



## DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES  
BEACONSFIELD HOUSE, HONG KONG. TEL.: 2842 8777

Wednesday, January 17, 1996

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### More prohibitions on tobacco advertising proposed

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The Government intends to introduce further legislative proposals to prohibit within a period of two years all direct advertising in the printed media, display advertisements and indirect advertising through the use of non-tobacco products and services, the Principal Assistant Secretary for Health and Welfare, Mr Clement Cheung, said today (Wednesday).

Noting that recent local research had indicated a strong correlation between smoking and the perceived attractiveness of tobacco advertisements, particularly among young people, he said it was the Government's obligation to guard against this in the interests of public health.

Addressing the American Chamber of Commerce, Mr Cheung said: "Although the tobacco industry contends that the purpose of individual advertising is only to compete for market share, there is no doubt that the cumulative effect of such advertising is to present a favourable image of smoking which contributes to smoking among young people."

The proposals strike a balance between the need to safeguard public health and freedom of commercial activities.

One of the five exceptions in Article 16 of the Hong Kong Bill of Rights Ordinance (BORO) which deals with "Freedom of opinion and expression" is where there are considerations of "public health". This is reinforced by legal advice that the proposals are not in breach of the BORO.

The International Covenant on Civil and Political Rights, on which the BORO is based, also makes a clear distinction between freedom of speech and commercial expression.

"As far as I am aware, about 30 countries have already put into place very restrictive controls, if not a total ban, on tobacco advertising," Mr Cheung said, "These countries includes many democratic societies in the West such as Norway, Finland, New Zealand, Australia and France. Some Asian countries like Singapore and Thailand - or even Mongolia - are far ahead in tobacco control legislation. China, our closest neighbour, already bans tobacco advertising in the printed media."

Mr Cheung noted that the World Health Organisation (WHO) Western Pacific Region had called for a tobacco- advertising free region by the year 2000; and WHO World Health Assembly had also recommended actions to eliminate eventually all direct and indirect advertising and sponsorship concerning tobacco.

"It remains our firm belief that a combined approach of public education and legislative controls will enable us to achieve these important policy objectives," he added.

End

#### More options for courts to deal with the mentally ill

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The Governor-in-Council has endorsed two Bills which seek to give High Court and District Court judges as well as magistrates a wider range of disposal options in dealing with accused persons who are mentally disordered, a government spokesman said today (Wednesday).

The Criminal Procedure (Amendment) Bill 1996 and the Mental Health (Amendment) Bill 1996 will be gazetted on Friday (January 19).

The spokesman said the existing provisions, based largely on the United Kingdom Criminal Procedure (Insanity) Act 1964, did not allow flexibility for the court and the magistracy to dispose of mentally disordered defendants.

"The United Kingdom Criminal Procedure (Insanity) Act 1964 was widely criticised in the United Kingdom for this problem and was amended in 1992 to provide additional disposal options on top of detention in a mental hospital," he said. The spokesman said the two Bills being proposed had two main objectives.

"Firstly, for every case of an accused person found unfit to plead, it is proposed that a jury shall determine whether they were satisfied that the accused person did the act or made the omission charged.

"Secondly, the courts in Hong Kong shall be able to exercise the same additional disposal options available in the United Kingdom, namely, guardianship orders, supervision and treatment orders, and orders for absolute discharge, and these disposal options shall be extended to the magistracy," he said.

At present, under the Criminal Procedure Ordinance, a defendant found unfit to plead in court or not guilty by reason of insanity is sent to the Siu Lam Psychiatric Centre or a mental hospital for indefinite detention.

The spokesman said there was currently no requirement for the court to test the case against an accused person found unfit to plead, and therefore, it would be possible that an innocent person could be detained in a mental hospital indefinitely because the person suffered from mental disability and was unfit to plead.

"Indefinite detention in the Siu Lam Psychiatric Centre or a mental hospital may happen no matter how minor the alleged offence is or how harmless the accused person may be," the spokesman said.

"The period of detention may greatly exceed the maximum sentence for the offence in question. This situation may also arise in cases handled by the magistracy," he said.

The spokesman explained that although a magistrate had no jurisdiction to make a finding of unfitness to plead or of not guilty by reason of insanity, he had discretion under the Mental Health Ordinance to make an order to detain an accused person in the Siu Lam Psychiatric Centre or a mental hospital.

"At the moment, a magistrate's options are limited. He can make such an order if he is satisfied that the accused person did the act or made the omission charged, and is suffering from mental disorder which warrants the detention, in respect of an offence punishable on summary conviction by imprisonment," he said.

These two Bills will significantly improve the range of options available, to provide a sensible variety of ways to deal with defendants who are mentally disordered.

The Bills are expected to be introduced into the Legislative Council on January 31.

End

Practice code on demolition works to be prepared

\* \* \* \* \*

The Buildings Department has signed a consultancy agreement today (Wednesday) commissioning a consultant firm to undertake a study on demolition of buildings in Hong Kong and to produce a code of practice on demolition works.

The project has been awarded to Maurice Lee and Associates Limited at a total cost of \$5.5 million. It will commence on February 1 for completion in 18 months.

The Assistant Director (Structural Engineering) of the department, Mr Ng Hon-keung, said the project was aimed at enhancing safety of demolition works through the provision of a set of detailed technical guidelines to building professionals and contractors.

Mr Ng said the Government had been very concerned about safety of demolition works - a very dangerous and high-risk operation in a densely populated city like Hong Kong.

"To further protect members of the public, the consultant has been tasked to review and analyse the current practices at demolition sites in the territory, as well as the execution and control mechanism.

"Based on the results of these studies and after consultations with relevant professional bodies, the consultant will produce a bilingual Code of Practice, establishing standards for the demolition of buildings for application in Hong Kong," Mr Ng said.

Apart from providing these technical supports, the Government is also seeking amendments to the Buildings Ordinance to ensure safety operation.

"The Buildings (Amendments) (No 3) Bill proposes to tighten the supervision of building and demolition works by the building professionals through the introduction of a supervision plan.

"A registry of specialist demolition contractors is also recommended to guarantee the professionalism of demolition works.

"All these measures will help contribute to a safer demolition work environment in the interest of the community," Mr Ng said.

End

Biological Weapons Bill to be gazetted on Friday

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The Governor-in-Council has approved proposed legislation to localise UK laws extended to Hong Kong which implement the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (the Convention).

"The Biological Weapons Bill will enable Hong Kong to continue to implement the Convention after July 1, 1997," a government spokesman said today (Wednesday).

The Bill prohibits the development, production, acquisition or retention of biological agent or toxin that has no justification for peaceful purpose, or weapons designed to use biological agents or toxins.

"As a centre for international trade in goods and services, Hong Kong is committed to the prevention of the proliferation of dangerous weapons of mass destruction like those using biological agents," the spokesman said.

He said the Chinese side of the Sino-British Joint Liaison Group had agreed that the Convention should continue to apply to Hong Kong after July 1, 1997 and that the localisation of the relevant UK legislation should proceed.

The Bill will be gazetted on Friday (January 19) and is expected to be introduced into the Legislative Council on January 31.

End

Imported workers attempting to depart HK for China

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In response to press enquiries about a group of imported workers attempting to depart Hong Kong for China without travel documents, a spokesman for the Immigration Department said today (Wednesday) that 13 workers were encountered in the departure hall of Lo Wu Control Point at 11.10 am today.

They claimed that their travel documents were being held by the local agent and asked for the department's assistance to depart for China, he said.

"After making some enquiries, we were told that the local agent is willing to return the travel documents to the 13 workers. At about 3 pm, the 13 workers left Lo Wu Control Point," the spokesman added.

"During their stay at Lo Wu, they were offered food and drinks. At no time had they been detained by the Immigration Department. The department had offered them immediate assistance. Any allegation of their having been detained at Lo Wu is untrue," the spokesman emphasised.

