up in the relevant panel. The fourth question. Mr Howard YOUNG.

Visa Applications from Two Categories of Nationals

4. **MR HOWARD YOUNG:** *In respect of visa applications from nationals of Middle East and Eastern European countries, and nationals of other countries, will the Government inform this Council of:*

(a) *the respective average time taken to process the applications from*

- these two categories of nationals;*
- (b) *the reasons for the difference in time in processing these applications; and*
- (c) *the numbers of applications from these two categories of nationals over the past three years and, of these applications, the numbers which were rejected and the reasons of rejection?*

PRESIDENT: Secretary for Security.

SECRETARY FOR SECURITY: Madam President, all foreign nationals who wish to enter the Hong Kong Special Administrative Region for residence, employment or training must apply for the appropriate visas. However, for short visits, nationals of only 39 countries (including some Middle East and Eastern European countries) need to apply for visas, while nationals of 170 countries do not need to apply for visas. Out of the 21 Middle East countries, nationals of only seven countries are required to apply for visit visas. For the 27 Eastern European countries, nationals of 19 countries are required to apply for visit visas. To expedite the issuance of the visit visas, applications for stay of less than 14 days from nationals of these 19 Eastern European countries and Somalia are approved by the overseas diplomatic and consular missions of the Peoples' Republic of China at the applicants' places of domicile, without them being referred to the Immigration Department for processing.

Against this background, the answers to the three parts of the question are as follows:

- (a) The Immigration Department does not keep statistics on "average time" taken to process visas, since there could be substantial variations between individual cases. Our performance measurement is expressed as the percentage of visit visa applications completed within a stated timescale. In the case of Middle East countries, 94% of visit visa applications received in the first 10 months this year were finalised within four weeks. In the case of Eastern European countries, 85% of the applications received were finalised within four weeks. For applications from nationals of countries other than these two categories, 95% were finalised within

four weeks.

- (b) There is no significant variation in the performance measures for the three categories of applications (that is, those from nationals of Middle East, Eastern European and other countries). The slightly higher proportion of applications from nationals of Eastern European countries which took more than four weeks to complete was primarily due to the longer time taken by the sponsors of these cases in providing the required supporting information. The processing time for all categories of visit visas is within the stated performance pledge of the Immigration Department, that is, to process 70% of visa applications within four to six weeks.
- (c) In 1994, 1995 and 1996, the Immigration Department received a total of 1 946, 1 966 and 2 329 visit visa applications from nationals of Middle East countries. The numbers of rejections are one, seven and one respectively. In the case of Eastern European countries, the numbers of applications are 311, 182 and 255, with the respective numbers of rejections being zero, 10 and 15. For nationals of countries other than these two categories, out of the 6 681, 8 266 and 10 340 applications received, 53 115 and 190 were rejected. It can be seen that the numbers of rejections in all cases only account for small percentages of the numbers of applications. These applications were mostly rejected because the applicants concerned did not fulfil the normal immigration criteria, such as doubts as to the genuine intention of the visitors, or for security reasons.

Thank you, Madam President.

PRESIDENT: Mr Howard YOUNG.

MR HOWARD YOUNG: *In paragraph (a), the Secretary mentioned that the processing time was four weeks. I do know of a case in which it took a Middle East senior sales manager of a local airline five weeks to come here for an urgent meeting. Therefore, he was among the 6% which did not make it. Has the Government considered whether it is feasible to reduce this four-week processing time or, perhaps, even shorter at least for repetitive visitors?*

PRESIDENT: Secretary for Security.

SECRETARY FOR SECURITY: Madam President, we always try to process all these applications as quickly as possible. Individual cases, of course, do vary and it is not possible to give an indication of processing 100% of all applications within a stated time, unless that stated time happens to be very long. For those, of course, who have to travel to Hong Kong for urgent reasons, it is entirely possible for them to make it clear, in their applications, the reasons why they need to travel very quickly or very urgently. And we would, as far as we can, try to deal with that particular application as soon as possible.

PRESIDENT (in Cantonese): Mr James TIEN.

MR JAMES TIEN (in Cantonese): *Madam President, if it takes me four to six weeks to obtain an entry visa to a certain place, I would choose to visit other places instead. Mr Secretary, given Hong Kong's high efficiency, I do not understand why the timescale that we pledge to complete the process is so long as four to six weeks. The Secretary mentioned that the most significant reason was the longer time taken by the sponsors in providing the required information. But I believe that an applicant can provide the sponsor's information at the time that he submits his application; in that case, would the processing time be shortened to three to four weeks? What I am directing at is the performance pledge rather than the timelimit of four to six weeks.*

PRESIDENT (in Cantonese): Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): Madam President, we do review our performance pledge on a regular basis but we have found from our past reviews that we need to maintain the present time scale. Of course, we all wish to shorten the processing time when our resources, technology and number of applications can allow us to do so. But Mr TIEN may also be aware that when processing a visa application, we need time to cross-check the relevant papers of the applicant's local sponsor and understand the applicant's background.

Moreover, to safeguard Hong Kong's security, when we see fit and owing to security reasons, we may have to go to greater length to examine the applicants of a certain countries. Under the circumstances, it may take a longer time, say four weeks, to process some visas, but in most cases, the processing time is less than four weeks.

PRESIDENT (in Cantonese): Mrs Selina CHOW.

MRS SELINA CHOW (in Cantonese): *Madam President, Hong Kong has always taken pride in its efficiency. But looking at these figures alone, we may find that our performance in this respect seems to have fallen short of our reputation. The Secretary has talked about the stated performance pledge is to process 70% of visa applications within four to six weeks which is in fact a rather low requirement. As for the 30% applications that take over six weeks to process, is 30% a percentage acceptable to the Government for failing to honour the performance pledge? And can the Secretary tell us if there is any difference in these numbers before and after 1 July?*

PRESIDENT (in Cantonese): Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): Madam President, the 70% level referred to by Mrs Selina CHOW is actually our open performance pledge. In respect of our actual performance, I have already pointed out in paragraph (a) of the main reply that in the case of Middle East countries, 94% of visit visa applications received in the first 10 months this year were processed within four weeks while in the case of Eastern European countries, 85% were processed within four weeks and for applications from nationals of countries other than these two categories, 95% were processed within four weeks. As far as I know, there is not much difference in the visa processing time before and after 1 July 1997 on the whole. I wish to reiterate that Hong Kong has a very liberal visa policy. There are 170 countries whose nationals have no need to apply for a visa for short visits in Hong Kong. Only when there is absolute need that nationals of a small number of countries, 39 that is, are required to apply for a visa and we do have reasons to impose such requirement. Whether to exempt a country's nationals from applying for a visa, we have a number of considerations.

For example, did nationals of such countries or regions ever create trouble during their stay in Hong Kong in the past, such as by overstaying? What is our evaluation of these countries' security? To what extent are our ties with these countries for example on the tourist and economic fronts? Our stand has always been that where visas can be waived, we do so. But to safeguard the integrity of Hong Kong's immigration control and ensure the security of the territory, and only under unavoidable circumstances do we require nationals of a country to obtain a visa.

PRESIDENT (in Cantonese): There are just over two minutes left and three Members have indicated their wish to ask follow-up questions. I hope that Members can try to be precise to allow the Secretary to answer a few questions more. Mrs Peggy LAM.

MRS PEGGY LAM (in Cantonese): *Madam President, I really do not need to ask as the Secretary for Security has already answered the question in my mind which is why nationals of 39 countries need visas while others do not. The Secretary has already answered that. Thank you.*

PRESIDENT (in Cantonese): Mr Howard YOUNG.

MR HOWARD YOUNG (in Cantonese): *Madam President, in paragraph (c) of the main reply, the Secretary for Security told us that of the total number of visa applications from nationals of Middle East and Eastern Europe countries received, the rate of rejection is almost as low as 0.1%. In light of that, has the Administration considered whether it is a superfluous move to insist on requiring a visa from these people as the rejection rate is so low? As even they are exempted from applying for a visa, the Administration always has the authority to deny entry of a certain person on account of significant reasons.*

PRESIDENT (in Cantonese): Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): Madam President, as I have said in paragraph (c) of the main reply, the number of visa applications from Eastern European nationals rejected is indeed very small but I want to point out two things in respect of that. First, these numbers may indicate that nationals of Middle East countries are also aware that Hong Kong has a very stringent vetting system over the tourist visa applications and some potential trouble-makers may thus stay away from Hong Kong; second, it is mainly due to our security needs that nationals of a small number of Middle East countries are required to obtain a visa to come to Hong Kong. We do not set up a strict visa vetting policy because there have been many people seeking to create trouble in Hong Kong before. We do so simply because even if just one such person could come here to make trouble, the consequence might be very serious.

PRESIDENT (in Cantonese): Mr James TIEN.

MR JAMES TIEN (in Cantonese): *Madam President, the Government has given a reasonable explanation for its need to take four to six weeks to process the visa applications. But as far as Hong Kong as a tourist destination is concerned, can the Government tell us whether our neighbouring countries that are in the same situation also take four to six weeks to process visa applications?*

PRESIDENT (in Cantonese): Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): Madam President, I do not have the information on how long our neighbouring countries take to process visa applications. Actually, every country or region has its own regime. But since Mr TIEN has mentioned tourism, I also wish to show you some figures on how far the issue goes concerning the tourists from the Middle East or Eastern European countries. For instance, in the nine months between January and September 1997, a total of 7 918 581 tourists visited Hong Kong, among whom 28 944 were from Middle East countries and only over a thousand of them were from countries whose nationals are required to obtain a visa. As for tourists from the Eastern European countries, there were over 14 000 in total.

PRESIDENT (in Cantonese): The fifth question. Mr LAU Kong-wah.

Reducing Size of Frontier Closed Area

5. **MR LAU KONG-WAH** (in Cantonese): *Madam President, the extensive coverage of the existing frontier closed area in Hong Kong with a total area of several thousand hectares, has caused inconvenience to members of the public. In this connection, will the Government inform this Council:*

- (a) *whether it has conducted any study to see if it is necessary to have such an extensive frontier closed area; if so, what the finding is; and*
- (b) *whether it will consider reducing the area covered by the frontier closed area in Sha Tau Kok and Ta Kwu Ling, and constructing houses and schools in the disestablished closed area, so that more facilities can be provided for residents in the vicinity?*

PRESIDENT (in Cantonese): Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): Madam President, since the establishment of the Frontier Closed Area (FCA) in 1951 and the extension of the area to its present boundaries in 1962, the Government has from time to time reviewed the need for the FCA and its coverage. All these reviews have confirmed the need to retain the FCA as a buffer zone to facilitate effective operations against illegal immigration, smuggling and other cross-boundary crimes. Except for some fine tuning of the boundary of the FCA (inclusion of Lok Ma Chau Boundary Crossing Point in 1989 and exclusion of the North East New Territories landfill in 1991), the coverage of the FCA has been found to be appropriate.

At this stage, we have no plan to reduce the area covered by the FCA. However, we shall continue to monitor the effectiveness of the FCA and review the need for its retention and its coverage from time to time, taking into account any changes in circumstances.

PRESIDENT (in Cantonese): Mr LAU Kong-wah.

MR LAU KONG-WAH (in Cantonese): *Madam President, it seems the Secretary's theory is that the larger the area of the FCA, the easier it is to curb illegal immigration. I would like to know why the present FCA is so irregular. Some parts of it are so big while some parts so small. If a wide FCA is more effective, why are there still thousands of illegal immigrants entering Hong Kong by land?*

PRESIDENT (in Cantonese): Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): Madam President, the demarcation of FCA certainly needs to take into consideration of the landscape and the operational needs of the disciplined forces. As far as coverage is concerned, an area of 3 000 hectares or so seems to be quite big, but since the North District of the New Territories is a vast area, the FCA is not so wide afterall. Naturally, our disciplined forces will do their best to curb illegal immigration. In view of the pressure of illegal immigration, we manage to arrest a significant number of illegal immigrants within the FCA from time to time. For example, in the first 10 months of this year, 36% of the illegal immigrants were arrested on land at the border fence, while 64% away from the fence but within the FCA. So, it can be seen the FCA is extremely helpful in preventing illegal immigration.

PRESIDENT (in Cantonese): Mrs Selina CHOW.

MRS SELINA CHOW (in Cantonese): *Madam President, I agree with the idea of the Secretary when he said the FCA could act as a buffer zone to facilitate effective operations against illegal immigration and other cross-boundary crimes. But undeniably, lots of people live and work within the FCA. I would like to ask the Secretary whether the Government could ensure it will issue valid documents to such people in a fair manner. Recently, some residents in the area lodged complaints in this respect. What is the Government reaction to*

this?

PRESIDENT (in Cantonese): Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): Madam President, a measure adopted in border control is the issue of closed area permits. There are two kinds of such permits one for residents and the other for visitors. Resident permits are for indigenous residents and people living in the FCA. Visitor permits are for people with a genuine need to enter the FCA, such as visitors who want to visit relatives there or to repair public utilities or to work in the place. We did receive some complaints but after some preliminary investigation we found most of them arose out of misunderstanding or problems in communication between residents and the police. The police is reviewing the procedure for the issue of such permits and is considering ways to enhance transparency and better communication with the residents there and will be formulating review mechanisms.

PRESIDENT (in Cantonese): Mr CHOY Kan-pui.

MR CHOY KAN-PUI (in Cantonese): *Madam President, will the Government inform this Council what criteria were used to determine the boundaries of the FCA. Did the Border Liaison Group discuss the abolition of FCA or will it do so? Is there any consensus or difference between China and Hong Kong?*

PRESIDENT (in Cantonese): Secretary, you already answered the first part of the question. Only the second part please.

SECRETARY FOR SECURITY (in Cantonese): Madam President, as far as I can recall, we did not discuss the abolition of FCA in the past two years at cross-border liaison meetings. But we are very sure of one point: our country fully supports steps taken by Hong Kong to maintain effective immigration control and do its best to prevent illegal immigration, and it will co-operate with us in every respect.

PRESIDENT (in Cantonese): Last oral question. Dr TANG Siu-tong.

Prevention Against Hepatitis A

6. **DR TANG SIU-TONG** (in Cantonese): *Madam President, will the Government inform this Council:*

- (a) *whether it has studied if an outbreak of hepatitis A would take place next year;*
- (b) *of the estimated number of persons aged below 30 who have no antibodies against hepatitis A virus at present;*
- (c) *whether it has any vaccination plans against hepatitis A; and*
- (d) *whether it will work more closely with the provisional municipal councils on adopting measures to ensure food hygiene?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President,

- (a) It is required by law that cases of hepatitis must be notified to the Department of Health. From the notification figures, we can keep abreast of the disease trend. In the period of 1988-91, the average number of hepatitis A cases notified was about 1100 per year. In 1992 there was an increase to more than 3 600 cases. Since then, the number of cases has been less than 900 each year. In 1996, only 260 cases were notified which is the lowest ever recorded. Infectious diseases normally show a periodic trend. In the past, hepatitis A cases rose to a high level every four to six years. In the first 10 months of this year, the Department of Health has received 400 notifications of hepatitis A cases, but this does not necessarily

imply there would be an outbreak of hepatitis A next year. Since hepatitis A is not an airborne disease but an infectious gastrointestinal disease, an outbreak can be avoided if preventive measures on food hygiene are taken effectively.

- (b) Based on the data kept by the Government Virus Unit, we estimate that about 2 million people aged below 30 may not have antibodies against hepatitis A. This is due to the continuous improvement in the sanitary conditions which reduce the risk of contracting hepatitis A and thus producing the antibodies.
- (c) Vaccination is one of the measures to prevent hepatitis A. Yet a more effective way is to observe good personal and food hygiene, since hepatitis A is mainly transmitted through contaminated food. Food should be thoroughly cooked before consumption. Thorough cooking not only prevents hepatitis A but also other infectious gastrointestinal diseases like cholera, bacillary dysentery, and so on. As regards the need to provide hepatitis A vaccination for the community, the Department of Health's Advisory Committee on Immunization will examine the relevant data, refer to the views of the World Health Organisation and the immunization programmes of other countries, and make recommendations to the Government.
- (d) To ensure food hygiene, the Department of Health, the two Municipal Councils and two municipal services departments maintain close collaboration and co-operation. They will continue to strengthen health education through Announcements in Public Interest, distribution of pamphlets and publication of a newsletter *Food Bulletin* soon to raise public and food traders' awareness on proper food, personal, and environmental hygiene practices. We will also educate them on proper ways to purchase, handle and cook high risk food such as shellfish. During inspection of food premises, staff of the Department of Health and the two municipal services departments also enhance health education on the food and personal hygiene for the food handlers.

PRESIDENT (in Cantonese): Dr TANG Siu-tong.

DR TANG SIU-TONG (in Cantonese): *Madam President, in paragraph (c) of the main reply it was mentioned the Department of Health has an Advisory Committee on Immunization. How many times a year does the Committee hold meetings? When can a decision be made for Hong Kong people to receive vaccination against hepatitis A?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, as far as I know the Committee will hold its next meeting in January when it will discuss the issue and make recommendations for vaccinations.

PRESIDENT (in Cantonese): Dr TANG also asked about the frequency of meetings held each year. Dr TANG, if you could repeat your question.

DR TANG SIU-TONG (in Cantonese): *Yes, the first part of my question was: How many times a year does the Committee hold its meetings? It seems to me it has not held meetings for ages.*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): As far as I am aware, the Committee does not hold regular meetings. It only holds meetings when there is a need.

PRESIDENT (in Cantonese): Dr LEONG Che-hung.

DR LEONG CHE-HUNG (in Cantonese): *Madam President, in paragraph (c) of the reply, the Government was obviously saying at this stage it would not vaccinate people under 30. Rather it will educate them to prevent hepatitis A by eating thoroughly cooked food. If people in this age group need to go out of Hong Kong for business from time to time will the Government give them any special advice or suggestion or will it provide vaccination for them?*

PRESIDENT (in Cantonese): Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, the meeting in January will discuss this issue and whether the Government will provide vaccination for those who need to leave Hong Kong on a regular basis for business or those who travel abroad.

PRESIDENT (in Cantonese): Dr TSO WONG Man-yin.

DR TSO WONG MAN-YIN (in Cantonese): *Madam President, just now the Secretary indicated there would be close collaboration between the two Municipal Councils. However, recently there were a number of cases of food poisoning from contaminated vegetables, ice-cream and beef. This shows food sampling is not adequate so that contaminated food reaches the market. In this connection, will the Administration tell us whether it has review the existing sampling standard?*

PRESIDENT (in Cantonese): Secretary, this question strays a bit from the subject. But as this is an area people are concerned about, can you try to answer it?

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): The collaboration between the Department of Health and the two Municipal Councils is not restricted to the issue of hepatitis. We have regular collaborations in our work. The subject today is hepatitis A. With regard to this issue, we do not just rely on the collaboration with the two Municipal Councils. Under the present laws the relevant clinical cases must be reported. So, the information we have is very accurate.

PRESIDENT (in Cantonese): Dr TSO WONG Man-yin, you may consider raising a separate question.

WRITTEN ANSWERS TO QUESTIONS

Environment-friendly Buildings

7. **MR EDWARD HO** (in Chinese): *Will the Government inform this Council of the measures it will adopt to encourage the architectural profession to design more environment-friendly Building?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Chinese): Madam President, the Government has already adopted a wide range of environmental, energy efficiency and conservation measures to encourage the architectural profession, both within the Administration and in the private sector, to design more environmentally-friendly buildings. We are conscious that this is an area where many technological improvements are taking place worldwide, and we will continue to monitor developments to ensure that appropriate measures are applied in Hong Kong.

The Director of Environmental Protection has commissioned a consultancy study on indoor air pollution in offices and public places. We expect to receive the recommendations shortly and would examine the measures necessary to ensure acceptable indoor air quality is provided through appropriate design,

operation and maintenance.

On the energy efficiency and conservation side, we will introduce building energy codes to promote energy efficiency in building services design. The codes for lighting and air-conditioning will be implemented in 1998. Codes for electrical installations, and lifts and escalators are being prepared. This is intended to be a voluntary scheme, initially, but we are examining whether it should be put on a mandatory basis in future.

Also in 1998, we will examine how to promote the wider adoption of water-cooled commercial air-conditioning systems with the primary aim of reducing energy consumption and consider amendments to the building regulations to allow for the provision of space in new buildings for waste recovery activities as part of the Waste Reduction Plan.

The private sector is also making valuable contributions. The Centre of Environmental Technology (CET) is promoting, on a voluntary basis, the adoption of environmentally friendly building designs, through the Hong Kong Building Environment Assessment Method (HK-BEAM).

The Government, in co-operation with the CET, has organized the Energy Efficient Building Awards Scheme 1997, to recognize achievements in building designs and management. The awards presentation will take place on 16 December 1997. It is clear from the quality of the entrants to the award scheme that Hong Kong already has environmentally-aware architects of very high standards.

We are aware of the importance of public education in promoting greater awareness of the need for more environmentally-friendly buildings. In April 1996, we started a \$6 million programme to implement pilot energy management opportunities to 20 government buildings. This has been successful and we intend to compile case studies based on the results of this programme for promulgation to the public and private sectors. We hope to encourage both the incorporation of energy efficient measures in the design of new buildings and the retrofitting of existing buildings.

Traffic Accidents on Highways Caused by Road Maintenance Work

8. **MR CHEUNG HON-CHUNG** (in Chinese): *It is learnt that road maintenance contractors often carry out repair works on highways during rush hours, resulting in traffic congestion or even traffic accidents. In this connection, will the Government inform this Council:*

- (a) of the number of traffic accidents directly or indirectly caused by road maintenance contractors carrying out repair works on highways, in each of the past three years;*
- (b) whether it has drawn up a code of practice in respect of highway repair works; if so, how it ensures observance of the code by contractors; and*
- (c) whether it has prescribed stipulations prohibiting contractors from carrying out repair works on highways during rush hours?*

SECRETARY FOR TRANSPORT (in Chinese): Madam President, it is not possible to establish a precise correlation between road maintenance works and traffic accidents, as traffic accidents are normally the result of a combination of contributory factors, for example, road conditions, weather situation, physical fitness of drivers and state of the vehicle(s) involved. We do not therefore have statistics on traffic accidents caused directly or indirectly by maintenance works on roads. Neither was there any prosecution case against the Government's road maintenance contractors for repair works causing traffic accidents in the past three years.

Under the Road Traffic Ordinance (Chapter 374), the Director of Highways has prescribed a Code of Practice on safety requirements for road maintenance works, and the Government exercises close monitoring of the contractors' observance of the Code. For highways works, contractors' proposals for works are first checked and approved by engineers of the Highways Department before execution of works. The detailed arrangements on site are then further checked by site inspectorate and supervising staff of the Highways Department. The contractor is also required to give seven days' advance notice

to the police before execution of works. Upon such notification, the respective Regional Police Road Management Office (RMO) will assess the nature and extent of the works, and may impose specific conditions where appropriate. Thereafter, regular inspections are conducted by both the RMO officers and the Regional Police traffic patrol officers. Warning and summons action will be taken by the police, if any of the conditions is breached.

Road maintenance contractors are normally required to carry out works outside peak hours, except for justifiable emergency works, so as to minimize the traffic impact and to avoid traffic congestion. For pre-planned road works on expressways, the Transport Department also issues traffic advice to inform motorists.

Illegal Workers in Construction Sites

9. **MR LAU KONG-WAH** (in Chinese): *Will the Government inform this Council:*

- (a) *of the number of Two-way Permit holders (TWPHs) arrested by the police in each of the past five years for taking up employment illegally at construction sites;*
- (b) *whether the police had, when arresting the TWPHs, also arrested the persons in charge of the concerned construction sites; if so, whether any difficulties were encountered in arresting them and of the average penalties imposed by the court on these persons-in-charge upon their conviction;*
- (c) *whether it is a common practice for persons in charge of construction sites to report illegal workers to the police before the pay day; and*
- (d) *whether discussion has been held with the relevant Chinese authorities on how to deter workers from taking up employment illegally in Hong Kong, in particular those who have been repeatedly arrested for working illegally in Hong Kong?*

SECRETARY FOR SECURITY (in Chinese): Madam President,

- (a) The number of TWPHs arrested at construction sites for taking up unapproved employment in each of the past five years is listed as below:

<i>Year/Month</i>	<i>No. of arrest</i>
1993	239
1994	385
1995	755
1996	422
1997	489
(January - October)	

- (b) In arresting the TWPHs taking up illegal employment at construction sites, the police and Immigration Department generally have little difficulty in also arresting the responsible employers, who could be the site controllers, subcontractors or foremen. Difficulties, however, lie in obtaining sufficient evidence to prosecute them successfully. In the first 10 months this year, a total of 57 employers of TWPHs working at construction sites were convicted. The typical sentence terms were suspended custodial sentences of one to 16 months, plus a fine of \$3,000 to \$5,000. In some cases, imprisonment terms of two to six months were handed down.
- (c) According to Labour Department, Immigration Department and Police, there is no evidence to suggest that there is a common practice for site controllers to report illegal workers to them before pay day.
- (d) We maintain close liaison with the mainland authorities and exchange information on repeated offenders. We understand that the mainland authorities seek not to issue Two-way Permits to those who are likely to take up illegal employment in Hong Kong, such as

those with adverse records.

Parapet Walls of Trident Public Housing Blocks

10. **DR TANG SIU-TONG** (in Chinese): *Does the Government know of:*

- (a) *the criteria adopted by the Housing Authority in deciding on the height of parapet walls of Trident public housing blocks; and*
- (b) *the measures in place to prevent children from climbing over and falling off such walls?*

SECRETARY FOR HOUSING (in Chinese): Madam President, the standard height of parapet walls in Trident public housing blocks managed by the Housing Authority is 1.2 m, which is higher than the statutory requirement of 1.1 m under the Building (Planning) Regulations.

Besides adopting a higher standard of height for parapet walls, the Housing Authority has also adopted other measures to prevent children from climbing over and falling off such walls. Estate staff patrol common areas in housing blocks on a daily basis. Through regular publicity, tenants are advised not to place articles in corridors. At "black spots" where there is a possibility of children climbing over, metal grilles are installed.

Arrangements for Identification Parade in Police Stations

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

- (a) *the number of identification parades arranged by the police in each of the past three years; and the breakdown of occasions on which the victims or the witnesses were required to meet the suspects face to face during the course of identification, and those on which the parades were carried out in rooms with one-way viewers;*
- (b) *the circumstances under which the victims or the witnesses have to*

meet the suspects face to face during the course of identification; and whether the victims or the witnesses may reject such arrangement and request parades be carried out in rooms with one-way viewers; and

- (c) *the current number of identification rooms in police stations which are not fitted with one-way viewers; whether the authority will consider installing one-way viewers in such rooms; if so, when these will be installed?*

SECRETARY FOR SECURITY (in Chinese): Madam President,

- (a) The police do not keep statistics on the number of identification parades conducted.
- (b) The Police General Orders specify that one-way viewer identification parade should be conducted when the police have reasonable grounds to believe that there is an appreciable risk of retaliation or the witness/victim is apprehensive about the possibility of retaliation. The witness or victim can therefore request the parade to be carried out in a one-way viewer room if he is worried about retaliation. Otherwise face to face interviews would be conducted.
- (c) At present, there are 10 one-way viewer rooms with one located at the Police Headquarters and the rest at nine stations spread out in all police land regions. There is no figure on the number of identification rooms as face to face identification parade is conducted in any suitable room in a police station. If necessary, officers of those police stations without a one-way viewer room can liaise with the nearest police station fitted with such facility to conduct the parade. Plans are in hand to set up one-way viewer rooms in two more police stations by January 1998. We will keep under review the need for such facility and install more as necessary.

Services of Accident and Emergency Departments of Public Hospitals

12. **MR HUI YIN-FAT** (in Chinese): *Recently, there were quite a number of cases in which staff on duty at accident and emergency departments of public hospitals were alleged to have failed to provide timely or appropriate medical treatment to patients, and directly or indirectly led to the loss of lives. Regarding the services of accident and emergency departments of public hospitals, does the Government know:*

- (a) *of the following statistics in respect of the accident and emergency department of each public hospital over the past three years:*
 - (i) *the number of attendances and the percentage of increases;*
 - (ii) *the average number of cases handled by each doctor per shift;*
 - (iii) *the average treatment time of each case; and*
 - (iv) *the number of medical and nursing staff on duty;*
- (b) *of the standard adopted by the Hospital Authority (HA) to evaluate the relationship between the workload of doctors at accident and emergency departments and the accuracy of their diagnosis;*
- (c) *whether there is an established standard ratio between the number of doctors on duty and the number of attendances at accident and emergency departments of public hospitals; if so, whether the number of doctors on duty at each of the accident and emergency departments meet the established standard; if the standard is not met, what the reasons are; and*
- (d) *whether the HA will use the increased number of cases handled by accident and emergency departments as the basis for determining the additional manpower required at such departments for each*

year; if not, of the criteria adopted for determining the deployment of additional manpower at accident and emergency departments?

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

- (a)
 - (i) The number of attendances in the accident and emergency (A&E) department of each public hospital over the past three years and the respective percentage increases are shown in Annex I.
 - (ii) The number of A&E cases handled by each doctor per shift varies across hospitals depending on the number of attendance, the attendance profile and the case-mix of each hospital. Based on the assumption that each medical staff works about 240 shifts per year, the number of attendance handled by each medical staff per shift ranges from 24 to 40 cases with an average of 30 cases over the past two years.
 - (iii) The Hospital Authority (HA) does not have readily available information on the average treatment time of each A&E case.
 - (iv) The statistics on the strength of medical and nursing staff in the A&E department of each public hospital over the past two years are shown in Annexes II and III.
- (b) The number of A&E cases handled by each doctor is only one of many factors in accounting for the workload of the doctor. Other factors include the case-mix and other duties assigned to the doctor. To enhance clinical quality, the HA ensures that all patients in A&E departments will receive appropriate medical treatment by way of a number of quality assurance measures. These measures include close supervision of junior staff by senior staff, requiring complex cases to be re-assessed by senior doctors and the conduct of regular clinical audits. With these safeguards in place, the HA considers it not necessary to adopt a standard to evaluate the relationship between the workload of doctors at A&E departments and the accuracy of their diagnosis.

- (c) The actual number of medical staff deployed for each duty shift depends on a wide range of factors including the total number of attendances, the attendance pattern and the case mix in each A&E department. The HA has not established a standard ratio between the number of doctors on duty and the number of attendances at A&E departments because a simple correlation between these two parameters does not reflect the whole picture in deciding the deployment of manpower resources in different A&E departments.
- (d) The HA regularly reviews the manpower requirement of A&E departments in the context of its annual planning process. In deciding whether to allocate additional resources to an A&E department, the HA will have regard to, *inter alia*, the increase in patient demand, the actual manpower requirements of other A&E departments with similar demand profile and the opportunity for productivity improvements. In this connection, the increased number of cases handled by an A&E department will be taken into account as a demand indicator in the resource allocation process. The HA has in the past years introduced various productivity improvements to streamline the work flow of A&E department and improve the physical layout of A&E departments.

Annex I

A&E Attendances in Public Hospitals

<i>Hospital</i>	<i>1994</i>	<i>1995</i>		<i>1996</i>	
Caritas Medical Centre	83 525	96 678	(16%)	107 083	(11%)
Fanling Hospital	51 437	57 425	(12%)	64 117	(12%)
Kwong Wah Hospital	166 982	182 077	(9%)	199 362	(9%)
Princess Margaret Hospital	160 452	141 007	(-12%)	136 246	(-3%)

Pok Oi Hospital	51 263	57 455	(12%)	62 196	(8%)
<i>Hospital</i>	<i>1994</i>	<i>1995</i>		<i>1996</i>	
Prince of Wales Hospital	200 680	210 491	(5%)	217 756	(3%)
Pamela Youde Nethersole Eastern Hospital	87 884*	145 724	(66%)	177 059	(22%)
Queen Elizabeth Hospital	224 659	233 006	(4%)	229 660	(-1%)
Queen Mary Hospital	126 876	136 467	(8%)	145 077	(6%)
St John Hospital	7 686	8 815	(15%)	10 339	(17%)
Tuen Mun Hospital	174 035	194 243	(12%)	199 106	(3%)
Tang Shiu Kin Hospital	99 947	103 818	(4%)	107 778	(4%)
United Christian Hospital	179 030	206 557	(15%)	239 222	(16%)
Yan Chai Hospital	29 821*	130 112	(336%)	160 883	(24%)
Total	1 644 277	1 903 875	(16%)	2 055 884	(8%)

Note:

() Figures in bracket show the percentage increase in attendance over the previous year.

* The A&E departments in these hospitals were not in full operation in 1994.

