



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
GARDEN ROAD, 5th-8th FLOORS, MURRAY BUILDING,
HONG KONG. TEL.: 2842 8777

Wednesday, January 29, 1997

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CS: Hong Kong stronger than it has ever been

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The Chief Secretary, Mrs Anson Chan, reassured the US audience on Tuesday (January 28, San Francisco time) that Hong Kong is well placed for life under Chinese sovereignty in accordance with the unique concept of "one country, two systems".

Speaking at a luncheon in San Francisco co-hosted by the World Affairs Council of Northern California, the Hong Kong Association of Northern California and the Commonwealth Club of California, Mrs Chan said:

"The Joint Declaration guarantees the separate identity which Hong Kong has long enjoyed on the international economic stage, and with Chinese agreement we have given new shape to that identity, which includes our enthusiastic participation in APEC and the WTO."

Mrs Chan was confident that Hong Kong would continue to grow and evolve as a living metropolis.

On the economic front, Mrs Chan said Hong Kong had an open market economy where liberal economics was on the march.

"An economy once dependent on low technology manufacturing of cheaper consumer goods is now dominated by knowledge-based industries which serve the needs of Asia," she said.

Mrs Chan also said that all the institutions of civil society existed in Hong Kong and were in good health.

"People enjoy the freedoms of a plural society and practise them with considerable moderation and restraint.

"Everyone works, lives, strives and excels on a level playing field under the rule of law administered by an independent judiciary," Mrs Chan said.

Apart from economic success, Mrs Chan also cited other impressive social indicators such as lowest crime rate since 1981, improving health trend and increase in the number of degree holders.

"Hong Kong is stronger than it has ever been, both economically and as a community," Mrs Chan said.

Pending the Chief Executive's announcement of his line-up of principal officials, Mrs Chan hoped that her presence in the Administration would signal to all that the Civil Service would continue to function much as it did today.

Mrs Chan said Hong Kong in the 21st century would share China's destiny.

"It is a matter of pride for us that China is now taking its place in the economic as well as the political currents of the world," she said.

Noting the growing wealth in China and the introduction of competitive elections at village level in certain provinces, Mrs Chan saw these as signs of a China that was willing to change and change for the better.

"It is on this foundation that I think Hong Kong can confidently build its future," Mrs Chan stated.

Turning to the international arena, Mrs Chan expected Hong Kong's trading partners to maintain an interest in the future of Hong Kong.

While addressing overseas audience' concerns about freedom of speech and press, human rights and the future of the Legislative Council, Mrs Chan said there was more cause for optimism than pessimism about Hong Kong's future after 1997.

"Freedom of speech, of the press and of fundamental human rights are all protected in the Joint Declaration and the Basic Law. However, there is now a genuine concern over whether these will be diluted as a result of proposals to amend the Bill of Rights Ordinance and other legislation. We will need to address these concerns if we are to maintain local and international confidence in Hong Kong," she said.

Commenting on the recent establishment of the Provisional Legislature, Mrs Chan hoped the existence of this set-up would be as short as possible and that the elections to be held for the legislative assembly to take over from the provisional body would be demonstrably free and fair.

Projecting into the future, Mrs Chan said she shared the vision of the Chief Executive (Designate) and she saw the role of the Chief Executive being to cultivate the trust and confidence of Chinese leaders in giving him a free hand to run Hong Kong in ways that do not undermine public confidence in his ability and willingness to defend Hong Kong's autonomy and the "one country, two systems" concept.

"At the same time, he has to ensure that the economy continues to grow so that we have the means to satisfy public expectations for more and better social services," Mrs Chan said.

End

Double Taxation Agreement on airline income with the Netherlands

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Hong Kong has reached an agreement with the Netherlands on the arrangements to provide double taxation relief for airline income.

"Amendments have been made to the Air Services Agreement of Hong Kong with the Netherlands to incorporate the relief arrangements. We have already concluded and implemented such arrangements with the Republic of Korea, New Zealand and Canada," a Government spokesman today (Wednesday) said.

Under the arrangements, Hong Kong will tax the income generated from international traffic of Hong Kong airlines derived from the Netherlands and which has been granted full tax relief by the Netherlands. In return, Hong Kong will forgo the right to tax the income of the Dutch airlines derived from Hong Kong if such income is subject to tax in the Netherlands.

"The Governor in Council has made an order under the Inland Revenue Ordinance to declare that the double taxation relief arrangements for airline income with the Netherlands should take effect. The order will be gazetted on January 31 and tabled in the Legislative Council on February 19," the spokesman added.

"It is our policy to include provisions on double taxation relief for airline income into Air Services Agreements negotiated between Hong Kong and our bilateral aviation partners on a case by case basis," the spokesman explained.

End

Study on plan submission commences

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The Buildings Department today (Wednesday) appointed Au Posfora Consultants Limited to carry out a feasibility study on the submission of plans and documents in electronic data format.

The \$2.4 million study, funded by the Hong Kong Jockey Club Charities Trust, will be completed in 18 months.

Speaking after signing the contract, the Assistant Director of Buildings (Structural Engineering), Mr Ng Hon-keung, said the project would lead to the implementation of an environment-friendly method of using advanced computer technology to submit and process building plans.