End

Fees on certificates for boilers and steam receivers revised

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The fees for the issue of a certificate of competency and the examination fee for the issue of certificate of competency under the Boilers and Pressure Vessels Ordinance will be revised from March 8, 1996.

The former will be revised from \$275 to \$300 and the latter, from \$510 to \$557.

A Labour Department spokesman said the fees were revised in accordance with the inflation rate. The fee revision was gazetted on January 12, 1996.

Enquiries can be directed to the Labour Department's Pressure Equipment Division on 2852 4179.

End

Fee revision proposed

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The Government announced today (Wednesday) that specific fees charged under the Aerial Ropeways (Safety) Ordinance and the Lifts and Escalators (Safety) Ordinance will be increased on March 8, 1996, subject to Legislative Council's approval.

The revision aims to recover the full costs of providing the services paid for. Increases for fees for registering as aerial ropeway operators and for amending their limited certificates will be phased in over two years.

The proposed increases in some items are higher than the prevailing inflation rate because the existing fee levels have not taken into account the enhanced services provided by the Electrical and Mechanical Services Department (EMSD).

For example, in processing an application to be a lift contractor or escalator contractor under the Lifts and Escalators (Safety) Ordinance, EMSD will now conduct site inspection to better assess the competence of the applicants.

"Although the proposed increases appear to be high in percentage term, they are indeed modest in money term and will have a minimal impact on the operating costs of those engaged in the trade. The biggest increase is about \$1,600 only," a government spokesman said.

End

Hong Kong Monetary Authority money market operations

\* \* \* \* \*

	\$ million	Time (hours)	Cumulative change (\$million)
	-----	-----	-----
Opening balance in the account	2,166	0930	-162
Closing balance in the account	1,906	1000	-162
Change attributable to :		1100	-162
Money market activity	-170	1200	-157
LAF today	-90	1500	-157
		1600	-170

LAF rate 4.25% bid/6.25% offer TWI 123.7 \*+0.2\* 17.1.96

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.40	2 years	2711	5.60	100.73	5.24
1 month	5.38	3 years	3810	6.15	102.06	5.41
3 months	5.34	5 years	5012	6.38	102.56	5.86
6 months	5.26	7 years	7211	6.82	104.18	6.16
12 months	5.18	5 years	M502	7.30	104.87	6.21

Total turnover of EF bills and notes - \$24,384 million

Closed January 17, 1996

End



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## SUPPLEMENT

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Early agreement with Chinese side will be sought

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The authorities will vigorously seek an early agreement with the Chinese side on the basis of the proposals that have been put to them in the Joint Liaison Group (JLG) in connection with the concepts in Basic Law Article 23, the Secretary for Security, Mr Peter Lai, said today (Wednesday).

Speaking in the motion debate on "protection of civil rights" in the Legislative Council, Mr Lai said the authorities fully appreciated the community's concern that these discussions should not be allowed to go on indefinitely, and that the community would wish to see early action.

"The proposals have been with the JLG now for six months. Given the importance and complexity of the issues addressed, it is not unreasonable to give the Chinese side sufficient time to consider them fully," he said.

Nevertheless, Mr Lai noted that the continued lack of progress through discussions in the established channels could have damaging effects on confidence in Hong Kong.

"We will not wish to see this happen," he said.

On some LegCo members' suggestion that the Government should take action to put the relevant legislative proposals forward to the council, without waiting for the outcome of the JLG discussions, he said: "We believe that our objectives will be better served if we continue to discuss with the Chinese side, through the established channels, for the localisation and adaptation of the relevant laws.

It would be counterproductive if LegCo members were to introduce Private Members' Bills while these issues were under discussion in the JLG, he said.

"Nor is it helpful, in this context, for us to be talking about specific deadlines," he said.

Mr Lai stressed that the concerns expressed today by many LegCo members on the subject were shared by the Administration.

"We are taking steps to address these concerns, but the suggestion of immediate legislative action is simply not conducive to the success of our efforts," he said.

"We do not therefore agree with such a suggestion for precipitate action.

"Clearly, it would be the best outcome if we can go forward on these important issues with the co-operation and agreement of the Chinese side. That is a goal worth striving for, and a little more patience is a price worth paying," he said.

Mr Lai said the views expressed by LegCo members in the debate had clearly reflected the strong feelings in the community about the situation of Mr Wei Jingsheng.

"The British Foreign Secretary, Mr Rifkind, has made representations to the Chinese Government several times with senior Chinese officials during his recent visit to Beijing," he said.

On LegCo members' concern about the possible implications arising from Mr Wei's case, and the inferences that might be drawn on the future application and interpretation of Basic Law Article 23 concepts after 1997, Mr Lai stressed that under the "One Country, Two Systems" arrangements provided for in the Joint Declaration and the Basic Law, the Hong Kong SAR would have laws and a legal system based on the common law that would be different from the rest of China.

"This is the most important point, which should not be forgotten when we talk about the concepts in Basic Law Article 23.

"It is, of course, obviously in Hong Kong's interest to be able to have certainty and clarity on how these various concepts will be defined and interpreted as soon as possible. I believe this objective is shared both by many Honourable Members and by the Administration," he said.

Mr Lai pointed out that the legislation relating to these various concepts should, first, balance the need to protect freedom of expression by the individual with the need to protect public order and security; secondly that it should be consistent with the Joint Declaration, the Basic Law, the Bill of Rights and the International Covenant on Civil and Political Rights as applied to Hong Kong; and finally, that it should be capable of continuing in force after 1997.

"We have informed the LegCo Information Panel last July that we had submitted proposals to the Chinese side, through the JLG, on how to localise the Official Secrets Acts and to adapt the Crimes Ordinance in a manner consistent with these requirements.

"The proposals we have made are entirely consistent with the Joint Declaration, the International Covenant on Civil and Political Rights, the Bill of Rights and the Basic Law," he said.

Explaining the background to the proposals, Mr Lai said that Hong Kong now had legislation, both in the form of UK Acts of Parliament extended to Hong Kong and in local laws, that expressly covered the offences of treason and sedition, and which in effect covered the theft of official secrets.

These provisions in their present form were obviously not going to be applicable to acts of treason or sedition against the Central People's Government of the People's Republic of China, and would thus need to be localised or adapted as appropriate, he said.

Regarding the concepts of secession and subversion, also mentioned in Article 23 of the Basic Law, Mr Lai said that they were not expressly referred to in existing legislation.

"There is clearly a good deal of public interest both as reflected in the media and in the speeches of LegCo members today, in precisely what they mean.

"The relationship between these concepts and the offences covered in existing legislation is therefore one of the important subjects to be covered in consultations with the Chinese side," he said.

End

#### Protection of civil rights

\* \* \* \* \*

Following is the speech by the Secretary for Security, Mr Peter Lai, in the motion debate on protection of civil rights in the Legislative Council today (Wednesday):

Mr President,

The views expressed by many Honourable Members in this debate have clearly reflected the strong feelings in the community about the situation of Mr. WEI Jingsheng. The British Foreign Secretary Mr. Rifkind has made representations to the Chinese Government several times with senior Chinese Officials during his recent visit to Beijing.

Honourable Members have also expressed concern about the possible implications arising from Mr WEI Jingsheng's case, and the inferences that might be drawn on the application and interpretation of Basic Law Article 23 concepts after 1997. I should like to stress at the outset that under the "One Country, Two Systems" arrangements provided for in the Joint Declaration and the Basic Law, the Hong Kong SAR will have laws and a legal system based on the common law that will be different from the rest of China. This is the most important point, which should not be forgotten when we talk about the concepts in Basic Law Article 23. It is, of course, obviously in Hong Kong's interest to be able to have certainty and clarity on how these various concepts will be defined and interpreted as soon as possible. I believe this objective is shared both by many Honourable Members and by the Administration.