Annex II

Medical Staff⁽¹⁾ Strength in A&E Departments

<i>Hospital</i>	<i>1995 as at September</i>	<i>1996 as at September</i>
Caritas Medical Centre	15	16
Fanling Hospital ⁽²⁾	6	7.5
Kwong Wah Hospital	20	21
Princess Margaret Hospital	24	22
Pok Oi Hospital ⁽²⁾	9	10
Prince of Wales Hospital	31	32
Pamela Youde Nethersole Eastern Hospital	22	24
Queen Elizabeth Hospital	35	35
Queen Mary Hospital	22	22
St John Hospital ⁽²⁾	1.25	1.25
Tuen Mun Hospital	26	31
Tang Shiu Kin Hospital	17	17
United Christian Hospital	24.5	29.5
Yan Chai Hospital	17	18
Total	269.75	286.25

Note:

- (1) Medical staff includes medical officer, senior medical officers and consultants.
- (2) The A&E medical staff in Fanling Hospital, Pok Oi Hospital and St John Hospital work as a team with the General Out-Patient (GOP) departments of the hospitals, the strength of which are not shown in this table.
- (3) Information of staff strength for A&E departments prior to 1995 was not collected on departmental basis, since the A&E staff in most hospitals then needed to carry duties

in general wards and out-patient clinics.

Annex III

Nursing Staff⁽¹⁾ Strength in A&E Departments

<i>Hospital</i>	<i>1995 as at September</i>	<i>1996 as at September</i>
Caritas Medical Centre	28	27.5
Fanling Hospital	18	20.5
Kwong Wah Hospital	41	42
Princess Margaret Hospital	49	44
Pok Oi Hospital	20.5	20
Prince of Wales Hospital	56	56
Pamela Youde Nethersole Eastern Hospital	42	43.5
Queen Elizabeth Hospital	66	72
Queen Mary Hospital	43	44
St John Hospital	6.25	6.25
Tuen Mun Hospital	51	58
Tang Shiu Kin Hospital	32	31
United Christian Hospital	43	53
Yan Chai Hospital	40	39
Total	535.75	556.75

Note:

- (1) Nursing staff includes Departmental Operation Manager, Ward Manager/Nursing Officer and Registered nurse/Enrolled nurse/Student nurse.
- (2) Information of staff strength for A&E departments prior to 1995 was not collected on departmental basis, since the A&E staff in most hospitals then needed to carry duties in general wards and out-patient clinics.

Inadequate Provision of Special School Places in Northern New Territories

13. **MR NGAN KAM-CHUEN** (in Chinese): *In connection with the earlier criticism by some parents of mentally handicapped children about the inadequate provision of special school places in the Northern New Territories, will the Government inform this Council:*

- (a) *whether it has conducted any study to see if the provision of special school places in the Northern New Territories (including both Tai Po District and North District) is inadequate; if so, what the outcome is, and if the study indicates an inadequate provision of special school places in the Northern New Territories, of the number that falls short;*
- (b) *of the average waiting time for mentally handicapped children residing at northern New Territories to be enrolled in special schools; and*
- (c) *whether it has any plan to provide more special school places in the Northern New Territories to meet the demand; if so, of the time frame for increasing the number of special school places in these districts?*

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

- (a) At present, there are sufficient special school places for mentally handicapped children in Tai Po and North District. The Education Department regularly reviews the provision of special school places. Based on statistics from the 1996 Population By-Census, it is projected that there will be sufficient school places for severely mentally handicapped children. However, there will be a shortage for mildly and moderately mentally handicapped children in Tai Po and North District between 1998 and 2000, as follows:

<i>School Category</i>	<i>November 1997</i>	<i>March 1998</i>	<i>March 1999</i>	<i>March 2000</i>
Mild mental handicap				
Demand	278	325	320	314
Provision	280	280	280	280
Shortfall/(Surplus)	(2)	45	40	34
Moderate mental handicap				
Demand	167	180	178	177
Provision	170	170	170	160
Shortfall/(Surplus)	(3)	10	8	17

To relieve the shortage in the short term, the Education Department will use vacant school places in neighbouring districts. In 2001, additional school places will be provided when a school is reprovisioned in North District.

- (b) At present, with sufficient special school places for mentally handicapped children in Tai Po and North District, children requiring such places are admitted as soon as admission procedures are completed.
- (c) An existing special school for mentally handicapped children in North District is scheduled for reprovisioning. This project is due for completion in 2001. The reprovisioned school will be a standard 20-classroom combined-grade special school providing an additional 120 and 40 places for mildly and moderately mentally handicapped children respectively. This will fully meet the projected demand in the Tai Po and North Districts.

Measures to Prevent Abuse of Services Provided by Accident and Emergency Departments

14. **MR HUI YIN-FAT** (in Chinese): *According to the information provided by the Hospital Authority (HA), non-emergency attendances represent more than 30% of the total attendances at accident and emergency departments of public hospitals and are particularly high during public holidays, resulting in heavier workload for frontline medical staff. In this connection, will the Government inform this Council:*

- (a) of the measures to be taken (including liaising and working with the HA) to ensure that general patients seek medical treatment at general out-patient clinics of the Department of Health, instead of accident and emergency departments of public hospitals; and*
- (b) whether the Department of Health has any plans in place to operate full-day service at its general out-patient clinics during long public holidays (starting from the Christmas holidays this year), and to increase the number of such public holiday clinics; if not, why not?*

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

- (a) The Department of Health (DH) and the Hospital Authority (HA) make continuous efforts to promote the proper use of accident and emergency (A&E) services in public hospitals and to publicize the availability of general out-patient services during public holidays. These efforts are made through various channels, including (a) display of relevant posters, notices and sign boards at the general out-patient clinics and the A&E departments of public hospitals; (b) operation of a 24-hour telephone information service by the DH to introduce the general out-patient services; (c) issue of media announcements, prior to long holidays, to advise the public of the locations of the operating general out-patient clinics during the holidays; and (d) dissemination of the latter information during the holidays through local paging systems and the MediLink hotline of

the Hong Kong Medical Association.

- (b) To cater for the need of the public for general out-patient services during holidays, the DH has, since end of June this year, increased the number of public holiday clinics (PHCs) from eight to 10. In future, these 10 PHCs will offer service from 9.00 am to 1.00 pm during all public holidays, except on the first day of the Lunar New Year. At present, the DH has no plans to operate a full-day service during public holidays. During the long holidays from 28 June to 2 July 1997, the 10 PHCs were opened from 9.00 am to 5.00 pm. The afternoon session however had only an average utilization rate of 38% against that of the morning session of 74%.

Development Plan of the Hong Kong Futures Exchange Limited

15. **MR NGAN KAM-CHUEN** (in Chinese): *In connection with the staffing and development of the Hong Kong Futures Exchange Limited (HKFE), does the Government know:*

- (a) *of the places from which the last five Chief Executive Officers of the HKFE were recruited, and whether they were engaged in related sectors in overseas countries after leaving the post;*
- (b) *of the measures put in place by the HKFE to provide training for local people in the area of futures products and derivatives; and*
- (c) *of the details of the HKFE Five-year Plan; and whether the HKFE will re-evaluate its Five-year Plan in the wake of the recent financial crisis; if so, what the details are; if not, why not?*

SECRETARY FOR FINANCIAL SERVICES (in Chinese): Madam President,

- (a) On the basis of information available to the HKFE, three of its five previous chief executive officers (CEO) (or holder of equivalent post), had worked in the United States securities market before joining the HKFE and two of them are known to be still engaged in the financial sector.

- (b) In the last year, the HKFE has conducted approximately 50 futures and options training seminars involving more than 10 000 participants from the local community and industry. As part of a recent reorganization of the HKFE, an entire department of the HKFE will be dedicated to providing futures and options training to the staff of HKFE members and their clients. An enhanced development program for HKFE staff will also be implemented as part of the reorganization.
- (c) The HKFE's Five-year Plan aims at the diversification of the HKFE, including its members, their clients, and the HKFE product base. The diversification of membership aims to attract more international members and members trading currency futures, commodities futures, and so on. As regards new products, the Plan will focus on futures and options on regional equity markets, regional interest rate futures and options, regional foreign currency products, and in the longer term on deliverable commodity products to assist the further development of the Mainland. The Five-year Plan will also include an internal re-structuring of the Exchange with a view to improving the effectiveness and efficiency of operations.

The Five-year Plan seeks to set out the broad direction for the medium-term development of the HKFE. Plans of this nature must be able to accommodate exceptional market movements and volatilities so that when needed the necessary adjustments and other safeguard measures may be introduced. The HKFE therefore has no intention to depart from its policy of diversification as its broad direction for future development, although it may be necessary for it to re-assess the timing for the introduction of new products to take into account prevailing market situations.

Introduction of the Octopus System to the Airport Railway

16. **MR HOWARD YOUNG:** *Will the Government inform this Council whether it has any plan to introduce the Octopus system to the Airport Railway upon its commencement next year; if so, of the preventive measures it will take in*

respect of the problems identified relating to the use of Octopus in other modes of transport?

SECRETARY FOR TRANSPORT: Madam President, the Mass Transit Railway Corporation will implement the Octopus system on the Airport Railway when it opens for service next year.

Creative Star, the joint venture company for developing and operating the Octopus system, has taken steps to rectify the operational problems that occurred during the initial period of the new smart card system. The Octopus system is now operating well. It is expected that the Octopus system will operate just as well on the Airport Railway.

Financial Position of the Protection of Wages on Insolvency Fund

17. **MR HO SAI-CHU** (in Chinese): *It is learnt that the Yaohan Department Store Hong Kong Limited has applied for winding up and the arrears of wages and allowances amounting to over \$100 million will be advanced in the form of ex gratia payments from the Protection of Wages on Insolvency Fund. In this connection, will the Government inform this Council of the financial position of the Fund, and whether it has assessed the capability of the Fund in making such advances in the event of a series of insolvency cases?*

SECRETARY FOR EDUCATION AND MANPOWER (in Chinese): Madam President, as at 30 September 1997, the Protection of Wages on Insolvency Fund had a total accumulated balance of \$921 million. Given this financially healthy state, the Fund should be more than able to cope with applications for *ex-gratia* payments arising from the insolvency of the Yaohan Department Store Hong Kong Limited. The Administration will closely monitor the trends of insolvency cases and assess their implications on the financial position of the Fund.

Control of Vegetables Contaminated with Pesticide

18. **MR CHAN KAM-LAM** (in Chinese): *Recently there have been cases in which vegetables contaminated with pesticides were directly imported from*

mainland farms and sold in the local market. In this connection, will the Government inform this Council:

- (a) of the respective percentages of vegetables supplied wholesale by the Vegetable Marketing Organisation and of those imported directly from mainland farms, in the total amount of vegetables supplied in Hong Kong;*
- (b) whether the regulatory measures of and random tests by the Department of Health on vegetables from these two sources are different; if so, what the details are;*
- (c) whether the Department of Health will step up inspection on vegetables directly imported from the Mainland, so as to prevent vegetables contaminated with pesticide from being sold in the market; and*
- (d) whether it will consider requiring that all vegetables for sale in Hong Kong be imported through the Vegetable Marketing Organization?*

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

- (a) Hong Kong's daily consumption of vegetables is some 1 440 tonnes, of which some 800 tonnes, (that is, 56%) come from the Mainland. Over 60% of the vegetables from the Mainland (that is, some 500 tonnes) are marketed by the Vegetable Marketing Organization (VMO), with the remainder being marketed through other vegetable wholesale markets or imported directly from the Mainland.
- (b) Vegetables from the Mainland are subject to inspection and testing by the Department of Health at the point of entry, irrespective of their destinations. Vegetables marketed by the VMO are also subject to testing by the VMO. Tests conducted at the point of entry and at the VMO are essentially the same. In addition, sample testing is also conducted by the Department of Health at the retail level.

- (c) The Department of Health has already stepped up surveillance at the point of entry, particularly at Man Kam To. The number of random tests has increased from 4 000 in August to some 5 000 in October 1997, an increase of 25%.

In response to the recent outbreaks, a targeted approach has been adopted. All vegetable consignments carrying any of the incriminated vegetables, namely Chinese Chrysanthemum, French Beans and Sugar Pea Shoots, will be subject to sample testing.

- (d) We do not propose to require that all vegetables for sale in Hong Kong must be imported and marketed through the VMO as this would operate contrary to our policy of encouraging competition in the wholesale marketing sector. The VMO has to compete for business with government-managed wholesale vegetable markets and rural vegetable markets. This ensures choice and efficient services for vegetable producers, importers and buyers and ultimately is in the interests of consumers.

BILL

Second Reading of Bill

Resumption of Second Reading Debate on Bill

PRESIDENT (in Cantonese): Bill: Second Reading.

EMPLOYMENT (AMENDMENT) (NO. 5) BILL 1997

Resumption of debate on Second Reading which was moved on 15 October 1997

PRESIDENT (in Cantonese): Miss CHAN Yuen-han.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, the Government tabled the Employment (Amendment) (No. 5) Bill 1997, in which one of the clauses is to delay the implementation of 1 May as a statutory holiday to 1999. In discussing the amendment I already said this was unacceptable to us. I said I would amend the Bill. The importance of my amendment is that it will enable workers to enjoy a paid holiday on 1 May next year.

But, Madam President, to counter my amendment, the Government has arguably used any and all means. Madam President, you have seen me going in and out of this chamber a number of times today. The reason is that the Government has made a number of moves. It even uses the Buddha: saying it would make the birthday of the Buddha a holiday if we agree to delay making 1 May a holiday till year after next. That is to say by then both 1 May and Buddha's birthday will be general holidays. But, the Government continues to say, if we need two days' holidays immediately, we have to eliminate two holidays from the existing list. So, there must be study and consultation. As such, it follows that 1 May will surely not be a holiday next year. Such is the reason the Government employs to fight me! Madam President, we cannot help but be amazed at the way the Government does things. Why is the Government making this simple issue complicated? For what? It seems the Government does not want workers to enjoy a statutory holiday on 1 May next year.

Madam President, 1 May is the International Labour Day. Workers the world over enjoy a paid holiday on that day. We spoke to the former Government every year. We fought year after year to make that day a holiday. What did we get? I believe everyone know the former Government was a colonial Government. It never listened to our ideas on this issue. What is unthinkable is that the same issue is still a problem entailing so much government trouble for a place which is said to be ruled by its own people. I think what the Government is doing may generate some views from among our workers about the Hong Kong Special Administrative Region (SAR) Government. They should have every reason to like their own Government, but what can be done if the Government insists on having its way?

To oppose my amendment, the Secretary for Education and Manpower sent a letter to every Member, saying that if 1 May became a statutory holiday next year things would go wrong. He says if civil servants need to go to work, things at home cannot get done. I think the Secretary should think of a better reason. He said if 1 May became a holiday next year, civil servants would have trouble. I think this again is a very poor reason. He should come up with something better. Everybody knows that civil servants enjoy abundant holidays. A day's holiday is a simple matter. If the Secretary failed to find a solution, I suggest he could let all civil servants have a holiday on 1 May, failing which he could use another holiday as a substitute. This is possible.

As regards Filipino maids, I think it is even more ridiculous for the Secretary to say there would be a problem if the Filipino maids have a holiday but not their employers. I think we can notice the maids in advance they need to work on 1 May and then give them a compensation holiday. The law says clearly an alternative holiday can be designated. This is in the Employment Ordinance. I understand the Secretary knows that clearly. He said this is a serious problem, but I think it is within his capacity to solve it. He said children would lack somebody to take care of them. I think it is an easy problem too. I want to share some experience with Madam President and my colleagues. I am engaged in the retail industry. In the industry who can get the day off on the Mid-Autumn Festival or the Tuen Ng Festival? We all adopt the system of compensation leave. It is easy to do, and definitely not as complicated as the Secretary described it to be in his letter. As regards foreign trading partners, I think it is even easier. Just a phone call or a fax will fix everything. Frankly, doing business is flexible, not as complicated as the Secretary put it.

Madam President, in this Chamber, we should have been talking about matters of principle. But I just spoke about trivial matters. We should be talking about a principle: Should 1 May be a holiday? It should indeed be if our Government respects the rights of our workers, if the Provisional Legislative Council thinks it is necessary to respect the rights of our workers. This means a lot because this signifies there is a difference between the Government now and the government then. Workers and the people in general are very much concerned about this issue. 1 May can be a holiday next year. Why wait till

1999? For what reason?

Moreover, I want to point out the matter has important bearing on the Government and on the Provisional Legislative Council. A holiday has been designated, why can we not have it in 1998? Why do we need to wait till 1999? I think this affects not only just a certain government department but also the whole SAR Government as well as this Council. Hong Kong workers are watching today's results.

Madam President, many pagers have sounded because many of my friends outside this Chamber, having learned that the Government has sent over 10 officials as lobbyists, want to leave messages to Members on my behalf, hoping Members will support my amendment. The support is not only for a day's holiday on 1 May for our workers, but also for the image of the SAR Government and that of the Provisional Legislative Council. Please do not vote for the change from 1998 to 1999 for the holiday to be given to workers.

Madam President, I urge Members to support my amendment for the sake of the SAR, the Provisional Legislative Council, and the people of Hong Kong so that 1 May becomes a paid statutory holiday next year. Thank you, Madam President.

PRESIDENT (in Cantonese): Mr HO Sai-chu.

MR HO SAI-CHU (in Cantonese): Madam President, the Government of the Hong Kong Special Administrative Region (SAR) tabled the Employment (Amendment) (No. 5) Bill 1997 to recommend making 1 May a statutory holiday, starting from 1999. I support the recommendation.

However, Miss CHAN Yuen-han put forward an amendment to advance the implementation to 1998. I object to this for two reasons, which I would strongly urge everyone to note.

First, in May this year this Council held a meeting at Shenzhen to discuss the Holidays (1997 and 1998) Ordinance. At the meeting it was suggested the

1 May International Labour Day be designated a holiday in 1998. The suggestion was rejected by a big majority vote. If Miss CHAN wanted to talk about principles, I would like everyone to note this matter of principle.

Secondly, now the Government is suggesting that 1 May be designated a statutory labour holiday, to be implemented in 1999. This is a conclusion arrived at by the Labour Advisory Board after detailed discussion. Everyone agrees that 1 May be a statutory holiday and this is a consensus between employers and employees. As to the time for implementation, all employers agree it should take effect from 1999 and most employees hold the same view.

If we now demand that 1 May be made a statutory holiday in 1998 and because it is not a general holiday, we will have employers going to work without employees on that day. We can imagine what kind of scenario that would be. If it was made a general holiday as well, I would point out to everyone the Provisional Legislative Council already decided on the general holidays for 1998 and the decision was announced. If we made changes now, are we being too capricious, not sober enough and hence undermining the credibility of this Council?

Some may say we should implement what was decided in the former Legislative Council. But I want to ask you to think. We discussed a number of issues decided by the former Legislative Council and we changed those we thought were not justified. We did so successfully in respect of some of the issues. We agreed we should do so. In the circumstances I do not think we should implement the decision just because it was decided by the former Legislative Council, especially when this is a matter that has an effect on the SAR. Holidays for the SAR should be decided by the Preparatory Committee and the Provisional Legislative Council. So, I think we should pay more respect to the decision of the Provisional Legislative Council.

For the above reasons, I think we should accept the suggestion of the Government. I reiterate I support the suggestion of making 1 May a statutory labour holiday and I support on behalf of the Labour Advisory Board too, but it should only take effect in 1999.

With these remarks, I support the Government Bill and oppose the

amendment put forward by Miss CHAN Yuen-han.

PRESIDENT (in Cantonese): Mr LEE Kai-ming.

MR LEE KAI-MING (in Cantonese): Madam President, I would like to respond to some points raised by the Secretary for Education and Manpower and Mr HO.

First of all, I would like to respond to Mr HO's point. He mentioned that the Provisional Legislative Council discussed the issue of holidays before. At the time everybody agreed to postpone the discussion of 1 May as a holiday rather than ruling it out as a holiday. If the latter was the case, the Bill would be meaningless. The reason then held was that would be a holiday for the SAR Government and so should be decided by the SAR Government later on. Therefore, the Government is tabling this Bill today. I can say on behalf of Miss CHAN Yuen-han that no principle is violated.

Second, when the Labour Advisory Board discussed the issue, both labour and capital agreed 1 May be an added holiday, but while representatives of employers said they wanted to start the holiday in 1999, representatives of labour wanted 1998. That was an obvious difference.

Moreover, the Secretary for Education and Manpower's reasons are not good enough. Firstly, he said that day was not a general holiday. If we made it a statutory holiday, other industries such as the banks would be affected. We all know banks have a long/short week system. Part of the employees are allowed to be off on their short week Saturday. So, the banks need not close for Saturdays but still some of the employees may take leave on Saturday mornings. There is also provision in labour legislation that holidays can be changed with 48 hours of advance notice so that an alternative day can be made a holiday instead. Therefore, this will not affect financial activities at all. Nor will this affect the operation of the banks or the general holidays.

I want to give another example. Holidays such as the winter solstice and Christmas can be taken as agreed upon between the employee and the employer. The winter solstice is not a general holiday. What effect does it have on the financial activities in Hong Kong or the civil servants or the Filipino maids? I just cannot see any effect it may have at all. I believe the Provisional Legislative Council accepts good reasons. Without sufficient grounds, I do not understand why 1 May as a holiday should be deferred to 1999 and not implemented in 1998.

With these remarks, I support Miss CHAN Yuen-han's amendment.

PRESIDENT (in Cantonese): Mr MOK Ying-fan.

MR MOK YING-FAN (in Cantonese): Madam President, the two labour sector representatives have clearly stated their justifications. I think they have done a good job voicing the views of workers. An extra day's holiday after many days' hard work is a reward, both for the spirit and the body.

There is another meaning to this. Making 1 May, which is the International Labour Day, a holiday means recognition and respect for labour. I totally agree with the colleague who said while it was acceptable not to have 1 May as a holiday under the past colonial rule because the Government then discriminated against labour, it is absolutely not so for 1 May as a holiday to be postponed a year, because in our sovereign state 1 May is a statutory holiday and Hong Kong is a special administrative region of the state after reunification. I think the Chief Executive, Mr TUNG Chee-hwa, should find it quite against his conscience and difficult to face labour if that day was not made a holiday.

Moreover, I think most of the people in this Chamber are workers. We

work almost seven days a week, attending meetings here. So, we are workers. I urge that Members support Miss CHAN's amendment. At the meeting of the Provisional Legislative Council held at Shenzhen I said I hope to see 1 May a holiday in Hong Kong at the earliest possibility. Therefore, please support Miss CHAN's amendment. Thank you, Madam President.

PRESIDENT (in Cantonese): Mr IP Kwok-him.

MR IP KWOK-HIM (in Cantonese): Madam President, there have been discussions of different intensity on whether 1 May should be a paid holiday. The dispute has continued from the Legislative Council before the reunification to the Provisional Legislative Council after that. When the relevant private bill was tabled in the former Legislative Council, the view of the Democratic Alliance for Betterment of Hong Kong (DAB) was such that it voted against the bill. The reason DAB so voted was that a resolution was formally passed by the Preparatory Committee on the 24 March 1996 at the second plenary session on the agreed arrangements for the holidays, and the Committee also stated clearly with regards to holidays about which there was not yet any consensus, such as the birthday of Buddha and 1 May (International Labour Day): "We intend to request the Hong Kong Special Administrative Region (SAR) to consider the proposals by community groups and other persons in Hong Kong to add more holidays to the list of general holidays." In view of the above resolution and decision, the DAB considered the private bill an attempt to legislate for the SAR Government and voted against it. Now the SAR Government is operating normally and it is time to consider the current demands of the community and make its decisions. Undoubtedly, it is encouraging to see that the bill suggests making 1 May and 8th of the Fourth Month in the Lunar Calendar general holidays. But why do we have to wait till 1999 rather than 1998 for that to be implemented? I do not see any difficulty as far as procedures are concerned to make 1 May 1998 a holiday. It is difficult to understand why the Government now requests or thinks it necessary to implement the suggestion in 1999.

Madam President, the SAR Government should follow the good advice of the community to make, as soon as possible, 1 May a statutory general holiday in 1998. The DAB advocates the idea of making, as soon as possible, 1 May a statutory general holiday so that the social status of our workers can be further raised.

With these remarks, Madam President, I support Miss CHAN's amendment on behalf of the DAB.

PRESIDENT (in Cantonese): Mr CHAN Wing-chan.

MR CHAN WING-CHAN (in Cantonese): Madam President, I support Miss CHAN's amendment. It has been the demand of the labour sector to make 1 May a paid holiday. I hope every Member can support that demand. I particularly want to thank the simple but effective explanation given by Mr LEE Kai-ming in support of the amendment. I would like to take this opportunity to say a few words about the historical background to the 1 May (International Labour Day). It commemorates the success over a hundred years ago, that is, 1886, of Chicago labour's fight for the "3-8 system". The "3-8 system" means eight hours for work, eight hours for education and eight hours for rest. Since the industrial revolution, the working class had been hard-pressed by the capitalists and had to work long hours. They lacked sufficient time to rest. Hundred years was too far away. Let us look at Hong Kong in the fifties. Workers, who are now 55 or over, needed to work 12 hours or more each day then. They lacked the opportunity to study or learn after work. At the time, capitalists exploited workers, it may sound excessive now to hear the word "exploited" but that was what took place, forcing workers to demand reform, to demand decent rest time. That was the story of "3-8 system". On 1 May 1890, there were workers assemblies and processions all over the world, including Britain, France, Germany, Belgium and Austria, striving for limiting the number of working hours to eight. Some governments use armed forces to suppress the workers, resulting in many arrests and casualties.

Therefore, 1 May becomes an important day in memory of their struggle for their rights.

Madam President, the labour sector in Hong Kong has never ceased to fight for making 1 May a paid holiday. Take the Hong Kong Federation of Trade Unions (FTU) as an example, we hold assemblies every year to celebrate 1 May to let the labour sector understand more deeply the meaning of the day. Every time we assemble, we make requests to the Administration to make 1 May

a paid holiday. We have the full support of the workers. This shows that workers have been hoping earnestly to have 1 May a holiday for them. Members of the FTU who sit on the Labour Advisory Board have suggested, at meetings of the Board, that 1 May be made a holiday. However, the Administration has been refusing our demand on grounds of divergence of views between labour and capital.

In the past hundred years or more, Hong Kong was under British colonial rule, and workers could not enjoy a holiday on 1 May with pay. No matter how loud was the cry for change from the community, the Government always turned a deaf ear to the demand. Hong Kong is now reunified with the motherland. The Government should discard the colonial or capitalist mentality or attitude in dealing with local workers. Although we are following the principle of "one country, two systems", we should unite with our fellow workers in the Mainland in celebrating the International Labour Day on 1 May.

The present amendment moved by Miss CHAN is there just to turn into reality at an early date the demand of the FTU and that of the workers in general. But the Government stubbornly dwells on the wrong attitude it held in the past. This disappoints us. The Secretary for Education and Manpower not only fails to improve by rectifying the mistake made in the past but also insists on following the wrong track persistently. The reason the Secretary opposes Miss CHAN's amendment is that confusion may arise in the statutory holidays and the general holidays. But that has been refuted by Members.

I must ask: why is there a differentiation between statutory holidays and general holidays? Statutory holidays, also called labour holidays, are for the blue-collar workers in the factories, while general holidays are for the white-collar workers, those who work in banks or in the office. Labour holidays are less than bank holidays. There are 11 of the former, but 17 of the latter. The two categories are both workers whose work contribute towards the good of the community. Why then are they given different treatments? Why does the Administration insist on dealing out different treatments?

There has been calls from the community to unify the two kinds of holidays. The Government should take this opportunity to change the unreasonable treatment rather than use this unreasonable treatment to oppose Miss CHAN's amendment to implement the 1 May holiday in 1998. I do not think the Secretary for Education and Manpower is being reasonable. Miss CHAN's amendment only serves to bring the 1 May holiday a year forward,

which will be put in place in 1999 anyway. I hope Members can support Miss CHAN's amendment. Numerous workers will thank you for so doing.

With these remarks, Madam President, I support the amendment.

PRESIDENT (in Cantonese): Mr James TIEN.

MR JAMES TIEN (in Cantonese): Madam President, workers do want holidays with pay, be the days fall on the first, second or third day of the Chinese New Year or the International Labour Day on 1 May. But is the situation as described by Mr CHAN Wing-chan? I am not sure. On 1 May, granted it is a holiday, do workers go on a procession instead of wining and dining, going to the cinema or playing majong? It may not be so, I think.

To the business people, the 17 holidays in Hong Kong are more than that in any place in Southeast Asia. If we increase the number any further we will not be able to afford it. If after 1 May is made a holiday, one day will be deleted from the list of holidays of 1998, we will accept the suggestion. But Miss CHAN's amendment has it that 1 May should be an added holiday. It does not say one day will be deleted. We may find it easier to accept if her amendment states which day will be deleted.

Miss CHAN said her amendment is no big deal. In fact that means one day is added to the list of holidays, making a total of 18 days. If she indicated which day from the existing list of holidays she would like deleted, the situation would be different. The Government intends to include 1 May and the birthday of the Buddha in the 1999 review

PRESIDENT (in Cantonese): Miss CHAN, I would only let you speak if you intend to raise a point of order. If you wish to clarify, you need to wait till Mr TIEN has finished.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, Mr TIEN has misinterpreted my idea. I would like to respond.

PRESIDENT (in Cantonese): I am sorry. According to the Rules of Procedure, you can rise to a point of order and ask that Mr TIEN stops speaking temporarily. If you mean to seek elucidation, you can do so after Mr TIEN finishes his speech.

MR JAMES TIEN (in Cantonese): The proposal of the Government is that a decision will be made as to which two days will be deleted in the review next year. That is to say there will be a deletion and the total number of holidays will remain 17. However, in Miss CHAN's amendment today, there is no mention of which day to delete. In the circumstances, we agree to let the Government carry out the review first before adding 1 May to the list of holidays in 1999.

Indeed, colleagues from the labour sector have been working hard for it for several decades. Is the difference of one year that important? A delay of one year will only mean the same number of holidays for the workers. It will be a holiday with pay. I do not think 1 May is so important to workers, though it surely is to union leaders.

PRESIDENT (in Cantonese): Miss CHAN, do you want to seek to elucidate the speech you made?

MISS CHAN YUEN-HAN (in Cantonese): Madam President, I think Mr TIEN has to go back to his office to sort out some details with his assistants.

First, the change I am proposing was passed in the former Legislative Council, that is, 1 May will be a holiday in 1998. But the Government wants it changed to 1999. We are talking about statutory holidays, commonly known as "blue-collar holidays" or labour holidays. While the Government wants to start in 1999 instead, I think it should take effect in 1998. If as Mr TIEN said, this was agreed upon by both labour and capital for that day to be a holiday, it should take effect in 1998, despite the Government's proposal to change the effective date to 1999.

Now, coming to the issue of general holidays mentioned by Mr TIEN, I do want a change but I cannot because the President will surely rule that it has

financial implications as that involves 180 000 civil servants. So, I did not amend that part. I just amended the part on statutory holidays as I do now.

Thank you, Madam President.

PRESIDENT (in Cantonese): Mr LEE Kai-ming, do you want to seek to elucidate your speech. This is out of order as I did not hear Mr TIEN mention your name in his speech.

MR LEE KAI-MING (in Cantonese): I just wanted to join the queue for a turn to speak.

PRESIDENT (in Cantonese): According to the Rules of Procedure, we will now proceed with the Second Reading debate. Each Member can speak once, but may speak one more time during the Committee stage later. I have put down on my record that Mr LEE intends to speak. Does any Member wish to speak?

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Since no Member wishes to speak, Secretary for Education and Manpower, you may reply.

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, first of all, I would like to thank those Members who support the Employment (Amendment) (No. 5) Bill 1997.

It is necessary for us to review the provisions on statutory holidays in the Employment Ordinance because when the previous Legislative Council passed the Employment (Amendment) (No. 5) Ordinance 1997 in June this year, 1 May was designated an additional statutory holiday, and because there are also holidays that should be changed following Hong Kong's reunification with China

on 1 July 1997. The purpose of this Bill is to implement our review results:

First, to designate 1 July and 1 October statutory holidays in place of the two existing floating holidays under the Employment Ordinance;

Second, to designate 1 May an additional statutory holiday with effect from 1999; in other words, the Hong Kong Special Administration Region (SAR) Government supports the request of the labour sector in principle; and

Third, to make technical and textual amendments to the provisions on statutory holidays, in order to state clearly our purpose in the legislation.

Our proposal to defer the commencement year for 1 May to be designated a statutory holiday from 1998 to 1999 aroused the concern of many members of the public and associations. I would, therefore, like to explain once again our reasons for doing so.

First of all, as you all know, there are statutory holidays and general holidays in Hong Kong:

1. Statutory holidays — the Employment Ordinance (Cap. 57) provides that statutory holiday is an entitlement in terms of employees benefits. Such employees include those who work in banks and schools, but not civil servants (for the Employment Ordinance does not apply to the Government); and
2. General holidays — the Holiday Ordinance (Cap. 149) provides that general holidays are "institutional" holidays for banks, schools, public organization offices, government departments and courts.

The Employment (Amendment) (No. 5) Ordinance 1997 specifies 1 May as an additional statutory holiday without affecting general holidays arrangements. Therefore, under the existing legislation 1 May 1998 is a statutory holiday but not a general holiday. Such a situation causes confusion and brings employers and employees inconvenience, and it is also not in the interests of the public. Here, I would like to give you a few examples.