"We hope that eventually all drawings and structural calculations prepared by architects or engineers can be submitted in electronic data format to the Buildings Department for checking and record keeping via a computer system.

"The proposed scheme will directly benefit both the building professionals and the Government by saving time, storage space and transportation costs. In a broader perspective, it will contribute towards a green and healthy environment for Hong Kong people," Mr Ng said.

More than 15,000 sets of plans and structural calculations, equivalent to 450 tonnes of papers, are submitted to the Buildings Department every year.

"Saving paper is no longer an extra option in the building industry, but an urgent environmental imperative for everybody," Mr Ng said.

End

\$360,000 approved for fire victims

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The Social Welfare Department (SWD) has so far approved some \$360,000 under the Criminal and Law Enforcement Injuries Compensation Scheme for victims and family members affected by the arson case in Prat Avenue, Tsim Sha Tsui, last Saturday.

The money will be given to nine families in the form of burial grant, death grant and injury grant. Other applications are still being processed.

An SWD spokesman said today (Wednesday) that the department's various service units had already contacted 28 families of those deceased and injured.

"Among them, 18 families have been provided with various welfare services including financial assistance, counselling, clinical psychologist service, child care and housing assistance," the spokesman said.

Meanwhile, the department's caseworkers will continue to contact the victims and their families to offer appropriate assistance.

End

HONG KONG'97 Stamp Exhibition to be held next month

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The acting Postmaster General, Mr P C Luk, announced today (Wednesday) that the HONG KONG'97 Stamp Exhibition will be held at the upper and lower exhibition halls of the Hong Kong Convention and Exhibition Centre from February 12 to 16.

The HONG KONG'97 Stamp Exhibition is the first ever Asian international stamp exhibition to be organised in Hong Kong. It is organised by the Hong Kong Post Office and co-organised by the Hong Kong Philatelic Society and other local philatelic associations.

It has the support of the Federation Internationale de Philatelie and patronage of the Federation of Inter-Asian Philately as the 11th Asian International Stamp Exhibition.

"HONG KONG'97 aims to sustain the philatelic interest generated in HONG KONG'94 and reinforce Hong Kong's position as one of the world's major centres of philately.

"The exhibition is expected to generate considerable interest among local and overseas collectors and provide them with an opportunity to view the world's best exhibits," Mr Luk said.

There will be over 200 trading booths operated by postal administrations, stamp dealers, philatelic publishers and stationery suppliers. Three security printers will also attend the exhibition showing the various features of stamp printing.

Moreover, there will be more than 1,000 frames of exhibits competing for the various grand prix awards.

For the Court of Honour, rare and prestigious exhibits from the Royal Collection, China National Philatelic Corporation, Dutch Postal Museum, Hong Kong Museum of History and other leading philatelists will be on display.

Admission to the exhibition is free and the opening hours are as follows:

Opening Time Last Admission Time Closing Time

Feb 12	10 am	6 pm	7 pm
Feb 13 - 15	9 am	6 pm	7 pm
Feb 16	9 am	5 pm	6 pm

To commemorate this international event, the following products will be put on sale during the week. Details of where and when the products can be purchased will be made available through advertisements.

- * HONG KONG'97 Definitive Stamp Sheetlet Series No. 4 and No. 5
- * Serviced Souvenir Covers for HK'97 Definitive Stamp Sheetlet Series No. 4 and No. 5
- * "Hong Kong Classics" Definitive Stamp Sheetlet Series No. 7 - 9
- * Serviced Souvenir Covers for "HK Classics" Definitive Sheetlet Series No. 7 - 9
- * "HK -- Past and Present" Prestige Stamp Booklet
- * 1992 and 1997 Definitive Stamps Twin Pack
- * HONG KONG'97 Definitive Stamp Sheetlets No. 4 and 5 Twin Pack
- * Postage Prepaid Picture Cards
- * Rural and Urban Heritage Twin Pack
- * Hologram Postcards Series No. 3 - 8
- * Posting Box Coin Banks
- * HONG KONG'97 Lapel Pin

A different special postmark will be introduced at the venue on each day of the exhibition, namely:

- * February 12 - HONG KONG'97 Day
- * February 13 - Youth Day
- * February 14 - Post Office Day
- * February 15 - Federation of Inter-Asian Philately Day
- * February 16 - Family Day

Official souvenir covers for HONG KONG'97 Definitive Stamp Sheetlets No. 4 and 5 as well as "Hong Kong Classics" Definitive Stamp Sheetlets No. 7, 8 and 9 will be put on sale at all post offices from tomorrow (Thursday).

Advance orders for serviced souvenir covers will be accepted at all post offices from tomorrow to February 4. The minimum number of covers per order is five. Customers may collect their orders from April 1 to 29. For those customers who have ordered these sheetlets through the Local Standing Order Service, they may collect their items at the designated offices as from February 19.

To facilitate collectors in buying the HONG KONG'97 Definitive Stamp Sheetlet No. 5 on Sunday, February 16, all counter offices will be open on that day. The opening hours will be the same as on normal weekdays. Only stamps and registration services will be provided. As on previous occasions of first day issue of new stamps, 23 post offices will open at 8 am on February 12 and 14.