We believe that the legislation relating to these various concepts should, first, balance the need to protect freedom of expression by the individual with the need to protect public order and security; secondly that it should be consistent with the Joint Declaration, the Basic Law, the Bill of Rights and the International Covenant on Civil and Political Rights as applied to Hong Kong; and finally, that it should be capable of continuing in force after 1997. We have informed the LegCo Information Panel last July that we had submitted proposals to the Chinese side, through the Joint Liaison Group, on how to localise the Official Secrets Acts and to adapt the Crimes Ordinance in a manner consistent with these requirements. The proposals we have made are entirely consistent with the Joint Declaration, the International Covenant on Civil and Political Rights, the Bill of Rights and the Basic Law. Some Honourable Members have criticised us for not revealing the content of our proposals, and for the lack of visible progress in the JLG discussion. I wish to remind Honourable Members that it is a fact that our ability to reveal the details of our proposals is constrained by the JLG confidentiality rule. But I shall explain the background to our proposals, and how we intend to take matters forward.

We now have legislation, both in the form of United Kingdom Acts of Parliament extended to Hong Kong and in local laws, that expressly cover the offences of treason and sedition, and which in effect cover the theft of official secrets. These provisions in their present form are obviously not going to be applicable to acts of treason or sedition against the Central People's Government of the People's Republic of China. United Kingdom Acts of Parliament will of course lapse in relation to Hong Kong on July 1, 1997 if nothing is done about them. So these laws need to be localised or adapted as appropriate. The concepts of secession and subversion, mentioned in Article 23 of the Basic Law, are not expressly referred to in existing legislation and there is clearly a good deal of public interest both as reflected in the media and in the speeches of our Honourable Members today, in precisely what they mean. The relationship between these concepts and the offences covered in existing legislation is therefore one of the important subjects to be covered in consultations with the Chinese side.

We share Honourable Members' concerns that we should make progress on these issues. The proposals have been with the JLG now for six months. Given the importance and complexity of the issues addressed, it is not unreasonable to give the Chinese side sufficient time to consider them fully. Nevertheless, we believe the time has come for us to press for an early response, and we hope to reach a satisfactory agreement with the Chinese side as soon as possible.

Some Honourable Members have suggested that the Government should take action to put the relevant legislative proposals forward to this Council, without waiting for the outcome of the JLG discussions. We believe that our objectives will be better served if we continue to discuss with the Chinese side, through the established channels, for the localisation and adaptation of the relevant laws. We strongly believe that it would be counterproductive, as some have even suggested, if Honourable Members were to introduce Private Members' Bills while these issues are under discussion in the JLG. Nor is it helpful, in this context, for us to be talking about specific deadlines. At the same time, we fully appreciate the community's concern that these discussions should not be allowed to go on indefinitely, and that the community would wish to see early action. The continued lack of progress through discussions in the established channels could have damaging effects on confidence in Hong Kong, and we will not wish to see this happen. We will therefore vigorously seek an early agreement with the Chinese side on the basis of the proposals we have put to them.

Mr President, as I said at the beginning of my speech, the concerns expressed today by many Honourable Members are shared by the Administration. We are taking steps to address these concerns, but the suggestion of immediate legislative action (as proposed in the Motion) is simply not conducive to the success of our efforts. We do not therefore agree with such a suggestion for precipitate action. Clearly, it would be the best outcome if we can go forward on these important issues with the co-operation and agreement of the Chinese side. That is a goal worth striving for, and a little more patience is a price worth paying.

Thank you, Mr President.

End

### Co-operation with the Preparatory Committee

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Following is a question by the Hon Albert Ho Chun-yan and a reply by the Secretary for Constitutional Affairs, Mr Nicholas Ng, in the Legislative Council today (Wednesday):

#### Question:

The Preparatory Committee (PC) will set up its secretariat/liason office in the territory early this year and the Hong Kong Government has openly pledged to co-operate with the PC in accordance with the principle of openness and transparency. In this connection, will the Government inform this Council:

- (a) how the Government will implement the principle mentioned above in practice;
- (b) whether the Government will undertake to provide this Council with information on each and every meeting held between officials of the Hong Kong Government and the PC members including at the minimum the following:
  - (i) the date and place of the meeting;
  - (ii) the agenda for the meeting;
  - (iii) all information provided to the Hong Kong Government by the PC;
  - (iv) all information provided to the PC by the Hong Kong Government;
  - (v) decisions or agreements reached at the meeting and matters to be followed up; and
- (c) whether the Hong Kong Government will request the British Government to clarify if there is any change in the role of the Sino-British Joint Liaison Group and if the work of the Sino-British Joint Liaison Group will overlap with that of the PC?

Reply:

I would assure this Council that the Government will follow the principle of openness and transparency in its dealings with the Preparatory Committee, and will account for its actions to this Council and the community. To this end, we will regularly brief this Council on how we are co-operating with the Preparatory Committee. We envisage that the Constitutional Affairs Panel will be the main forum for such briefings.

As to precisely what the briefings will cover, this question hinges largely on the details and forms of assistance which is to be provided by the Government to the Preparatory Committee. At their recent meeting in Peking, the British and the Chinese Foreign Ministers have agreed that the detailed arrangements for co-operation should be sorted out through the JLG channels. Once the modalities for co-operation with the Preparatory Committee have been finalised, and the appropriate arrangements for accounting to the public on our dealings with the Committee can then be determined, and in this connection we will certainly give very careful consideration to the views of this Council and the public.

For now, I would like to emphasise two points. First, our assistance to the Preparatory Committee will be within the three parameters stated by the Governor in last year's Policy Address, that is:

- (a) that it must be fully consistent with the Joint Declaration and the Basic Law, and be in Hong Kong's interests;
- (b) that the authority and credibility of the Hong Kong Government must not be undermined; and
- (c) that the morale and confidence of the civil service must not be affected; civil servants must not be subjected to conflicting loyalties.

The secondly point which I would like to make is that, whilst the Hong Kong Government will be fully accountable for its own actions, it cannot be held accountable for the Preparatory Committee's actions. We cannot speak on behalf of the Committee, or explain the Committee's decisions. These must be matters for the Preparatory Committee itself.

As regards the final part of Mr Ho's question, the role of the Joint Liaison Group is prescribed in Annex II to the Joint Declaration. It is a diplomatic body set up by the British and the Chinese governments to conduct consultations on the implementation of the Joint Declaration, to discuss matters relating to the smooth transfer of government in 1997, and to exchange information and conduct consultations on such subjects as may be agreed by two sides.

The Preparatory Committee, on the other hand, is a body set up by the Chinese National People's Congress. According to the NPC's Decision adopted on 4 April 1990, the Committee's responsibilities are to prepare for the establishment of the HKSAR and to prescribe the specific method for forming the first SAR government and the first SAR legislature.

There are therefore clear distinctions between the functions of these two bodies. The establishment of the Preparatory Committee does not in any way alter the role of the JLG I have just described.

End

#### Processions and assemblies in public places

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Following is a question by the Hon Leung Yiu-chung and a reply by the Secretary for Security, Mr Peter Lai, in the Legislative Council today (Wednesday):

Question:

On the night of 14 December 1995, a group of people and university students were proceeding to the Xinhua News Agency (Hong Kong Branch) to stage a protest rally, and when they reached the entrance to the pedestrian subway at the junction of Morrison Hill Road and Queen's Road East (opposite to Queen Elizabeth Stadium), they were stopped by a party of five to six police officers who did not permit the group to use the subway to go to the other side of the road. Members of the group queried the police officers at the scene and asked them to explain the legal justifications and reasons for the closure of the subway, but the police officers refused to reply. The group eventually had to cross the road to proceed to the Xinhua News Agency. In this connection, will the Government inform this Council :

- (a) what are the legal justifications and reasons for preventing a group of only a dozen people from using the pedestrian subway to proceed to the Xinhua News Agency;

- (b) whether, following their decision to close the subway to prevent the group from moving on, the police officers are required under any regulations to openly explain to the group and the people at the scene the legal justifications and reasons for the closure of the subway so as to avoid unnecessary clashes; and
- (c) which ordinance empowers the police to cordon off the area outside the Xinhua News Agency, and what are the criteria adopted by the police for determining the boundaries of the area?