First, bank staff may have a holiday on 1 May for that is a statutory holiday. However, since 1 May is not designated a general holiday, business at the banks should be as usual because of operational considerations. Though employers may give their employees 48 hours' advance notice and assign an alternative holiday, it will still cause staff deployment problem, and it is not as simple as working alternate Saturdays.

Second, since employees are entitled to general holidays according to their employment contracts, if they are asked to work on 1 May, it will be controversial as to whether or not they should be entitled to one day of substitute holiday in addition to 17 general holidays.

Third, our overseas trading partners are accustomed to the usual practice of Hong Kong that statutory holidays are at the same time general holidays. They may be confused as to whether there can be commercial and financial dealings on 1 May. In fact, they will not be able to know whether they should settle payments in relation to transferable bills or to carry out other activities. Hong Kong is an international financial centre, and it is necessary for us to have unequivocal directives in this respect.

Fourth, since 1 May 1998 is not a general holiday, all schools have to carried on with their classes as usual. But, that day is a statutory holiday so teachers and other staff of the subvented and private sector, but not those of Government schools, will would have a day off. It will be really very chaotic under such circumstances.

Fifth, since 1 May 1998 is not a general holiday, business at the courts shall be as usual. However, since that day is a statutory holiday, all lawyers in private practice and their staff shall be on holiday. As a result, cases cannot be heard as usual.

The Honourable Miss CHAN Yuen-han just mentioned that it is laughable for me to cite civil servants as an excuse for not accepting her amendment. However, I hope Members would recognize the fact that civil servants are also employees, and we should also be concerned about their position.

The Honourable LEE Kai-ming also talked about the holiday on the Winter Solstice. I want to point out that Winter Solstice is not an independent

statutory holiday. However, according to the Employment Ordinance, employers can decide whether their employees can take a day off on Christmas Day or on Winter Solstice. Our proposal is that starting from 1999, 1 May shall be an independent and additional statutory holiday, and we also hope that it can also become a general holiday.

The Administration announced on 18 November 1997 that the number of general holidays in any one year (excluding Sundays) should not exceed 17, and starting from 1999, 1 May and the Buddha's Birthday (that is the eighth day of the Fourth Month in the lunar calendar) shall become general holidays. I would like to point out that we are proposing to have the Buddha's Birthday designated a general holiday only to respond to the request from the Buddhist community over the years, and it is not any ploy against the amendment proposal of any Member. Since Hong Kong's 17 days of general holidays are more than those enjoyed in neighbouring territories, we do not consider it appropriate to increase the number of general holidays. With our proposal to add 1 May and Buddha's Birthday as general holidays, we have to delete two days from our existing general holidays which are not statutory holidays.

The existing six days of general holidays which are not statutory holidays are Good Friday, the day following Good Friday, Easter Monday, Sino-Japanese War Victory Day (that is the third Monday in August), 2 October, and the First weekday following Christmas Day. We shall consult employers and employees organizations and the financial sector, to seek their views on which two days of the above holidays can be replaced by the holidays on 1 May and Buddha's Birthday. Different people may have different views on these six general holidays which all have a long history. We will need quite some time to conduct our consultation. Furthermore, since general holidays have been announced for 1998, we therefore propose that 1 May and Buddha's Birthday be designated general holidays starting only from 1999.

In view of the above reasons, the Administration is against Miss CHAN Yuen-han's Committee stage amendments to designate 1 May a statutory holiday in 1998. I reiterate that this will only cause confusion.

I hereby appeal to Members to vote for the passing of the Employment (Amendment) (No. 5) 1997 Bill without amendments. Thank you, Madam

President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the Employment (Amendment) (No. 5) Bill 1997 be read the Second time. Will those in favour please say "aye"?

(Members responded)

PRESIDENT (in Cantonese): Those against please say "no"?

(Members responded)

PRESIDENT (in Cantonese): As the responses were not loud enough, Council will now proceed to a division. The division bell will ring for three minutes.

PRESIDENT (in Cantonese): We shall now proceed to vote.

PRESIDENT (in Cantonese): If there are no queries, the results will now be displayed.

Mr WONG Siu-yee, Mr James TIEN, Mr David CHU, Mr HO Sai-chu, Mr Edward HO, Dr Raymond HO, Mr NG Leung-sing, Prof NG Ching-fai, Mr Eric LI, Mr Allen LEE, Mrs Elsie TU, Mrs Selina CHOW, Mrs Peggy LAM, Mr Henry WU, Mr Henry TANG, Mr Ronald ARCULLI, Mr MA Fung-kwok, Dr TSO WONG Man-yin, Mr LEUNG Chun-ying, Mrs Sophie LEUNG, Dr Philip WONG, Mr Kennedy WONG, Mr Howard YOUNG, Mrs Miriam LAU, Mr Ambrose LAU, Mr CHOY Kan-pui, Mr Paul CHENG, Dr TANG Siu-tong, Mr TAM Yiu-chung and Miss CHOY So-yuk voted for the motion.

Mr LEE Kai-ming, Mr CHEUNG Hon-chung, Dr LEONG Che-hung, Mr MOK Ying-fan, Mr HUI Yin-fat, Mr CHAN Choi-hi, Miss CHAN Yuen-han, Mr CHAN Wing-chan, Mr CHAN Kam-lam, Mr TSANG Yok-sing, Mr CHENG Kai-nam, Mr Frederick FUNG, Mr Andrew WONG, Mr YEUNG Yiu-chung, Mr IP Kwok-him, Mr Bruce LIU, Mr LAU Kong-wah, Mr CHENG Yiu-tong and Mr

NGAN Kam-chuen voted against the motion.

Mr CHIM Pui-chung abstained.

THE PRESIDENT announced that there were 30 Members in favour of the motion, 19 against and one abstaining. She therefore declared that the motion was carried.

CLERK (in Cantonese): the Employment (Amendment) (No. 5) Bill 1997.

Committee Stage

CHAIRMAN (in Cantonese): Committee Stage. Council shall now go into Committee.

EMPLOYMENT (AMENDMENT) (NO. 5) BILL 1997

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the following clauses stand part of Bill.

CLERK (in Cantonese): Clauses 1, 2, 4, 5 and 6.

CHAIRMAN (in Cantonese): Will those in favour please say "aye"?

(Members responded)

CHAIRMAN (in Cantonese): Those against please say "no"?

(Members responded)

CHAIRMAN (in Cantonese): I think the "ayes" have it.

Miss CHAN Yuen-han rose to claim a division.

CHAIRMAN (in Cantonese): Miss CHAN Yuen-han has claimed a division. The division bell will be rung for three minutes.

CHAIRMAN (in Cantonese): Will Members please proceed to vote.

CHAIRMAN (in Cantonese): Some Members have not yet pressed the button.

CHAIRMAN (in Cantonese): The results will now be displayed.

Mr WONG Siu-yee, Mr James TIEN, Mr David CHU, Mr HO Sai-chu, Mr Edward HO, Dr Raymond HO, Mr NG Leung-sing, Prof NG Ching-fai, Mr Eric LI, Mr Allen LEE, Mrs Elsie TU, Mrs Selina CHOW, Mrs Peggy LAM, Mr Henry WU, Mr Henry TANG, Mr Ronald ARCULLI, Mr MA Fung-kwok, Dr TSO WONG Man-yin, Mr LEUNG Chun-ying, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mrs Miriam LAU, Mr Ambrose LAU, Mr CHOY Kan-pui, Mr Paul CHENG, Dr TANG Siu-tong and Mr TAM Yiu-chung voted for the motion.

Mr LEE Kai-ming, Mr CHEUNG Hon-chung, Dr LEONG Che-hung, Mr MOK Ying-fan, Mr CHAN Choi-hi, Miss CHAN Yuen-han, Mr CHAN Wing-chan, Mr CHAN Kam-lam, Mr TSANG Yok-sing, Mr CHENG Kai-nam, Mr Frederick FUNG, Mr Andrew WONG, Mr YEUNG Yiu-chung, Mr IP Kwok-him, Mr Bruce LIU, Mr LAU Kong-wah, Mr CHENG Yiu-tong and Mr NGAN Kam-chuen voted against the motion.

Mr HUI Yin-fat and Mr CHIM Pui-chung abstained.

THE CHAIRMAN announced that there were 28 Members in favour of the motion, 18 against and two abstaining. She therefore declared that the motion was carried.

CLERK (in Cantonese): Clause 3.

CHAIRMAN (in Cantonese): Miss CHAN Yuen-han.

MISS CHAN YUEN-HAN (in Cantonese): Madam Chairman, I hope my amendment can have the support of my colleagues in this Council. Indeed, a number of workers today have an expectation of our new Government and the Provisional Legislative Council. Previously, labour and capital in fact agreed to make 1 May a statutory holiday with pay. But the Government and certain people want to wait till 1999 to put that into effect. Since everyone has agreed that 1 May should be a statutory holiday, why wait till 1999 for that to happen? Madam Chairman, workers have high hopes for the Government. Everyone thinks since the matter has been discussed by the new Government which supports the idea of making 1 May a holiday, why must we wait till 1999 to bring the idea into effect?

The Secretary for Education and Manpower repeatedly detailed the four reasons in opposition to the amendment. I think given the high intelligence of Members of the Provisional Legislative Council present, no one in this Chamber will accept these trivial reasons as good grounds for opposition. How can one oppose granting a holiday on 1 May in 1998 but endorse the idea of making the same day a holiday only starting 1999? I said it was impossible for employees in the retail industry to take leave on the 15th of the Eighth Month, the mid-Autumn Festival. They need to take leave on another day. So, I think if the Government is acting in good faith the so-called reasons given by the Secretary can all be overcome.

From what Mr James TIEN said, I think he misunderstood my idea. The subject he mentioned was not we are talking about. We are talking about statutory holidays. We have agreed to increase one holiday, but the Government wants to wait till 1999 for that to take effect. Why can the Government not be an open-minded employer and put that into effect in 1998.

I hope all of us can put some thought into the matter again. The reasons given by the Government are entirely untenable. If it challenges the amendment by saying it is against the decision of the Preparatory Committee, the explanations given by the Honourable LEE Kai-ming and the Honourable IP Kwok-him should suffice. If the Government wants further explanations, I think the Honourable CHENG Yiu-tong can explain further. Our amendment is in no way against that decision. Even the President said it was not against the decision and it is so assuring to hear her say that. Why support the Government? Why not support us? You should support me, not the Government. I think this is an important issue. Workers in Hong Kong have one expectation of the Government and Members of the Provisional Legislative Council. Do not be influenced by the four reasons given by the Secretary.

I do not want to dwell on the issue and I believe Members have made up their minds. If you care to listen, I would like to invite my partner from the labour sector, Mr CHENG Yiu-tong to tell you the views of the Preparatory Committee. Thank you, Madam Chairman.

Proposed amendment

Clause 3 (see Annex)

CHAIRMAN (in Cantonese): Mr LEE Kai-ming. You have indicated that you wanted to speak. Please do now.

MR LEE KAI-MING (in Cantonese): Madam Chairman, when the Preparatory Committee made its decision on the issue of holidays, Mainland members had a misconception. They thought general holidays had to be labour holidays

because they thought workers were part of the general public. Unfortunately, even "Master TIEN" could not tell the difference between general holidays and statutory holidays.

CHAIRMAN (in Cantonese): Better address him as Mr TIEN. It is more appropriate to do so.

MR LEE KAI-MING (in Cantonese): We have 17 general holidays and there should be 12 statutory holidays because the former Legislative Council passed Mr LAU Chin-shek's proposal to increase the total number of statutory holidays by one day. Originally there were 11 days. The statutory holidays were commonly called labour holidays. Previously they were called blue-collar holidays. Now, even white-collar workers observe these holidays.

The Secretary for Education and Manpower said civil servants were bound by the Civil Service Regulations, not the Employment Ordinance. The number of holidays laid down in the Employment Ordinance is less than that laid down in the Civil Service Regulations because the Civil Service Regulations follow general holidays. Now civil servants have 17 days as holidays but the public servants who serve these civil servants, as one may call our workers, only have 11 days as holidays. So, in the discussion of the issue of holidays, the Labour Advisory Board strongly demanded that the difference between general holidays and statutory holidays be reduced step by step. Naturally, we did not demand that the difference be eliminated in a very short time. We were hoping to narrow the gap by stages, according to the degree of acceptance as and when the economy of Hong Kong grows. The aim is to draw the number of holidays enjoyed by our workers nearer to that of general holidays. Too big a difference is grossly unfair to our workers.

Furthermore, I thought the Secretary would amend his address when he made his reply just now as I responded to all of his queries. He did not. He just read out his address, which was void of reason. The address makes me feel the Secretary was not being responsive.

From all the justifications available, I think the actual position is that both labour and capital have agreed to have 1 May made a holiday. The question is why we need to wait a year to realize this. The bill was passed by the former

Legislative Council. Existing legislation stipulates that 1 May 1998 is a holiday. The Secretary also said there are six days out of which one may be replaced as a general holiday. Why do we not use one of the six days, such as the day after the Easter, to off set the one day added? This can solve the problem the Secretary repeatedly described.

With these remarks, I support Miss CHAN's amendment.

CHAIRMAN (in Cantonese): Mr CHENG Yiu-tong.

MR CHENG YIU-TONG (in Cantonese): Madam Chairman, there has been a long argument in designating 1 May as a holiday. I have been engaged in trade union work for more than 30 years. During this time I have been striving continually to make 1 May a holiday. Now we have made some progress. The relevant holidays legislation was passed by the former Legislative Council: 1 May will be a holiday starting from 1998. We, as Members from the Hong Kong Federation of Trade Unions, are clear about our role. On the one hand, we did not think the former Legislative Council had the authority to legislate for the Hong Kong Special Administrative Region (SAR) Government. So, although we worked very hard to make 1 May a paid holiday, we did not vote then as a matter of the most basic principle. On the other hand, I recall when the Provisional Legislative Council had a meeting at Shenzhen, we fully supported Mr MOK Ying-fan's amendment to amend the Government motion in which he requested that 1 May be a paid holiday effective from 1998 instead of 1999. Unfortunately, his amendment was not adopted.

Why does the Government want to change the time of implementation from 1998 to 1999 when there is already legislation to the effect that 1 May will be a paid holiday in 1998? Of course, the Government may do so on a number of pretexts to explain why it is not possible to put the law into effect in 1998. It may even say there will be confusion if the law is implemented in 1998. But if implementation in 1998 would cause confusion, the freedom to choose either the Winter Solstice or Christmas as statutory holiday would surely have caused big confusion. Is there any? There is none. Certainly some friends of ours will say if we want to free the Government completely from worries about confusion,

we can suggest to let employers assign either 1 May or the Easter as a holiday. Then there will be no confusion. But why confusion at all? The technicality can surely be overcome and the so-called confusion can be avoided. So, I think that these reasons are reasons that cannot be called reasons. They are fabricated reasons.

I certainly understand not many Members know a lot about labour holidays or general holidays. When Miss CHAN Yuen-han proposed the amendment to amend the Government bill I was glad quite a number of Members supported her amendment. Our past experience, however, tells us the Government has a certain kind of "amendment phobia" which shows whenever Members want to amend Government bills. When the phobia shows, the Government will do everything it can to stop an amendment. It will fight with all its might to win a complete victory. When I entered this Chamber for this meeting, I found all doors were guarded by staff from the Education and Manpower Bureau. No Member could escape the lobbying of the Government. As Members, how could we possibly resist this persistent effort of the Government?

However, I still think the numerous reasons given by the Government are untenable and can be overcome. I hope Members of the Provisional Legislative Council can support Miss CHAN's amendment so that we workers can see 1 May a holiday in as early as 1998, and so that we workers have a good impression of Members of the Provisional Legislative Council. Thank you, Madam Chairman.

CHAIRMAN (in Cantonese): Mr HO Sai-chu.

MR HO SAI-CHU (in Cantonese): Madam Chairman, I will be very brief.

I want to take this opportunity to clarify one more point. Just now a lot of my colleagues mentioned the decision of the Labour Advisory Board (LAB). As I am one of the LAB members, I know what our decision was. After a

detailed discussion, we all agreed 1 May should be a holiday. This is a clear point. But the great majority of the LAB members agreed to put the decision into effect starting from 1999.

I talked about why I opposed the amendment. I will not repeat it now. Thank you.

CHAIRMAN (in Cantonese): Mr CHIM Pui-chung.

MR CHIM PUI-CHUNG (in Cantonese): Madam Chairman, the Government has decided 1 May is a labour holiday. We understand things are different in different parts of the world. In China, they now work a five-day week. I firmly believe starting from 1998, there will be more serious problems for the legislature. I hope the labour sector and the business sector can work in consultation with each other towards a common goal, that is for the good of Hong Kong.

I have reservations about the way the Government has handled the matter this time. Since it has been agreed that day should be a holiday, we should act quickly by cancelling on day such as the 2 October as a holiday. We do not feel strongly that there should be a holiday immediately following the National Day. We had two consecutive days of holidays in 1997 on 1 and 2 October. The Government said it was consulting all sectors on which two of the six days in the existing holidays should be cut. But I do not feel it is doing its job well, or it is just shirking its responsibility. This sets a very undesirable and very bad example in the legislature in 1998 and beyond. There will be conflicts among the representatives of the business sector or other sectors and the labour sector. Confrontation will result on other matters, causing unrest in the community or even mutual distrust between labour and employers. This is very bad indeed.

Although I understand my vote for Miss CHAN will not help change the fact, I will try to use this vote of mine to reprimand the Government for its failure to do well.

CHAIRMAN (in Cantonese): Mr Frederick FUNG.

MR FREDERICK FUNG (in Cantonese): Madam Chairman, I did not receive any paging from Miss CHAN Yuen-han but my position is the same. There is no need to page me. The issue has long been under dispute between labour and capital. I think since the business sector thinks 1 May should be a holiday in the long run and agrees along with the Labour Advisory Board (LAB) this should come into effect in 1999, and a number of people from the labour sector (such as Mr LEE Kai-ming) has indicated they wanted the holiday in 1998, the difference does not result in any substantial change, I mean there is no substantial effect in the management of Hong Kong. Why does the Government not accept the amendment. Why is it like a piece stone from which blood cannot be extracted even with a diesel?

I think there is only one reason, it is the decision of the LAB. The Government regards the LAB as a consultative body and is unwilling to let the legislature, the former Legislative Council or the present or future Legislative Council to change that decision. If my analysis is correct, the reason behind the Government's stance is the LAB decision. The Government is refusing to make 1 May a holiday as proposed not because of the reality but because of the LAB decision. Thus workers are denied of their rightful holiday, their status and respect.

I still hope the Government will review its position: Does it regard the LAB the only place to resolve labour issues? What will the Government do in future to resolve issues between labour and capital? As early as three years ago, there were similar disputes and confrontations regarding the subject being debate between labour and capital in the legislature. Every year similar things happen. Every year the Government uses the LAB as the ultimate shield to break the authority of the legislature in making the final decision. This does not make sense. This is not an acceptable process in legislation. Since the legislature has the final say on the law it should be the place to hold final discussions too. When the LAB reached a decision after discussion, I think the Government has a responsibility to facilitate similar discussions in the legislature to achieve a consensus between labour and capital.

As a forum for discussion, the legislature is, I think, a place far better than the LAB. Reason one, the legislature is where the law is finally enacted.

Reason two, persons not elected to the LAB or not represented in it may be represented in the legislature. So, I think the representativeness of the legislature

CHAIRMAN (in Cantonese): We are debating the issue of making 1 May Labour Day a holiday. Please do not spend too much time discussing the functions of the LAB.

MR FREDERICK FUNG (in Cantonese): I hope the Government can understand what the legislature has been trying to achieve all these years because my analysis is that the conflict probably stems from the LAB decision to which the Government holds fast. I hope everyone supports Miss CHAN's amendment to implement the proposal to make 1 May Labour Day a holiday in 1998. Thank you, Madam Chairman.

CHAIRMAN (in Cantonese): Mr James TIEN.

MR JAMES TIEN (in Cantonese): Madam Chairman, labour representatives and Members from the Hong Kong Association for Democracy and People's Livelihood have repeatedly used this issue to allege that there appears to be a great difference between labour and capital. There is no difference. Capital's idea is that you may take whichever day you think should be holiday. What is important is that the total number remains 17 because we think the 17 days of holidays enjoyed by Hong Kong people is more than any place in the Southeast Asian region. We cannot afford any increase. Capital does not object to 1 May being a holiday for labour. Frankly speaking, I do not think workers will take to the streets for processions and celebrating the International Labour Day. Holidays are holidays. We have holidays at Christmas, on the first, second and third day of the lunar new year. Holidays do not polarize workers and employers. We agree 1 May should be a holiday in 1999, but not in 1998. Why? The reason is the present system of statutory holidays and general holidays.

Mr LEE Kai-ming said I could not tell the difference between the two types of holidays. I operate factories. Of course I know statutory holidays are

in effect factory holidays. I might not be able to tell the difference if I worked in a bank. As far as money is concerned, we know one type of holidays have 11 days while the other 17. The fact is there are fewer and fewer factories now. If the labour sector wants to reduce the gap between 11 days statutory holidays and 17 days general holidays we will agree. In future when there is no more manufacturing industry, most employees would enjoy general holidays. We can come to that step by step.

Now it seems people say capital is objecting to the amendment as if capital has certain vested interest. Let me stress there is none. We will agree as far as there are 17 days altogether. The dates may change. We see no problem even if 1 May is not a holiday. Any other day can take its place as a holiday. Capital will support a 17-day total.

Whether Members support or oppose the amendment, I hope they will not use the issue to polarize labour and capital.

Thank you, Madam Chairman.

CHAIRMAN (in Cantonese): Mr Andrew WONG.

MR ANDREW WONG (in Cantonese): After hearing Mr James TIEN's speech, I am confused. Since this is the Committee stage, the Government can clarify as soon as possible so that I can see if my understanding is correct.

As the Secretary for Education and Manpower said a moment ago, the number of statutory holidays was increased from 11, which was stipulated by the Employment Ordinance, to 12 by the amendment bill of Mr LAU Chin-shek of the former Legislative Council. The present amendment bill has the effect of reducing the number of statutory holidays back to 11, at least for 1998. If the amendment bill is not passed, the number of statutory holidays remains to be 12. I think this is the first point to be clarified and this might be where the contradiction lies. Maybe, the Honourable James TIEN, the Liberal Party and

the Hong Kong Progressive Alliance will finally come to agree that the number of statutory holidays should be 12, but this is to be implemented in 1999. However, after I have listened to Members' speeches, it seems that we are talking about the 17 general holidays. What actually is the focus of our discussion?

Originally I did not intend to speak. Now I just want to clarify my stance on this issue because I have never revealed my stance. When the amendment bill of Mr LAU Chin-shek was debated by the former Legislative Council, I was the President and could not speak. Later when the Provisional Legislative Council met in Shenzhen to debate the Honourable MOK Ying-fan's amendment, I was of the opinion that legislation should not be enacted prior to 1 July. So I refused to speak or vote on any bill and amendment bill. Now I think I should clearly express my opinion.

Quite a number of Members have proposed to the Government some recommendations which can resolve all difficulties perceived by the Government. For example, the Honourable CHENG Yiu-tong proposed that we can either choose Easter Holiday or 1 May, the International Labour Day, just like the arrangement for the Winter Solstice and Christmas. The Honourable CHIM Pui-chung also pointed out that the problem could be solved by substituting 1 May for the floating holiday on 2 October. These proposals can entirely alleviate the concerns of the Government and there is no need to postpone the implementation of 12 statutory holidays for one year. I urge the Government to give us an initial response as to whether it is willing to consider these proposals or it is holding its ground, introducing buddhas and gods to this Council. I do not oppose that the Buddha's Birthday be made a holiday. But would it be a statutory or a general holiday? Would it become an additional statutory holiday? If yes, would it be a general holiday as well? How about the Teacher's Day? Of course, the Honourable YEUNG Yiu-chung would not make such a proposal, nor would I.

On this issue of holidays, Mr James TIEN repeatedly mentioned that we have 17 holidays which is the largest number of holidays among all Southeast Asian countries. But I have to say that not all employees can enjoy general holidays. Just now Mr James TIEN said that the manufacturing industry might totally vanish in the future. But as a matter of fact, apart from factory workers, domestic helpers enjoy statutory holidays only and do not enjoy general holidays

unless it is stated in their employment contracts. The same applies for the service industry and the employees have only statutory holidays, and do not enjoy 17 general holidays. I urge the Government to give us an initial response. If Members wish to continue the debate, they can have a second opportunity to speak. We would like to see whether the Government is open and sincere to us in this discussion.

Thank you, Madam Chairman.

CHAIRMAN (in Cantonese): According to the Rules of Procedure, Members may speak more than once at the Committee stage. But I would like to remind Members that when you speak for a second time, if you repeat what you have already said, I would ask you to stop because you should put forth new arguments in the second round. Does any other Member wish to speak? (Pause) If not, I now invite the Secretary for Education and Manpower to speak.

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam Chairman, the Government is against the amendment the Honourable Miss CHAN Yuen-han to clause 3 of the Bill.

When speaking on the resumption of the Second Reading of this Bill, I explained the reasons clearly. I have to reiterate the standpoint of the Government of the Hong Kong Special Administrative Region (SAR), we have accepted in principles the request of the labour sector and supported to designate 1 May as a statutory holiday. We also proposed that 1 May be designated as a general public holiday as well. However, we think that we should consult employers, employees and the financial sector to see which two general holidays should be repealed and substituted by 1 May and the Buddha's Birthday. Our standpoint has been very clear that in the present situation of Hong Kong and in comparison with that of the neighbouring regions, we do not consider that the number of general holidays each year should exceed the present 17 days.

Speaking on the amendment, many Members considered that it a very simple matter. For example, the Honourable LEE Kai-ming queried why the Easter holiday should not be substituted. As I just mentioned, we have six

general holidays which are not statutory holidays. These six days of holidays have a long history. I believe that different people and organizations will have very different opinions on them. Therefore, someone may think that the Easter holiday is not important and can be substituted by 1 May. However, some may think that the holidays on 1 and 2 October or that on the first weekday after Christmas Day are not so important. These opinions clearly explain why we consider that it is necessary to consult other people and organizations, including employers, employees as well as the financial sector. Therefore, we consider that 1 May can only be designated as both a statutory and general holiday by 1999 the earliest.

The Honourable CHENG Yiu-tong just stated, and in fact Mr LEE Kai-ming also mentioned that we could make a choice between 1 May and another statutory holiday. The situation is similar to that of Christmas and Winter Solstice. However, the same question comes up again that which day should be used for pairing up. Is it necessary to consult the opinions of both employers and employees? I also mentioned that we suggested 1 May should be taken as an additional statutory holiday on its own and as a general holiday as well. Therefore, its status is completely different from that of the Winter Solstice.

Mr CHENG Yiu-tong mentioned in his speech that the Government seemed to have a serious fear of the amendment proposed by Members. If he said that the Government staff feared about Members, I might agree with him. However, he said that the Government feared the amendment, I might not agree with him. From another angle, I think, being civil servants, we should devote ourselves prudently and wholeheartedly to carrying out the policies of the SAR Government. In fact, this just demonstrates our sense of responsibility as professional civil servants.

I now reiterate that the amendment moved by Miss CHAN Yuen-han will cause confusion and inconvenience to both employers and employees, and is not in public interests. I believe that even if I am to explain the reasons again, some Members will still disagree with me. Therefore, rather than repeating those reasons I would once more urge Members to vote against this amendment.

Thank you, Members.

CHAIRMAN (in Cantonese): Mr Andrew WONG, is it a point of order?

MR ANDREW WONG (in Cantonese): Madam Chairman, just now I invited the government official to make response to some proposals. Now I will not repeat what I have said, I just urge the government official to respond to my question.

CHAIRMAN (in Cantonese): Mr Andrew WONG, you have the right to request. However, since this is not the question time, the government official can decide whether they reply or not.

MR ANDREW WONG (in Cantonese): Madam Chairman, I now request permission to speak. I will not repeat the points I have made.

CHAIRMAN (in Cantonese): Yes, you may speak.

MR ANDREW WONG (in Cantonese): Madam Chairman, just now I said that we could discuss the issue openly and sincerely since this is the Committee stage. I have summed up Members' proposals in the hope that the Government would make a response. The Government has responded and it seems that its stance is very firm. However, if I can convince a sufficient number of Members to pass this amendment, it will create something the Government will deem confusion. However, the Government can easily solve the confusion by proposing a bill to amend the Holidays Ordinance. All problems can be solved by designating one day as a general holiday in the bill. So, I am of the view that the Government's arguments are untenable. Previously I did not mention this because I knew that if I proposed to swap the holidays or to let people choose, the Government would give us the same reply.

I urge the Government to tell us honestly whether it will insist on increasing the number of statutory holiday to 12 only from 1999 and will not consider designating certain day as a general holiday in order to avoid the so-called confusion. Thank you, Madam Chairman.

CHAIRMAN (in Cantonese): Mr CHENG Yiu-tong.

MR CHENG YIU-TONG (in Cantonese): The reply of the Secretary for Education and Manpower is actually what we expected because he just read from a script. But as a matter of fact, as I said a moment ago, when the Government wants to promote or launch something, it has numerous reasons. It also has numerous reasons when it opposes Members' amendments.

I would like to make a point, if the number of general holidays remains 17 in 1998, it will not create the confusion the Secretary referred to. In fact, in the Employment Ordinance we have a precedent to allow the choice of a paid day off either on 1 May or on Easter Holiday. So we should not rule out these proposals. If the Government says that consultation is required, why not consult now? We do support consultation. From now up to 1 May 1998, there is half year's time for consultation. The Government should have ample time to consult the public which holiday they prefer to give up for 1 May. The Government absolutely has enough time to do that but it just does not take these factors into consideration.

I would like to emphasize why we strongly support that "1 May" be made a holiday in 1998. I would all the more like to emphasize that this demand does not breach the Preparatory Committee's decision. I have a record of meeting of the 5th Plenary Session of the Preparatory Committee for the Hong Kong Special Administrative Region (SAR). There is a statement by the Deputy Director cum Secretary, Mr LU Ping, which is clearly recorded in the paper. May I quote, "Arrangements for paid holidays for the Hong Kong workforce should be made by the SAR. However, since holidays for a year will have to be decided at the end of the previous year, the Secretary's Working Committee would like to propose to the Directors' Committee that a resolution be passed such that when the SAR implements the "Decision of the SAR Preparatory Committee of the National People's Congress on the General Holidays for the latter half of 1997 and the whole of 1998", 1 July, 2 July and 1 October shall be designated as paid labour holidays. For paid labour holidays in 1998 and thereafter, the SAR shall decide on its own". That is the resolution passed by the Preparatory Committee. So, in my view, to have 1 May designated as a paid holiday in 1998 does not violate the decision of the Preparatory Committee. Thank you, Madam Chairman.

CHAIRMAN (in Cantonese): Miss CHAN Yuen-han, you have just raised your hand to indicate that you wish to speak. But in fact you will have an opportunity to reply later. Does any other Member wish to speak? If not, Secretary for Education and Manpower, do you wish to speak for a second time?

(The Secretary for Education and Manpower indicated that he did not wish to speak)

CHAIRMAN (in Cantonese): Miss CHAN Yuen-han.

MISS CHAN YUEN-HAN (in Cantonese): Madam Chairman, today I have a hope. The designation of 1 May as a holiday has been debated for a long time by the former Legislative Council and this Council. The labour sector has been asking for this extra holiday and the proposal has been well received ever since it was first raised. We all agree that workers in Hong Kong, which is such a modern society, should enjoy a paid holiday on 1 May. This is not a consensus reached just recently. It was reached gradually by people in recent years. The question is whether it should be implemented in 1999 or 1998.

I know that earlier some colleagues originally supported my amendment. But they were lobbied by the Government. The main argument of the Government is that my amendment violated the Preparatory Committee's decision. But just now, members of Preparatory Committee, the Honourable LEE Kai-ming, the Honourable CHENG Yiu-tong and the Honourable IP Kwok-him have read out the relevant document. Members who once agreed with the demand of the labour sector should know that it has been agreed that there will be an additional holiday on top of the 11 holidays in 1999. That is very clear. However, to delay things, the Government proposed the Buddha's Birthday be a made holiday, and this led to the present confusing situation. My amendment is indeed very clear. I propose that the statutory holidays be put into effect in 1998 rather than 1999. This does not go against the Preparatory Committee's decision and the concept is the same as what Members have supported. As regards the confusing situation pointed out by the Government, many colleagues, including the Honourable Andrew WONG, have put forth a lot

of proposals which can be implemented by the Government in a short time.

Some colleagues raised concern about the printing of calendars. In fact, no matter when it is implemented, there are bound to be difficulties and problems. In my opinion, the main point is whether we accept 1 May be made a holiday starting from the first year after the establishment of the new Government. This is crucial. Since it does not violate the decision of the Preparatory Committee and it is already a consensus reached in the community, do we want to be defeated by a technicality?