End

Hong Kong Monetary Authority Interbank Liquidity

		Time	Aggregate Balance Of Settlement Accounts
Opening aggregate balance	327 mn	0930 hr	16,674 mn
Closing aggregate balance	617 mn	1000 hr	17,138 mn
Change attributable to :		1100 hr	25,683 mn
Money market activity	-574 mn	1200 hr	29,123 mn
LAF reversal	+7,758 mn	1500 hr	24,496 mn
LAF today	-6,894 mn	1600 hr	33,345 mn

LAF rate 4.00% BID/6.00% offer TWI 127.2 *+0.4* 29.1.97

Hong Kong Monetary Authority

EF bills		EF notes/MTRC notes				
Terms	Yield	Terms	Issue	Coupon	Price	Yield
1 week	4.16	2 years	2811	5.72	100.24	5.65
1 month	4.27	3 years	3001	6.17	100.24	6.17
3 months	4.47	5 years	5112	6.57	100.08	6.66
6 months	4.71	7 years	7311	6.80	100.13	6.89
12 months	5.08	10 years	1701	6.89	99.39	7.10
		5 years	M503	7.35	102.20	6.89

Total turnover of EF bills and notes - \$49,551 mn

Closed January 29, 1997

End



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SUPPLEMENT

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Motion on raising maximum rate of TICF ex gratia payment

Following is the speech by the Secretary for Trade and Industry, Miss Denise Yue, in response to the Hon Fred Li's motion on increasing the maximum rate of ex gratia payment under the Travel Industry Compensation Fund in the Legislative Council today (Wednesday):

Mr President,

The Travel Industry Compensation Fund (Amount of Ex Gratia Payments and Financial Penalty) (Amendment) (No. 2) Rules 1996 seek to increase the maximum rate of ex gratia payment under the Travel Industry Compensation Fund (TICF) from 80% to 90% of the outbound fare paid upon default of travel agents. The Amendment Rules were gazetted on 20 December 1996 and came into effect on the same day. They were made by the TICF Management Board after consultation with the Financial Secretary and are subject to negative approval by this Council.

The Hon Fred Li has moved a motion to increase the maximum rate of ex gratia payment to 100%.

Mr President, I wish to state clearly to this Council that the TICF Management Board's decision to increase the maximum rate of ex gratia payment from 80% to 90% is supported by the Advisory Committee on Travel Agents and the Travel Industry Council of Hong Kong. The 90% rate is also accepted by the Consumer Council.

The Advisory Committee on Travel Agents, consisting of members from the outbound travel industry, other trade-related sectors and professions as well as consumer interest groups, supports the upward revision of the maximum rate of ex gratia payment from 80% to 90%, but not to 100%. The Committee considers that the increase to 90% will further enhance the protection of outbound travellers whilst at the same time address the concerns of the outbound travel industry.

The Travel Industry Council shares the view of the Advisory Committee on Travel Agents. In addition, the Council is concerned that if the ex gratia payment was set at 100%, the travelling public would be less prudent in choosing travel agents and would more likely than not go for those offering the lowest prices. Furthermore, travel agents would be less inclined to honour their moral obligations to clients knowing that the latter would be fully compensated upon the closure of their business. This would not be healthy for the outbound travel industry as a whole. This is the professional view of the travel industry and we should not ignore it lightly.

The Consumer Council considers the increase from 80% to 90% to be acceptable. It regards an increase of the maximum rate to 100% to be a long-term objective.

The TICF Management Board's decision to increase the maximum rate of ex gratia payment from 80% to 90% was discussed by the LegCo Panel on Trade and Industry on 12 November 1996 and by the LegCo Sub-Committee, with the Hon Chan Kam-lam as the Chairman, set up to examine the Amendment Rules on 11 January 1997. An overwhelming majority of Members present at the meetings of the Panel and the Sub-Committee supported increasing the maximum rate from 80% to 90% but not 100%.

Mr President, Members may wish to note that apart from the increase of the maximum rate of ex gratia payment to 90% as a measure to enhance consumer protection in case of defaults of travel agents, the Administration has already implemented a series of other measures, both preventive and remedial, to strengthen the existing regulatory mechanism of licensed travel agents upon advice of the Advisory Committee on Travel Agents. We briefed the LegCo Panel on Trade and Industry on those measures on 12 November 1996. We believe that such measures, including increasing the maximum rate of ex gratia payment to 90%, best safeguard the interests of both the consumers as well as the outbound travel industry.

I urge Members to support the Travel Industry Compensation Fund (Amount of Ex Gratia Payments and Financial Penalty) (Amendment) (No. 2) Rules 1996 made by the TICF Management Board, and vote against the motion.

As a separate issue, Mr President, I note that some Members have suggested that, given the size of the Travel Industry Compensation Fund, which currently stands at about \$226 million, consideration should be given to reducing the existing rate of levy, which is 0.5% of the outbound fare paid. The Administration would like to thank Members for this suggestion. I can guarantee that we will review the levy rate and seek advice from the TICF Management Board, the Advisory Committee on Travel Agents and the Travel Industry Council, and will report the result of the consultation and our views to the LegCo Panel on Trade and Industry in April.