Reply :

Mr President,

The answers to the three parts of the question by the Hon Leung Yiu-chung are as follows:

- (a) The Police have a duty under section 10 of the Police Force Ordinance to take lawful measures for preserving order and public peace, and for regulating processions and assemblies in public places. Under section 17 of the Public Order Ordinance, the Police may prevent the holding of, stop, disperse or vary the place or route of any public gathering if he reasonably believes that it is likely to cause or lead to a breach of the peace. In the incident referred to in the question, the small group of students wanted to proceed to the Xinhua News Agency a few minutes before the arrival of a notified procession involving about 200 people. The action taken by the Police was to avoid possible conflict between the two groups to ensure the orderly and peaceful conduct of the two processions. Such action is considered to be necessary and appropriate in the interests of public order and safety.
- (b) Contrary to the allegation that the Police refused to reply to all the questions of the students, I must point out that police officers at the scene did advise the students that a larger group of demonstrators would arrive shortly and asked them to allow that group to proceed first so that the demonstrations could be conducted in an orderly way. However, the advice was ignored. Although the legal provisions mentioned in (a) above do not require police officers to openly explain to the people at the scene the legal justifications and reasons, police officers do endeavour to explain to those affected the reasons for exercising these powers when it is practicable to do so to avoid misunderstandings.

- (c) The power of the Police to use barriers to cordon off the area outside the Xinhua News Agency is incidental to the exercise of the legal powers set out in (a) above. The boundaries for such area will depend on the size and mood of the crowds, the geographical characteristics of the site, the traffic and pedestrian flow, and the special circumstances of each event. In carrying out their duties, the Police always seek to strike a balance between the rights of the demonstrators, and on this occasion those of the two different groups which were conducting processions almost at the same time, to express their views, and the need to ensure that no danger or inconvenience is caused to others.

End

HK continues to support renewal of China's MFN status

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Following is a question by the Hon Paul Cheng Ming-fun and a reply by the Secretary for Trade and Industry, Miss Denise Yue, in the Legislative Council today (Wednesday):

Question:

Bearing in mind the potential for serious damage to Hong Kong that may arise from any economic or other dispute between the territory's two largest trading partners, any instability in the Sino-US relations will be of grave concern to the business community in the territory. With the question of China's most-favoured-nation (MFN) trade status in the US still subject to annual review, and with the US Administration under renewed pressure at home to link economic issues to human rights and other non-trade issues through MFN or other platforms, will the Government inform this Council what specific measures are being planned by the Government this year to minimize the territory's exposure to this risk?

Reply:

The Hong Kong Government continues to support the unconditional renewal of China's MFN status. We believe that MFN is the normal basis for international trade and that trade should be separated from non-trade issues. Unconditional MFN is important to Hong Kong, China and the United States.

Lobbying for the unconditional renewal of China's MFN status has by now become a regular part of the work of our Economic and Trade Office in Washington. In this connection, the main task of my colleagues in Washington is to ensure that the damaging impact of conditional renewal or non renewal of China's MFN status on Hong Kong's economy is conveyed to senior members of the US Administration and as many legislators in the US Congress as possible, particularly the more influential ones. In carrying out this task, my colleagues in Washington also work closely with US businesses which have an interest in trading with or investing in China. Such efforts are supplemented each year by visits to Washington by Hong Kong Government officials. Where appropriate, the Government also coordinates the visits to Washington of prominent Hong Kong personalities as well as lobbying missions comprising representatives of Hong Kong's trade and industrial organisations; and assistance is provided to them on the spot by my colleagues in Washington.

The MFN status of China was renewed unconditionally in the past two years and this in no small measures has reflected the value of the efforts which have been put in by all. The main thrust and modality of the lobbying programme in connection with MFN renewal in 1996 shall follow those of previous years.

End

#### Disciplinary committees of professional bodies

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Following is a question by the Hon Leong Che-hung and a reply by the Secretary for Works, Mr Kwong Hon-sang, in the Legislative Council today (Wednesday):

Question:

In regard to the disciplinary committees of statutory professional bodies in the territory, will the Administration inform this Council:

- (a) which committees include laymen members;
- (b) which committees' disciplinary proceedings are open to the public; and
- (c) whether the administration will urge those statutory professional bodies which conduct disciplinary proceedings in camera to make such proceedings open to the public so as to enhance transparency and public accountability?

Reply:

Mr President,

- (a) There are at present 14 statutory, professional bodies. Of these, the disciplinary committees of the following statutory professional bodies include laymen members:

- (1) The Law Society of Hong Kong
- (2) The Hong Kong Bar Association
- (3) Medical Council of Hong Kong
- (4) Midwives Board of Hong Kong
- (5) Nursing Board of Hong Kong
- (6) Dental Council of Hong Kong
- (7) Chiropractors Council

In addition to the above seven statutory professional bodies, the Hong Kong Society of Accountants may direct that one of the members of a disciplinary committee shall be a person who is not a professional accountant.

- (b) The disciplinary proceedings of the disciplinary committees of the following statutory professional bodies are usually open to the public:

- (1) Medical Council of Hong Kong
- (2) Midwives Board of Hong Kong
- (3) Nursing Board of Hong Kong
- (4) Dental Council of Hong Kong
- (5) Supplementary Medical Professions Council
- (6) Pharmacy and Poisons Board

- (c) Most of the statutory professional bodies are statutorily empowered to admit or exclude the public or any member of the public from their disciplinary proceedings. As they mainly aim to regulate their professions, the Administration considers it not appropriate to intervene in their internal affairs and therefore does not have plan to urge those statutory professional bodies which conduct disciplinary proceedings in camera to make their proceedings open to the public. It is understood that sometimes the person whose conduct is being inquired into may not wish to have the proceedings open to the public.

End

Taxi drivers tampering with meters

\* \* \* \* \*

Following is a question by the Hon Ip Kwok-him and a written reply by the Secretary for Transport, Mr Haider Barma, in the Legislative Council today (Wednesday):

Question:

In view of the fact that the police has recently discovered two cases of taxi drivers tampering with taximeters by various means in order to cheat passengers into paying excessive fares, will the Government inform this Council:

- (a) of the total number of complaints involving taximeters received by the police in the past year;
- (b) whether the Government will adopt any measures to speed up the installation of anti-tampering device in taximeters of the 12 000 taxis in the territory which have not yet been installed with such a device; if not, why not; and
- (c) whether the Government will increase the frequency of inspection of taximeters, which at present is conducted once every six months; and whether consideration will be given to imposing heavier penalties on taxi drivers tampering with taximeters as a deterrent, so as to protect the interests of consumers?

Reply:

Mr President,

In 1995, the Police received a total of 2 956 complaints against taxi malpractices. Of this number, 739 complaints related to taximeter offences.

The law requires the owner of a taxi to submit his taxi to the Transport Department every six months so that the taximeter can be tested, stamped and sealed. This is to ensure that the meter is set properly and will make an accurate recording of the fare. More frequent inspections would not eradicate meter tampering where it does not involve breaking the seal, because the evidence of tempering can be removed before the taximeter is presented for inspection.

The latest type of taximeters have in-built devices that make tampering much more difficult. Transport Department has advised and encouraged taxi operators to install such meters as and when they replace their vehicles. So far about 6 000 taxi owners have complied. We will continue to hold discussions with the taxi trade and urge taxi operators to speed up the pace of conversion.

Meanwhile, to combat meter tempering, the Police have mounted special operations and undertaken spot checks. During the period from January to November 1995, the total number of prosecutions brought by the Police against taximeter offences was 915.