I hope those who once supported me will continue to give me support and not be influenced by the four reasons raised by the Government as they do not hold water. People who have management knowledge will not raise these four untenable reasons. I appeal for colleagues' support. I am sure according to the last count of votes, I already defeated the Government. Because of this reason, the Government proposed to designate the Buddha's Birthday as a holiday. I hope Members will not be confused. Please bear in mind one thing: If 1 May be made a holiday does not go against the Preparatory Committee's decision, support CHAN Yuen-han's motion that 1 May be made a holiday in 1998. Thank you.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendment moved by Miss CHAN Yuen-han be approved.

Will those in favour please say "aye"?

(Members responded)

CHAIRMAN (in Cantonese): Those against please say "no".

(Members responded)

CHAIRMAN (in Cantonese): Since the voice vote was not clear, the Council shall now proceed to a division. The division bell will ring for three minutes.

CHAIRMAN (in Cantonese): Will Members please proceed to vote.

CHAIRMAN (in Cantonese): If there are no queries, the result will now be displayed.

Prof NG Ching-fai, Mr LEE Kai-ming, Mr MA Fung-kwok, Mr CHEUNG Hon-chung, Dr LEONG Che-hung, Mr MOK Ying-fan, Mr HUI Yin-fat, Mr CHAN Choi-hi, Miss CHAN Yuen-han, Mr CHAN Wing-chan, Mr CHAN Kam-lam, Mr TSANG Yok-sing, Mr CHENG Kai-nam, Mr Frederick FUNG, Mr Andrew WONG, Mr YEUNG Yiu-chung, Mr IP Kwok-him, Mr CHIM Pui-chung, Mr Bruce LIU, Mr LAU Kong-wah, Mr CHENG Yiu-tong and Mr NGAN Kam-chuen voted for the amendment.

Mr WONG Siu-ye, Mr James TIEN, Mr David CHU, Mr HO Sai-chu, Mr Edward HO, Dr Raymond HO, Mr NG Leung-sing, Mr Eric LI, Mr Allen LEE, Mrs Elsie TU, Mrs Selina CHOW, Mrs Peggy LAM, Mr Henry WU, Mr NGAI Shiu-kit, Mr Henry TANG, Mr Ronald ARCULLI, Dr TSO WONG Man-yin, Mr LEUNG Chun-ying, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mrs Miriam LAU, Mr Ambrose LAU, Mr CHOY Kan-pui, Mr Paul CHENG, Dr TANG Siu-tong and Mr TAM Yiu-chung voted against the amendment.

Mr Kennedy WONG abstained.

THE CHAIRMAN announced that there were 22 Members in favour of the amendment, 27 against and one abstaining. She therefore declared that the amendment was negatived.

CHAIRMAN (in Cantonese): As the amendment has been negatived, I now put the question to you and that is: That clause 3 stand part of the Bill.

CHAIRMAN (in Cantonese): Will those in favour please say "aye"?

(Members responded)

CHAIRMAN (in Cantonese): Those against please say "no".

(Members responded)

CHAIRMAN (in Cantonese): I think the "ayes" have it. The "ayes" have it.

CHAIRMAN (in Cantonese): Council will now resume.

Council then resumed.

Third Reading of Bill

PRESIDENT (in Cantonese): Bill: Third Reading. Secretary for Education and Manpower.

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese):
Madam President, the

EMPLOYMENT (AMENDMENT) (NO. 5) BILL 1997

has passed through Committee without amendment. I move that this Bill be read the Third Time and do pass.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Employment (Amendment) (No. 5) Bill 1997 be read the Third Time and do

pass.

I now put the question to you as stated.

PRESIDENT (in Cantonese): Will those in favour please say "aye"?

(Members responded)

PRESIDENT (in Cantonese): Those against please say "no".

(Members responded)

PRESIDENT (in Cantonese): I think the "ayes" have it. The "ayes" have it.

CLERK (in Cantonese): Employment (Amendment) (No. 5) Bill 1997.

MEMBERS' MOTIONS

INTERPRETATION AND GENERAL CLAUSES ORDINANCE

PRESIDENT (in Cantonese): Mr IP Kwok-him.

MR IP KWOK-HIM (in Cantonese): Madam President, as Chairman of the Subcommittee on Subsidiary Legislation relating to Legislative Council election, I move the motion as set out on the Agenda.

The Subcommittee agreed that the scrutiny period for this regulation shall be extended to 10 December 1997 so that Members will have sufficient time to consider whether amendment should be made to the regulation.

Madam President, I beg to move.

Mr IP Kwok-him moved the following motion:

"That in relation to the Electoral Affairs Commission (Registration of Electors) (Geographical Constituencies) (Legislative Council) Regulation, published as Legal Notice No. 499 of 1997 and laid on the table of the Provisional Legislative Council on 5 November 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 meeting of 10 December 1997."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That in relation to the Electoral Affairs Commission (Registration of Electors) (Geographical Constituencies) (Legislative Council) Regulation, published as Legal Notice No. 499 of 1997 and laid on the table of the Provisional Legislative Council on 5 November 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 meeting of 10 December 1997.

Council will now proceed to a debate. Does any Member wish to speak?

(No Members indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please say "aye"?

(Members responded)

PRESIDENT (in Cantonese): Those against please say "no".

(No Member responded)

PRESIDENT (in Cantonese): I think the "ayes" have it. The "ayes" have it.

PRESIDENT (in Cantonese): Two motions with no legal effect. I have accepted the recommendations of the House Committee as to the time limits on speeches for the motion debates. As Members know the time limits well, I need make no explanation. But I would like to remind Members that I am obliged to direct any Member speaking in excess of the specified time to discontinue.

First motion: Promoting Hong Kong's tourism industry. Mr Howard YOUNG.

PROMOTING HONG KONG'S TOURISM INDUSTRY

MR HOWARD YOUNG (in Cantonese): Madam President, I move the motion set out on the Agenda. I move to call for the Government to promote and develop Hong Kong's tourism industry. The importance of tourism to Hong Kong's economy explains why there is a need to promote tourism in Hong Kong. Inward tourism, as an invisible service export, brings huge foreign exchange to Hong Kong. It is vital in balancing our visible trade, greatly reducing our visible trade deficits every year.

There are many reasons for the recent reduction in the number of visitors coming to Hong Kong: the industry faced a low season after the series of celebration activities for the reunification of Hong Kong with China; Mainland visitors were not able to come in the several weeks before and after the reunification; negative coverage of Hong Kong by international media; some Hong Kong people badmouthing Hong Kong overseas; "wait and see" attitude of overseas tourists after the reunification. On top of this, the recent depreciation of Southeast Asian currencies discourages people from one of our biggest sources to come, while making it cheaper for other visitors to go to these countries. The fluctuation in stock and money markets all over the world plays a role too. Furthermore, over-estimation of demand for hotel accommodation and air tickets for the reunification period led to a reduction in low-priced group rate packages offered to travel agents, giving the tourists an impression that

hotels in Hong Kong were expensive.

The Chief Executive urged the tourism industry to review price structure and marketing strategy in his policy address. There is response from the trade. The Hong Kong Tourist Association took the lead to offer "Winter Offers" in Japan in October which was followed by a local airline's "buy one ticket get one free Super Offer" in conjunction with hotels, retailers and restaurants in November. The number of overseas visitors responded was four times the original expectation.

The industry has tried its best to "rescue the market" by offering cheap service packages which, however, will work only in the short term. Assistance from the Government in the form of administrative measures and policies is needed in the medium and long term.

The Hong Kong Tourist Association often tells us the average visitor arrivals for the year. For instance, the number of visitors between January to October 1997 has dropped by 8.1% on the whole. However, if you ask people in the trade, they will tell you a different story. Some may even consider this figure is to gloss over the situation. In order to understand the trend and the seriousness of the situation better, comparison should be made to the corresponding months of 1996. For instance, visitor arrivals decreased by 14.1% in June 1997 as compared with the same period in 1996; by 35.2% in July 1997; 24.4% in August; 22.4% in September and 20.7% in October. If we try to adjust the miserable figures in the latter half of the year upwards by using the large number of visitor arrivals who came before the reunification in the first half of the year, it seems that we are to avoid facing the reality, or unable or reluctant to see the truth.

We must bear in mind that the tourism industry has always been one with a large number of customers but lean profit. The profit margin of the tourism industry is every low. A travel agent may make only a hundred dollars in a deal. They have all along been making lean but frequent profits. Travel agencies, airlines, hotels bear the brunt during the recent downturn, followed by retailers, restaurants and even taxi drivers. In the end, the whole economy suffers.

However, let bygones be bygones. We cannot solve the problems by blaming others. I hope Honourable Members will today focus on discussing

what feasible measures the Government can implement to help the long-term development of Hong Kong tourism.

Take Taiwan, our major source of visitors, as an example. Visitors from Taiwan need a "visitor's permit" to come to Hong Kong. Although validity has been extended from two years to three years and the Immigration Department said that it takes only five working days to process, it actually takes 12 to two weeks from the time when an application is submitted to the issue of the document. Take a look at our neighbours: Macau offers visa on arrival. Korea has even granted visa-free entry to visitors from Taiwan. Taiwan citizens only need three days to get a Japanese visa. But they need to go through all this trouble in order to come to Hong Kong. It does not matter how relaxed the existing procedures are as compared with before, visitors only note the ease of getting to other destinations. I, once again, urge the Government to offer visa-free entry to visitors from Taiwan. If the Government fears visa exemption for all Taiwanese may create embarrassment, it may consider an arrangement under which permits will continue to be required if the visitors are serving Taiwan officials of a certain rank and above, while the ordinary people can come to Hong Kong visa free. Failing that, I hope at least Taiwan people who possess a Mainland Visit Permit (that is, travel document issued by PRC to Taiwan compatriots) be allowed to enjoy seven-day visa-free entry to Hong Kong. If there is difficulty for the implementation of such an arrangement, the very minimum we can do is to use the Hong Kong Tourist Association's Taiwan office to help reduce the permit processing time.

At lunch time today, I was told by a friend in the tourism industry that on Friday, 29 November, a group of people from the Rotary International of Taipei came to Hong Kong and stayed in a five-star hotel in Hong Kong. A banquet which cost \$10,000 a table would be held in another five-star hotel. But only 18 people out of 40 in the group could come to Hong Kong. Why? Because of visa problem, some could not come together with other group members. That is indeed a loss to Hong Kong.

Apart from Taiwan, visitors from the Middle East and Eastern Europe are subject to extremely strict visa requirements. Could the Government relax the existing visa requirements for these people in order to open up a new source? From what the Government told us this afternoon when answering my question, the Government does not seem to be enthusiastic.

In the short term, the Government can extend the border opening hours, reduce hotel tax, wine duty, hotel's sewage charge, and even reduce and change the Airport Departure Tax into an airport service charge for the improvement and maintenance of facilities in the new airport. This will help reduce the operating cost of the new airport.

In the medium term, the Government should encourage the staging of Exposition 2001 which has great potential in attracting visitors. The Government may subsidize the Hong Kong Tourist Association in the production and broadcasting of API to promote Hong Kong overseas.

In the long run, the Government needs to formulate policies to maintain Hong Kong's position as an Asian tourism centre. Measures include the co-ordination of relevant government departments in the promotion of the industry and addition of tourism related infrastructure and attractions.

It has been suggested that we should follow the example of Singapore in establishing a Tourism Board. But then it is pointed out that the United States has experienced a failure. In this regard, the Government stressed that Hong Kong should operate differently as we depend on private investment and practise "positive non-interventionism". What is the right formula for us? I suggest that we should have a central *ad hoc* working group led by a policy department to encourage other departments in promoting our tourism industry in a concerted effort.

I hope Members would feel free to offer their views in the debate because all Members can be regarded as experts in travel. As you have travelled abroad, you know the customers' mentality: Why do you go there for fun? What do you expect to get from the trip? What do you expect to see? Why do you not choose to travel to some destinations?

I beg to move.

Mr Howard YOUNG moved the following motion:

"That, in view of the recent downturn in the number of visitors to Hong Kong, this Council urges the Government to review the situation and implement short, medium and long-term measures to promote and develop

Hong Kong's tourism industry, so as to maintain Hong Kong's position as an Asian tourism centre."

THE PRESIDENT'S DEPUTY, DR LEONG CHE-HUNG, took the Chair.

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That, in view of the recent downturn in the number of visitors to Hong Kong, this Council urges the Government to review the situation and implement short, medium and long-term measures to promote and develop Hong Kong's tourism industry, so as to maintain Hong Kong's position as an Asian tourism centre. We shall now have the debate. Does any Member wish to speak? Mrs Peggy LAM.

MRS PEGGY LAM (in Cantonese): Thank you, Mr Deputy. That we debate the promotion of tourism today reflects the importance of the industry to Hong Kong's economy. This smokeless industry is Hong Kong's top earner of foreign exchange, bringing an enormous income to the Treasury. It contributes significantly to the prosperity and stability of Hong Kong. Since tourism industry employs 12% of our workforce, the recent downturn in tourism has raised the concern of many people.

According to statistics of the Hong Kong Tourist Association (HKTA), the number of visitors to Hong Kong from January to October fell by 8.1% compared with the same period of last year. Visitors from Japan, which is one of Hong Kong's top sources of visitors, dropped by more than 60% in October this year compared with the same period of last year. This situation must not be allowed to continue and the Government should adopt some suitable measures in order to maintain Hong Kong's status as "tourists' paradise".

In fact, before any action from the Government, the tourism industry has taken measures on its initiative to boost the industry. To support the winter promotion scheme of the HKTA, hotels and airlines have lowered their prices. The hotels, some of them five-star and "brand name" ones, have reduced their rates by 20%. In response to this, the airlines provide concessionary air tickets, for flights between Hong Kong and Japan in particular, the reduction is over 30%. They are in a concerted effort to attract tourists by offering bargain air tickets and

accommodation.

However, these price-cutting promotion tactics are just short-term measures. It is wishful thinking that hotels and airlines can permanently offer inexpensive packages of round-trip air tickets and hotel accommodation for several thousand dollars. To boost our appeal to overseas tourists, we must have a long-term programme to attract foreign visitors in an effective way.

In the first policy address delivered by the Chief Executive, Mr TUNG Chee-hwa, on 8 October, he mentioned the tourism industry. He highlighted the importance of tourism industry to our economy and the recent downturn in the number of visitors. He also proposed a number of ways to boost the number of visitors. These are not price-cutting promotion tactics, but long-term strategies to actively attract visitors in a proactive way.

Hong Kong cannot rely on low prices and quality goods alone to attract tourists. In relation to other Southeast Asian regions, prices in Hong Kong are very high due to high rents and other factors. Our goods are no longer cheap, our competitiveness edge is therefore blunted.

The following are my suggestions to help boost the industry:

First, to compete with other regions, we should stress top quality consumer goods for the tourists as a selling point. For example, we should enhance the quality of our products and try to reinstate Hong Kong's status as a "shoppers' paradise".

Second, the service sector should raise its standard. For instance, the HKTA has all along been promoting courtesy so that tourists will feel at home in Hong Kong.

Third, we should simplify the visa procedures for tourists, in particular, tourists from our major sources. We should try our best to provide visa-free arrangement or shorten the time for visa processing for transit visitors. Visitors from Taiwan now need two weeks to get their visas.

Fourth, the fact that our tourism industry did well in the past means that many tourists have visited Hong Kong. If they are to re-visit Hong Kong, there

must be new attractions or tourist facilities apart from our existing ones. For instance, the HKTA proposed to organize the Hong Kong Expo 2001, build a Film City and a virtual reality theme park and so on.

Fifth, we should encourage community organizations or international bodies to organize more international conferences or conventions in Hong Kong. Or, they should promote the territory as a venue for international activities so as to attract a lot of people to Hong Kong.

Sixth, the Government should consider giving concession to tourism bodies so that they can offer lower prices to tourists. If expenses incurred by the tourists can be lowered, they will be all the more willing to come to Hong Kong.

In his policy address, the Chief Executive, Mr TUNG Chee-hwa proposed that the Government would make a loan of \$100 million to the HKTA to start up an International Events Fund, designed to stage 50 major international events in Hong Kong. This will strengthen our position as the "Events Capital of Asia" and enhance Hong Kong's international image. Furthermore, these will arouse new interests of overseas tourists and attract them to re-visit Hong Kong.

Lastly, the community at large can do something to boost the tourism industry. For example, we should offer assistance to the tourists when they are in need of help. That will help leave a good impression of Hong Kong on overseas tourists.

To revive our tourism industry, the Government, the HKTA, the service sector of Hong Kong and the public at large should work together to give support so that the excellent performance of our tourism industry in the past can be seen again.

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

DEPUTY PRESIDENT (in Cantonese): Mr WONG Siu-ye.

MR WONG SIU-YEE (in Cantonese): Mr Deputy, tourism industry is a network of many trades with tourists as their customers. The ups and downs of the

industry will have direct bearing on airlines, hotels and tour operators. Other sectors such as the retail, wholesale, entertainment, culture and personal services also rise and fall with the industry. Since tourism industry employs 12% of Hong Kong's total workforce, its impact of the industry's fluctuation on people's livelihood should not be underestimated.

The tourism industry in Hong Kong is now in the doldrums. This is partly because the depreciation of Southeast Asian currencies has made their exchange rates more attractive than the Hong Kong dollar. Apart from that, there are other external factors like the global economic slump. In Hong Kong, we are also facing unfavourable internal factors like recession, high operating costs and people's flagging desire for consumption. How do we face these negative factors? How do we remove these negative factors? And how do we turn them into positive ones is precisely the focus of our debate. Mr Deputy, I think it is absolutely possible to remove these negative factors and to push our tourism industry to a new peak. I think every citizen in Hong Kong has the responsibility, which can be sub-divided into three categories: community responsibility, responsibility of the industry and responsibility of the Government.

First, the community responsibility. I think every citizen has a responsibility to help create peaceful, stable, united, orderly and courteous community. Many tourism operators have told me that in recent years some political parties and professional demonstrators frequently demonstrate and protest, and even create a situation of conflict, giving foreign countries an impression that Hong Kong is unstable. This will frighten the tourists away. In view of the incidents that some people have time and again forced their way into the Legislative Council Building, I quite agree with their view. These people should give priority to the overall interest of Hong Kong. Unless there is no other alternative or solving of problems through negotiations is impossible, they should not resort to confrontation by means of demonstration and protest in the street. It is all the more inappropriate for them to create scenes of conflict. There is no need for the media to have excessive and negative coverage of such incidents as it does not help the problems but give an impression to foreign countries that Hong Kong is unstable and unsafe. It is just like the negative effect on a country reported to have racial riots, fightings, social unrest and hill fires, we will not travel to that country either.

As regards the responsibility of the industry, I, in the Motion of Thanks debate, urged the industry to provide quality service. I also expressed my support to the Chief Executive's call for price restructuring which means price reduction and refraining from price increase. In response to the appeal, some operators in the industry have taken some positive measures recently. For

example, an airline has made a "buy-one-get-one-free" offer. This is a good thing and we hope that it will encourage more people in the industry to take corresponding measures.

It is reported today in the newspapers that some hotels are prepared to lay off staff while some restaurants and retail shops are also going to wind up. I urge operators in the sector to stick to their positions, adopt a positive attitude, and weather this adversity together with their employees.

Finally, as regards the responsibility of the Government, this is also the focus of my speech today. At present we do not have a government department responsible for tourism development like the Tourism Board in Thailand or Singapore. Rather, the development of the industry is separately promoted by a number of quasi-official agencies like the Hong Kong Tourist Association, the Consumer Council and the Trade Development Council or some voluntary trade bodies like the Hong Kong Retail Management Association and some hotelier associations.

Undoubtedly, these quasi-official organizations and trade bodies of industry operators have contributed greatly to tourism. But I would like the Government to ask itself: apart from funding, has it provided enough support to the industry? The answer is in the negative. The current situation is that any government department can claim jurisdiction over tourism industry, and it can also be nobody's business. How to change this state of affair? How to incorporate the tourism industry into the long-term forward-looking operation of Hong Kong? I suggest that the Government should consider forming a policy-making department headed by an officer of the Secretary rank. Called the "Tourism Development Bureau" for the time being, this bureau is to be responsible for the co-ordination and the development of tourism-related affairs now being handled by government departments, quasi-official and non-governmental organizations.

Mr Deputy, in the Motion of Thanks debate, I suggested that the Government take the lead in reducing airport tax and hotel tax; organize more large-scale international exhibitions, increase tourist scenic spots and produce API. It should also send tourism ambassadors to target countries to promote Hong Kong. I also suggested that the overseas offices of the Government should help promotion. In fact, all these can be regarded as short- and

medium-term measures for promoting tourism industry and retail trade. The formation of a "Tourism Development Bureau" can be considered a long-term measure. I hope the Government can give it serious consideration. I believe the government officials will give concrete response to the proposed short- and medium-term measures.

With these remarks, Mr Deputy, I support the motion.

DEPUTY PRESIDENT (in Cantonese): Mr HO Sai-chu.

MR HO SAI-CHU (in Cantonese): Mr Deputy, Hong Kong is or used to be one of the boom cities in global tourism. Every year more than 10 million visitors from around the world came to Hong Kong. The tourism industry has played a significant role in our economy, contributing 8% to our gross domestic product. In last year alone, the tourism industry brought us an income of over \$100 billion and employed 12% of our total workforce. So the fortune of the industry has a bearing on our overall economy and employment situation.

The second half of this year saw an obvious downturn in the tourism industry of Hong Kong. There was a bad slump for the three months from July to September when the number of tourists dropped over 25%. The tourist-dependent sectors such as hotels, retail and coach chartering have also suffered in terms of income. The prospect does not look promising for these trades.

In my opinion, as tourism is an important segment of our economy, the Government should not stand idly by when the industry is facing unprecedented difficulty. The Government should come up with contingency measures in conjunction with operators in the industry in order to render them assistance. This is to enable the industry revive shortly. I would like to put forth three suggestions:

First, the Government should make sure that the new airport can be commissioned in April next year and that there would be proper supporting transport infrastructure. All the world knows that the Kai Tak Airport is now

operating at full capacity. There is a flight landing or taking off the airport every two minutes. As many as 300 flights fail to get consent to land in Hong Kong every week. Hong Kong cannot attract more visitors due to the serious air traffic congestion in the Kai Tak Airport.

In conjunction with the marketing and promotion programmes of the tourism industry, the new airport should be commissioned as soon as possible since it can operate round the clock and handle 35 million visitors every year in the initial period. But there is concern from the public and the industry that if the Airport Railway cannot begin running when the new airport opens April next year, there may be no way we can ensure convenient passenger and freight services for local people and overseas visitors. I urge the Government to come up with an across-the-board arrangement to ensure that chaotic situations will not occur when the new airport opens. We should ensure that visitors and local people will have no complaints, otherwise, the reputation of Hong Kong in the international tourism will be further tarnished.

Secondly, high touring cost is one of the major factors which deter foreign visitors from coming to Hong Kong, especially in regard to hotel accommodation. All along, hotel rates in Hong Kong have been among the highest in the world. They are over 100% more than those in Singapore, Paris and Las Vegas. To enhance the competitiveness of our tourism industry, the Government should take the lead in waiving the 5% hotel tax to bring down hotel room charges. The Government has recently announced that for the first half of this financial year, revenue from the sale of land has reached \$52.6 billion, which is 53% higher than estimated by the Budget. Meanwhile, it is estimated that the surplus for this financial year will exceed \$35 billion. So I think the Government can afford to waive the hotel tax.

Third, the Government should make every effort to assist the industry in organizing the Hong Kong Expo 2001 and promoting co-operation in tourism between Hong Kong and the Pearl River Delta of China. The idea of Hong Kong Expo was first proposed by the late Honourable Stephen CHEONG Kam-chuen of the Liberal Party. He actually funded the study himself. The idea of the Expo is to show Hong Kong in a new era after the reunification and Hong Kong as a gateway to China and an international business centre. I am

happy that the Hong Kong Tourist Association has formally put forward the idea to the Government. But unfortunately the Government has not had any definite response whether it would render assistance. I hope the Government can make an encouraging announcement as soon as possible.

In the long term, in order to develop the selling points of our tourism, we should secure the co-operation of the Mainland, especially the Pearl River Delta so that tourism in the Mainland and tourism in Hong Kong can be closely linked. To achieve this target, efforts by people in the industry are not enough. The Government should liaise with the Shenzhen authorities to extend the opening hours of the border control points in order to facilitate visitors.

Mr Deputy, the plight of the tourism industry affects the overall interest of society. The Government should face the problem squarely and render assistance to the industry so that it can tide over the difficulties.

With these remarks, I support Mr Howard YOUNG's motion.

DEPUTY PRESIDENT (in Cantonese): Mr CHAN Kam-lam.

MR CHAN KAM-LAM (in Cantonese): Mr Deputy, in the past, Hong Kong always enjoyed the reputation of being the "Pearl of the Orient" and a "Shoppers' Paradise" in the eyes of overseas tourists. However, in the last few months, it seems that this Pearl of the Orient has lost its lustre, whereas the Shoppers' Paradise has become the Robbers' Paradise. For the great reduction in the number of visitors to Hong Kong, both the Government and tourism industry operators should bear certain responsibility.

Tourism has been one of the most important sources of Hong Kong's income of foreign exchange, the revenue it brought is over \$100 billion per year on the average, and 12% of Hong Kong's working population are employed in the related trades. However, according to the statistics of the Hong Kong Tourist Association (HKTA), since June this year, the number of tourists visiting Hong Kong has dropped sharply; in the mere two months of September and October, a fall of 20% was recorded. This has not only reduced the revenue from tourism in the first nine months by \$1.2 billion as compared with the same

period last year, other relevant industries such as hotel, catering and coach are all badly influenced.

The high prices of goods and hotel accommodation are a major factor leading to the present dire strait in tourism. Even the national representatives coming to Hong Kong recently for the World Bank and International Monetary Fund conferences complained that hotel rates were too high.

The rates of hotel rooms in Hong Kong have soared greatly since last year. Beginning the end of last year, tourism industry operators constantly exaggerated the number of visitors coming for the reunification, claiming that the hotels were already fully booked. Do you think these words would not scare away the tourists who planned to come to Hong Kong? No wonder the number of tourists in June and July fell severely as compared with the year before, and a good opportunity to promote Hong Kong was thus missed for nothing.

Recently, the Hong Kong tourism industry finally faces the reality squarely. Before the end of this month, a travel promotional package of "buy one get one free" will be offered, and the prices of air tickets and rates of hotel rooms will be reduced handsomely to attract tourists. These actions will of course be effective for a short time, but they are only remedies for the moment and I believe that, in the long run, to help the tourism industry survive this cold winter, the Government has to introduce some more active measures.

Although the Government has never admitted that Hong Kong has a high land price policy, the chief instigator behind the high consumer prices in Hong Kong is actually the high land price policy that has led to great increases in rents and Hong Kong is no longer a shoppers' paradise where people can buy satisfactory merchandise at a good price. Many Hong Kong people are even going bargain shopping overseas, it is particularly so with the recent currency depreciation in Southeast Asia. So, instead of attracting foreigners to come visit Hong Kong, Hong Kong people are attracted to visit other countries. If this problem cannot be solved, it will be difficult to enhance Hong Kong's attraction to foreigners.

The overseas promotion of Hong Kong by the HKTA has all along focused on shopping, the work of improving tourist attractions has never been done very enthusiastically. For example, in recent years, tourists from the Mainland to Hong Kong holding Two-way Permits account for an increasingly larger proportion in the total number of visitors to Hong Kong. In their mind, the Peak and the Ocean Park are the only tourist spots in Hong Kong, whereas the several rickshaws near Star Ferry are the only attractions for overseas tourists. By contrast, Southeast Asian countries and our neighbouring regions in the Mainland such as Shenzhen and Zhuhai, are making more positive efforts in developing tourism.

In the policy address, the Chief Executive Mr TUNG Chee-hwa also mentioned that the tourist facilities and attractions in Hong Kong had to be improved. We very much agree to this point and we hope that the Government can promote the tourist spots in Hong Kong in real earnest. In October, the Chief Executive even practised what he advocates and visited Japan as a "tourism ambassador", hoping to boost the Japanese' desire to come visit Hong Kong. Unfortunately, it was not very effective. In fact, we cannot rely solely on the Chief Executive's overseas visits to promote the tourism of Hong Kong, the HKTA should try to attract tourists with more means. For example, tourism ambassadors should be sent to major countries for positive promotion. No doubt there are many reasons behind the depression of tourism in Hong Kong, but I think if the Government can actively take contingency measures, the problems should not be very serious. In the meantime, on one hand, Hong Kong's new airport will be opened next year, whereas we have already had the Tsing Ma Bridge and other facilities; on the other hand, the HKTA proposes to hold an Expo in Hong Kong in the 21st century. Under such circumstances, the Government should grasp the opportunity, hurry up and co-operate with the tourism industry to promote Hong Kong with a view to reviving people's interest of visiting Hong Kong.

With these remarks, Mr Deputy, I support the motion.

DEPUTY PRESIDENT (in Cantonese): Mr CHIM Pui-chung.

MR CHIM PUI-CHUNG (in Cantonese): Mr Deputy, the tourism industry can be divided into three categories: the first category is outward tourism; in the second one, the travel agencies only buy air tickets or make bookings for their customers, without engaging in the arrangement of tours; the third category is inward tourism.

I believe the so-called tourism industry talked about by the Honourable Howard YOUNG today is the inward tourism of Hong Kong, not the whole tourism industry.

Mr Deputy, we have to understand that the topic we are discussing today is the inward tourism of Hong Kong. First of all, we must review the following points: what advantages does Hong Kong have? How many aspects are involved in tourism? What is the Government's attitude? We have to understand that, in recent year, the tourism industry of Hong Kong is under the influence of objective factors such as the open-door policy of China. Besides, we also have to understand that many aspects are involved in tourism: first, hotel; second, catering; third, shopping, including the problem of shops; fourth, transport, such as transportation facilities like coaches; fifth, the problem of arriving at and visiting any tourist spot; sixth, visiting relatives; seventh, business; and eighth, rest.

If we scrutinize tourism from these different aspects, we would be able to understand why tourists come to Hong Kong. Of course, tourism is closely linked with hotels. The Hong Kong Government in fact adopts the so-called high land price policy which has led to expensive rent and hotel accommodation. Since such problems exist, we have to compensate in other areas in order to attract tourists.

The geographical location of Hong Kong is an important factor influencing tourism. For example, many Taiwanese tourists would go to China via Hong Kong. Although in the last few months, some of the tourists went to China via Macau because the Macau airport was opened, there are still quite a number of Taiwanese tourists who would visit their friends in Hong Kong first before going to China.

Therefore, this issue of tourism we are discussing is not simply an isolated

problem. Tourism actually involves the majority, or even the whole, of Hong Kong's economy, from import and export business (since some visitors come to Hong Kong for business meetings) to spending in Hong Kong.

We should not look at the situations in the past few months only because things do not just happen suddenly. The present situation is the result of the high land price policy of the Hong Kong Government in the last two to three years.

Now we come to the attitude of the Hong Kong Government. In fact, the Hong Kong Government has not refrained from actively assisting the tourism industry alone, as far as I know, it has also adopted the same fine-sounding "positive non-intervention" policy in respect of all the other industries; in reality, however, it just lets them develop as they like as long as they pay the tax. It is absolutely not an easy task to convince the Government to spend money on helping a certain industry. Not until lately did the Government propose to loan several hundred million dollars to the tourism industry to study the problems arose. Therefore, the Government should actively lend a helping hand to any industry.

Now that problems have already appeared in the tourism industry, it seems a bit too late to remedy theoretically. However, it is better than paying no attention to them at all. Even though it is a mere gesture, it is still better than just sitting here, speaking in a bureaucratic tone, or giving impractical explanations.

What remedial actions can the Government take? First of all, the Government has to help the industry understand the situation. The situation may change during the study, or the situation of Hong Kong society has already improved, at least it has done something for Hong Kong's tourism industry.

The second point is about objective factors. Just now we were talking about the visa problem. Since Hong Kong has already become a Hong Kong Special Administrative Region (SAR), it can in fact adopt a friendly attitude towards other countries by, for example, shortening the time of issuing visa. If the SAR Government can do this, I firmly believe that other countries will follow the example of Hong Kong and the SAR passport will thus be respected by more people.

Thirdly, I myself am convinced that the economy of the Mainland will thrive even more in the future. Though 2.8 million Chinese citizens already came to visit Hong Kong last year, I predict that, in 1998, the Chinese citizens who get the approval to visit Hong Kong will increase by 20%.

Mr Deputy, the most important thing is that the Hong Kong Government takes action in response.

DEPUTY PRESIDENT (in Cantonese): Mr NG Leung-sing.

MR NG LEUNG-SING (in Cantonese): Thank you, Mr Deputy. Yesterday, those of us who attended the breakfast meeting all showed concern over the impact of the recent tourism problem on Hong Kong's economy and found it a very important issue. Therefore, some colleagues have asked me to express our views on today's motion of promoting Hong Kong's tourism industry.