Thank you, Mr President.

End

Motion debate on consultation paper on Copyright Bill

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Following is the speech by the acting Secretary for Trade and Industry, Mr Tam Wing-bong, in response to the Hon Henry Tang's motion on consultation paper on Copyright Bill in the Legislative Council today (Wednesday):

Mr President,

I have listened very carefully to the views expressed by Honourable Members on a number of legislative proposals set out in the Consultation Paper on the Copyright Bill, which was issued for public consultation last November. Given the limited time available, I do not propose to give a detailed response to each and every point made. Rather I would set out the policy objectives of the copyright law reform exercise and respond to two particularly contentious issues: parallel importation and copyright piracy.

Background and Policy Objectives

Mr President, the existing copyright law in Hong Kong is mainly based on the copyright law in the United Kingdom. There is a need to establish an independent copyright regime in Hong Kong before 1 July 1997. There is also a need to modernise the copyright law to cater for technological advances, to reflect prevailing international standards of intellectual property protection and to suit local circumstances.

The Law Reform Commission (LRC) published a Report on the Law Relating to the Reform of Copyright in January 1994 after extensive public consultation. The LRC recommended that Hong Kong should have its own copyright law modelled on the UK 1988 Copyright, Designs and Patents Act, with modifications to suit local circumstances.

The Basic Law provides that the Hong Kong Special Administrative Region Government shall formulate its own policies on and intellectual property rights and protect those rights by law. Hong Kong is obliged to provide copyright protection under the major international intellectual property (IP) treaties, which will continue to be applied to Hong Kong after 30 June 1997. We also reached agreement with the Chinese side in the Joint Liaison Group in November 1995 on the proposals for localising the copyright law in Hong Kong.

On that basis, we have drafted a comprehensive Copyright Bill with a view to achieving four policy objectives, namely, localisation of law, modernisation of law, compliance with international obligations, and balance of interests. As regard the last policy objective, I wish to stress that we are conscious of the need to ensure that copyright owners and exclusive licensees are adequately protected so that they can enjoy the full benefit of their copyright products in Hong Kong. At the same time, we need to ensure that consumers of copyright products continue to enjoy access to a wide range of genuine, legal products at reasonable prices.

Parallel Importation

Mr President, I am sure Honourable Members will appreciate that striking the right balance of interests is never an easy task. Parallel importation in the context of copyright is a clear example. Over the last year, the issue of parallel importation has attracted much debate in the copyright-related industries. The existing law provides for both criminal and civil sanctions against parallel imports which, broadly speaking, refer to those copyright products, namely, computer programs, books, sound recordings and films, that are lawfully manufactured abroad with the consent of the copyright owner there, but are being imported without authorisation from the copyright owner or the exclusive licensee here in Hong Kong.

We have been carefully examining the arguments both for and against the regulation on parallel importation. We note that there is so far no international standard or consensus on the issue of parallel importation. Most developed countries with high standards of copyright protection and with net export of intellectual property products prohibit parallel importation. For example, the US copyright law gives a copyright owner the exclusive right to distribute his copyright works and empowers him to seek remedies for infringement of the distribution right. The European Union (EU) member states maintain restrictions against parallel imports from outside the Union, although they have abolished restrictions on parallel imports among the member states, in line with the European single-market concept. Australia maintains criminal and civil sanctions against parallel importation in general but allows direct importation of books under specified circumstances. It is also examining the question of deregulation of parallel importation for sound recordings under specified circumstances.

Singapore has chosen to allow parallel imports. I have been told that this has assisted the cinema trade and increased the range of overseas copyright goods available. However, we note that Singapore does not face the risk of great damage to its economy from flow-back of lower price copyright goods from adjacent markets, given that its exports of copyright works, (unlike Hong Kong) are not a major factor in Singapore's economic prosperity.

Mr President, Hong Kong needs a high standard of copyright protection to ensure that investment on the production and distribution of films (Hong Kong being the second largest exporter of films by value in the world), sound recordings, books and computer software will continue to prosper and flourish. We believe that total deregulation (i.e. abolishing both the criminal and civil sanctions against parallel importation) would encourage free-riders to take unfair advantage over the substantial investment of copyright owners and exclusive licensees in importation, promotion and marketing in Hong Kong. We also perceive a high risk that Hong Kong works published or distributed in the Region (and China in particular) at a lower price than in Hong Kong (reflecting the lower purchasing power of the Chinese consumers) would flow back into Hong Kong and seriously undermine our recording and film production industries.

However, we are also conscious of the need for competition in the interests of consumers. We note concerns that importation rights in respect of copyright works could possibly be extended to apply to trademark goods or goods incorporating registered designs which are also incidentally capable of copyright protection. We shall continue to consider how to limit the chances of any possible broad application of copyright to prevent parallel importation of other types of goods.

On balance, our view is that we should adopt the LRC recommendation to decriminalise parallel importation but maintain civil remedies. We believe that this approach will strike the best balance between protecting the interests of right owners and exclusive licensees on the one hand, and those of consumers on the other.