The law provides for maximum penalties of a fine of \$10 000 and imprisonment for six months for offences relating to the improper use of taximeters. The actual imposition of penalties is a matter for the courts. We will continue to monitor the situation to see if there is a need to raise the maximum penalties for this type of offence.

End

#### Elderly services on outlying islands

\* \* \* \* \*

Following is a question by the Hon Eric Li Ka-cheung and a written reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council today (Wednesday):

Question:

Will the Administration inform this Council of the following:

- (a) the number of people aged 65 or above living on Lantau Island, Cheung Chau, Ping Chau and Lamma Island respectively, as well as the proportion of these elderly people to the overall population on each of the islands concerned and the number of elderly singletons among the elderly people;
- (b) the respective numbers of institutions providing social and medical services for the elderly, such as homes for the elderly, day-time elderly care centres, social centres for the elderly, infirmaries, convalescent homes, care and attention homes and health centres for the elderly, as well as the number of home helpers stationed on each of the islands concerned to provide such services; and

- (c) whether, according to the demographic structure of the population on the islands concerned, the number of elderly people aged 65 or above will increase in the next five years and ten years; if so, whether the services mentioned in (b) above can meet the present and future demands for such services on those islands?

Reply:

- (a) Based on the latest statistics obtained from the General Household Survey, the number of elderly persons aged 65 and above living in the Islands District Board District in 1994 was estimated to be 5,700, representing some 13% of the 44,800 persons of all ages in the District. Due to the relatively small sample size of the survey, a further breakdown by island and to show whether the elderly persons were living alone would be subject to a high margin of error due to small sample size. Reliable estimates cannot, therefore, be provided in this regard.

It may be useful to note that, according to the 1991 Population Census, the distribution of the elderly population by individual island is as follows :

	No. of elderly persons aged 65 and above	Total no. of persons	Elderly as a percentage of the total
Lantau and associated islands	1,957	18,864	10.4%
Cheung Chau	2,374	21,517	11.0%
Peng Chau	446	3,280	13.6%
Lamma and Po Toi	393	2,971	13.2%
Total	5,170	46,632	11.1%

Statistics on elderly persons living alone by district are not available from the Census information. These population figures will be updated in the By-Census to be conducted in March this year.

- (b) Welfare services for the elderly may be broadly categorised into community support services and residential care services.

As a form of community support service for the elderly, one social centre and one club for the elderly are run on Lantau Island to serve elderly people in the same neighbourhood. There is also one social centre for the elderly on Cheung Chau. Voluntary groups organise social and recreational activities for elderly people on Peng Chau and Lamma Island where there are currently no social centre services. A home help service is provided by 15 home helpers based on Lantau Island who serve the whole of the Islands District. The number serving each island varies according to demand.

Residential care services for the elderly are not provided on a district basis. As far as the Islands District is concerned, there are at present two subvented homes for the elderly in the district. One home on Cheung Chau provides 55 care-and-attention places and 75 home for the aged places. The other, on Lantau Island, provides 40 home for the aged places. Four private homes for the elderly on Cheung Chau provide 114 care-and-attention places and 29 aged home places.

Other social service units serving the whole of Islands District include : one social security field unit, three family services centres and one medical social services unit.

Primary health care services for the elderly are provided by the Department of Health through General Out-patient Clinics --- Mui Wo Clinic and Tai O Jockey Club Clinic on Lantau Island; Peng Chau Clinic on Peng Chau Island; North Lamma Clinic and Sok Kwu Wan Clinic on Lamma Island; and a clinic in St. John's Hospital on Cheung Chau. Remote parts of Lantau Island are served by Travelling Dispensaries and a Floating Clinic.

Seven Elderly Health Centres will be set up by 1997. This new pilot service is being reviewed and, subject to the demand for it, it is anticipated that future disease prevention and health promotion programmes for the elderly will be integrated into the General Out-patient Service which is already available in Islands District.

There is one hospital in Islands District, St. John's Hospital, on Cheung Chau. It provides a wide range of in-patient, out-patient and community services to elderly people e.g. accident and emergency, general and geriatrics out-patient, rehabilitation, infirmary, community nursing and community geriatric assessment services.

- (c) Based on the latest set of population projections prepared by the Working Group on Population Distribution in 1992, the number of elderly persons aged 65 and above in the Islands District is expected to be about 10,000 by 2001. Projections for the years beyond 2001 and for individual islands are not available.

Except for a shortfall in subvented care-and-attention places, health and welfare services for the elderly can generally meet the existing demand. In anticipation of an increase in the elderly population, there are plans to provide:-

- an additional three social centres for the elderly, two on Lantau Island in 1997/98 and 1998/99 and one on Peng Chau in 1996/97;
- one day care centre for the elderly on Cheung Chau in 1998/99;
- care-and-attention places and 85 home for the aged places by 1997/98 which will fully meet the demand for residential services then;
- an additional 10 home helpers in 1995/96; and
- one general out-patient clinic in 1998.

Utilisation of services will be kept under constant review and further expansion of services in the Islands District will be considered as and when appropriate.

End

Shortage of parking spaces

\* \* \* \* \*

Following is a question by the Hon Chan Kam-lam and a written reply by the Secretary for Transport, Mr Haider Barma, in the Legislative Council today (Wednesday):

Question:

In view of the serious shortage of parking spaces in most parts of the territory and the high parking fees charged by car parks, will the Government inform this Council whether :

- (a) it will consider providing spaces for overnight parking (say from 10 pm to 7 am) on relatively less busy side streets in various districts and installing special parking meters along the pavements of those streets so as to facilitate drivers, in particular professional drivers, to park their cars; and
- (b) it will consider building more car parks along both the Kowloon-Canton Railway and Mass Transit Railway stations to provide park-and-ride facilities with a view to encouraging people living in remote areas to use the mass transit systems, so as to alleviate traffic congestion?

Reply:

Mr President,

- (a) There are about 26,000 on-street parking spaces in the Territory, which can be used for overnight parking by motorists, including taxi and mini-bus drivers. In addition, there are about 600 on-street spaces which have been designated specifically for overnight parking of goods vehicles. They are located in Kwai Chung, Tsuen Wan, Tsing Yi, Tuen Mun and Yuen Long districts. In consultation with District Boards and other government departments, we will continue to extend the scheme for overnight parking to other areas where traffic conditions permit and where it is environmentally acceptable.

On-street parking meters are installed to regulate short-term parking demand during the day and in the evening. There are no special parking meters for overnight parking as they may cause confusion to motorists in the daytime when parking is not permitted.

We recognise the general shortage of parking spaces. A study objective of the Parking Demand Study, which will be published very soon and on which the LegCo Transport Panel will be consulted, is to identify practical remedial measures to alleviate the problem. Indeed, one of the recommendations is to designate spaces for on-street overnight parking along roads suitable for this purpose .

- (b) Government will continue to consider building more car parks near railway stations to provide park-and-ride facilities. For example, we will contribute \$60 million to the MTRC project to develop a transport interchange at the Choi Hung MTR Station which will incorporate park-and-ride facilities for around 450 cars. Another possibility being considered is the use of the open site at the University KCR Station in Ma Liu Shui for temporary parking.

It must be recognised that along or near existing railway lines there are constraints in obtaining suitable sites. However, with the new KCR and MTR projects proposed in the Railway Development Strategy, we will explore all opportunities for the provision of park-and-ride facilities.

End

#### Measures to monitor and trace prank 999 calls

\* \* \* \* \*

Following is a question by Dr the Hon David Li Kwok-po and a written reply by the Secretary for Security, Mr Peter Lai, in the Legislative Council today (Wednesday):

Question:

It was reported recently that an eight-year old boy was arrested by the police for dialling '999' to report a bogus robbery. As prank callers could stand in the way of people getting through the '999' line to report real life-or-death emergencies, will the Government inform this Council :

- (a) how the police will step up measures to monitor and trace the source of prank calls; and
- (b) what penalties, if any, apply to callers dialling '999' to make prank or nuisance calls?