In recent years, Hong Kong's tourism industry has been developing rapidly and data show that the contribution of tourism to the overall economy is enormous. During the last 10 years (1987-1996), visitors to Hong Kong increased by 9.1% on the average, whereas the revenue from tourism industry increased by 13% each year. In 1996, a historical record of 11 702 725 visitors was set, the revenue was a record high of HK\$84.5 billion. The revenue from tourism industry in 1996 accounted for 7.1% of Hong Kong's gross domestic product, an increase over the 6.3% of 1995 becoming the greatest source of foreign exchange income for Hong Kong and providing 350 000 jobs. According to the data of the World Tourism Organization, in terms of revenue, Hong Kong's tourism industry ranked eighth in the world in 1996 and was number one in Asia, remaining the most popular tourist destination in the whole Asian region.

Unfortunately, after the "97 reunification fever", a great slide occurs in tourism which is seen clearly in the figures of the several months quoted by Mr YOUNG just now. Moreover, the figure of the first 10 months of this year has indeed fallen by 8.1% as compared with the same period last year. We think

that such situations should arouse considerable attention of the government departments concerned, the reasons should be seriously studied, and active measures should be taken to overcome them.

Hong Kong is a tiny place with just a sprinkling of tourist spots and historical relics, neither is there any very special and famous natural scenery. With such poverty in tourism resources, the tourism industry's outstanding achievement in the past few years can be attributed to the following factors:

Firstly, a favourable geographical location and a free port policy. Situating in the centre of East Asia adjoining mainland China, Hong Kong is an ideal hub of economy and communication in the Asian-Pacific region, as well as the gateway for Western countries to China. Furthermore, for a long time, Hong Kong has implemented a free port policy which has granted visa-free entry to nationals of over 170 countries, visitors can enter and leave Hong Kong freely and conveniently. All of the above are conducive to the development of Hong Kong's tourism industry.

Secondly, a galaxy of Chinese and western cultures and a consumers' paradise, Hong Kong is a free and open city as well as a centre of Chinese and western cultures with its own unique cultural features. Moreover, the relevant government departments (most of them are semi-official bodies such as the Hong Kong Tourist Association and trade organizations) have been, for a long time, actively promoting Hong Kong and developing many tourist spots and events with special features, including the renowned Ocean Park, the Peak, Repulse Bay, Tsim Sha Tsui East promenade and the night scene of the Victoria Harbour. With all these local features of a prosperous consumer market, an ample supply of commodities and restaurants serving food of all countries and reasonable prices for quality goods, Hong Kong has been successfully shaped into a shoppers' and gourmets' paradise of the Far East, and numerous tourists are thus attracted. For a long time, the tourists' shopping expenses have accounted for more than half of their total spending in Hong Kong, whereas the expenses on food outside hotels have also accounted for over 10%.

Thirdly, an advanced service industry and world-class hotel facilities and

service quality. Subsequent to the 70s, the service industry grew rapidly in Hong Kong. Trades related with tourism, such as hotel, air transport, transportation, communication, catering, retailing, conference and exhibition services, and so on, are improved constantly with better quality, forming a very efficient and high-quality system of travel services. In particular, the hotel facilities and services of Hong Kong have reached a world-class standard recognized internationally, providing tourists with great enjoyment. This is one of the important factors why Hong Kong has attained the position of being a tourism centre in the Far East.

Fourthly, the fast development of China's economy has propelled the service industry in Hong Kong, so that Hong Kong can function fully as an economical and cultural bridge between western countries and mainland China, while at the same time promoting business trips.

Since the 80s, the continuous reforms, opening up and rapid economic growth of China have attracted a lot of foreign investors who use Hong Kong as their operational base, Hong Kong was therefore fostered to be the centre of international finance, trade, shipping, communication and commercial services of the Asian-Pacific region. Hong Kong has held a variety of large-scale international conferences and exhibitions (at present, visitors coming to Hong Kong for the purposes of business or exhibition account for about 30% of all the tourists) which have attracted business travellers from all over the world. Besides, after 1987, Taiwan lifted the ban on its residents visiting relatives in the Mainland, Hong Kong thus became the intermediary point because the "three communications" were still prohibited. While 90% of the Taiwanese tourists going to the Mainland used Hong Kong as a transfer station, Taiwan and the Mainland have become the fastest growing sources of visitors to Hong Kong in recent years.

Lately, the above factors have started to change. We hope that Hong Kong's tourism industry will make a comprehensive and objective assessment of the successful experiences in the past. In view of all the transformations that come with a great era, new strategies should be formulated to meet the changes in the environment and new selling points should be explored to attract the tourists. We hope to create new favourable conditions and further improve the quality of service. Whether it is short-, medium- or long-term, we have to think of ways to enhance our competitiveness. Many Honourable members also hope that the Government can adopt more powerful and effective measures for the

development of Hong Kong's tourism industry.

With these remarks, Mr Deputy, I support the motion.

DEPUTY PRESIDENT (in Cantonese): Miss CHOY So-yuk.

MISS CHOY SO-YUK (in Cantonese): Mr Deputy, the tourism industry is an important source of income for Hong Kong. It brings us an income of several ten billion dollars every year. For instance, the tourism revenue last year was \$82 billion. This figure shows that the tourism industry cannot be neglected. I strongly agree that the Government should take measures to promote tourism in Hong Kong. I would like to take this opportunity to talk about an industry which has made a lot of contribution to tourism but has been overlooked by the Government. That is the exhibition industry in Hong Kong.

The exhibition industry has made a lot of contribution to Hong Kong's science and technology. It has also brought a lot of revenue for our economy. But I am not going to talk about it because it is not the topic for discussion today. I would like to talk about the contribution it has made to our tourism industry only. According to statistics of the Hong Kong Tourist Association, the number of overseas visitors who came to Hong Kong solely for exhibitions was 170 000 in 1995, representing 1.67% of the total number of visitors to Hong Kong. It was estimated that all these people were business travellers who do not have the various benefits as offered to package tours. In other words, their travelling costs are very expensive, about \$24,000 on average per person. Based on this figure, the business travellers coming to Hong Kong just for the sake of exhibitions brought us an income of \$3.5 billion in 1995. In 1996, the industry estimated that they brought us over \$5 billion of foreign exchange, representing 7% of the total tourism revenue. We should not overlook that in 1997, our Hong Kong Convention and Exhibition Centre doubled its capacity, there is a great potential for development. Take Europe as an example. Exhibitions in many European cities are of a scale that only manage to attract 100 000 to 500 000 people for sightseeing or participation. Based on the figures quoted above, an exhibition will bring in several billion or several ten billion dollars. If five or 10 exhibition are held in a year, the income will be very impressive. But the Administration has always been neglecting this industry. The exhibition industry, due to a lack of training facilities for the personnel because this is a new industry and it is very difficult to get experienced hands, asked for a

funding of \$3 million for training purpose. But the Administration turned them down without giving any reasons. That shows that the Administration has very little knowledge of this industry and it is not enthusiastic in the development of other tourism-related service industry.

As regards the exhibition venue, the Government has been complacent about the Conference and Exhibition Centre, which can provide an area of over 60 000 sq m. In the eyes of the Government, Hong Kong has a very large and attractive exhibition venue. It overlooks the success of other regions. Singapore will have an exhibition hall of over 100 000 sq m next year, which is double the size of our Conference and Exhibition Centre. Meanwhile, Shanghai has already completed an exhibition venue of over 100 000 sq m. The Government has all along been emphasizing "conventions" which can bring us several hundred or a thousand visitors. But an exhibition can bring us thousands, or tens of thousands or even hundreds of thousands of people. However, the Government was not even willing to give \$3 million to support this important industry. I therefore urge the Government to understand the ancillary industries which can bring in tourism revenue and to see how they can develop further.

With these remarks, Mr Deputy, I support the motion.

DEPUTY PRESIDENT (in Cantonese): Mr YEUNG Yiu-chung.

MR YEUNG YIU-CHUNG (in Cantonese): Mr Deputy, as is known to all, a booming tourism industry is very important to the development of Hong Kong's economy since it is our second major earner of foreign exchange. Take 1996 as an example, the number of visitors received by Hong Kong's tourism industry was as high as 10 million and their spending exceeded HK\$100 billion, accounting for about 6% of the gross domestic product of Hong Kong.

Recently, under the influence of the financial turmoil in Asia, the currencies of our neighbouring countries and regions have been seriously depreciated and Hong Kong's tourism industry has also fallen into severe straits of recession. I think this recession is only a short-term thing, in the long run, much can still be accomplished in Hong Kong's tourism industry.

Drawing a lesson from this bitter experience, it is now time to review the development strategy of tourism. I would like to talk about the training of people for tourism from the angle of education.

In order to enhance the students' knowledge of the tourism industry, the Government has included tourism in the senior secondary curriculum and the Hong Kong Certificate of Education Examination. Although this is done out of good will, the result is not good at all. According to statistics, at the end of 1995, only 41 schools in the whole of Hong Kong offered courses in travel and tourism. While only 2 400 students took the subject, the number of students sitting for the examination was even less. Senior secondary students are not enthusiastic about enrolling in the subject because it does not belong to the advanced level curriculum, and it is therefore not of much help for matriculation. Therefore, the Democratic Alliance for Betterment of Hong Kong (DAB) suggests that the Government should review the subject of tourism and include it in the curriculum of advanced level examination.

Everybody has a duty to promote tourism. Not only people engaged in the tourism industry have to be "goodwill ambassadors", all citizens should also become "goodwill ambassadors". The Government ought to offer "goodwill ambassador" education in schools, training students since childhood to be polite people who would take initiative to show goodwill. In this way, other than appreciating the beauty of Hong Kong, the tourists can also feel the loveliness and kindness of Hong Kong. We all share the same experience that a city would definitely leave us a very deep impression if the young people and students there are friendly to visitors.

Other than education and improving the quality of tourism employees, the Government should also make more efforts to attract tourists from the Mainland. The largest number of tourists visiting Hong Kong come from the Mainland, they account for about 22% of the total number. However, in Hong Kong, Putonghua is not commonly used in public transport, shopping malls, restaurants or television broadcasting, bringing great inconvenience to the Mainland visitors in transportation, shopping, food and appreciation, not to mention the feeling of being at home. The DAB proposes that the Government should strengthen the promotion of Putonghua and train our youths so that they acquire proficiency in the two languages and the three dialects. Now the tourism industry is in dire

straits, but Hong Kong people have always been known for their agile flexibility and strong adaptability. I believe that, in the near future, the tourism industry will restore its vigour and the Pearl of the Orient will shine again.

With these remarks, I support the motion.

Thank you, Mr Deputy.

DEPUTY PRESIDENT: Mrs Sophie LEUNG.

MRS SOPHIE LEUNG: Mr Deputy, tourism is an important pillar supporting our economy. It is Hong Kong's major earner of foreign exchange. However, despite the much anticipated handover event, this year has seen a startling downturn in the number of visitors.

Major airlines have had to offer cut-throat rates and packages to Hong Kong in order to prevent losses from unfulfilled expectations. What is causing this stagnation in the tourism industry?

Is Hong Kong no longer the place for Chinese food and shopping? Could it be that our neighbours, Taipei and Singapore, are becoming more competitive? Is our list of attractions getting shorter? Is Hong Kong an increasingly expensive place to visit? Is the problem of overcharging by shopkeepers a common scene in Hong Kong?

As far as what the newspapers have been reporting, the answer has been yes to all these questions.

We must not lose sight of the fact that the purchasing power of our neighbours has fallen significantly while Hong Kong prices have shot up. It is not easy to ask those in the tourist industry to adjust accordingly. Hotel and retail prices will remain high until rent costs come down. Rent costs will not drop until property prices decline. We are at the end of the rope. We cannot afford a sudden plunge, on the other hand, in property prices because this would be adverse to our economy.

So, what can we do?

An immediate, but temporary, relief to the problem would be to ask our hotels and retail shops to tighten their belts and slash prices. But this is not a cure.

Firstly, we need to find ways to increase Hong Kong's attractiveness. I support any plans to build more tourist facilities and attractions and to organize more world-class events, concerts and festivals. We need ingenuity and a new approach by both the tourist industry and the Government.

Moreover, we could improve facilities at popular flea markets on Granville Road and at Stanley. We may even designate a site as a plaza for food hawkers like the one in Singapore.

Meanwhile, Hong Kong can play host to more international events such as the World Bank and the IMF meetings held a few months ago or concerts by world renown superstars such as Michael JACKSON and Elton JOHN including the just announced visit of the popular British rock band, Oasis. We need to continuously enhance our international cultural image.

Secondly, we should promote Hong Kong overseas. Overseas economic and trade offices should take up the salesman's role. A large scale campaign could be launched to promote tourism in Hong Kong.

Our fellow colleagues, senior government officials, businessmen and everyone can clear up some of the misconceptions about Hong Kong caused by some negative reports in the foreign media.

Definitely, misreporting has severely damaged Hong Kong's image. We must do all we can to counter what had been done to Hong Kong's reputation.

The third and the most important is how to maintain our unique image. Besides reconstructing or enhancing our cultural image, the notion of Hong Kong as a bridge between East and West should be sustained. At the same time, we should strengthen our language skills to fulfill the requirements necessary to uphold the international city characteristics of Hong Kong.

Competitiveness on all fronts is also most important. A recent study by a British Travel company indicates that Hong Kong is the most expensive tourist destination in the world. The only two service products found to be cheaper in Hong Kong than Europe are taxi rides and a roll of 24-exposure film. We must correct this distorted picture of Hong Kong. We know we can no longer maintain to be the cheapest place to shop but we should not try to be known as the most expensive one. We must pursue to contain a low 1-digit inflation rate and also to maintain our competitive retail pricing as well as our top-notch service quality.

I am glad that our Chief Executive and our Government has pledged full support for the tourist industry and that he has earmarked \$100 million to the Hong Kong Tourist Association to start up an International Events Fund.

I also support his move to set up a task force to tackle the issues of competitiveness. Indeed, if effective, the task force would be able to revamp the industry and help Hong Kong retain the status of Asia's tourist centre.

Meanwhile, regulations of unlicensed travel agents should be tightened. The industry should join hands with the Government to identify black sheep and to regularly review the trade. Visitors should not be seen as cash cows waiting to be milked of their money.

To protect the travellers, efforts should be made to ensure that tourist complaints are immediately taken care of. More stringent system of undercover investigators should be set up to monitor the problem of overcharging.

Let me stress here once again that all parties concerned the Government, the Hong Kong Tourist Association, the hotel industry and retailers should join forces not only to reverse the downturn, but more importantly, to proactively upgrade our image as a leading tourist centre, a centre known for its value for money, for its great variety and for its quality, and not just for cheap prices.

The future ahead for our tourism industry is not all that gloomy. The World Tourism Organization has forecast that 59.3 million tourists a year will visit Hong Kong in the year 2020. In the same year, China is being forecast as the world's most popular tourist destination. Let us hope for the best and prepare for the worst.

With these remarks, Mr Deputy, I support Mr YOUNG's motion.

DEPUTY PRESIDENT (in Cantonese): Mr CHOY Kan-pui.

MR CHOY KAN-PUI (in Cantonese): Mr Deputy, as one of the four pillars of Hong Kong's economy, tourism industry has seen a rapid decline lately. If we try to identify the reasons, we would find that certain political and economic factors have directly influenced the industry. The political factors include the following:

- (1) Ten to 20 years ago, the Mainland had not yet implemented the policy of reform and opening up. In the foreigners' eyes, China was a country full of mysteries and difficult to visit. If they wanted to get to know China, its southern door — Hong Kong — would be the first place they came to. Besides, when many Chinese returned to the Mainland to visit their relatives or for sight-seeing, Hong Kong was used as their springboard. They would also stay a few days in this city with the fine reputation of "shoppers' paradise" for entertainment and shopping. At that time, Hong Kong was really blessed with the advantageous conditions of timeliness, favourable geographical position and support of the people. However, in the past 10 years, with political stability in China, the opening up and reforms of its economy, the improvement of the quality of tourism industry, as well as the opening up of ports for direct connexion, many tourists can enter the Mainland directly without passing through Hong Kong.
- (2) When it was close on 1997, a lot of tourists yearned to see Hong Kong before the reunification, fearing that it might not be easy to visit the place afterwards. As a result, the number of tourists soared within these few years. But on the eve of the reunification, many overseas media made negative reports about Hong Kong and distorted the actual situations in our city, tourists were therefore deterred from coming. Now that the big event is over and the 1997

effect is gone, the amount of tourism decreases even more.

Of course, the major reason behind the downturn is the economic factor.

More than 80% of the visitors to Hong Kong come from neighbouring regions such as Japan, Taiwan, mainland China and Southeast Asia, among which the Japanese tourists top the list. However, while the economy of Japan has been weakening in recent years, it is further undermined by the impact of the financial turmoil. In September this year, the Japanese visitors to Hong Kong declined by 60% as compared with the same period last year. On the other hand, the financial turmoil has affected the whole of Asia and the Southeast Asian countries are forced to depreciate their currencies. By comparison, the Hong Kong dollar is high and this affects to tourists' consumption in the territory. Under such circumstances, the competitiveness of Hong Kong is enfeebled relatively and the tourists prefer to visit countries with lower prices. Moreover, the tariff of our neighbouring countries is being reduced day by day, the fine reputation of "shoppers' paradise" is now taken over by the Southeast Asian countries. It is estimated that such a chain reaction is difficult to be reversed in a short time.

Effective rescue measures are essential in face of the present dire straits of tourism. First of all, we have to arouse tourists' interest of visiting Hong Kong, publicize the real conditions of Hong Kong after the reunification, and present a more comprehensive and accurate picture of Hong Kong to tourists from all over the world so that they will come to see for themselves our continuous prosperity and stability under "one country, two systems".

Secondly, in the overall interests of tourism industry, airlines, hotels and travel agencies should co-ordinate with each other and offer special rates as a short-term measure to boost sales. It is hoped that tourism can be stimulated with these means of small profits and quick turnover.

Thirdly, we should try to win over sources with great potential, for example, mainland China and Taiwan. To facilitate visitors from these regions, the Government has to consider further simplifying the visa application and entry

control procedures. In particular, the relation between China and Hong Kong is much closer now after the reunification, which is conducive to the development of tourism.

Fourthly, the competitiveness of the consumer market should be enhanced and the structure of service cost should be seriously reviewed. With the principle of lowering the cost of operation as soon as possible, more quality hotels of reasonable rates should be built. Bargain bazaars catering for tourists should be set up so as to maintain the fine reputation of "shoppers' paradise" and attract medium-or low-budget tourists.

Fifthly, Hong Kong should continue to give full play to its favourable status as an international financial centre, make more use of world-standard its Convention and Exhibition Centre, and hold more world-class expositions and shows. It is hoped that, through a series of commercial, trade, entertainment and leisure events, international business travellers would be attracted to come to spend in Hong Kong.

Sixthly, the present tourist spots should be reassessed, tourist facilities should be built in different regions to form a complete set with their existing basic structures, and relevant measures should be adopted to co-ordinate with the various tourism development projects proposed by the Hong Kong Tourist Association. Furthermore, in order to strengthen the promotion, more events with Hong Kong characteristics, such as gourmet food festival and arts festival, should be held. These events can effectively publicize Hong Kong overseas and make this "Pearl of the Orient" shine again.

Mr Deputy, the tourism industry employs 12% of Hong Kong's working population and its revenue accounts for 8% of our gross domestic product, so its rise and fall have great influence on Hong Kong's economy. In order that Hong Kong's tourism industry can continue to develop in a healthy way, the Hong Kong Special Administrative Region Government has to take the lead. Several months ago, the Government temporarily created an assistant secretary post with specific responsibility in tourism. I suggest that this post be made permanent so that an overall tourism policy can be formulated and implemented more effectively.

With these remarks, Mr Deputy, I support the motion.

DEPUTY PRESIDENT (in Cantonese): Mr Edward HO.

MR EDWARD HO (in Cantonese): Mr Deputy, in view of Hong Kong's recent slackening economy, the waning businesses of the retail and catering industries and the desolate scene all around, the motion moved by the Honourable Howard YOUNG today aims at promoting Hong Kong's tourism industry. The significant downturn of Hong Kong's tourism industry has further struck blows at all the trades. Afterall, tourism industry occupies a crucial position in the economy of Hong Kong, it contributed 8% to Hong Kong's gross domestic product last year, it also employs 12% of our workforce. With the economic restructuring of Hong Kong, the pillars of Hong Kong's economy have changed from manufacturing industries to service industries. Among these service industries, tourism is a vital one and it also leads related economic activities such as retailing and entertainment business. Therefore, the Hong Kong Special Administrative Region (SAR) Government has the responsibility to formulate short-, medium- and long-term measures to strengthen and maintain all the conditions of Hong Kong as an important tourism centre.

I will focus on discussing the importance of culture and historical monuments in Hong Kong's tourism industry. Hong Kong has been attracting tourists as a "shopping centre", but actually the city's scenic spots, such as the Victoria Harbour or other natural scenery, can also be used as selling points. However, because of the inflation in Hong Kong, it is no longer easy to maintain its reputation of "shopping centre". At the same time, the scenic spots have greatly "shrunk" now. If we spend one day touring the New Territories nowadays, it is difficult to see any pastoral scenery, all we may see are containers or public housing estates. I therefore feel that Hong Kong needs to have a new image.

Hong Kong does have potential because it has a long history of 6 000 years, which can be used as a focus to attract tourists. Although the urbanization of Hong Kong has been rapid and many historical buildings have already disappeared, a certain number of them still exist. For example, among

the 60 odd declared monuments, two-third are historical buildings. There are also numerous deemed-monuments, that is, monuments and historical sites which the owners have agreed to renovate in conjunction with the Government with a view to opening to the public and will not be changed within a certain period of time. Besides, although many buildings are neither declared nor deemed as monuments, they may also be worthy of visiting because of their historical or architectural aesthetic values. At present, the New Territories abounds with ancestral halls, ancient schools and temples which the public can visit. The Tai Fu Tai is one of the good examples, as far as I know, it is visited by several thousand tourists each month. There are also some new developments lately, such as the Ping Shan Heritage Trail which is a combination of many monuments of Ping Shan and is open to the public. While a heritage trail is proposed and considered to be set up at Kam Tin, the Central and Western Heritage Trail is finished recently. The authorities have also published booklets with texts and pictures to introduce the Trail to tourists and Hong Kong citizens. All these can be used to promote tourism. In this aspect, I think that the Government has to allocate more resources for the renovation and maintenance of monument, and for improving the facilities at the tourist spots, such as providing sufficient coach parking spaces or public facilities for the convenience of visitors. The Government has to make an effort.

As for culture, Hong Kong was once criticized as a "cultural desert". I do not think this is right. I believe the President knows that I am very fond of music. In the present Hong Kong, we have a lot of opportunities to appreciate the performances of famous musicians. The Government can definitely work more in this aspect, such as using the annual arts festival to promote tourism. Lastly, I would like to talk about the exposition. I very much support the proposal of holding an exposition in 2001 and I hope that the government officials can examine the project objectively and proactively. Should there be obstacles, the Government ought to try its best to overcome them in order to realize the project because it will not only bring enormous revenue to Hong Kong, it will also provide employment opportunities.

Thank you, Mr Deputy.

DEPUTY PRESIDENT (in Cantonese): Mr CHAN Wing-chan.

MR CHAN WING-CHAN (in Cantonese): Mr Deputy, Hong Kong's tourism industry has been on the ebb since June and I am very concerned. The number of visitors to Hong Kong from January to October this year has fallen by 8.1% as compared with the same period last year, and the number of Japanese tourists has even decreased by 35.6%. This downturn has of course the full attention of the hotel and tourism industries.

At that very moment, media reported that some Japanese visitors complained that the Hong Kong hotels charged Japanese tourists two times the room rates local customers paid, they thought that such practice was unfair and constituted racial discrimination.

In fact, when the hotels in Hong Kong receive visitors from all over the world, they treat them all equally irrespective of their nationalities. They do not treat Japanese tourists differently and charge them more.

Even so, the tourism and hotel industries attach great importance to the report. When the Chief Executive visited Japan, the leading officers of the Hong Kong Tourist Association (HKTA) and the hoteliers association made a special trip to Japan to explain the fact to the Japanese, while at the same time promoting Hong Kong's tourism. It was particularly pointed out that, after the reunification, everything in Hong Kong was the same, and the issue of overcharging Japanese visitors was also clarified. From this we can see that the Japanese visitors' complaint was only an isolated case concerning certain travel agencies, it has nothing to do with the normal operation of the hotel industry.

Friends from the HKTA have asked me whether the restaurants in Hong Kong have two sets of menus with different prices on them, and whether foreigners will be thus charged more? I would like to explain here that the restaurants which also cater to overseas tourists normally have three sets of menus: one in Chinese and English, one in Chinese and Japanese, and one only in Chinese. The Chinese and English menu is for European and American tourists, whereas the Chinese and Japanese for Japanese tourists. Both these two menus carry the dishes that will be served for one year and their prices; these dishes and their ingredients are also particularly chosen to suit the tastes of overseas visitors.

As for the third menu which is totally in Chinese, it is of course made to meet the needs of local customers. Such menu includes regular and special dishes, such as certain seasonal dishes or specialities like "big eel killed this very night" or "huge garoupa" which would be written on the menu instantly. If overseas tourists happen to be present at the right moment, they will be charged the same and fair price. Tourists can rest assured to eat at these restaurants.

Restaurants in Hong Kong have decades of rich experience in receiving overseas tourists, many visitors feel really at home in these restaurants.

As is known to all, Hong Kong has always enjoyed the fine reputation of being the "gourmets' paradise" or "capital of delicacies"; the Cantonese cuisine in particular is delicious, varied and highly welcome by overseas visitors. I believe Hong Kong can maintain this reputation because we have a concentration of world-class chefs. After the motion debate tonight, I hope that more of our foreign friends will come to Hong Kong, other than experiencing the glamour of this "Pearl of the Orient", they can also taste our famous Chinese cuisine.

In the past, tourism industry thrived in Hong Kong for a long time because of its reputation as a "shoppers' paradise". This smokeless industry has earned a lot of foreign exchange for Hong Kong. The grand ceremonies of Hong Kong's reunification with its Motherland also helped the industry. In the year 1996 alone, visitors to Hong Kong numbered 12 million, whereas the revenue was as high as over HK\$80 billion, accounting for about 8% of our gross domestic product. Unfortunately, good times did not last, the number of visitors to Hong Kong this July fell by about 30% as compared with the same period last year. Compared with other Southeast Asian or Asian countries, for various reasons, Hong Kong's popularity greatly diminished. For example, while the high rents of shops lead to soaring prices in everything, in the tourists' minds, Hong Kong's old reputation as a "shoppers' paradise" is gradually disappearing. With the recession in tourism industry, not only businesses in the industry are waning, relevant industries such as hotel, catering and retailing are also affected. It is essential for the Government to review and take appropriate rescue actions.

Now that the reunification fever is over and the visitors to Hong Kong greatly decrease in number. In this downturn of tourism, to attract tourists, an airline has introduced "buy one get one free" air tickets and some hotels have offered special rate packages. Such way of cutting price to boost sale can only

be effective for a short while, in the long run, other strategies should be drawn up.

In fact, there are not many scenic spots in Hong Kong. In order to attract visitors, more tourist attractions should be built, the tourism potential of Hong Kong should be tapped, tourism characteristics of the city should be repackaged and services should be improved. For example, the three-mast fishing junk used as the logo of the HKTA is difficult to be found in Hong Kong now, and the oriental flavour attracting overseas tourists is also fading by the day. The government departments concerned should pay more attention to this. Another example which has been plying in the harbour for more than one hundred years is the

DEPUTY PRESIDENT (in Cantonese): Mr CHAN Wing-chan, your speaking time is up.

MR CHAN WING-CHAN (in Cantonese): Thank you, I would just like to say one more sentence. If the franchise of the Star Ferry changes, these harbour symbols and characteristics which the overseas tourists are familiar with may also vanish. The Government should pay close attention to this matter.

Thank you, Mr Deputy.

DEPUTY PRESIDENT (in Cantonese): Mr Kennedy WONG.

MR KENNEDY WONG (in Cantonese): Mr Deputy, I am very grateful that the Honourable Howard YOUNG moves this motion about promoting Hong Kong's tourism industry day since I am very fond of travelling. In the past few years, whenever my family and I had holidays, we always spent them overseas. We never considered vacationing in Hong Kong, because, from the viewpoint of a consumer, Hong Kong is actually a very expensive city. Although some hotels offer "preferential packages" for local residents during weekends, in comparison with other places, Hong Kong has been one of the top expensive cities in the world in the last few years whether it is in terms of the prices of food, shopping or hotel accommodation. In the present recession of Hong Kong's tourism industry, how can we attract visitors and consumers in a short time? People in

the tourism industry have already had a number of initiatives lately. I have just received a letter from Cathay Pacific Airlines promoting its "preferential package" plan, many of the hotels in Hong Kong are also offering big discount on room rates. These are desperate rescue measures within the industry. What the Chief Executive, Mr TUNG Chee-hwa, said after delivering the policy address was very sensible, but what actions can we take now? I think that the Government can at least support the industry in three ways.

Firstly, the Government should consider expeditious reduction of the hotel tax. Secondly, the airport tax should be reviewed. Thirdly, the Government should take the initiative to discuss with Hong Kong's retail industry about introducing certain "preferential packages" in order to give favoured treatments to all visitors from overseas. For example, if they shop at certain malls or shops, they will be given a discount.

The instant reduction of hotel tax can benefit consumers immediately. As for airport tax, Hong Kong has enormous reserves at the moment and the Government has fiscal surplus, these short-term measures can well be implemented to attract tourists.

Another short-term measure is the promotion of our image. After the reunification, negative reports about Hong Kong abound overseas, so I think that the Hong Kong Special Administrative Region (SAR) Government should try its best to promote Hong Kong's image with a view to letting tourists know that Hong Kong is a prosperous and stable city. Of course, these short-term measures should also include simplifying the procedure of and shortening the time for visa application from overseas tourists. I would like to stress two categories of tourists here, they are the visitors from the Mainland and the visitors from Taiwan. This point has actually been mentioned by certain Honourable colleagues earlier, I just want to quote the relevant data. From January to October this year, the visitors from the Mainland accounted for 21.3% of all visitors to Hong Kong, while those from Taiwan 17.1%. The two added together will come to 28.4%, representing a very important source of tourists. Unfortunately, it is not easy for Taiwanese visitors to get a visa to Hong Kong, and for the Mainland visitors, I feel that it is even more difficult for them to come to Hong Kong than to go the United States. I therefore urge the SAR Government to discuss with the State Council's Hong Kong and Macau Affairs Office in Beijing as soon as possible about simplifying the Mainland visitors' procedures of coming to Hong Kong.

With regard to the medium- and long-term measures, if the Government attaches importance to tourism, I think that it has to set up a high-level department charged with this special responsibility because, at present, there is no such committee or department to deal with inter-departmental co-ordinations. Especially after the reunification, the links between Hong Kong and the Pearl River Delta are getting closer day by day, it is essential that an ad hoc committee be set up to co-ordinate with the departments concerned in Guangdong Province.

Besides, Hong Kong's hotels are under real pressure due to the high land price policy and the soaring wages and costs. The Government's requirements in fire safety, licensing time, licensing procedure and importation of labour have also hindered hotel operation. Therefore, I urge the Government to, in this difficult time, review its policy in this area and tries its best to offer more preferential treatments to the hotels in order to strengthen their competitiveness and to attract more visitors.

After reunification with China, Hong Kong has to build up a special image overseas. Being a city with Chinese culture and tradition as well as modern Western culture, Hong Kong is actually a meeting place of Chinese and Western cultures. In addition to the endeavour of the Hong Kong Tourist Association, I also urge the Government to assist in the development of tourism, making Hong Kong a more attractive city to overseas visitors in the long run. Thank you, Mr Deputy.

DEPUTY PRESIDENT: Mr Paul CHENG.

MR PAUL CHENG: Mr Deputy, I was originally not planning to speak. But after listening to some of my colleagues talking about long-term ideas, I felt that perhaps I could offer some short-term possibilities.

In looking at the numbers, we all know that tourists coming from China, Taiwan and Japan make up for 55% to 60%. That is the crux of the problem. We need to do something short-term to address this problem.

Now, for tourists coming from the Mainland, we all know that the Chinese Government, during the transition period in the last few months, was sensitive to

the fact that they wanted to put some quotas and restrict certain tourists from coming to Hong Kong, so that it would not give the world an impression that China was really taking over Hong Kong. We understand that. But now I think Beijing understands that problem and they are going to start relaxing the quotas. So, that will go a long way in solving the problem on the number of people coming from the Mainland.