Measures to Combat Copyright Piracy

Mr President, now I would like to turn to the enforcement of intellectual property rights, in particular measures to tackle copyright piracy. Let me start by stressing again that the Administration is firmly determined to do its utmost to put in place the best intellectual property regime and to enforce the regime robustly. This is important for us to promote trade, investment and technological innovation and exchanges. We have always acted, and will continue to act, decisively against IPR infringers within Hong Kong's rule of law. We will continue to work together with copyright owners and seek active support from them in our efforts to enforce against piracy activities, such as by testifying in our courts of law.

We have been taking measures to combat copyright piracy on the following fronts with good results -

- (a) closer liaison with IPR enforcement authorities in China to stop pirated copyright products from entering Hong Kong;

- (b) vigorous enforcement action at the retail, distribution and importation levels;
- (c) legislative measures to strengthen enforcement capabilities;
- (d) introduction of deterrent penalties; and
- (e) closer liaison and cooperation with copyright owners in taking enforcement and prosecution action.

As a result, the quantity and value of seizures in connection with copyright offences in 1996 have increased by 186% and 21.6% respectively when compared with those for 1995. Whilst these enforcement figures reflect the result of our intensified enforcement efforts, they also show that we are still facing an uphill battle against copyright piracy activities.

Mr President, some Honourable Members asked why those infamous blackspots in some shopping arcades in Hong Kong selling pirated CDs, CD-ROMs and VCDs have not yet been closed down despite the vigorous enforcement efforts made by our Customs officers. I wish to point out that our vigorous enforcement action can succeed only to the extent that we have full co-operation from right-holders in bringing evidence to court. Further success hinges on increasing this co-operation. Major manufacturers have in recent years been extremely helpful; but there are others who are less prepared to come forward and give evidence. Their products unfortunately feature prominently on the shelves of the more notorious black-spots.

Mr President, in order to address these specific problems, we seek Honourable Members' support for including a number of new legislative measures in the Copyright Bill. Specifically, we propose -

- (a) to double the maximum penalty on first conviction for the possession of pirated copyright products and plates for making pirated copyright products;
- (b) to introduce modified procedural provisions to facilitate proof of copyright subsistence and ownership; and
- (c) to introduce provisions to enable Customs to exercise power of forfeiture over seized suspected pirated copyright works, to enhance its enforcement capability and to facilitate better co-operation with copyright owners and enforcement authorities of other countries.

Mr President, I wish to point out that should the copyright piracy situation in Hong Kong remain rampant following implementation of the proposed legislative measures in the Copyright Bill, when enacted, for a period of time, we will consider whether or not to introduce further legislative measures, such as the making of closure orders by the court on premises found to be involved in repeated piracy activities. We realise that these are severe measures and would require careful consideration of their impact on legitimate businessmen and the landlords. Nevertheless, we are prepared to take such bold steps when Hong Kong's international reputation as a responsible trading partner is at stake.

In conclusion, I wish to reassure Honourable Members that the Government will consider carefully all the views put forward on the draft Copyright Bill so as to ensure that we strike a proper balance of the interests of all the relevant parties.

Thank you, Mr President.

End

Legal Aid (Amendment) Bill 1996

Following is a speech by the acting Chief Secretary, Mr Michael Suen, in resuming the second reading debate on the Legal Aid (Amendment) Bill 1996 in the Legislative Council today (Wednesday):

Mr President,

On 8 January, the Legal Aid (Amendment) Bill 1996 was introduced into this Council. This Bill aims to increase the financial eligibility limits for the legal aid schemes operated by the Legal Aid Department and to make other related changes to the Legal Aid Ordinance. The Bill has been considered by the House Committee of this Council, which decided that it was not necessary to set up a Bills Committee to study it and supported the resumption of its second reading.

Just now the Honourable Lee Cheuk-yan is in favour of raising the financial eligibility limits for applicants for legal aid by more than the rate of inflation. This is not appropriate in the context of this Bill, as its purpose is to make a routine biennial adjustment to the limits in line with inflation, and hence preserve their real value. However, as promised in our Policy Commitments published with the Governor's Policy Address last October, we are currently conducting a review of the criteria used to assess the financial eligibility of legal aid applicants. In this, we will consider whether the current criteria are still appropriate to the circumstances of Hong Kong today, or whether they need to be adjusted. We aim to consult Members of this Council and of the public on our preliminary proposals in May this year.

Mr President, with these remarks, I commend this Bill to Honourable Members for approval.

End

Mental Health (Amendment) Bill 1997

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Following is the speech by the acting Secretary for Health and Welfare, Mrs Doris Ho, in moving the second reading of the Mental Health (Amendment) Bill 1997 in the Legislative Council today (Wednesday):

Mr President,

I move that the Mental Health (Amendment) Bill 1997 be read a second time.

This Bill seeks to strengthen the provisions of the Mental Health Ordinance, with a view to providing better legal safeguards for mentally disordered and mentally handicapped people, as well as people caring for them.

In the existing Mental Health Ordinance, 'mental handicap' is not separately defined. It is subsumed under the term 'mental disorder' together with mental illness and other disorders of the mind.