Reply:

Mr President,

- (a) Operators at the 999 Consoles in the Police Regional Command and Control Centres (RCCCs) can hold any incoming telephone call so that the caller can be traced through the exchange line. The Government is discussing with the telephone company with a view to introducing a new facility in the RCCCs that displays the telephone number from which an incoming call is made. If introduced, the facility will greatly speed up the process of locating the sources of emergency calls irrespective of prank or genuine ones.
- (b) A person who dial '999' to make prank or nuisance calls may commit the following offences:
  - \* the offence of making a false report to a police officer or misleading a police officer by giving false information, contrary to section 64 of the Police Force Ordinance, for which the offender may be liable to a fine of \$1,000 and to imprisonment for six months;
  - \* the offence of causing wasteful employment of police by making a false report, contrary to section 91(2) of the Criminal Procedure Ordinance, for which the offender may be liable to a fine of \$2,000 and to imprisonment for six months; and/or
  - \* the offence of persistently making telephone calls without reasonable cause for the purpose of causing annoyance, inconvenience or needless anxiety to any other person, contrary to section 20(c) of the Summary Offences Ordinance, for which the offender may be liable to a fine of \$1,000 and to imprisonment for two months.

End

Studies on changes in labour productivity

\* \* \* \* \*

Following is a question by the Hon Law Cheung-kwok and a written reply by the Secretary for Financial Services, Mr Rafael Hui, in the Legislative Council today (Wednesday):

Question:

As the structure of the economy of the territory has been undergoing the process of transformation, will the Government inform this Council whether it has conducted detailed studies to assess the changes in labour productivity in various industries, as well as the reasons for such changes, in the past ten year; if so, what the findings are?

Reply:

The Census and Statistics Department has conducted detailed studies on changes in labour productivity in the manufacturing industries. Growth in labour productivity in the manufacturing sector averaged around 10% per annum in recent years. Analysed by individual industries, labour productivity in the electrical and electronic products industry recorded very impressive improvement, at an average annual rate of around 15% in real terms during the period from 1982 to 1992. Productivity in the plastic products, fabricated metal products, textile and wearing apparel industries recorded relatively less rapid increases of 9-11% per annum.

These improvements are closely tied to the relocation of labour-intensive production processes across the border. On the other hand, manufacturing activities remaining in Hong Kong have been upgraded, through investment in machinery, equipment and new technology, to become more sophisticated and skill-intensive. Those outputs have higher value-added content.

For service industries, measurement of labour productivity is much more complex and difficult. First, with the rapid structural transformation of our economy over the past decade, our service industries have become increasingly more sophisticated. There is a very large variety of services, and the nature of their output varies considerably. Second, whilst goods are tangible and can be more easily measured, service outputs are much less so, and are therefore more difficult to define and quantify. Third, producer price indices are required for measuring changes in output in real terms by removing the effect of price changes over time. In compiling such indices, particularly when going into more detailed breakdowns by sub-sector, price data is needed. This will require considerable support from respondents. The resources involved also will be very substantial. The Census and Statistics Department is nevertheless prepared to pursue productivity studies for the various service industries. Among other things, this will necessitate the seeking of additional resources or examining ways to redeploy existing resources which are already very tight.

End

Cement factory on Tsing Yi Island

\* \* \* \* \*

Following is a question by the Hon Lee Wing-tat and a written reply by the Secretary for Planning, Environment and Lands, Mr Bowen Leung, in the Legislative Council today (Wednesday):

Question:

With regard to the cement factory adjacent to Greenfield Garden on Tsing Yi Island, will the Government inform this Council:

- (a) whether the cement factory will be decommissioned by the end of June this year in accordance with the terms of the Conditions of Exchange executed in November 1993; if not, why not;
- (b) what stage the relocation exercise has reached now and whether difficulties have been encountered; if so, what the difficulties are; and
- (c) whether the Environment Protection Department's plan to issue a two-year operating licence to the operator of the cement factory is in contravention of the terms of the Conditions of Exchange mentioned above?

Reply:

Mr President,

- (a) It remains our aim to have the cement plant adjacent to Greenfield Garden relocated and decommissioned in June 1996.
- (b) Construction of the new cement plant at the relocation site is progressing on schedule. No difficulty has been encountered so far which would delay the scheduled relocation.
- (c) Section 15(4) of the Air Pollution Control Ordinance provides that a licence for operating a cement plant should not be for less than two years. The Environmental Protection Department is currently reviewing the plant's application for a licence. The issue of such a licence would not prejudice Government's authority to enforce the Conditions of Exchange in requiring the cement plant to cease operation in June 1996.

End

#### Territorial Development Strategy Review

\* \* \* \* \*

Following is a question by the Hon Ambrose Lau Hon-chuen and a written reply by the Secretary for Planning, Environment and Lands, Mr Bowen Leung, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council whether it will, in its review of the Territorial Development Strategy, consider recommending that priority be accorded to developing the New Territories, especially Northwest New Territories, so as to reduce the need for reclamation in Victoria Harbour?

Answer:

Mr President,

The long term development needs of Hong Kong, including how and where such needs should be accommodated, are being comprehensively studied in the current Territorial Development Strategy Review. The Review has been evaluating, among other things, the development potential of various areas throughout the territory.

It is too early to say which specific part of the territory should be developed as a priority. We will consult the public when the Review is completed.

End

#### Rehousing of squatters on Government land

\* \* \* \* \*

Following is a question by the Hon Christine Loh and a written reply by the Secretary for Housing, Mr Dominic Wong, in the Legislative Council today (Wednesday):

Question:

In his 1994 Policy Address, the Governor stated that all urban squatters on government land would be rehoused by March this year. In this connection, will the Government inform this Council:

- (a) of the status of Ching Man Village at So Ko Po in Tai Hang; and
- (b) whether Ching Man Village is among the villages to be cleared under the policy mentioned above; if so, what terms will be offered to the residents in this village?

Answer:

Mr President,

Ching Man Village is a Cottage Area under the supervision of the Housing Department and is situated on government land. Residents have no land title, but hold occupation permits which may be terminated by either party giving three months' notice.

Ching Man Village, not being a squatter area, does not fall within the Governor's pledge. Part of the village is now being cleared because of slope safety reasons. Affected residents who are eligible will be given public rental housing units or priority to buy Home Ownership Scheme flats, and will also receive domestic removal allowances. Unauthorised residents in need of accommodation will be rehoused in Temporary Housing Areas in the urban area. No one will be rendered homeless as a result of this partial clearance.

End

Collection of royalties from copyright music users

\* \* \* \* \*

Following is a question by the Hon Selina Chow and a written reply by the Secretary for Trade and Industry, Miss Denise Yue, in the Legislative Council today (Wednesday):

Question:

At present, a number of independent bodies representing different sectors of the music industry, such as the Composers and Authors Society of Hong Kong (CASH) and the International Federation of Phonographic Industry (IFPI), may collect royalties from users of copyright music. This has given rise to confusion to music users, such as karaoke bars and other entertainment establishments, who have to pay royalties either at the same time or at different times to different bodies. In this connection, will the Government inform this Council:

- (a) whether it knows of the present number of bodies in the territory which may collect royalties from users of copyright music and the basis adopted by such bodies for determining this type of music royalties;

- (b) through what channels can the public find out which bodies may legally collect music royalties; and
- (c) whether consideration will be given to establishing a mechanism which will incorporate all royalties charged by the relevant bodies and which will collect such royalties from users of copyright music on a unified basis, thereby avoiding unnecessary confusion and disputes arising from the payment of royalties to different bodies?