As for Japan, in my view, there is no point going to use all these traditional commercials. I do not know how they are going to bring in more tourists, all these beautiful television award-winning commercials, printing brochures and the like — they are not going to bring in more tourists. My idea is that we are going to get Jacky CHAN to go up to Japan and get interviewed in some talk shows. Jacky has tremendous influence in Japan. We all know that, and I am sure he will be more than happy to help us by going to a few talk shows where there are millions of audience to tell them about Hong Kong, to tell them that Hong Kong has not changed, that it is still very attractive to come to Hong Kong. In one move, you can change the perception rather than sending all these brochures to all travel agents and putting on commercials on television with all kinds of themes. I am not saying that we should stop doing that. But the emphasis now is really that we should do something more specific and something more creative and differently than in the past. We should invite the celebrities from Japan to come down to look at Hong Kong for themselves and go back and get on talk shows to spread the word. These are things that we can do in the short term. On costs, there is no question. Yesterday, we had the Hong Kong-Japan Business Co-operation Committee Meeting and there were about 50 business leaders from Japan meeting with us here. And everyone of them complain about costs, that their wives and daughters are no longer coming here to shop because the prices are very very high, and Japan's import tariff has, in the meantime, come down also. Thus, we need to somehow find a solution to get the retailers to price their products accordingly so that they will not be priced out of the market.

Hence, these are the things that we can do in the short term. I think that the Hong Kong Tourist Association (HKTA) is doing a good job in the past. But I question about the study. In this strategy study, there are 78 recommendations. I do not know how we can implement 78 recommendations. I think all the consultants are just trying to justify their fees. I do not know how

much we have spent on this. I just give you an example on recommendations. One of the recommendations says, "The HKTA is the owner of the strategy and it is envisaged that the main implementation agents are the HKTA, the public, the private and voluntary sectors." What does that mean? What kind of recommendation is that? The other one is, "The Government should give greater recognition than hitherto to the importance of tourism to the economy, and society of Hong Kong, and to adopt a supportive stance wherever possible and a pro-active stance when necessary." I do not know how many millions of dollars we have spent to get this kind of advice. So, I think, let us stop wasting money on all these fancy studies and reports and let us get some specific actions going. And I will encourage the HKTA to do more of those.

Thank you very much, Mr Deputy.

DEPUTY PRESIDENT (in Cantonese): Mrs Selina CHOW.

MRS SELINA CHOW (in Cantonese): Mr Deputy, as the tourism industry contributes 8% to our GDP and employs 12% of our workforce, we can imagine how important it is to Hong Kong. After the reunification, however, the number of visitors has continued to decline; July in particular saw sharp fall of over 35%. This slump has not come suddenly, the causes have been there for quite some time and the reasons are very complicated. We must analyse them immediately and take appropriate measures as soon as possible. Certainly there are both long-term and short-term measures, but I think the most important thing now is that after the reunification Hong Kong is still in the process of orienting herself, and tourism also needs to create a new image for Hong Kong. In the past, we liked to highlight our material achievements and used our reputation as a shopping paradise to attract tourists. For a very long time, we liked to promote old sentiments in Hong Kong, using a Chinese junk as a symbol of Hong Kong, and to try to attract the tourists by things nearly extinct, like the cooked-food stalls. However, as time has changed, this former emphasis has become outdated and we cannot use the same old things to attract the tourists any more. We need new selling points, new packaging and new promotional strategies. We need a pool of marketing and publicity talents in Hong Kong to make a breakthrough in this aspect, only then can we get encouraging results.

Undeniably, Hong Kong must develop new tourist attractions to attract the tourists. We are well aware of the existing spots like the Peak, the Repulse Bay and the Ocean Park and so on. In order to satisfy the needs of tourists from different places, we must provide more and diversified attractions. Recently, it is proposed that a film city be constructed to promote Hong Kong and Chinese films. There are many other suggestions that can be considered, but most important thing is, we must try to introduce internationally well-known features to Hong Kong, the Disneyland is what I wish to mention specifically. What we need are "brand names". On one hand, we need brand names, and on the other hand, we need a healthy image so that visiting Hong Kong can be something for the whole family. Disneyland answers our needs perfectly.

We must know that brand names not only help promotion, but also guarantee quality, and raise Hong Kong's position in the world. However, if we need to introduce such projects, it cannot be done by just one willing private establishment. It can never be done at all if there is neither support from the Government nor co-operation from all sides. Therefore, I think the Government must be determined in this aspect.

I absolutely agree with the idea to hold the Exposition, not only because it is the wish of my good friend, the late Mr CHEUNG Kam-chuen, but this concept will also certainly bring us invisible or visible benefits. Apart from large construction projects, there must be innovative events such as multinational entertainment activities, popular concerts and some world famous entertainment performances. It is a pity that Mr Michael JACKSON does not come to Hong Kong now. I have been told that the Hong Kong Stadium was originally planned to hold international activities, but right now nothing can be done there. The land it occupies is in fact a prime site, located at the heart of the Hong Kong Island. Can the Government be determined to solve the existing problems? For example, by constructing a cover over the Hong Kong Stadium. I know that the Honourable Members may think that this suggestion will cost a lot of money, but does it cost more than the money lost by wasting this piece of land? Nevertheless, the Government must solve this fundamental problem. If the Hong Kong Stadium is not useful in any way, well, demolish it. But we must find another place to hold international events, or else we will lose our competitive edge.

Regarding our marketing and promotional efforts overseas, I do not deny that western press reports about Hong Kong before and after the reunification have given foreigners an incomplete and inaccurate idea about Hong Kong. Some foreign friends even thought that the People's Liberation Army troops could be seen everywhere in Hong Kong, resulting in a tense atmosphere. The Chief Executive Mr TUNG Chee-hwa and top Government officials have made many overseas visits to clarify our situation to foreign Governments and businessmen and have certain positive results. I think however that we need to launch a systematic and comprehensive publicity exercise aiming at the masses of ordinary people overseas. Though foreign political figures or businessmen may know the real situation in Hong Kong, it does not mean that their countrymen also have the same knowledge. The target of tourism is overseas businessmen as well as foreign visitors. I think the Government and the industry should discuss policies together and make a series of detailed and creative plan for overseas promotional activities. This helps to inform the people overseas that Hong Kong has many attractions. The activities designed should aim to interest the electronic media so that it can arouse overseas curiosity and longing for visiting Hong Kong.

I still have one minute and I wish to say that the retail industry in Hong Kong is greatly affected by the slump in tourism. According to the Government statistics, the retail industry still has growth, but the Government may have forgotten that part of the growth figures is attributable to the reunification this year. Moreover, the figures may have been pushed up by the good results of a small number of businesses such as the automobile business. Therefore the statistics cannot really reflect the negative effects on the daily lives of the citizens. Some unscrupulous businessmen have taken the opportunity to make a short cut and done things they should not do, and this has affected the image of Hong Kong. Certainly, we must take actions against their misdeeds. On the other hand, I also hope that the Government can encourage and reward those businessmen with a good record to attract more retailers to join in this industry.

Thank you, Mr Deputy.

DEPUTY PRESIDENT (in Cantonese): Prof NG Ching-fai.

PROF NG CHING-FAI (in Cantonese): Mr Deputy, someone said jokingly to me that when talking about education, everyone was an expert. It seems that there are many experts as well when we discuss tourism today. I might as well join the ranks of the experts and talk about my opinions towards the development of Hong Kong tourism. Honourable Members have mentioned many times that tourism is a pillar of the Hong Kong economy. In the world over, tourism is considered very important, because it brings in revenue and enhance understanding among people of various nations. Therefore, we should be concerned about the development of tourism; the motion moved by the Honourable Howard YOUNG is a timely one indeed.

As far as I understand, if we wish to develop tourism in a place, we must develop its "natural scenery", "humanities scenery" and "cultural scenery". For the natural scenery, as Members have said, Hong Kong is most proud of its harbour, but apart from that, we have no world-class natural scenery to offer. Besides, we have to be very careful because existing "natural scenery" may gradually disappear because of our urban development. As for the humanities and cultural scenery, it seems that Hong Kong does not have too much to show either. If our selling points are shopping paradise or gourmet paradise only, Hong Kong will not continue to be a world tourist centre in the long run. Therefore, I think that while we discuss how to resolve current difficulties, we must take a serious look at the future.

Many of my Honourable colleagues have just said that shopping paradise is nowadays more in name than in reality. Though we are not yet a "shopping hell" today, certainly we are far from being a paradise. To project into the future, land will still be expensive in view of the current economic development in Hong Kong. I am not too hopeful that we can become a shopping paradise again, but certainly we still can try hard to maintain our good name as a "gourmet paradise". Therefore, we must have new ideas for the future of Hong Kong tourism. I now wish to throw some ideas for the Government to consider:

Firstly, when the Government launches large-scale urban development, balance must be struck with protection of the environment in mind to preserve the "natural scenery" of Hong Kong as far as possible.

Secondly, when the Government encourages tourism development, it should consider more the cultural factor. Hong Kong has always claimed to be a place for cultural exchange between the east and the west, and has been saying it wishes to become an international metropolis. However, let us be honest, we are in fact quite a long way from being an international metropolis. Therefore, I think that the Government should take proactive measures to increase subsidy to local cultural and traditional arts groups to allow Hong Kong to have high level artistic performances. Michael JACKSON is one of the possibilities only, he will just stay for two to three days even if he comes to Hong Kong. On the other hand, I think Hong Kong should make use of its advantageous position in Chinese culture and give full support to traditional arts. Certainly, we must not forget what we are having, such as the Philharmonic Orchestra. On the whole, however, I think Hong Kong has not staged enough performances of these kind.

Thirdly, the Government may consider to redevelop the Hong Kong Museum of History into one with a broaden vision, making it a world-class showcase of the Chinese culture and history including the Hong Kong culture. This will increase its attraction to foreign tourists.

Fourthly, some colleagues have just remarked that Mr TUNG Chee-hwa mentioned in the policy address the Government would grant land to the film sector for the construction of a film city. I think that the tourism industry should discuss with the film sector as soon as possible to build the film city as one of our major tourist attractions.

Fifthly, our tourism sector may consider linking up with Pearl River Delta cities to increase the overseas tourists' interests in Hong Kong.

We have expressed many opinions to the Hong Kong Tourist Association (HKTA), and I hope that the HKTA or the Government can consider the suggestions made and promote Hong Kong not in the areas of shopping and gourmet food only but in culture as well.

With these remarks, Mr Deputy, I support Mr Howard YOUNG's motion.

DEPUTY PRESIDENT (in Cantonese): Mrs Miriam LAU.

MRS MIRIAM LAU (in Cantonese): Mr Deputy, whether a tourist area is popular or not depends mainly on the attractiveness of its natural beauty, cultural history, recreational facilities, gourmet food and shops. Few places use their transport facilities as a selling point to lure tourists. Nevertheless, any region with convenient transport infrastructure will certainly impress tourists and boost its tourism industry.

Hong Kong has a diversified and advanced transportation system with distinctive local features; the peak tram, the tram and even the rickshaw for photography purpose only are a few examples. When compared with other tourist destinations, transport facilities in Hong Kong are in fact very convenient to tourists, but it seems that we have never thought of using transportation to help the development of tourism.

As I have mentioned, transport facilities are normally not one of the selling points to lure tourists, but there can be exceptions. The new and modern airport will become a new scenic spot of Hong Kong. The Government should strongly promote this spot to lure more tourists to Hong Kong. In addition, the Airport Railway is also a selling point. The bullet train in Japan or the British-French train passing under the English Channel are attractions to many tourists. Though the Airport Railway in Hong Kong is not as fast as the bullet train, and not under the sea as the British-French Channel train, the scenery of northern Lantau Island scenery and the magnificent Tsing Ma Bridge will certainly add attraction to the Airport Railway.

I believe that when the tourists get a bird's-eye view from the plane, they will be impressed by our modern and new airport. It is natural for them to expect many new facilities in the airport. But if the tourists find the Airport Railway not operating, and they need to take a bus or taxi to the city, some of the tourists will be very disappointed. We need to know that the tourists' first impression of Hong Kong really counts. The Airport Authority has disclosed that the new airport will be completed by April next year, but the MTR insists that the Airport Railway project is unable to complete in advance, not until June as originally scheduled. I think we need not argue who is right and who is wrong, but this mis-match of commencement of operation is a fact. This is a small stain to the airport project, and the overall image of Hong Kong is hurt. Therefore, I hope that the authorities concerned can endeavour to co-ordinate the

commencement date of the new airport with the Airport Railway.

For the tourists' convenience, many foreign tourist boards or transport operators provide day passes or multiple-day passes to allow tourists to travel unlimited times by all modes of transport before the expiry. Moreover, maps and various discounts are offered to tourists. Hong Kong was not in such a position in the past, now that the five public transport operators are jointly using the "Octopus" stored-value tickets. I suggest the Hong Kong Tourist Association (HKTA) can study on this basis and give tourists greater convenience.

Apart from the Airport Railway and MTR, taxi is a major mode of transport for tourists. In the past, there was indeed a small group of black sheep in the taxi industry who tarnished the image of the majority of law-abiding taxi-drivers. I think apart from heavily punishing these small group of black sheep, we should promote the positive image of our taxi service. In the past, the HKTA held taxi courtesy campaigns with the taxi group jointly, but these activities are not seen for a long time. I suggest that the HKTA will hold similar types of activities to enhance the service quality of taxis to attract more tourists to take taxis.

Though some tourists may have genuine causes of complaint against taxi drivers, some of the complaints, as far as I know, arose from misunderstandings. Most of the time, such misunderstandings are caused by communication problems between the drivers and the foreign tourists. I hope that the HKTA will co-operate with the taxi groups and publish menus for basic oral English, major tourist spots and maps of shopping areas to enhance communication between the drivers and their foreign passengers.

Moreover, some misunderstandings may arise because tourists do not understand the state of transport in Hong Kong. In foreign countries, taxis can go door to door, stop any time any where, but it is a completely different story in Hong Kong. We have many restricted zones but tourists may think that the drivers are taking a longer route or refusing to take on a fare, misunderstandings thus come. The HKTA should keep the tourists informed of the taxi operation in Hong Kong. At the same time, the Government should relax restrictions in the tourist areas, or designate more taxi pick-up points for tourists.

Though the tourists may not be well aware of the restricted zones on the road, they know for certain that Hong Kong is short of parking space because parking spaces for coaches in tourist spots are not enough. Tourists have to take a long walk before they can enter the tourist spots, or they get in or off the coach like "doing something wrong" because the coaches have to stop or park illegally. Therefore, I think that the Government should review whether the parking spaces in tourists spots are enough and try its best to provide more. I hope these can give a better impression of Hong Kong to the tourists.

With these remarks, Mr Deputy, I support the motion.

DEPUTY PRESIDENT (in Cantonese): Mr David CHU.

MR DAVID CHU: Mr Deputy, tourism income produces 8% of our GDP and employs 12% of our labour force. Tourism in the region will expand over the next decade from 14% of the world total to 20% of the world total. By 2005, tourism will be generating US\$7,200 billion globally. Hong Kong must get a fair share of that amount.

Back in the 1960s and 1970s, our tourism was anchored in cheap shopping. Remember the famous 24-hour suit? By the 1980s, shopping as the main attraction was supplanted by transient visitors in stopovers to and from China. Today, with our higher standard of living forcing up prices, competition from other Asian destinations and direct flights into mainland China, we have surrendered our earlier advantages.

Why should people come all the way from all over the world just for Hong Kong? I am lost for an answer. All of the sightseeing here can be done from a tour bus in a day. Therefore, in addition to improving our tourism management and making our people in the trade more courteous, we have to invent one great big major tourist attraction for the late 1990s and beyond to sell Hong Kong.

What we need undoubtedly is a sensational theme park on the scale of the biggest Disneyland that will also be the pinnacle of all regional theme parks. Such a theme park will complement nicely Hong Kong's other attractions such as the Buddha on Lantau, the Ocean Park and Tsing Ma Bridge. The Disney theme park in France draws 12 million visitors from Europe each year. Future parents from Asia which has a population of almost three billion people cannot possibly resist the persistence of their children asking for a chance to see the grand theme park in Hong Kong. Naturally, the parents have to accompany them.

Besides promoting the theme park, we must repackage Hong Kong as a tourist destination. In the past we promoted Hong Kong alone when we should have promoted it along with the rest of the Pearl River Delta. We used to pitch mostly at the North American, European and Japanese clientele, neglecting others in the region. This is an oversight. In Asia, the air travel industry is growing faster here than anywhere else. Just ask Boeing and Airbus. Asians, despite the current and temporary economic uncertainties, will have more spending money. They should be regarded as our potential customers.

I would like our Government to provide inexpensive land for a theme park of a magnitude the world has never seen. We will have a brand new airport in a few months and it would be nice if we can fill it with passengers from nearby and afar, eager to sample a Hong Kong that is "beyond their wildest dreams".

I support the motion as I urge urgent actions.

Thank you, Mr Deputy.

DEPUTY PRESIDENT (in Cantonese): Mr CHAN Choi-hi.

MR CHAN CHOI-HI (in Cantonese): Thank you Mr Deputy. Tourism has undoubtedly contributed to the Hong Kong economy. Many of my colleagues have mentioned statistics and data, so I am not going to repeat them. Many colleagues have said that the unfavourable remarks about Hong Kong before its reunification have affected tourism, I cannot but ask, as there have been many others speaking favourably about Hong Kong, will the effects cancel each other? I hope that we can look at the issue objectively; the factors leading to the decline of Hong Kong tourism in these few months are many, both long-time and recent

causes. Speaking with the benefit of hindsight, I would say that if this motion debate were moved several years ago, or if Hong Kong had created a tourism board already, the situation might possibly be different. We are not satisfied with the performance of the Hong Kong Tourist Association (HKTA). I also think that if the HKTA was well aware of the historic moment of 1 July, why did it not make an early plan? It seems unfair to blame the HKTA, but I think that the HKTA should assume some responsibility. I believe, being a body for the promotion of tourism, the HKTA should be wise enough to spot the changes to Hong Kong when 30 June turned to 1 July. It should draw up plans in advance. If the plans are comprehensive, and if the Hong Kong Government offered assistance, we might not see a such serious downturn of tourism. It is impossible for the world economy boom forever. Even if Hong Kong had no reunification, it might come across the same situation. 1 July was just a coincidence. I shall see the Hong Kong tourism development from a long-term perspective.

Regarding future development, many of my colleagues have expressed a lot of ideas. Let me propose a solution to the root of the problem. Certainly, education is very important. The Honourable YEUNG Yiu-chung has said the tourism employees should be educated; I believe that both employers and their staff in the trade should be educated. For example, the Government may promote the concept "Total Quality Management" (TQM) to tourism staff, or arrange some ISO9002 courses for them to improve their standards. Tourism is after all a service industry. Only with high service quality can we outperform our competitors. If our service quality remains unchanged as that during the last few years, we shall be supplanted by other countries sooner or later. Therefore, I think that it is very important for us to improve the service quality of tourism itself, or even the retail and other related industries as well. I believe that it is a basic structural problem. I also hope that the Government can take this problem seriously because it is a crucial weapon to increase our service quality. It can upgrade our tourism to a new level.

I have just mentioned some "hardware" problems, I now wish to discuss the "software", meaning the human, spiritual and conceptual aspects. Regarding the World Expo, I fully support Hong Kong making an effort to host this world event. I believe that if we try our best, we may realize the late Honourable CHEUNG Kam-chuen's wish. However, I also wish to make

another suggestion, that is, in addition to the World Expo, we may organize a China Expo or Special Administrative Region Expo. I find it a very meaningful suggestion as after the reunification of Hong Kong with China, we can say that Hong Kong and China are under the same roof. If we can co-operate with provinces and cities in China, we can hold a large-scale China Expo every two or three years. It will certainly lure foreign tourists to come for a visit.

In the long run, our former high land price policy results in high rental and high cost for the retail industry. Hong Kong is no longer a shopping paradise and this is an indisputable fact. In this regard, the Government may open dialogue with the entire retailing sector about the issue and consider counter-measures. A Hong Kong Tourism Board should eventually be set up. I would prefer setting up the Hong Kong Tourism Board if the Government has the resources because it will benefit the tourism development in Hong Kong.

Last but not the least, I think that we should try to talk to the Central Government regarding the issuance of visas for Taiwan visitors. If the problem is really caused by political reasons, it is very unfortunate because Hong Kong is a place trying to lure more tourists here for fun, and should not let any political considerations stand in the way. For the interests of the region, I think that the Hong Kong Special Administrative Region (SAR) should take a firm stand and explain to the Central Government because the issue may hamper the economic development of the SAR. If the problem does not lie in the Central Government, instead it is the internal affair of the SAR, I hope that departments concerned should take speedy actions to solve the problem.

PRESIDENT (in Cantonese): Dr LAW Cheung-kwok.

DR LAW CHEUNG-KWOK (in Cantonese): Mr Deputy, I found it very difficult to write the script of my speech today because there is no source materials. I cannot see indeed what the Government can really do with the principle of free economy. The President might have seen me through and arranged me as the last speaker.

Recently, many of my relatives and friends have returned from overseas to Hong Kong for a visit. I find it a major headache to take them out for

sight-seeing. Certainly, the Tsing Ma Bridge is the brand new "regular dish", but except that, what other places can we go? As mentioned by the Honourable Edward HO, Hong Kong still have many places to go, so I should have first scouted some of those places. As the Ocean Park and the Peak are by no means new to many-time visitors to Hong Kong, should they be really taken to the Star Ferry for a rickshaw ride? I sometimes think that they will be more interested in the pirated laser discs in Mongkok. However, as a Member of the Provisional Legislative Council, I have no reasons to take them to those places, and have no reasons at all to promote indirectly the pirated laser disc business. How can we promote tourism in Hong Kong? My relatives visited Hong Kong several times before and they are typical visitors to Hong Kong. According to the data from the Hong Kong Tourist Association (HKTA), in recent years, over half of the tourists to Hong Kong have come more than once. How can we lure tourists to visit Hong Kong again? If the tourists find that Hong Kong does not have any new excitement, the prospect of Hong Kong tourism will not be optimistic.

Hong Kong was formerly a British colony. It featured a unique blend of Chinese and British cultures in the eyes of the westerners. Nowadays, the British rule is over, the foreigners will see British culture diminishes naturally in Hong Kong.

Furthermore, Hong Kong has transformed from the fishing port it was 100 years ago into a modern metropolis. It is hard to find a junk in the Victoria Harbour. Even when we take photos with a rickshaw boy or an old lady in a walled villaged in Yuen Long, we have to pay for it. As everything has been be so commercialized, many foreign visitors will query, "is Hong Kong really a place of eastern and western cultures?"

Many of my Honourable colleagues have mentioned that Hong Kong used to enjoy the fame of a shopping paradise. At present, visitors to Hong Kong still spend 50% of their expenses on shopping. However, the relatively high operating cost in Hong Kong in recent years has marked a rapid increase in consumer prices. In addition, the Hong Kong dollar remains strong after the recent devaluation of Southeast Asian currencies. This further makes many visitors think that Hong Kong is expensive. In the opposite direction, Hong Kong people are joining shopping tours to Thailand. To quote accommodation as an example, Hong Kong hotel rates are among the most expensive in Asia.

When all prices rise, the competitive edge of tourism in Hong Kong is weakened.

As Hong Kong lacks new tourist attraction, its feature as a meeting point between the eastern and western cultures diminishes, its fame as a shopping paradise has been re-evaluated, and with tariff all over the world declining rapidly, I expect that the advantage of Hong Kong as a retail market of high-end consumer goods will disappear soon. I believe that tourism in Hong Kong is in an unprecedented crisis. If we do not find a way out, I am afraid that Hong Kong will be eventually forgotten by foreign tourists.

Recently, the tourist source of Hong Kong keeps changing. The number of tourists coming from China has obviously increased, from 8% in 1985 to more than 20% recently. Taiwan tourists also take up 17%. We can see from these figures that the Chinese and Taiwanese are very important to our tourism in Hong Kong, and they have great potential as our visitors. Therefore, the Government should try its best to simplify the procedures for the Chinese and Taiwanese tourists to visit Hong Kong. This is very important. At the same time, with the economic transformation the Pearl River delta, tourism there and Hong Kong tourism will complement each other making Hong Kong a more attractive place. Therefore, it can be a way to meet the east with the west by strengthening the ties between Hong Kong and the South China region in the aspects of transport, trade and culture.

Tourism is quite important to Hong Kong, as Members have clearly mentioned that it contributes 8% of our GDP. If we wish to develop tourism in Hong Kong, I think a long-term and effective plan is very important. However, we have to be very careful as we must not follow the road of a planned economy. The Hong Kong Government should handle this matter with care without shirking its responsibility.

Mr Deputy, I and the Hong Kong Association for Democracy and People's Livelihood support the motion.

DEPUTY PRESIDENT (in Cantonese): Twenty-one Members have finished their speeches, does any other Member wish to speak? Secretary for Economic Services.

SECRETARY FOR ECONOMIC SERVICES (in Cantonese): Mr Deputy, first, I would like to thank the Honourable Howard YOUNG and other Members who have spoken on this motion for their valuable views on promoting tourism industry in Hong Kong. Although a lot of "tourism experts" have already left the Chamber, I still wish to respond to the comments they made. I would like to thank the Honourable CHAN Wing-chan in particular for his fair remarks defending the tourism sector. I hope that he will have the time to play the role of "Tourism Ambassador" for the Hong Kong Tourist Association (HKTA). Recently, there has been a decline in the number of tourist visiting Hong Kong, and the Administration as well as Members of this Council are very concerned about this situation. Factors leading to the downturn of the tourism industry include the slowdown in the economy of many Asian countries, depreciation in their currencies, financial crisis and so on. Since I have discussed all these factors at the policy address debate, I am not going to repeat them here. Of course, like Hong Kong, the tourism industry of many other places is also adversely affected by the above factors. It can be said that the downturn in tourism is a regional phenomenon, and the tourism sector should not be too pessimistic about its future, for tourism industry in Hong Kong still has a very bright prospect in the long run. For the future of the Hong Kong tourism industry, we, including those of us in the Government, HKTA and various sectors of the tourism industry, should all work together to promote the tourism industry of Hong Kong. The Honourable CHIM Pui-chung said that we are just "making gestures", but that is certainly not the case. We are definitely being proactive and will work hard to promote the tourism industry.

The Administration's long standing policy on tourism has always been to ensure that our tourism industry is supported by adequate and excellent infrastructure and facilities, so that Hong Kong is able to maintain its competitive edge and remain a major tourism destination in the region. We will also support

the work of the HKTA (of course, the Administration is doing much more than collecting taxes, and this year we have given some \$500 million in subsidy to the tourism industry), to help the long-term development of the industry.

Two months ago, the Administration set up a "Tourism Task Force" in collaboration with the HKTA and members of the tourist sector to look into problems faced by the tourism industry and to find solutions. The Task Force will also offer suggestions on long-term measures for promoting tourism in Hong Kong. At the past few meetings, the Task Force discussed problems faced by the trade. These problems are now being carefully considered by the departments concerned, and they will be making reports to the Task Force. Some Members just referred to the issue of immigration clearance and visa processing. The Immigration Department has plans to launch a Travel Pass Pilot Scheme next year, to speed up immigration clearance procedures for frequent visitors to Hong Kong. The Administration has also reacted to the demand by increasing the number of group tours from the Mainland to Hong Kong after seeking the advice of the Mainland authorities. With the opening of the new airport next year, the development of tourism industry will no longer be subjected to constraints resulting from the saturated capacity of the Kai Tak Airport. Some Members just opined that a whole range of supporting facilities should be available once the new airport is in operation, and I believe that this opinion is shared by all. As for the concern of the tourism sector about the new airport charges, I believe you all know that the Airport Authority has reached an agreement with all major airlines on charges which are very reasonable and generally acceptable to those in the trade.

As to the issue of further streamlining visas processing as mentioned by Members just now, I must say that Hong Kong has already got a very liberal visa issuing system. At present, visitors from over 170 countries and places do not need a visa to stay in Hong Kong for a period from seven days to six months. Regarding the multiple journey "visitor's permit" for Taiwan tourists, the Immigration Department had reduced the processing time to five working days, and the validity period for the thicker version of Taiwan visitors's permit was extended from two to three years. The Administration is now looking into ways for further streamlining these procedures.

With regard to promotion work, the HKTA and those in the trade have made a lot of efforts. In order to help overseas visitors better understand the situation in Hong Kong after its reunification, and to allay their misunderstandings and worries, the HKTA has arranged for representatives of the media and tourism sector in our major markets to come to Hong Kong and take part in activities to familiarize themselves with Hong Kong so as to gather first hand information about the situation in Hong Kong. Since July 1997, over 3 000 representatives from the overseas media and the tourism sector have visited Hong Kong. In fact, today we have over 100 representatives of influential overseas travel operators and agencies visiting Hong Kong, and Mr Howard YOUNG and myself are supposed to attend a reception in honour of the delegation, but, of course, we cannot go now. The HKTA has printed 500 000 new booklets on the situation of Hong Kong after the reunification, and other issues which tourists are concerned about, for example, entry visas, law and order in Hong Kong and so on. The HKTA has also produced a series of promotion videos featuring a number of international celebrities to promote the image of Hong Kong after its reunification. It is a pity that the Honourable Paul CHENG has already left, or else he would be happy to know that Mr Jackie CHAN has featured in one of our promotion videos and has done some promotion work for us in Osaka last month. He will also be participating in more promotion activities in January next year. Furthermore, HKTA also plans to update the design and content of their website on the Internet so as to make it more appealing.

At the same time, the HKTA has mobilized members from the tourism sector, and invited local celebrities to form ambassadors delegations to visit overseas countries to promote the image of Hong Kong. The HKTA has been considering to co-operate with overseas television station to produce travel magazines and special programmes in promoting the tourist spots of Hong Kong, and to enhance various publicity activities. The HKTA is now considering to launch a major activity known as the "Hong Kong Month" in all our major markets when Hong Kong celebrates the first anniversary of reunification next year.

In regard to the issue of creating a new image for Hong Kong, the HKTA is now conducting an in-depth study and public opinion polls in all our major markets to seek the views of tourists on Hong Kong. The HKTA will also

create a new image for Hong Kong after its the reunification in co-operation with a number of local and overseas experts, so as to repackage Hong Kong and give it a new direction, and to map out a new publicity strategy for promoting Hong Kong in overseas countries. The new image of Hong Kong will appear in posters, leaflets, videos, television commercials and newspapers advertisements in overseas countries. Furthermore, the HKTA also plans to set up a multi-lingual "quality service hotline" to answer queries of the tourists.

As for medium- to long-term measures, the Government will continue to offer subsidies for promoting the tourism industry. Back in 1996 when the tourism industry was at its peak, the Government had already allocated some \$50 million to set up a "Tourism Development Fund" to study the feasibility of developing a number of new tourist attractions. New tourist spots under study include, the Hong Kong Exposition, Tsing Yi/Ma Wan Film City Theme Park, an Aquatic Sports Centre, an International Cruise Ship Terminal, Chinese Ecology Science Museum and new performing venues and so on. Feasibility studies on the Hong Kong Exposition, Tsing Yi/Ma Wan Film City Theme Park and supply and demand of hotel rooms are near completion, and studies on the Aquatic Centre and International Cruise Terminal will be completed early next year. After receiving the feasibility reports, the Government will actively consider the projects and try to make decisions and undertake follow-up actions as soon as possible. A lot of Members have expressed concern about the Hong Kong Exposition project. As you all know that this is a project involving six to seven billion dollars, the Government will exercise extreme caution in considering the project objectively. I also hope that a decision can be made as soon as possible, and we will surely report the outcome to this Council.

Furthermore, the HKTA has also used the "Tourism Development Fund" to improve existing tourist facilities such as improve tourists signs and install a new "Tourist Info Powerphone" system. The "Tourist Info Powerphone" system is an interactive tourist telephone system which enables tourists to find out all kinds of tourist information about Hong Kong. The "Tourist Info Powerphone" system will be put into operation this month, and will be eventually installed at all popular tourists spots. Furthermore, the Tourism Development Fund will be used to subsidize other activities, for example the "do-it-yourself Heritage and Architecture walks". This project will be implemented in three phases, the first

phase, that is the Hong Kong Island Trail will be launched in February next year. Pre-recorded tapes will lead visitors to historical and modern buildings. The Honourable Edward HO mentioned that foreign tourists are very interested in historical relics. Although Hong Kong is a small place, we do have a lot of cultural relics and monuments. This is the "Year of Heritage" for Hong Kong and in order to promote the activities of the "Year of Heritage", the Antiquities and Monuments Office and HKTA have launched a series of publicity activities to enhance members of the public and tourists' knowledge of the historical relics of Hong Kong. Phase 1 of the Central and Western Heritage Trail has opened and the trail will lead you to many historical spots. Of course, in addition to monuments, Hong Kong also has a large number of modern buildings with its own features. I think those buildings will also be appealing to tourists.

Apart from opening new tourism spots, it will be equally important to the development of tourism for us to attract more international cultural, recreational and sports events to be held in Hong Kong. Next year, the Government will allocate some \$100 million to set up an International Events Fund to help the HKTA's work in this aspect, with the aim of establishing Hong Kong as the Events Capital of Asia. It is anticipated that in co-operation with the private sector, the HKTA will be able to organize some 50 major international events in Hong Kong in the next five years with subsidies from the International Events Fund. The HKTA is also carrying out a study on the supply and demand of performing venues in Hong Kong, so as to ensure that there will be proper venues for organizing various events in the future. The Honourable Miss CHOY So-yuk and other Members said that the Government seems to ignore the need for convention and exhibition facilities in Hong Kong. In fact, I have talked to Miss CHOY and informed her that the Government has been sparing no efforts in enhancing Hong Kong's status as a regional trade exhibition centre. And naturally, it will be a boost to tourism if international conferences are held in Hong Kong. Since July this year, 168 major international conferences have been held in Hong Kong, with a total of 160 000 participants.