To avoid misunderstanding that the two disabilities are the same, we propose to redefine the term 'mental disorder' so that persons with only a mental handicap will be excluded. A new definition of 'mental handicap' will also be introduced so that people who are only mentally handicapped can benefit from the relevant provisions of the Ordinance without being regarded as having a mental disorder.

At present an application to manage the property and affairs of a mentally disordered or mentally handicapped person may be made to the High Court either under Part II of the Ordinance or, by virtue of Section 12(4) of the Supreme Court Ordinance (Cap. 4), under Part VII of the UK Mental Health Act 1983. This problem of dual jurisdiction needs to be rectified to avoid confusion.

We propose to make improvements to Part II of the Mental Health Ordinance by reference to the UK Mental Health Act. The Bill seeks to introduce amendments which will specify more clearly the powers of the High Court and the relevant application procedures.

At present the Director of Social Welfare plays various roles in relation to application for guardianship of an adult who is mentally disordered or mentally handicapped. He is required to make an assessment of an application and at the same time is the approval authority. He may also initiate an application. In many instances, he serves as guardians.

To enhance impartiality of the system, we propose to set up a separate and independent Guardianship Board to consider applications for guardianship order. The Chairperson and members of the Board will be appointed by the Governor and will be supported by an independent secretariat.

We also propose that the Guardianship Board may confer on guardians additional legal powers for the protection and well-being of persons received into guardianship. One such power is for the guardian to give consent for the person with a mental handicap or disorder to receive medical or dental treatment.

Furthermore, we propose to empower a doctor or dentist to administer treatment without the guardian's consent in the event of an emergency or where it is necessary and in the best interest of the person to receive the treatment. However, if the person has to receive special treatment, which is defined as treatment of an irreversible or controversial nature, consent must be obtained from the High Court.

Mr President, we have consulted the welfare non-government organizations and parents of people with a mental handicap or disorder. The proposed amendments which I have just described are welcomed by them. Indeed, they look forward to an early enactment of the Bill.

Mr President, I beg to move.

End

Dangerous Drugs (Amendment) Bill 1997

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Following is a speech by the Secretary for Security, Mr Peter Lai, in moving the second reading of the Dangerous Drugs (Amendment) Bill 1997 in the Legislative Council today (Wednesday):

Mr President,

I move that the Dangerous Drugs (Amendment) Bill 1997 be read a second time.

The purpose of the Bill is to provide for heavier sentences for adult offenders who involve young persons in the commission of drug offences.

Between 1991 and 1995, we saw a rapid increase in the number of young persons arrested for trafficking and manufacturing of dangerous drugs, rising from 170 to 344. There is evidence to show that drug traffickers have increasingly exploited young persons in their illegal trade. Young people are used because they are cheaper to employ, easier to control, and less prone to attract police attention.

The Bill defines which offences under Part II and Part V of the Dangerous Drugs Ordinance are specified offences upon which an enhanced sentence may be imposed. It empowers a court to pass a more severe sentence on an adult drug offender convicted of a specified offence, if it is satisfied beyond reasonable doubt on the involvement of a minor in the commission of that offence. In order to provide a stronger deterrent effect, the Bill also extends a court's power to pass a more severe sentence to cover the inchoate offences of conspiracy to commit, inciting another to commit, attempting to commit, and aiding, abetting, counselling or procuring the commission of a specified drug offence.

Taking into account that the existing rights of the defendant to present mitigating circumstances to the court should not be prejudiced, the Bill allows an adult drug offender convicted of a specified offence to object to the reception of the information on the involvement of minors in the commission of the offence, and furnish other information to the court. Moreover, the Bill stipulates that the enhanced sentence passed for a specified offence must not exceed the maximum penalty permitted by law for that offence.

It is the community's wish to deter adults from exploiting young persons in the commission of drug offences. The Bill is a step in the right direction to meet the public's expectation.

Thank you, Mr President.

End

Electricity (Amendment) Bill 1996

* * * * *

Following is the speech by the Secretary for Economic Services, Mr Stephen Ip, in resuming the second reading of the Electricity (Amendment) Bill 1996 in the Legislative Council today (Wednesday):

Mr President,

I am most grateful to the Bills Committee chaired by Mrs Selina Chow for its detailed and thoughtful consideration of the Electricity (Amendment) Bill 1996 and the proposed Electrical Products (Safety) Regulation.

Though no Committee Stage Amendments are to be moved, I have, as mentioned by Mrs Chow, been requested by the Bills Committee to give certain assurances on points concerning the operation of clauses 2 and 4 of the Bill.

Clause 2 of the Bill defines the word "supply" in relation to a household electrical product in terms intended to include all of the commercial means through which a product may reach consumers, including "exhibit for sale or for hiring out".

I confirm, for the avoidance of doubt, that clause 2 is not intended to apply to the bringing into Hong Kong for an exhibition, or the exhibition, of a household electrical product that is not for sale or for hiring out in Hong Kong. I also confirm that the definition of "supply" in clause 2 is not intended to apply to the repair or maintenance of household electrical products.

Clause 4 of the Bill provides for the Director of Electrical and Mechanical Services to prohibit the supply of an unsafe electrical product and to seize such a product if it is supplied after three days have elapsed from the date on which the Director has published in the Gazette a notice prohibiting its supply.