Reply:

Mr President,

- (a) At present, there are two bodies in Hong Kong which may collect royalties for public performance of music. One is the Phonographic Performance (South East Asia) Ltd. (PPSEAL), a subsidiary of the International Federation of Phonographic Industry (IFPI), which collects royalties in respect of sound recordings. The other is the Composers and Authors Society of Hong Kong Limited (CASH) which collects copyright royalties in respect of the lyrics and music underlying the sound recordings. The separate collection of royalties for sound recordings and for music and lyrics is a common practice internationally.

Copyright is a private economic right that can be exercised by the copyright owners. The charging of royalties is a means to exercise such a right. The determination of copyright royalties is a commercial matter between the copyright holders and the copyright users, having regard to the supply and demand for the copyright works, the form and scale of usage, the established royalties charged by major foreign societies for similar rights, and other factors as considered appropriate. The Government should not intervene.

However, to guard against possible abuse, under existing legislation disputes over copyright royalties between copyright owners or collecting societies on the one hand and the copyright users for the public performance of music on the other may be referred to the Performing Right Tribunal (PRT) for arbitration. The PRT was established under the provisions of the UK 1956 Copyright Act as amended and extended to Hong Kong.

- (b) The public can find out which bodies may legally collect music royalties from copyright lawyers or from the Intellectual Property Department.
  
- (c) It would be impractical, costly and cumbersome for the Government to establish a mechanism incorporating all royalties charged by the relevant bodies and collecting such royalties from users of copyright music on a unified basis. There is no international precedent in this regard. Furthermore, even if such a mechanism was set up, the Government could not debar individuals from pursuing their rights separately, or in groups, as this would put Hong Kong in breach of the international copyright standard.

End

Revision of mathematics textbooks for sixth form

\* \* \* \* \*

Following is a question by the Hon Cheung Bing-leung and a written reply by the Secretary for Education and Manpower, Mr Joseph Wong, in the Legislative Council today (Wednesday):

Question:

On 27 October 1995, an amount of \$54.4 million was approved by the Finance Committee of this Council for implementing Phase IV of the Incentive Award Scheme (the Scheme) for Chinese textbooks. Of this amount, some \$13 million has been earmarked for publishers to produce Chinese Mathematics textbooks for the sixth-form for use by students in the 1998/99 academic year. However, it is learned that the Curriculum Development Council (CDC) is planning to revise the Mathematics syllabus of the sixth-form, and the revision is expected to be completed by 1998. Hence, the Mathematics syllabus may have already been revised by the time the new Chinese Mathematics textbooks for the sixth-form are available in September 1998, which will render the new textbooks useless and result in the incentive award of \$13 million being wasted. In this regard, will the Government inform this Council:

- (a) why the Education Department has recommended the inclusion of Mathematics for the sixth-form in Phase IV of the Scheme when it has already known that the Mathematics syllabus will be revised shortly; and

- (b) whether it will consider withholding the amount earmarked for Chinese Mathematics textbooks for the sixth-form under the Scheme until the CDC has completed the revision of the Mathematics syllabus; if not, why not?

Reply:

Mr President,

- (a) Phase IV of the Chinese Textbooks Incentive Award Scheme is recommended by the Chinese Textbooks Committee. One of the criteria adopted by the Committee in selecting subjects for inclusion in the Scheme is that subjects which would undergo syllabus revision in the next two or three years will not be included.

In its deliberations, the Chinese Textbooks Committee noted that the Curriculum Development Council would not make substantial changes in the immediate future to the syllabuses of the four Sixth Form Mathematics Subjects, namely:

Advanced Level (AL)

Pure Mathematics

Applied Mathematics

Advanced Supplementary Level (ASL)

Applied Mathematics

Mathematics & Statistics

The Committee also noted that there were plans to elaborate on the teaching notes of ASL Mathematics & Statistics Syllabus, for use by teachers by 1998. This would not, however, affect the content of the textbooks concerned.

After consultation with the Curriculum Development Institute of the Education Department and the Hong Kong Examinations Authority, the Committee recommended that three Sixth Form Mathematics Subjects, together with 13 other subjects, for inclusion in the Scheme. This involves awards up to \$4.1 million for AL Pure Mathematics, \$5.6 million for AL Applied Mathematics (which also covers the content of ASL Applied Mathematics), and \$3.3 million for ASL Mathematics and Statistics.

- (b) It remains the position that the Curriculum Development Council has no plan in the immediate future to make substantial changes to the syllabuses of the four Sixth Form Mathematics Subjects. The Council might propose minor changes in its regular reviews but these will not affect the suitability of the textbooks concerned for use by students. Thus, the question of withholding the amount earmarked does not arise.

End

#### Policy on monitoring public utilities

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Following is a question by the Hon Fred Li Wah-ming and a written reply by the acting Secretary for Economic Services, Mr Leo Kwan, in the Legislative Council today (Wednesday):

Question:

With regard to the Government's policy on the monitoring of public utilities, will the Government inform this Council:

- (a) of the criteria adopted by the Government for determining whether a public utility company has monopolised the market;
- (b) what measures the Government will take to safeguard the consumers' rights in the event of a public utility company monopolising the market; and
- (c) whether the Government will only monitor those public utility companies operating on a franchise basis?

Reply:

- (a) In general, the following characteristics of the market structure will be considered in deciding whether a public utility company has attained a monopolistic position in a certain market - the degree of market concentration, economies of scale, barrier to entry, pricing behaviour, and availability of close substitutes for the product;

(b) The Government believes that, in the delivery of public utilities services, market forces are the best to determine the scale and quality of services and the price at which enhanced efficiency and minimum costs can be achieved. However, the Government is prepared to intervene when a monopolistic situation exists or when intervention becomes necessary to protect the public interests. There are no standard ways of intervention; all are tailored to specific industries and circumstances. The intervention may be by way of legislation, franchise and/or a scheme of control agreement. In all such cases, the level of intervention is kept to the minimum compatible with the public interests. For instance,

- \* franchises are introduced for franchised transport companies;
- \* a price control scheme, i.e. price-cap, is introduced for the Hong Kong Telephone Company; and
- \* Scheme of Control Agreements are entered into between the Government and the two power companies.

(c) Government monitoring depends on the need to intervene and is not limited to franchised business. For instance, the Government has entered into Scheme of Control Agreements with the two power companies which do not hold any franchise.

End

#### Western Corridor Railway project

\* \* \* \* \*

Following is a question by Dr the Hon Samuel Wong Ping-wai and a written reply by the Secretary for Transport, Mr Haider Barma, in the Legislative Council today (Wednesday):

Question:

The Kowloon-Canton Railway Corporation (KCRC) has recently announced that the estimated cost for the proposed Western Corridor Railway project has increased from \$35 billion to more than \$70 billion and that consultants will be invited to submit tenders for the next stage of the investigation and design work. In this connection, will the Government inform this Council:

- (a) how much has been earmarked for land resumption and what is the breakdown of the estimate on the construction cost;
- (b) whether consultants will be invited locally to submit tenders for the investigation and design work in accordance with the tendering procedures adopted by the Government's Works Departments; if not, why not;
- (c) what criteria will be adopted by the KCRC for selecting professional consultants for the Western Corridor Railway project; and whether the consultants' local design experience in the environmental, building regulations and fire safety aspects will be taken into consideration in the selection process; if not, why not; and
- (d) whether non-salaried directors of the KCRC will be involved in the selection of consultants for the project?

Reply:

Mr President,

In January 1995, following the announcement of the Railway Development Strategy (RDS), Government invited the Kowloon-Canton Railway Corporation (KCRC) to submit a proposal for building a new railway running from the border to West Kowloon, through the western part of the territory i.e. the Western Corridor Railway (WCR). KCRC submitted its formal proposal to Government in November 1995. This outlines the Corporation's scheme for the WCR project and serves as the basis for detailed discussions between Government and the Corporations and on which the Corporation intends to carry out further in-depth planning and design work.