Furthermore, the Government will soon commission a "conference and exhibition facilities" consultancy study to see whether it is necessary to increase the conference and exhibition facilities of Hong Kong. In regard to the proposal on licensing control on operators who organize tours to Hong Kong, together with the HKTA, the Government is now looking into the matter to see

whether licensing control or other forms of control are needed. The Government will also be commissioning a consultancy study on the "Manpower and Training Needs of the Travel and Tourism Industry" to review the situation of manpower in the tourism sector. The Honourable YEUNG Yiu-chung said the subject of tourism has been incorporated in the curriculum of 41 schools. In fact, the number of schools which offer this subject has now increased to 60. We will consider Mr YEUNG's proposal regarding the tourism curriculum. Moreover, the HKTA is now having a consultancy study on the supply and demand of hotel rooms in Hong Kong, and the study is now close to completion.

Many Members have suggested that we should reduce alcohol duty, airport and hotel taxes, and there should be round-the-clock operation in border crossing points on land. We shall refer these proposals to the Treasury and the Transport Bureau for their consideration. Some Members suggested that we should set up a policy bureau for tourism, but we do not think that there is such a need, for at present, the Economic Services Bureau is responsible for policies on tourism. The Economic Services Bureau has all along been working together with other policy-making bureaus and other departments to deal with tourism issues, so as to ensure that the development of tourism industry will have the overall support of the Government. I also want to point out that the establishment of a tourism policy bureau does not mean that all problems in tourism can be solved. As to whether it is necessary to set up an inter-departmental task force to oversee policies in this area, we will give it very careful consideration. In fact, whenever there are tourism issues involving other policy-making bureaus or departments, the Economic Services Bureau will convene meetings to the issues with all bureaus and departments concerned.

Apart from Government efforts, the HKTA has also organized a five-year "Spot Light Hong Kong" Programme for launching a series of international events, for example, there will be performances by the Takarazuka Revue Troupe of Japan and the Bolshoi Ballet of Russia in Hong Kong next year to attract tourists to Hong Kong. The HKTA will also be focusing on new target groups in the market, for example, students, newly-weds and retirees. It will also study the promotion of brief weekend itineraries and plans to introduce different itineraries with special features like exploration of monuments, nature and environmental trips, and so on, in order to expand our tourism industry. Hong Kong is also co-operating with the Mainland authorities to attract tourists to

Hong Kong and the Mainland. Take for instance, the HKTA has set up the "Pearl River Delta Tourism Marketing Organization" in co-operation with its Guangdong and Macau counterparts to promote the Pearl River Delta area as an integrated tourism spot and to organize large scale tourism exhibitions. Furthermore, the HKTA has set up an office in Beijing to work closely with the National Tourism Bureau. In collaboration with the Tourism Bureaus in Beijing, Shanghai, Guilin and Xian, the HKTA has launched a series of promotion activities in North America last month. It is anticipated that the HKTA will continue to strengthen its co-operation with its Mainland counterparts, in order to boost Hong Kong's appeal to overseas tourists.

In the past four decades, the HKTA has done a lot and made major contributions in promoting tourism. There have been a lot of changes in the past 40 years, and it is high time to review the role and structure of the HKTA, so as to ensure that the HKTA will carry out its work most effectively. The HKTA has started the review by commissioning a consultancy study known as the "HKTA Strategic Organization Review". The Government will consider in detail the findings and proposals of the review.

Apart from the steps taken by the Government and the HKTA to promote tourism, those in the trade should also work closely with us in regard to pricing, quality of service and programming of activities in order to attract tourists to Hong Kong. Recently, local airlines, hoteliers and retailers have been launching attractive "buy one get one free" offers. To quote Mr Howard YOUNG, the low profit margin will certainly help to attract tourists to Hong Kong in the short-run. We hope that those in the trade will continue to put their efforts in turning around the situation and create an atmosphere, so that tourists will get to know about Hong Kong and come to agree that they get value for what they spend and have a colourful holiday in Hong Kong. With the depreciation in Southeast Asian currencies and prices of these countries going down correspondingly, those in the tourism industry must enhance our efficiency, improve our quality of service, open up new sources of revenues and cut expenditures, so that the prices of our food, accommodation, sight-seeing, shopping and entertainment will be attractive to tourists and they will have a good time in Hong Kong. Retailers must also try to uphold Hong Kong's prestige as a shoppers' paradise. With our talents in the retail sector, I believe that if only we could be more innovative, exercise self-discipline, offer our goods

at reasonable prices, provide excellent services without ripping off the tourists, and provide them with more choices, we will certainly be able to continue to attract tourists to shop in Hong Kong. The Honourable Mrs Selina CHOW said that awards should be given to retailers with a good track record. I think that this is a very good suggestion which merits our consideration. Apart from sight-seeing and shopping, we should also enhance our efforts in other aspects, for example, maintain Hong Kong's status as a gourmet's paradise. Mr CHAN Wing-chan has made a very good point by saying that we should serve all kinds of cuisine and offer different choices to tourists. In addition, we should also provide a wide range of musical, sports and entertainment activities so that the tourists can have a great multitude of activities to choose from both day and night.

The Government is aware of the importance of tourism to Hong Kong's economy. All government departments concerned will continue to work together with the tourism sector and the HKTA. We will be pro-active and pragmatic in implementing short-, medium- and long-term measures to promote and develop Hong Kong's tourism industry, so as to maintain the competitiveness of Hong Kong in the international tourism market. I believe that with our concerted efforts, we will be able to ride out the storm. The World Tourism Organization forecasted that Hong Kong will become the fifth largest tourism centre in the world by the year 2002, and as Members have pointed out, this forecast will come true if we all work together.

Thank you, Mr Deputy.

THE PRESIDENT resumed the Chair.

PRESIDENT (in Cantonese): Mr Howard YOUNG, you may now reply and you have four minutes and 50 seconds.

MR HOWARD YOUNG (in Cantonese): Madam President, I believe it is very rare for the Provisional Legislative Council or the former Legislative Council to spend over two hours to debate an uncontroversial motion, with no amendments, and to attract over 20 Members to speak. We can see that the Hong Kong general public, the Government and Honourable Members are very concerned

about and support tourism.

Over the past 10-odd years, Hong Kong tourism industry flourished and prospered. We can see the slump this time may eventually turn out to be a gain. It sounds the alarm and we understand that we cannot sit and do nothing, expecting the tourists to keep coming to Hong Kong, letting us enjoy our fruits of success.

In fact, the Government can offer assistance in a number of ways. Though the Government pays important attention to the Hong Kong Tourist Association (HKTA) and tourism, I think such attention is not comprehensive. As the trade lacks favourable conditions and assistance, it can only find a niche for itself with its own efforts. Over the last 10 years or so, the number of tourists kept rising and we were very lucky. However, luck should not be taken for granted, it is time for the Government to do more for tourism.

A number of Members have just mentioned the visa issue in their speeches, so I do not wish to repeat it here. I just wish to point out that Taiwan will implement five-day work week with effect from 1 January 1998. Will it be a new source of visitors to Hong Kong? It takes only a short time from Kaohsiung to Hong Kong by air. I think the Government should "think the unthinkable and do what it dare not do previously". For instance, it may try its best to solve the visa problem.

Before the debate, I thought, what could we say about this wide-ranging issue on tourism? We can think of over 30 different topics off-hand and each can be discussed as an independent subject. Some Members have referred to topics which I never mentioned, for example, Miss CHOY So-yuk talked about the exhibition issue; Prof NG Ching-fai, the cultural issue; and some Members the Pearl River Delta issue. Moreover, Dr LAW Cheung-kwok said he "had no source materials"; but he indeed made his point as he talked about the Pearl River Delta issue. However, if the Pearl River Delta becomes a garden in Hong Kong backyard, people will come to Hong Kong on their way to the garden, just like a tourist going to Shakespeare's hometown via London. But if we hope every tourist to do so and if the checkpoints on both sides of the border do not operate 24 hours a day, I must ask how this can be done? It is like Hong Kong people going to Shenzhen to watch a movie, the coach cannot bring them back afterwards. Therefore, this suggestion can only be done through co-ordination between Hong Kong and China.

I think each Member has raised forward-looking issues. For example, as some Members have mentioned, we may be among the top five world tourist destinations in 2020, so we must work hard to achieve this. Moreover, we need to have concepts about travelling, for example, the Honourable CHAN Wing-chan has mentioned the Star Ferry issue, and the bird street or Stanley market which I wanted to mention. If these places are demolished, there will be less tourist spots. Therefore, the development of tourism depends on our concepts about tourism. Moreover, the Honourable YEUNG Yiu-chung talked about starting with education. I think this job involves several government departments. The visa issue belongs to the Security Bureau; the transport issue which the Honourable Miriam LAU mentioned belongs to the Transport Bureau; and the hotel licensing belongs to the Home Affairs Bureau. So which department should take up what responsibility? In fact, the Government should make performance pledges to the tourism industry in the right time. If it can encourage each government department to make an effort, I believe we are not facing a crisis in the future, but an opportunity instead.

I wish to thank each Member for their attention to and concern about the tourism industry. As the Honourable CHIM Pui-chung has mentioned, tourism include the sale of air tickets and the tourism business

PRESIDENT (in Cantonese): Mr Howard YOUNG, it is time.

MR HOWARD YOUNG (in Cantonese): if we do not develop tourism, how will people buy air tickets and travel overseas?

PRESIDENT (in Cantonese): Mr Howard YOUNG, please stop.

I now put the question to you and that is : That the motion moved by Mr Howard YOUNG be approved.

PRESIDENT (in Cantonese): Will those in favour of the motion please say "aye"?

(Members responded)

PRESIDENT (in Cantonese): Those against please say "no".

(No Member responded)

PRESIDENT (in Cantonese): I think the "ayes" have it. The "ayes" have it.

PRESIDENT (in Cantonese): The second motion: Youth Policy. Mr Kennedy WONG.

YOUTH POLICY

MR KENNEDY WONG (in Cantonese): Madam President, Hong Kong has moved into a new era. We have returned to our motherland for five months, and we are now implementing "one country, two systems" smoothly.

As the Chief Executive Mr TUNG Chee-hwa said in the policy address, we must look to new concepts with which to assess our competitiveness and set new courses for development. Therefore, I think the Government should set down clear objectives and have new vision in respect of our youth policy.

The present youth policy affairs in Hong Kong are handled by different government departments mainly including: the Education and Manpower Bureau, responsible for the development of youth education; the Health and Welfare Bureau and Social Welfare Department, responsible for social development of youths and counselling; the Security Bureau, responsible for young offender problems; the Home Affairs Bureau, responsible for civic awareness and sports development of youths. I am sure these bits and pieces of youth service and policies scattered among the different departments do produce results. However,

as things are at present it is difficult for the general public to know the objectives and direction in the overall development of youth policy. Worse, we do not have a specific co-ordinating department to co-ordinate and oversee the youth policy now.

Honourable Members should have received the report of the survey on the knowledge of young people in Hong Kong of the state of the nation in China, which I commissioned the Asian Pacific Research Centre of the Chinese University to conduct from 26 to 28 November 1997. The findings of this survey have shocked me. For basic questions about China, such as in what year the People's Republic of China was founded, nearly 70% of the target Hong Kong young people aged 18-40 got the answer wrong; relating to the recent hot topic of election of Hong Kong deputies to the National People's Congress, a question asking "Which national body enacts laws in China?" Certainly, the answer is "the National People's Congress", but 85% got it wrong; for the highest executive body in the country, the answer certainly is "the State Council", but nearly 90% got the wrong answer, and 93.2% thought that education of Hong Kong about the knowledge of the state of the nation in China is extremely insufficient. Why does this situation happen?

I think that in the former colonial times, the British Hong Kong Government adopted a policy of "exerting a subtle influence" in its youth services, but it resulted in our young people developing a localized Hong Kong mentality. They only focus on knowing Hong Kong itself and on caring for and nurturing of personal development.

When the youth services are developed, the knowledge of our young people about China has all along been neglected. The young people of Hong Kong do not have much sense of the country, nor do they have much national awareness. To take the youth exchange programme as an example, the British Hong Kong Government had strict restrictions on the granting funds to some subsidized youth groups and organizations. It obviously stressed the development of an international perspective. While this is certainly very important to Hong Kong as it is an international city, there was usually no subsidy for the exchange tours to the Mainland. Not until a very short time before the 1997 handover was this restriction gradually relaxed. As a result the knowledge and understanding of Hong Kong young people of their country was

directly hampered.

According to "A comparative study series on Beijing, Guangdong, Hong Kong youths" produced by the Hong Kong Federation of Youths in 1995 about the young people's attitude towards the country and nation, 35.4% of the interviewed young people in Hong Kong did not have any national pride; 38.6% were totally indifferent to the future of the country; on the obligations towards the country, only 45% of the Hong Kong respondents were willing to join the army to defend the country when China was invaded, while 85% and 82% of the youths in Beijing and Guangzhou respectively were willing to do so. Of course, these are the results of historical differences.

How was our youth policy in the past? The Commission on Youth was set up in Hong Kong in February 1990. This Commission is an advisory body the duties of which include giving advice to the then Governor, or the present Chief Executive, and exchanging ideas or co-operating with government departments in order to promote development of youth services. However, the Commission on Youth had little resources. According to the Hong Kong Youth Policy Study Report, this yellow book in my hand, compiled by the Hong Kong Policy Research Centre and the Hong Kong Youth Development Council, the Government grants over \$35 billion for youth policy programmes each year, but the amount given to the Home Affairs Bureau for the development of youth services is less than 0.02% of it, that is around \$7 million. The Commission on Youth only has a few million dollars per year, and its resources is seriously inadequate. Therefore, I propose that it is time to review the youth policy in Hong Kong.

The youth policy in Hong Kong should aim to widen the mentality and vision of the youth, while it should also ensure that the young people in Hong Kong will have a deeper understanding of our country, particularly, Hong Kong now basically shares with the motherland the objectives of macro-development towards the 21st century. China aims to increase GDP, to set up a relatively sound market economy system and to accelerate changes to national enterprises and develop advanced technologies, the so-called "strengthening the country

with technology and education". These match exactly what the Chief Executive mentioned in the policy address that we should develop high-tech industries and become an innovative society.

The "Charter for Youth" was drawn up in July 1993 by the Hong Kong Commission on Youth. I am very familiar with the contents of the charter and I fully agree with its objectives and direction. I have a copy of the "Charter for Youth" with me, anyone interested is welcome to borrow it. However, at present, the Charter is not binding. It operates on a voluntary basis for the signatories to the Charter to carry out its set ideals. Around 400 organizations and 2 000 individual people have signed the Charter so far. The Government explained that the Charter is an essential part of the youth policy in Hong Kong. However, according to the findings of opinions survey conducted by the Asian-Pacific Research Centre of the Chinese Universities, over half of the respondents have never heard of the "Charter for Youth". Nearly all the respondents, that is, 96% of them, cannot quote even one of the several 10 objectives and goals in the "Charter for Youth".

I am also a member of a review committee on the implementation of the "Charter for Youth". In the Charter, in respect of the long-term social development, I think the enhancement of our understanding of China should be added. At present, in the third part of the "Charter for Youth", that is about the long-term social objectives of youth development, it just mentions China in one sentence: They should be assisted to achieve a complete and balance development, particularly on the following aspects, and one of which is to promote the youth's understanding of and respect for the Chinese culture.

Madam President, I think to know the Chinese culture only is not enough. I have explained to the Members through the opinion survey and related information. In fact, after the unification of Hong Kong with China, it is very important to get an overall understanding of China's state of the nation. Apart from understanding the culture, they should understand the Chinese political system, economic development strategies, Government structure, and most essentially Chinese history. Certainly, the Chief Executive mentioned in the

policy address that education should be so developed that school curriculum should include more about knowledge of Chinese history and culture because in a Chinese society, they are our heritage. I know that the Government will strengthen national education in the school curriculum in the future, and schools may choose whether to make civic education an independent subject in the next school term.

To conclude, the wording of my motion is very clear, the Government should strengthen the functions of the Commission on Youth, so that apart from being an advisory body, it can play an organizing and co-ordinating role to liaise with related policy departments in the Government, organizations and voluntary agencies. Moreover, the Government should also allocate more resources for allow the Commission on Youth to carry out its work more effectively. Certainly, it is most pressing to strengthen education about the state of the nation. Therefore, I hope that Honourable Members will speak up and support my motion.

Thank you Madam President.

Mr Kennedy WONG moved the following motion:

"This Council urges the Government of the Hong Kong Special Administrative Region to expeditiously formulate a more concrete "youth policy", revise the "Charter for Youth" as well as enhance the education of young people about the state of the nation, so as to prepare Hong Kong and the Mainland for attaining the macro-development objectives in the 21st century; and to review the role of the Commission on Youth, consider strengthening its functions and providing it with more resources, so that it can more effectively promote and implement the various tasks involved."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That this Council urges the Government of the Hong Kong Special Administrative Region to expeditiously formulate a more concrete "youth policy", revise the "Charter for Youth" as well as enhance the education of young people about the state of the nation, so as to prepare Hong Kong and the Mainland for attaining the macro-development objectives in the 21st century; and to review the role of the Commission on Youth, consider strengthening its functions and providing it

with more resources, so that it can more effectively promote and implement the various tasks involved. Does any Member wish to speak?

PRESIDENT (in Cantonese): Mrs Selina CHOW.

MRS SELINA CHOW (in Cantonese): Madam President, the Chief Executive Mr TUNG Chee-hwa places great emphasis on the development of elderly welfare. Soon after the establishment of the Hong Kong Special Administrative Region (SAR), he appointed an Elderly Commission with seven officials, Members of the Executive Council and the Provisional Legislative Council as well as other community representatives for the overall co-ordination of elderly welfare.

However, the Government has not shown such resolve in youth services. Although young people account for 21% of the population in Hong Kong and are the future masters of Hong Kong, the Hong Kong Government has regrettably never really put its heart into formulating a sound youth policy to nurture our next generation.

Let me be fair first. Over the years, the Government's investment in youth services has not been low compared to other countries. We are also glad that many government-aided or private organizations in Hong Kong have done a lot of work for young people. I would like to thank them here.

The problem we are now facing is that the Government does not have adequate resolve to develop youth services comprehensively and the allocated resources are not effectively deployed. At the same time, the Government fails to help non-governmental organizations provide suitable support and forward-looking services.

Take the Commission on Youth set up in 1986 as an example. Although it has recruited many people from the community who have been involved in youth work for a long time, the role of this Commission has never been clear. It only plays an advisory role without real power to formulate and implement youth policies. Some people who have been involved in youth work for a long time say that the Commission is like a research centre and cannot exert any influence on the implementation of long-term policies.

From this, we can see the difference between having and not having the full support of the Government. Apart from playing an advisory role in elderly affairs, the Elderly Commission exerts great influence on the formulation of policies. On the other hand the Commission on Youth has become a kind of pressure group and is a waste of time and effort for its members.

Looking at the Government's past work in youth affairs, we can see that the Government's policy was merely remedial and lacking in vision. After formulating policies, the Government lacked the resolve to implement them. Take school social workers as an example. At present, there is still only one social worker for every 2 000 students. Although the Government decided to reduce this ratio long ago, it is my estimation that by the year 2000, it will still be unable to achieve the target of one social worker for every 1 000 students.

I urge the Government to give its full support to the development of youth services and raise the status of the Commission on Youth from a advisory body without any real power to an organization that has decision-making powers in various respects to set clear targets for youth services in Hong Kong. The Commission should co-operate and liaise closely with non-governmental organizations to facilitate the latter's division of labour and co-operation, so that these organizations can put together Government and private resources more effectively to serve the younger generation of Hong Kong.

I have to stress that youth services must be innovative and varied and must enable young people to develop their potential in various respects. Thus, I object to the formulation of an inflexible mode of service by the Government aiming at shaping a group of people cast in the same mould and incapable of independent thinking. I must emphasize that the Government should only play a supporting role and lay down general direction to help non-governmental organizations play their part.

Although I agree with the Honourable Kennedy WONG's proposal to enhance the education of young people about the state of the nation, I still stress that the Government must also give young people the freedom of choice. The Government must not use administrative measures to force young people to accept a specific education programme in the state of the nation.

Instead, the Government can try its best to provide support and resources to non-governmental organizations and let these organizations formulate policies for national education according to the needs of the community and the target groups they serve. It should let young people choose activities according to their own preference, so that they will grow up to be citizens capable of independent thinking.

Hong Kong's success is attributable to a group of people with ideals and innovative spirit who have grown up in a cosmopolitan society. In order for Hong Kong to continue to succeed, we have to encourage young people to learn about the state of the nation. At the same time, we must teach them to be open-minded and to learn from the Chinese and the western cultures. This is the most valuable treasure we can give our next generation.

PRESIDENT (in Cantonese): Mr HUI Yin-fat.

MR HUI YIN-FAT (in Cantonese): Madam President, although our colleagues sitting here belong to different generations, we have one thing in common, that is, we have all been young.

The saying that "young people are the future masters of society" is true for all generations. Young people are the cornerstone of social progress and the driving force for future social development. Thus a government with vision should place emphasis on educating the young and quickly formulate a more concrete youth policy, in order to give more opportunities to young people to play a part in society.

Madam President, ever since the Honourable Kennedy WONG proposed the motion debate on "youth policy" in this Council, I have received many views on the wording of the motion from my colleagues in the social welfare sector. As social workers, we are glad that this Council places emphasis on the development of young people. We also hope that government officials sitting here will respond positively to the demand for a concrete youth policy after

today's meeting.

However, as the saying goes, "there is a proper sequence of beginning and end for all things". If we just look at young people's world from the adult's subjective point of view, people might think that our understanding of youth is superficial. This is also why I and my colleagues in the social welfare sector object to the wording of the motion.

We must understand that young people are important human resources for social development. Therefore, in considering how to educate young people, we must see from their perspective and let them participate in the family, at school, in the community that they live in as well as on different levels of society. We must give them opportunities to develop their potential and satisfy their needs in life so that they will ultimately repay society and dedicate their service to Hong Kong and the nation.

In my opinion, the scattered and piecemeal services and plans for young people provided by government policy bureaus and departments fail to achieve the desired results for lack of co-ordination.

We must note that as Hong Kong becomes more and more urbanized, complex social problems multiply so that young people nowadays face problems relating to family, school work and interpersonal relationship and feel the heavy pressure of life, just as adults do. Young people nowadays often try to solve problems by suicide, self-torture or even violent acts of the child gangs. I think the Government should review its youth services in view of these new social phenomena and consider strengthening the inter-disciplinary co-ordination and inter-departmental in this respect.

Madam President, according to "The Great Learning" of the ancient "Four Books", "you have to cultivate your moral character before you can put your family affairs in order. You have to put your family affairs in order before you can run the country well. You have to run the country well before there will be universal peace". Our ancestors already understood that as far as the education of young people is concerned, one should start with their personal and family values before instilling in them a sense of patriotism. To impose education about the state of the nation on young people while neglecting or belittling other problems they face is just like "learning to run before you walk".

In recent years, the social welfare sector has actively promoted exchanges between young people in Hong Kong and in the Mainland. Such activities are becoming more and more frequent. Through these activities of a soft-sell nature, young people can learn about their own country from personal experience, while hard-selling education in the state of nation might not be to young people's taste.

To China, Hong Kong's greatest asset is the international perspective of Hong Kong people. Therefore, the social welfare sector is of the view that youth services should cover a variety of levels and areas. Education about the state of the nation is but one area of youth education. Therefore, there is no need to revise the "Charter for Youth", since it only sets out macroscopic concepts of youth services. The Charter is not a policy paper. Therefore, there is no need to incorporate the element of implementation into the "Charter for Youth".

As for reviewing the Commission on Youth's functions, I think the Government should quickly increase its resources and manpower, so that the Commission can implement its work in encouraging youth to participate in social affairs, or conduct various studies to help develop youth policies, in order to find out the direction for youth development in the next century.

Lastly, I would like to specially mention that the social welfare sector is prepared to co-operate and deliberate with the Government and the Commission on Youth in the formulation of the details of the youth policy. I have waited for this opportunity for more than 20 years. I hope that today's debate will change the somewhat indifferent attitude of the Government towards youth affairs in the past.

Madam President, I so submit.

PRESIDENT (in Cantonese): Mr YEUNG Yiu-chung.

MR YEUNG YIU-CHUNG (in Cantonese): Madam President, young people are valuable assets and the future pillars of society. When we talk about youth, we

should first agree on a definition of youth. According to the definition of the United Nations, youth means young people between the ages of 15 and 24. This definition is also adopted in the "Charter for Youth". Based on this definition, the youth population in Hong Kong would exceed one million, accounting for approximately 20% of the total population. Among them, about 400 000 are at school and 600 000 are working. The latter accounts for about 32% of our total workforce. This shows that young people are not only an important component of the social and economic structure, they also play a pivotal role in social and economic development. "Successors excel the predecessors". This is what people expect of young people and this is also the objective rule of progress.

Therefore, it is no exaggeration to say that young people are the future of Hong Kong and the hope of Hong Kong. They are the generation that will straddle the century. The 21st century is in fact the century of young people. We should give high priority to youth services and formulate a clear and concrete youth policy in order to prepare young people for the severe challenges of the next century.

Regrettably, Hong Kong still lacks a comprehensive, clear and long-term youth policy. The so-called "youth policy" at present merely covers youth problems or youth services. Services are provided or developed as an answer to the problems that arise. In terms of the needs of young people, there is a lack of overall understanding and a lack of a comprehensive and long-term youth policy. Even if there is a youth policy, it is short-sighted and meant to be a contingency measure, providing only stop-gap solutions. Besides, the policy relating to youth falls under the jurisdiction of different government departments, such as the Education Department, the Social Welfare Department and the Home Affairs Department. As a result, the youth policy becomes piecemeal and divided in nature and is characterized by the following: temporary, passive, remedial and lacking in a clear development direction.

After the establishment of the Hong Kong Special Administrative Region (SAR) Government, better emphasis has been placed on the youth policy. In the Chief Executive's policy address, he devoted four paragraphs to discussing youth problems and the youth policy. However, it is still too short and not concrete or in-depth enough.

The Democratic Alliance for Betterment of Hong Kong (DAB) holds the view that the SAR Government should expeditiously put the task of formulating a comprehensive and concrete youth policy on its agenda. It should strengthen the functions of the Commission on Youth and revise the "Charter for Youth", so that youth services will take a big leap forward.

At present, the Commission on Youth and the "Charter for Youth" are not working very well. For instance, the Commission on Youth has little resources and lack youth representatives. There is probably only one member that meets the definition of youth. The "Charter for Youth" also lacks a co-ordination mechanism to help the signatory organizations and individuals implement the various provisions of the Charter.

Besides, the "Charter for Youth" only mentions one's obligations to one's family and society and not one's obligations to one's country. It only talks about "the promotion of their knowledge of and respect for Chinese culture", without mentioning the need to enhance young people's understanding of the Basic Law, strengthen their national consciousness and instill in them a sense of "national belonging" and "national pride". These points need to be added. If our youth have no understanding of their country, how are they going to have a commitment and a sense of mission towards their motherland and Hong Kong? How can the principle of "one country, two systems" be realized?

An ideal youth policy should place its emphasis on the development of youth. The youth policy should be developed in such a way that it will be comprehensive and open, be conducive to development, provide support and encourage participation. The development of youth services should be based on the principles of helping young people acquire basic skills, develop their potential and contribute to society.

The DAB has the following specific suggestions:

First, the SAR Government should allocate more resources to improve the mechanisms and strengthen the role of the Commission on Youth, which should absorb more representatives from youth organizations, encourage young people

to participate in more social affairs and promote exchanges between the youth in Hong Kong and in the Mainland.

Second, the SAR Government should help the Commission on Youth set up a registration system for youth and student societies, so as to encourage and support the establishment and development of youth and student societies.

Third, the Commission on Youth should step up promotion of the "Charter for Youth". It should continue to enrich the content of the Charter and set a theme for each year according to targets set out in the Charter.

With these remarks, I support the motion on behalf of the DAB.

Thank you, Madam President.

PRESIDENT (in Cantonese): Miss CHOY So-yuk.

MISS CHOY SO-YUK (in Cantonese): Madam President, Hong Kong is rich in material wealth and benefits from ample information from and frequent exchanges with overseas. After the reunification with China, it is now heading towards the great age of the 21st century. These circumstances should present our young people with the opportunity of bettering and improving themselves, in order to repay society and contribute to the nation. Regrettably, some young people fail to grasp the opportunity to meet the historical challenges. Instead, they increasingly value material gains at the expense of moral obligations; look for short-term fulfilment and not high ideals. They are sharp about personal gains and losses, with little sense of responsibility or duty to other people, their family, society and their country. Such an unbalanced situation certainly has a lot to do with the quick spreading of unhealthy tendencies and the increasingly ambiguous moral concepts in society in recent years. However, we should note that it is also due to a large extent to the Government's failure to come up with a comprehensive youth policy over the years.

The Government's youth policy has always been one of "positive non-intervention". One example of "positive non-intervention" is that during the British rule, the policy addresses of the different Governors contained no special paragraphs on youth policy. A second example is that in 1988, the Government vetoed the recommendation in the Report on Youth Policy to

formulate a comprehensive youth policy. The third example, and the most important one, is seen in the structure of the organizations for policy-making and implementation. Policies relating to youth are scattered among a number of departments responsible for education, labour, social welfare and broadcasting, culture and sport. While there appears to be inter-departmental co-operation, the work is in fact "chopped up", with each doing its own job. Occasionally, they might communicate and exchange views with one another on certain youth problems and come up with passive and expedient remedial measures. However, with regard to long-term targets of the youth policy, the means to achieve these targets, the needs of the youth in terms of social development as well as the priority of the allocation of resources, the Government has yet to produce clear, comprehensive and pro-active ideas. With such a structure and policy, it is doubtful whether it can effectively respond to the rapid economic changes, the great social development and the transformation of the political environment.

Maybe the Government thinks that youth is the prime time of everyone's life and should be the time when one can be best self-reliant and independent, so it will suffice if the Government helps them acquire a certain amount of knowledge and skills and there is no need to formulate an active and comprehensive youth policy. Instead, the resources should be concentrated on the weaker groups such as children, teenagers and the elderly. This seems a reasonable argument. Since resources are limited, one must set priorities when using them. However, the Government should be alert to the fact that since youth is the most important phase of one's life, whether one is able to make the best of it will have vital bearing on one's future and the future development and needs of society. If the youth policy fails, the consequences are quite obvious. More elderly problems will emerge in the future and society will be lacking in spirit and vitality. This does not mean that helping the weak groups is not important. But the key is to prevent some groups from becoming weak groups. Preventive measures always require less resources than remedial measures. The Government would surely see the simple logic of this.

The Government must also know that in the coming great era, what young people need is not just knowledge and skills. As the Chief Executive Mr TUNG Chee-hwa said, "Our goal is to become a community that is both rich and warm of heart, both free and united, both sophisticated and culturally confident". To

reach this goal, the Government should not just help impart knowledge and skills. Formulating a comprehensive youth policy does not mean interfering with the development of young people. Rather, it is to use resources more effectively and create a desirable environment to give the youth the opportunity to grow up healthily and develop their potential.

To realize the Chief Executive's vision, the Government's positive actions are certainly crucial, but the active participation of young people is also essential. Unfortunately, with the mentality that stresses rights instead of obligations, young people are not so keen on taking part in building society and the country. This is also something that the "Charter for Youth" of the Commission on Youth has neglected. For the most part, the "Charter for Youth" only lists all kinds of rights that young people are entitled to, while it seldom points out their obligations. Rights and obligations are inseparable from each other in practice. Therefore, any comprehensive guideline for youth development and youth services or policy that the Government will provide or adopt must help young people understand the importance of obligations, including respect for family ethic, social responsibilities and a sense of mission towards the country.

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

PRESIDENT (in Cantonese): Mrs Miriam LAU.

MRS MIRIAM LAU (in Cantonese): Madam President, first of all, I have to declare an interest. Since I was the convenor of the sub-group responsible for drafting the "Charter for Youth" under the Commission on Youth, I might be said to be the midwife who witnessed the birth of the "Charter for Youth". Therefore, I am particularly attached to the "Charter for Youth". Now Mr WONG wants to perform a small operation on the Charter, I am naturally deeply concerned.

Perhaps I should first talk about how the birth of the "Charter for Youth" and let Members decide whether it is necessary to perform the small operation and revise the "Charter for Youth".

The sub-group under the Commission on Youth spent more than a year for an in-depth study and detailed discussions before finishing the drafting of the Charter, but only after several revisions. The "Charter for Youth" sets out the ideals and principles in youth development, which are generally recognized by the public. The idea behind the Charter is for the Government and non-governmental organizations to make their policies and plans according to the aims of the charter where appropriate and as the social resources permit, as well as to adopt different concrete measures to realize the spirit of the Charter.