I confirm that, in such circumstances, the Director will include in his notice of seizure the right of the person concerned to appeal against the seizure, through setting out in the notice the terms of sections 43(1) and (2) of the Ordinance, which provide for appeals to an appeal board.

In addition to these points, as mentioned by Mrs Chow, it was agreed in the Bills Committee that the proposed Electrical Products (Safety) Regulation should be amended in several respects before it is referred back to the Executive Council to be made.

Firstly, section 3(2) of the Regulation, which sets out the circumstances under which the Regulation does not apply to an electrical product, will be amended to state that the Regulation does not apply to an electrical product which is supplied in a place other than Hong Kong under a sale agreement entered into in Hong Kong.

Secondly, section 6 of the Regulation, which sets out the safety requirements for particular types of electrical products, will be amended to the effect that an electrical product which is designed solely for use at a voltage of less than 200 volts should carry a label warning of the possibility of injury to people or damage to property if the product is connected directly to the electrical supply system in Hong Kong.

Thirdly, section 11 of the Regulation, which sets out certain powers of the Director of Electrical and Mechanical Services, will be amended so that when the supplier of an electrical product that does not comply with the safety requirements is required by the Director to refund the purchasers any sum paid for the product, the refund is subject to a condition that a receipt for the product is surrendered to the supplier.

Fourthly, certain minor drafting improvements to Schedule 1 of the proposed Regulation have also been agreed.

As mentioned by Mrs Chow, the Bills Committee was also concerned about the availability locally of certification bodies to provide the certificates of safety compliance required under the proposed Regulation for products subject to specific safety requirements, such as plugs, adaptors and lampholders.

Two laboratories accredited locally are equipped to perform inspection and safety tests on some of these products. These and two other laboratories have expressed interest in expanding their facilities to cope with the demand for testing after the Regulation is brought into effect in about 12 months' time. There are only six types of products subject to specific safety requirements and the Director of Electrical and Mechanical Services will continue to liaise with local laboratories with a view to ensuring that, when the Regulation is brought into effect, the demand for testing and certification of these products can be met satisfactorily. Overseas certification bodies will also be recognized by the Director for such purposes.

Lastly, I am pleased to confirm that the Director of Electrical and Mechanical Services will prepare guidance notes to assist the trade in understanding and complying with the Electrical Products (Safety) Regulation and will consult the trade on the draft guidance notes after the Bill has been passed by this Council.

Thank you.

End

Environmental Impact Assessment Bill

* * * * *

Following is the speech by the Deputy Secretary for Planning, Environment and Lands, Mr Tony Cooper, in resuming the second reading of the Environmental Impact Assessment (EIA) Bill in the Legislative Council today (Wednesday):

Mr President,

I would like first to thank Members of the Bills Committee, especially its Chairman, the Honourable Edward Ho, for their hard work and thorough examination of this Bill. This process has helped the Administration to fine-tune the Bill in a manner that enhances its public participation in the statutory environmental impact assessment process on the one hand, and that provides greater certainty to development planning and programming on the other. We have also responded positively to most of the ideas put forward by Members of the Bills Committee and these are reflected in the Committee Stage Amendments which I will move later. However, it will be useful if I explain the Administration's response to several points raised by the Bills Committee and other organisations, such points concerning the arrangements for public participation in the EIA process, the timing of the EIA process, the scope of projects designated under the Bill, and the provisions for exempting projects from the EIA process.

I will begin by reminding Members of the importance of this legislation, a point I emphasised by my colleague, Mr Bowen Leung, when introducing the Bill to this Council just one year ago. Members will recall that the Bill provides a statutory framework modelled on the existing administrative arrangements for the conduct of EIAs and serves two main purposes. The first purpose is to require the proper evaluation, at the earliest possible stage, of the environmental impacts of development projects. The second purpose is to ensure the satisfactory implementation of necessary prevention and mitigation measures to protect the environment.

Interface with Development Related and Pollution Control Legislation

While these purposes are generally accepted, some Members are concerned that the Bill may overlap the existing legislation for land use planning and pollution control. However, most of the projects covered by the Bill are infrastructure projects which do not require project specific planning approval, and the issues covered by EIA concern primarily site specific environmental requirements and monitoring which are outside the scope of planning control. The EIA Bill therefore complements the planning process by ensuring optimal environmental performance of agreed development projects during their design, construction and operation phases. As EIA deals with preventive rather than remedial controls, many of the matters addressed in the EIA are not covered by the existing pollution control legislation. We therefore feel that a dedicated legislation on EIA is an appropriate arrangement which allows maximum flexibility for different aspects of project planning to proceed concurrently or sequentially as circumstances may require.

Mechanism for Public Consultation

Turning to the issue of public consultation in the EIA arrangements, we have strengthened the consultation procedures and widened the scope of public participation at various stages of the EIA process. The Bill makes it obligatory to make the EIA report available for public inspection and comment for one month. It also provides for independent review of EIA reports by the Advisory Council on the Environment. To further enhance the transparency of the EIA decision making process, the Bill sets up a register which makes key documents of the EIA process accessible to the public.