The cost estimate of \$75 billion given by KCRC in its project proposal is in Money of the Day (MOD) terms. The relevant corresponding figure in the RDS is about \$53 billion. It has been clearly explained that the estimates given in the RDS were only rough indications of cost. They were based on a preliminary assessment without the benefit of a more detailed study like the one that the KCRC has since undertaken. Furthermore, the KCRC's cost estimate has allowed for changes in the scope in the project, such as the extension to Tuen Mun Town Centre, as well as project reserves and financing costs, which were not included in the RDS estimates.

As regards the specific points raised:

- (a) The land resumption and clearance costs involved are estimated to be in the order of \$5.4 billion (Money of the Day). This has not been included in the estimated capital cost of \$75 billion, as the intention is that Government will meet the costs of making the land available for the railway right-of-way.

A breakdown of the capital cost, as given by KCRC, is set out below:

	<u>Rough Indication of Cost</u> <u>(\$B) (Money of the Day)</u>
Facilities (stations, depots etc)	25.3
Railway (line segments, viaducts, tunnels etc)	27.0
Systems (signalling, power, communications and fare collection)	4.4
Rolling Stock (train cars)	4.3
Financing	7.5
Project Reserve	6.1
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	74.6 say 75.0
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It should be stressed that \$75 billion is KCRC's estimate and a preliminary one at that. The figure will need to be refined in the light of detailed planning, engineering and financial studies and in-depth discussions with Government.

- (b) Consistent with KCRC's and Hong Kong Government's procurement policies for major projects, consultants will be selected through a competitive, open tender process. Both local and international firms have been invited to prequalify to tender for the preliminary engineering design of the WCR project. Of the more than 200 firms which have expressed interest in the KCRC's invitation, some 40% are Hong Kong based companies.

- (c) The criteria that will be adopted in selecting consultants include their track record and work experience in Hong Kong and in undertaking similar work, staff resources, management systems and plans for implementing the project.
- (d) Consistent with current procurement practices, the award of all major contracts will have to be approved by the full board of the KCRC.

End

Disposal of used engine oil

\* \* \* \* \*

Following is a question by Dr the Hon John Tse Wing-ling and a written reply by the Secretary for Planning, Environment and Lands, Mr Bowen Leung, in the Legislative Council today (Wednesday):

Question:

In view of the fact that used engine oil was previously collected by private companies for recycling purpose and that there is no such practice now, will the Government inform this Council:

- (a) whether it has adopted any monitoring measures to prohibit the disposal of used engine oil in drains or open areas;
- (b) whether it has considered the introduction of a recycling plan for used engine oil which will involve the collection of such oil by private companies for recycling purposes; and
- (c) what measures it will adopt to solve the pollution problem caused by used engine oil in the long term?

Reply:

Mr President,

There are still thirteen licensed collectors of waste lubricating oil and a privately-run plant in Yuen Long which specialises in the recycling of such oil.

- (a) Used engine oil or waste lubricating oil, except those generated from domestic use, is classified as chemical waste which is subject to control under the Waste Disposal (Chemical Waste) (General) Regulation. The Local Control Offices of the Environmental Protection Department (EPD) are responsible for monitoring and controlling the storage and disposal of chemical waste in the territory. Anyone prosecuted and convicted under the Regulation for improper disposal of chemical waste is liable to a maximum fine of \$200,000 and imprisonment for 6 months.
- (b) As stated in the 1989 White Paper "Pollution in Hong Kong - A Time to Act", it is government policy to ensure the provision, by either the private or the public sectors, of facilities for the cost effective and environmentally satisfactory disposal of all wastes. It is also government policy to encourage local waste recovery and recycling activities. There are, as noted above, already a number of local collectors and a plant in Yuen Long which collect and recycle waste lubricating oil. Waste lubricating oil that is suitable for recycling and collected by the Tsing Yi Chemical Waste Treatment Centre (CWTC) will also be sent to the Yuen Long plant for recycling. We also liaise with vehicle and drivers' associations to increase public awareness of the importance of proper disposal of waste lubricating oil. Drivers and vehicle owners are encouraged to have their oil changed at garages where the waste oil will be properly disposed of.
- (c) The above measures, and increased public awareness of the importance of proper disposal of waste lubricating oil through education and publicity, would help achieve environmentally acceptable disposal of engine oil. Any improper disposal is liable to prosecution.

End

Remuneration of university heads review

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Following is a question by the Hon Emily Lau and a written reply by the Secretary for Education and Manpower, Mr Joseph Wong, in the Legislative Council today (Wednesday):

Question:

In regard to a recent report concerning the appointment of a consultancy firm by the University Grants Committee to review the remuneration of heads of universities in the territory, will the Government inform this Council :

- (a) of the reasons for and the objectives of commissioning the review;
- (b) whether the remuneration received by heads of universities is set at 98% of that received by the Chief Secretary, if so, what the rationale is;
- (c) whether the existing system of linking the remuneration and fringe benefits of heads and senior teaching staff of universities to those of comparable ranks in the Civil Service will be examined in the review; and
- (d) when the review will be completed and whether the findings of the review will be released for public consultation ?

Reply:

Mr President,

- (a) In the context of the University Grants Committee (UGC)'s review of the salaries of the Heads of City University of Hong Kong (CityU), Hong Kong Baptist University (HKBU), Lingnan College (LC) and Hong Kong Polytechnic University (PolyU), the Administration requested the UGC to undertake a review of the salary scales of all the Heads of the UGC-funded institutions as the Government is concerned about whether the existing salaries of the Heads are at an appropriate level. At present, the salaries of the vice-chancellors of the Chinese University of Hong Kong (CUHK), Hong Kong University of Science and Technology (HKUST) and University of Hong Kong (HKU) are pegged at 98% of the Chief Secretary (CS)'s salary whereas that of the Heads of other four UGC-funded institutions are set at lower levels equivalent to various points on the Directorate Pay Scale of the civil service. In the light of the changes in the nature and scale of responsibilities of the CS and other senior civil servants in recent years, there is a need to review the current relativity of the salaries of the Heads to the CS. The objectives of the consultancy are, therefore, to:

- (i) assess the appropriateness of the current salary levels of the Heads of the seven UGC-funded institutions having regard to the need to maintain broad comparability of their total remuneration packages with those of grades with a similar level of responsibilities in the civil service; and
  - (ii) advise the UGC on the appropriate remuneration packages for the Heads of the UGC-funded institutions.
- (b) Members of the Finance Committee of the Legislative Council advised in September 1970 that the vice-chancellors' emoluments should not exceed those of the Chief Secretary (CS), and approved in October 1974 the pegging of the salaries at one and two-thirds times the average of the professorial salary range. Hence, the vice-chancellors' salaries became indirectly linked to the top point of the Master Pay Scale (MPS) as the non-clinical professorial average was 143.8% of the maximum of the Senior Administrative Officer. However, as a result of the upward extension of the Master Pay Scale (MPS) the vice-chancellors' emoluments had exceeded that of the CS by 1979. Hence, on 28 July 1982 the Finance Committee of the Legislative Council approved the pegging of the vice-chancellors' salaries to that of 98% of the CS's salary. In June 1988, the Finance Committee approved that the salary scale of the vice-chancellor of HKUST, whose level of responsibilities was considered to be the same as that of the vice-chancellors of CUHK and HKU, should also be pegged at the same level.
- (c) The review examines the linking of the salaries of the Heads to that of the CS. The linking of the remuneration packages of the senior teaching staff of the UGC-funded institutions, namely those at the professorial rank to those of civil service grades of comparable responsibilities is not considered in the review.
- (d) The consultants are expected to complete their study in February 1996. With the benefit of the findings of the consultancy report, the UGC aims to complete the review in April 1996 and tender its advice to government. The determination of salary levels is a technical matter. The Administration does not consider it appropriate to mount a public consultation exercise on the findings of the consultancy or the UGC's recommendations. Should changes to the salary levels of the Heads of UGC-funded institutions be proposed, the Administration will put its recommendations to the Finance Committee of the Legislative Council for consideration.

End