As for the "Charter for Youth" itself, in order to affirm the youth's rights of individual and free development, we adopted an open and accommodating approach in its drafting. Therefore, very often we use the word "encourage", which is exactly our intention. We did not want to adopt a paternalistic approach and tell young people what to do, or indoctrinate them with this and that idea. Furthermore, the Charter only embodies principles and a certain spirit. It is merely a document of social norms and does not contain any concrete policies. Therefore, the principles and spirit of the Charter will not change with the changing circumstances.

Between the incubation and implementation of the Charter, the political environment has changed. There have been plenty of social changes and young people have to meet bigger and bigger challenges. However, does it mean that the content of the Charter no longer applies or is inadequate, and needs to be revised or supplemented?

Mr WONG proposed to revise the Charter and enhance "education about the state of the nation". How should this be enhanced? Does it include forcing our young people to familiarize themselves with the Chinese Constitution and the names of all the Chinese leaders? Or does it mean combining the Chinese social structure and system, its politics, economy and cultural development into a social studies subject which should be taught to our youth at school? Although we have different understanding as to what "enhancing education about the state of the nation" means, I believe no one would object that old, middle-aged or young people alike should increase their understanding of their country. Everyone would agree to this. Actually, the "Charter for Youth" does not exclude "education about the state of the nation". For instance, the provisions "that youth should be fully prepared to meet the challenges of future changes in society" and "that youth should be encouraged to contribute towards, participate in and accept responsibility for the development of society"

are included under the ideals and principles of the Charter, while the provision "the promotion of their knowledge of and respect for Chinese culture" is included under the long-term social goals. Enhancing young people's knowledge of their motherland is just the concrete expression of these ideals. Therefore, I do not think there is a need to add a provision stating that "the education of young people about the state of the nation should be enhanced". The Charter has already taken this into account.

Besides, I think that enhancing "education about the state of the nation" is just a means to attain the goal of making sure that our young people are well prepared when Hong Kong and the Mainland step into the 21st century. The means or methods need not and should not be written into the Charter. It is just like helping our young people broaden their international vision and enhance their knowledge of information technology. Both are very important but both can be implemented according to the principles of the Charter. There is no need to add provisions such as "enhancing young people's knowledge of information technology".

I said earlier that in drafting the Charter, we adopted an open and accommodating approach instead of a paternalistic one. As for the state of the Chinese nation, I think we should encourage young people to learn more about it. The means or methods adopted might be varied. The purpose is to influence young people subconsciously and foster their patriotism. However, I think it is inappropriate to adopt the paternalistic method of education.

Lastly, I must point out that the "Charter for Youth" is not an ordinary document. The ideals and principles of the Charter are implemented through a signatory system. So far, 400 organizations and 2 000 individuals have signed the Charter. It symbolizes the ideals and enthusiasm of all the signatories about youth development in Hong Kong. The Charter is not mine or Mr WONG's. It is a document that belongs to everyone and a document that everyone abide by. Therefore, if the Charter's content is arbitrarily changed by anyone by adding some specific provisions, does it mean that all signatories will have to sign the Charter anew? If not, would it not be unfair and disrespectful to the individuals and organizations that have signed the Charter?

Although I do not think that the Charter should be revised, I understand Mr WONG's reasons for proposing this motion. I believe that the spirit behind this motion is worthy of support. Therefore, I do not oppose his motion.

Madam President, these are my remarks.

PRESIDENT (in Cantonese): Prof NG Ching-fai.

PROF NG CHING-FAI (in Cantonese): Madam President, we always say that young people are the future pillars of society. Therefore, it is quite proper that the Provisional Legislative Council should show concern for the youth of Hong Kong. The Honourable Kennedy WONG's motion tonight urges the Government to formulate a youth policy in accordance with the changing times which is conducive to the development and success of young people in Hong Kong. I believe this is quite timely.

I agree that when youth policy is formulated, more emphasis on the state of the nation should be included in the education of Young people. The reason is that in the past, Hong Kong was a colony, whether in education or in culture, no initiative was taken to help Hong Kong people understand China. Even now, some young people in Hong Kong still have identity problems. They have little national consciousness and a shallow understanding of their nation and culture. I think the chief reason is that they have little understanding and knowledge of their country. Thus if the youth policy contains elements of education about the state of the nation, it would merely be a measure to make up for this deficiency.

In Hong Kong nowadays, some people seem to have some misgivings about the concept of a need to know the country and nation. They associate it with brainwashing or forcing people to become the Government's mouthpiece, and even fear that it might lead to unchecked nationalism. I think these misgivings are partly based on prejudice and partly based on a lack of understanding. Actually, they are quite unnecessary.

My simple understanding is, the citizens of any country have the right and obligation to know about their own country. What does state of the nation mean? I think the so-called education about the state of the nation should be three-dimensional. It should contain a historical part with a lateral and chronological approach. In general, we should have an understanding of the realities of the country and its past and future. Each country has its own historical development, its own characteristics, strengths and weaknesses. We have to know them all. If some colleagues think or are under the misconception

that education about the state of the nation means hard sell and therefore use the word "indoctrination", I think it might cause some misunderstanding. But for me at least, this is not what education about the state of the nation is about.

Actually, any person who does not know his own shortcomings will never improve. The same thing applies to a nation. We should know our own shortcomings and strengths, otherwise our nation will have no future. As for the realities, the education about the state of the nation I would like to see, which I believe is also what Mr WONG would like to see, is one that covers both the good sides and the inadequacies. If circumstances allow, young people should be given the opportunity to visit other countries for fact-finding and exchange. For exchange programmes, apart from visiting some more developed places, they should also go to poorer ones to see things there for themselves. If circumstances allow, we can also encourage young people in Hong Kong to participate in development programmes of the Mainland. From personal experience, they will be able to better grasp the realities of the Mainland.

I would like to cite an example that I have heard. A principal of a secondary school in the New Territories told me that about a year ago, they led a group of secondary school students to visit a poor place in the north of Guangdong. They stayed there for one week, living with local secondary school students. The living environment was of course very poor. It is said that after returning to Hong Kong, these students voluntarily give their pocket money each week to the school for safekeeping to support the Project Hope. They tell their teachers that they will not wear brand-name clothes any more, since they know that some people live in truly abject poverty. This is an example from real life. Once you understand, you will probably not share the misgivings some people have. The method of indoctrination is not necessarily effective.

If you say that Hong Kong is a very difficult book to read, China is a very thick one. It is not easy to read and understand this book thoroughly and deeply. Therefore, we must let young people listen to all sorts of views about the present, past and future of China and let them learn about this country through their own eyes and ears. The more they know about her past and present, the better.

Madam President, the youth of Hong Kong today will be the mainstays of the Hong Kong Special Administrative Region (SAR) in the next century. In the 21st century, they will be the ones to govern Hong Kong. With the system of "one country, two systems", apart from working for the continuing

development of Hong Kong, our young people will inevitably have to contribute to China's culture, economy, legal system and political reforms. On this premise, young people in Hong Kong should try to understand the state of the China.

As we all know, young people easily tend towards rebelling against the system or established values. However, their good points are they are not calculating, they have drive and can easily accept new things. Therefore, I think we must first show our trust in young people. Providing education about the state of the nation does not mean indoctrination. I hope that people in the community, including Members in this Chamber can understand this.

Madam President, actually, to continue to implement the principle of "one country, two systems", all Hong Kong people should make an effort. From the Government to all levels of society, we should know more about the present state of China and consider understanding China a compulsory subject. I think we all need to take some extra lessons on the state of the nation.

Madam President, with these remarks, I support Mr Kennedy WONG's motion.

PRESIDENT (in Cantonese): Mr MOK Ying-fan.

MR MOK YING-FAN (in Cantonese): Madam President, I wonder if you have seen a Cantonese movie called "Little Ganluo was made Prime Minister". Little Ganluo was very smart. He became prime minister at a very young age. He must have been a genius, with very high I.Q. and E.Q. When he went to the king's audience hall for an "interview", a minister mocked him and said, "Being precocious does not necessarily mean you will grow up to be a great man." It means that he might be intelligent as a child, but he might not turn out brilliant when he grew up. However, Little Ganluo replied immediately, "Then you must be real smart when you were very young!" Do not underestimate young people and especially do not mock them. You never know what a bright future young people may have.

Madam President, in 1989, the former Governor David WILSON proposed to draw the "Charter for Youth". Ever since, the Charter has been widely criticized as lacking in clear policies and goals. There are only ideals and no

commitments. In 1993, the Government and over 300 organizations signed the Charter in a great ceremony. Afterwards, there has been a review every two years. However, the progress in terms of youth services has been very small. The signatory organizations are not funded or supervised by the Government. Thus, there is no way to co-ordinate or manage them and the actual results are negligible.

In his policy address, the Chief Executive emphasized that Hong Kong should develop high value-added, high technology industries. In order to achieve this, we cannot but put our hopes on our education system and our younger generation who have all potential and are highly mouldable. The future of the Hong Kong Special Administrative Region (SAR) is in their hands.

Madam President, when we look at the young people in Hong Kong, many people are extremely worried that their situation is deteriorating. If the Government does not take this seriously, there will be dire consequences.

I would like to give some examples to illustrate the problem of drug abuse among young people:

<i>First Prosecutions (age)</i>	<i>1987 (no. of persons)</i>	<i>1995</i>	<i>% of increase</i>
under 16	155	464	200%
16-20	568	1 644	189%
<i>Not First Prosecutions</i>	<i>1987</i>	<i>1995</i>	
under 16	14	197	1 307%
16-20	611	1 682	175%

These figures are not an indication of the efficiency of the Hong Kong Police Force, but of the serious lack of self-control of our young people.

Another example is that although the juvenile delinquency rate has not changed much in these few years, the situation may in fact be worsening, since

the Hong Kong Police Force tend to be more lenient with juvenile delinquents and do not charge them easily. This can be seen from the increase in the number of young people subjected to police superintendent's discretion: in 1990, there were only 2 365 young persons subjected to police superintendent's discretion, while there were 3 884 in 1996. The increase rate is 64.2%. The conduct of Hong Kong youth has become a more and more serious problem.

Madam President, where does the problem lie? As I see it, it is because the community has not attempted to genuinely satisfied the needs of young people. The "Charter for Youth" emphasizes the obligations and rights of young people and society's ideals and principles about youth development. However, we seldom ask the young people, "What are your needs? What can we do for you?" Some time earlier, I met with a "youth think tank" of young students to listen to their views on the political changes in Hong Kong after 1 July 1997. While I was chatting with them, they asked, "Why do adults always arrange everything for us but never listen to us when we talk about what we need?" This is really their true feeling.

To change this, many problems will have to be solved, including education, social trends, allocation of resources and so on. I have the following three suggestions in relation to today's motion:

1. *Setting up youth indicators*

In issue No. 12 of the Youth Study Series of the Hong Kong Federation of Youth Groups in April, 1997, it is proposed that Hong Kong Youth Indicators should be introduced in order to feel the pulse of young people and understand their psychology, conditions and needs.

Actually, there are many such indicators overseas, such as the youth indicators in the United States. They even have a special Government organization to co-ordinate all youth affairs. The same thing is seen in Australia. Hong Kong should also have such indicators to help us find out the conditions and needs of young people more systematically and more effectively.

2. *Formulation of a concrete youth policy by the Government*

Although Hong Kong has a "Charter for Youth", it has no concrete youth policy. Thus, I think the Government should formulate a youth policy that is suitable for Hong Kong, while Government departments or organizations engaged in youth work should formulate their own youth policies that cater to young people's needs.

3. *Strengthening the functions of the Commission on Youth*

In 1985, the Commissioner of the United Nations visited Hong Kong to review our youth services, this led to the setting up of the Commission on Youth. The Commission is not a department, but merely a advisory body with limited terms of reference under the policy bureaux. Therefore, I have the following suggestions:

1. *Increasing the number of young people in the Commission*

There are only two to three younger members in the Commission and many will be leaving on account of their work. I believe the ratio of young members in the Commission should be increased in order to reflect the needs of young people.

PRESIDENT (in Cantonese): Mr MOK Ying-fan, please end your speech.

MR MOK YING-FAN (in Cantonese): Thank you, Madam President.

PRESIDENT (in Cantonese): Dr TANG Siu-tong.

DR TANG SIU-TONG (in Cantonese): Madam President, young people are the

future masters of society and they play a key role in economic development and social progress. The young people of Hong Kong especially have the historic mission of implementing the system of "Hong Kong people ruling Hong Kong" and "a high degree of autonomy" after the reunification of Hong Kong with China. It is gratifying that Members are prepared to discuss and study this question today.

The Hong Kong Progressive Alliance (HKPA) takes the view that adding the provision "to enhance the education of young people about the state of the nation" to the "Charter for Youth" is quite meaningful and it answers actual needs. As we all know, in the past, Hong Kong people had a home and not a country. Under the British colonial rule, Hong Kong people were neither British nor Chinese. In the circumstances, how could we have any national consciousness, not to mention "education about the state of the nation"?

After the reunification, the situation is completely different. We have become Chinese in every sense of the word. Regrettably, Hong Kong people, especially the younger generation, have very little knowledge of the history, culture, government structure, social and economic development, as well as the present rapid modernization of our country. The HKPA is of the view that apart from adding "education about the state of the nation" to the "Charter for Youth", we should make it part of the basic education as a complementary measure.

Apart from adding "education about the state of the nation" to the "Charter for Youth", the HKPA suggests that we should also add to it a section called "obligations of youth". Section 2 of the "Charter for Youth" only emphasizes the rights of youth, without setting out their obligations. Some young people nowadays like instant gains and hope to reap without sowing. Some even threaten to end their lives as a means of blackmail or as a kind of retaliation against society. Such acts are no doubt the results of a lack of education in civic responsibilities. One must know that "where there is a right, there is also an obligation". As Abraham LINCOLN, the former President of the United States said, "Ask not what your country can do for you. Ask what you can do for your country." The "Charter for Youth" should include such provisions. Just now, the Honourable Mrs Miriam LAU called herself the midwife of the "Charter for Youth". I have no doubt that she was a good midwife. However, she might have been so excited that she did not cut the umbilical cord short enough, leaving a big navel behind, and now Mr WONG needs to put the finishing touch to it.

The HKPA also thinks that Hong Kong's youth policy has many inadequacies. While the Government has always emphasized the importance of young people, there seems to be a lack of concrete policies and actions. We can see this from the following facts: the functions of the Commission on Youth are limited to consultation and promotion. It lacks the resources for co-ordination and the implementation of the "Charter for Youth" it drew up. In fact, the Charter merely lists a lot of guidelines, there are no concrete measures. The implementation of the ideals and principles of the Charter depends only on voluntary actions of the signatories.

It is certainly important to provide the right direction for the youth policy (such as adding "education about the state of the nation"). But it seems that the effective implementation of that policy is even more important. We do not wish to see Hong Kong's youth policy become mere slogans and "a lot of talk with few results". We do not wish to see our young people's upbringing affected by the unsatisfactory Government policies. The HKPA proposes to treat the youth policy as an independent policy area and to create the post of a secretary for youth affairs, so as to make the Government's allocation of resources and implementation of policies more effective. The HKPA was gratified to hear the Chief Executive, Mr TUNG Chee-hwa, point out in his policy address that young people should not only master knowledge and skills, but should actively take part in building Hong Kong so that we shall become "a community that is both rich and warm of heart, both free and united, both sophisticated and culturally confident." We hope that the various Government departments will take action to implement the Mr TUNG's policy objectives. Then our young people and Hong Kong will have even brighter prospects.

Madam President, these are my remarks.

PRESIDENT (in Cantonese): Mrs Sophie LEUNG.

MRS SOPHIE LEUNG (in Cantonese): Madam President, I did not intend to speak today. However, after listening to the speeches of several Members and having looked at the content of the motion moved by Mr WONG, I have to say a few words as a mother and as someone who has actively participated in youth work.

Today, we have heard much praise, saying that young people are the future pillars of society. I would like to ask when all the auxiliary hardware mentioned in Mr WONG's motion is in place, whether our young people can really become such pillars. This is something that we should think about. While we would like them to become pillars of society, please do not forget that Hong Kong only has a population of over six million. Even if this should increase to over eight million, we still have a very small population compared to many other large regions and countries. The number of elite people that we can produce is also very small. With such a small number of young people and a small ratio of elite, the most important thing to do is to consider how to produce elite. Do we want them to follow our footsteps and just look inwards without looking outwards? Do we want them to see the world from a more macroscopic perspective, or do we rather moralize all the time and make them learn about the state of the nation? The latter would only produce obedient children who, as Prof NG Ching-fai said, will be willing to find out about the situation of the people and contribute to the Project Hope. They will not have a macroscopic view or entrepreneurship. How can they lead Hong Kong into the 21st century? We should give some thoughts to this.

Another point I would like to make is about the "Charter for Youth" we talked about today. I know Mr WONG is very serious about it. However, as the Honourable Mrs Miriam LAU already said just now, we can only set out the principles and it would be impossible to put everything that needs to be done into the Charter. What do young people nowadays need most? I think they are a pitiful and lost group. They lead a hollow existence and this results in so many youth problems. What they need are soft rather than hard or institutionalized solutions to their problems. As outsiders, we should not try to replace the care of parents, teachers or friends in any form.

If we really want to do something, we should improve the quality of parenthood and consider how to help young people develop leadership and how to care about them. "Once a parent, always a parent." Do parents in the community have this mentality? I also sympathize with the teachers who have to take care of 40 to 50 pupils each. But what do students need? Can teachers satisfy them? Have we done our duty at school just by letting social workers

take care of students? I would rather that social workers teach parents how to be good parents and promote friendship in the community, instead of setting examples by waving banners and taking grannies to participate in demonstrations. I hope our community can do this and really create an environment for educating young people so that they can lead Hong Kong into the 21st century.

Thank you, Madam President.

PRESIDENT (in Cantonese): Mr Eric LI.

MR ERIC LI (in Cantonese): Madam President, before I came into this Chamber, I told the Honourable Mrs Miriam LAU that perhaps it would be more appropriate to call herself the "mother" instead of the midwife of the "Charter for Youth" since each and every word of the Charter was drafted by her. In fact, by calling Mrs Miriam LAU the "mother" of the Charter, we still fail to give her full credit for what she did, the reason being that a midwife only looks after the baby in the few hours before and after its birth and a "mother" carries the baby for nine months, but Mrs Miriam LAU actually spent almost two years on the "Charter for Youth" from the time when the idea of the Charter was conceived up to its completion. I appreciate her strong feelings for the Charter. If Mrs Miriam LAU is the "mother", perhaps I may be called the guardian of the Charter. As the Chairman of the Commission on Youth, I first took this "child" out to see world on 26 February 1992 when I, like what the Honourable Kennedy WONG is doing today, moved a motion on youth policy for a Legislative Council debate. I believe Madam President will recall that she was among those who supported my motion. I expressed the view that youth policy and the "Charter for Youth" were different but complementary, and that both were of positive significance. Since my comments were placed on record, I shall not repeat them. I also stated that there would be a comprehensive review forum on the Charter every two years, and the Commission on Youth would hold regular open meetings. Since we have a high degree of transparency, I believe that it is not necessary for me to go into details.

In regard to the report on the "Charter for Youth", we categorically cannot say that the Government is not attaching importance to the matter. I hope Members would be able to attend our meeting on 20th of this month, but since the "Fun Fair for Journalists" is going to be held on the same day, I do not think that many Members will be able to come. Nevertheless, the Chief Executive Mr TUNG Chee-hwa will be making a personal appearance on that day, and the Administration will give us a full report on the work it has done over the past two years. I will listen carefully to the views of various sectors and adopt the attitude of "listen more and speak less". Since, the "Charter for Youth" is far from being perfect and there is still room for improvement in respect of the Government's youth policy, I will consider all opinions, including those expressed in this Chamber today, so that the Commission for Youth can continue to play its role in monitoring the work of the Government and put forward specific and positive recommendations.

I am very positive about today's debate. It is a good thing that the Provisional Legislative Council is concerned about this motion. A lot of Members asked me about my views on this motion, and I have talked to the Honourable Kennedy WONG about its wording. I told everyone that I do have reservations about certain aspects, the reason being that some of the wording of the motion may lead youth workers to think that elements of ideologies are involved. Perhaps Mr Kennedy WONG was not yet involved in the youth affairs of Hong Kong three to four years ago, and he might not know how youth work came into existence. During the period when I was promoting the "Charter for Youth", there were heated debates among youth workers for a period of two years before we finally decided to use this apolitical term, so that the Charter would be accepted by all youth workers instead of just a handful of people. In regard to amending the Charter, first of all, as Mrs Miriam LAU pointed out, it might not be necessary to do so. However, if we really go ahead with the amendment, I am not sure whether the acceptability of the Charter would be affected, and whether the present 400 signatories and more than 2 000 supporters can still be retained. I think it will be unfortunate if the acceptability of the Charter is adversely affected by the amendments.

We should adopt effective measures to make certain ideas acceptable to young people. This is the most valuable aspect of the "one country, two systems" policy and the spirit of pluralism in Hong Kong. Mrs Selina CHOW, Mr HUI Yin-fat, Mrs Miriam LAU, and Mrs Sophie LEUNG who spoke on this motion, and myself have among us maybe a century's aggregated time in youth work. Madam President, for Members like yourself and others who are engaged in educational work, you are well aware that the young people of Hong Kong are very clever and they are also too independent in their thinking. It would not be acceptable to them if we resort to slogan or wording which they are not accustomed to. I am of the opinion that it does not matter how you describe your goals, as long as the means are correct, you will eventually get what you seek to achieve. Whether the Government does or does not have a youth policy or whether resources are being allocated for youth work, youth workers who understand the needs of the youth should exercise flexibility in utilizing the available resources and adopt youth-orientated means which are acceptable to young people, to help them to grow and develop their talents. I understand that some youth groups do lack Government subvention and the Commission is aware of this situation. We have repeatedly reminded the Government of this situation, and I believe that the Government is already actively considering this matter.

A few Members mentioned the inadequacies of the Commission on Youth, but some of their observations are incorrect. I wish to clarify that, at present, at least two members of the Commission on Youth are under 25 years old. There may even be as many as five to six young members within the Commission on Youth, for according to Mr Kennedy WONG, by the Mainland standard, anyone under 40 years old is classified as youth. Subcommittees are set up under each committee of the Commission of Youth. The views of the youth will be consulted before recommendations made at our meetings are implemented, and we actually come into contact with hundreds of young people each year. So, it is not positive non-intervention on the part of the Commission of Youth. We are actually assisting the young people and there is still much room for the development of our youth-orientated policy.

I hope everybody could appreciate that policies are relatively myopic and can only address the present situation, for example, how much resources will the Government allocate in the next few years. This only concerns what the Government itself (not including the family, school and other people) can do as one of the signatories. While youth policies are mainly focused at the present development, the Charter for Youth has a broader and longer-term outlook. Of

course, it would be best if the two could supplement each other. I understand that Secretary for Home Affairs, Mr David LAN will be speaking in detail on the considerations for future development of the Commission on Youth, so I shall not pre-empt what he is going to say. However, I hope that we could adopt a youth-orientated, positive and encouraging approach in dealing with youth affairs, instead of the top-down approach which some Members have criticized today. We, adults, really hope that we could do this for our young people.

Thank you, Madam President.

PRESIDENT (in Cantonese): Does any Member wish to speak? Secretary for Home Affairs.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, first of all, I have to thank Mr Kennedy WONG for moving this motion about the youth today. As the Honourable Members have spoken enthusiastically on the motion, it reveals that people of various sectors are very concerned about our youth.

The Government has all along recognized young people as valuable assets and future pillars of society. We set up the Commission on Youth (the Commission) in 1990, and one of the important tasks of the Commission is to advise the Government on youth development with regard to matters pertaining to young people. To take care of the interests and needs of the youth, and help them better understand their rights in and obligations to society, the Commission formulated the "Charter for Youth" in 1993. The "Charter for Youth" enunciates the ideals and principles on youth development and reaffirms the values of the youth and that people of various sectors, including the young people, should actively participate in plans for promoting youth development. The Charter lists 10 ideals and principles for youth development, 11 major rights of youth and 12 long-term goals for youth development. In the part of the ideals and principles on youth development, it points out that in order to promote youth development, "youth should be fully prepared to meet the challenges of future changes in society." It can be said that in principles, the Charter has already covered the problems that are the concern of Mr WONG and other Members.

Up till now, about 400 organizations and 2 000 individuals have become signatories to the Charter. These people and organizations agree with the content of the Charter and take it as blueprint and their commitment in promoting all matters pertaining to youth. Therefore, we should put emphasis on how to implement the principles and ideals set out in the Charter and should not make unnecessary amendments. We should implement the principles and long-term goals set out in the Charter through different methods and plans.

As the first signatory organization to the Charter, the Government has consistently put into effect the principles and ideals of the Charter in different areas of its administration. For example, we always put emphasis on the importance of civic education. Through civic education, young people will not only familiarize with our society and foster a sense of belonging, but also enrich their creativity and ability of independent thinking, so that they can be fully prepared to meet challenges in the 21st century.

As the principles and ideals set out in the Charter can be implemented in different ways, the Charter itself has a periodic reviewing system to provide an opportunity for the signatories to share their experience in practising the Charter, to consider how to strengthen the recognition of the principles and ideals set out in the Charter by the public, particularly the youth, as well as to discuss how to provide our youth with services which better suit their needs.

The motion of Mr WONG suggests to "enhance the education of young people about the state of the nation, so as to prepare Hong Kong and the Mainland for attaining the macro-development objectives in the 21st century". This objective is similar to the principle that "youth should be fully prepared" as stipulated in the Charter. The proposal moved by Mr WONG can be achieved through implementing the principles and long-term goals of the Charter.

The proposal to "enhance the education of young people about the state of the nation" moved by Mr WONG is only one of the ways to practise the principle that "youth should be fully prepared" and is one that suits Hong Kong after its reunification with China, satisfying a need arising from the change of time. However, we should not neglect other methods, for example, nurturing the creativity and independent thinking ability of the youth. As the Charter can be implemented in different ways, and these methods will also change with time, we really are unable, and there is no need, to list them in detail in the Charter.

From the explanation given above, I believe that Members will understand the "Charter for Youth" and the operation of its review mechanism. The combination of the two provides a point of reference for the various sectors and an opportunity for amending individual specific work plans according to the change of time. Being a signatory to the Charter, the Government has consistently referred to the principles and ideals in its administration. Each decision-making bureau and department uses such point of reference as foundation and provide the youth with different services in accordance with their needs. Moreover, as reviews will be held with various sectors every two years, this should basically achieve the goal of "youth policy".

It is undeniable that with the reunification of Hong Kong with China, the youth should understand and affirm that, under the main principle of "one country, two systems", the Hong Kong Special Administrative Region (SAR) has become an inseparable part of the motherland, and at the same time, should have a deeper understanding of the culture of the motherland. In this respect, the Commission has received funding to launch a pilot scheme this financial year to sponsor different organizations to organize study tours to the Mainland for young people so as to encourage our younger generation to learn the history and culture of China through active participation.

As regards education, the Guidelines on Civic Education in Schools issued by the Education Department has advised schools to help students to enhance their sense of belonging to Hong Kong and get a better understanding and knowledge of China through comprehension, introspection and action. The Curriculum Development Council is now preparing a civic education syllabus for Form One to Three, which will facilitate students' understanding of local social affairs, civil rights and obligations, government operations, the Basic Law as well as national affairs such as history, culture, population, geography, economic structure, political system and so on. The syllabus is expected to be ready for use by schools in September next year. Schools offering civic education in their curriculum are provided with a recurrent grant. The Putonghua courses to be introduced in 1998 will also include specific teaching points on Chinese culture.

Outside schools, a range of promotional activities will be organized and publicity materials prepared by the Committee on the Promotion of Civic Education to advocate the theme of "I am Chinese, Hong Kong is My Home".

In formulating the policy to promote the youth development, the Government has consistently consulted the Commission and adopted their advice so as to implement the principles and ideals set out in the Charter. In the past, the Commission conducted researches on various issues, such as supportive systems for secondary students and working youth, AIDS, youth at risk and so on, reflected the problems concerned and put forward specific recommendations to the Government.

Being a consultant to the Chief Executive, the Commission will conduct researches on the problem of youth development mentioned in his policy address. The Commission will study how to encourage the youth to take up a more active role in building the SAR and participate in voluntary works enthusiastically to help others. As a result, not only will the SAR be wealthier in the material term in the next century, but also be much richer in the spiritual aspect than present.

Apart from this, the Commission has also actively monitored the social situation for youth development through its working teams. For example, the influence of the mass media on young people, the statistics on media productions for youth and so on.

The Commission has also kept in touch with Government departments so as to ensure that the Government can take into consideration the rights and obligations of the youth when formulating service plans relating to young people. For example, the Commission will discuss the problem on youth at risk in co-operation with the Education Department and the Social Welfare Department. The Education Department has also sought the advice of the Commission on the draft Guidelines on Sex Education.

In order to ensure that the Commission can promote and implement various tasks more effectively, we have made corresponding arrangements on resources. In this financial year, the Government has allocated \$5 million to the Commission to organize study tours to the Mainland mentioned above and carry out researches.

Moreover, in the deployment of manpower, in order to cater for the tasks of the Commission in youth development in the future, we have just added an extra post of deputy commissioner so as to vigorously promote and implement the tasks concerned.

Lastly, Members can rest assured that the Government, the Commission and other youth organizations will have a closer co-operation so as to make good preparation for our youth to meet the challenges ahead. I also hope various sectors of our society can participate in the matters pertaining to youth actively. Thank you, Madam President.

PRESIDENT (in Cantonese): Mr Kennedy WONG, you may now reply and you have three minutes and 31 seconds.

MR KENNEDY WONG (in Cantonese): Madam President, I have to speak a little bit faster. First of all, I am very glad to see that 10 Members have spoken on my motion tonight even it is getting so late. I would like to make a clarification first. First of all, some Members just talked about inculcating a national concept, or the slogan-type education as mentioned by the Honourable Eric LI. In fact, I did not say even a sentence in how to implement the education on the state of the nation, I consider that cognition and feelings actually belong to two different areas. In my motion, I just hope the Government can enhance young people's understanding of the state of the nation. I think there is every need of it. I have not stated that we should promote education in patriotism and nationalism as I think they should be fostered gradually. As "we should push the boat in the direction the water flows", Honourable Members need not to be too anxious today it is, because such education in the state of the nation is, in fact, not so politically sensitive and is not a serious ideological problem.

According to my investigation, I think that the youth in Hong Kong do not have sufficient understanding of the whole country. Just a moment ago, the Honourable Mrs Sophie LEUNG mentioned that we should have a entrepreneurship spirit and not just look inwards. I consider that, in fact, the development of the whole country at present is closely linked with that of Hong Kong. The development of China, actually, has very far-reaching effects on the whole Asian Pacific Region as well as the whole world. Looking at the hospitality received by President JIANG Zhemin in the United States, we realize the potential and position of our country in the next century. Therefore, I

consider that the youth in Hong Kong should equip themselves with a dimension of international macro-thinking. At the same time, they should also know that their country has much room for development and is a very large market. According to the entrepreneurship spirit, if our younger generation can open the market in the Mainland, the future of Hong Kong will be tremendously brilliant. Therefore, I hope Members can have a more objective understanding and escape from the limitation of thought in the past. In fact, I hope the youth in Hong Kong can understand that they are linked with their country. If there does not exist "one country", how can we achieve "two systems"? The education in the state of the nation I proposed does not aim at changing the existing system or living style in Hong Kong. I just hope that under the living environment of the two systems, we can face the reality of reunification and have a better understanding of our country and its development direction, politics, economy and future. Take the United States as an example. Those who grew up in Chicago can go to work in San Francisco and those in New York can go to work in Los Angeles. In the future, the youth in Hong Kong can have a broader thought and their development should not be restricted to Hong Kong, but can be extended to the whole country or other regions. I hope Members can consider the content in my motion in greater details again.

Lastly, I would like to add that the "Charter for Youth", in fact, has no binding authority. Therefore, I do not understand why a number of Members had opposing and suspicious attitudes towards its amendment. The "Charter for Youth" just set out the direction and some objections

PRESIDENT (in Cantonese): Mr Kennedy WONG, time is up.

MR KENNEDY WONG (in Cantonese): Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Kennedy WONG be approved.

Will those in favour of the motion please say "aye"?

(Members responded)

PRESIDENT (in Cantonese): Those against please say "no".

(No Member responded)

PRESIDENT (in Cantonese): I think the "ayes" have it. The "ayes" have it.

NEXT MEETING

PRESIDENT (in Cantonese): In accordance with the Rules of Procedure, I now adjourn the Council until 2.30 pm on Wednesday, 10 December 1997.

Adjourned accordingly at twenty-seven minutes to Ten o'clock.

Annex

EMPLOYMENT (AMENDMENT) (NO. 5) BILL 1997

COMMITTEE STAGEAmendment to be moved by the Honourable CHAN Yuen-hanClauseAmendment Proposed

3 By deleting subclause (2).