Some professional organisations and environmental groups made submissions to the Bills Committee suggesting that arrangements should be made to allow the public to provide inputs for the preparation of an EIA study brief. Having regard to this aspiration, as well as the need to avoid lengthening the EIA process, we have devised a mechanism to require an applicant for a study brief to advertise the availability of the project profile, thereby inviting interested parties to raise environmental concerns which the EIA should address. Proceeding in parallel with consideration of the project profile by Government departments, this arrangement will allow earlier and wider public participation in the EIA process while keeping it as short and simple as practicable.

Time

This leads me to reassure Members about the timing of the EIA process. While I am aware that Members are concerned that the statutory EIA arrangements may add to the length and complexity of the project planning and cause greater uncertainty to project implementation, we have assured Members that the EIA process has been significantly streamlined and that statutory time limits on that process have been imposed. The Bill therefore represents a balance between the need to protect our environment and the need to allow important development projects to proceed efficiently.

I can, moreover, assure Members that the Environmental Protection Department will process EIA studies and applications for environmental permits expeditiously. We are sufficiently confident of this and, as an additional safeguard, we have also accepted Members' suggestion to allow an applicant to treat his application as having been unconditionally approved if the Director fails to respond within the statutory deadline. These improvements, which I shall move at Committee Stage, will help make the EIA process more predictable.

Members will agree that by spelling out clearly the requirements and procedures for EIA, we will bring more certainty to project planning and costing. A project proponent will now be in no doubt about whether his proposed project requires an EIA, thus enabling the proponent to initiate the EIA early, to facilitate integration of environmental requirements into project design and layout, and to save the time and money subsequently required to remedy damage and muster community acceptance.

Residential Development

On the question of the EIA Bill's scope, we have heard concerns that the Bill, together with other development related controls and arrangements, may delay housing production at a time when the community's demand for a sufficient supply of flats is intense. This concern seems to arise from a misunderstanding. I would therefore like to clarify that residential developments, except those in ecologically sensitive areas and those exceeding 2,000 flats in unsewered areas, are not covered by the EIA Bill. The majority of housing sites are therefore outside its scope and there is no question of EIA arrangements delaying the overall housing production programme.

Exemption Provisions

On the issue of exemptions, there was some discussion at the Bills Committee about the provision in Clause 30 to enable the Governor in Council, in the public interest, to exempt a designated project from the Bill. I would like to emphasize again that this exemption provision is intended for exceptional circumstances when not exempting a project, or part of a project, would not be in the public interest.

Finally, I am aware of a concern that the provision in Clause 16(2), which enables the Secretary to require or authorise the Director of Environmental Protection to follow his advice, might enable the Secretary to direct the issue of an environmental permit to a project with significant environmental impacts. I can assure Members that because decisions made under the Bill are bound by its legislative intention to protect the environment, the Secretary could not issue such authorisation. And as I have just noted, exemptions in the public interest require the approval of the Governor in Council. Such exemptions, which in any case will be rare, are subject to this Council's approval, thus ensuring thorough scrutiny of the social and economic merits of a development project against its environmental aspects.

Technical Memorandum and Commencement

In closing, I would like to mention that, as with some other items of environmental legislation, the Bill provides for a Technical Memorandum to prescribe the conduct of EIA, its enforcement, and the detailed assessment methodologies and criteria to be applied in a transparent and consistent way. Consultation on this technical document will start soon before finalising it for scrutiny by this Council's Environmental Affairs and Planning, Lands and Works Panels in April this year. Our aim is to submit the Technical Memorandum, and subsidiary legislation on appeal procedures and fees, to this Council for approval in May, with a view to bringing the Bill into operation in early 1998. It is also our intention to review the EIA procedures after a year's implementation.

Mr President, with these remarks, and subject to the Committee Stage Amendments proposed by the Administration, I commend the Environmental Impact Assessment Bill to Honourable Members.

End

Committee stage amendments to Environmental Impact Assessment Bill

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Following is the speech by the Deputy Secretary for Planning, Environment and Lands, Mr Tony Cooper, in moving the committee stage amendments to the Environmental Impact Assessment (EIA) Bill in the Legislative Council today (Wednesday):

Mr Chairman,

I move that the clauses specified be amended as set out under my name in the paper circularised to Members.

Power to Designate Split Projects as a Designated Project

The new Clause 4(4) empowers the Secretary for Planning, Environment and Lands to designate a series of contiguous projects which generate cumulative environmental impacts tantamount to a designated project. Two prerequisites have to be met for the exercise of this power: first, the contiguous projects are undertaken by the same person or associated persons; and second, the Secretary reasonably believes that the aim of splitting up a project into parts or phases is to circumvent the threshold defining a designated project in Schedule 2 of the Bill. To balance the use of this power, a new Clause 4(5) is added to allow a project proponent to ascertain with the Director of Environmental Protection whether a series of contiguous projects would be treated as a designated project. The new Clause 26(5A) makes splitting up a project to circumvent the EIA requirements an offence.

Public Participation at the Study Brief Stage

We have accepted the Bills Committee's recommendation to allow for the public to provide input to the study brief. The amendment to Clause 5(2) and the new Clauses 5(2A), 5(3A) and 5(3B) provide for such a mechanism by requiring an applicant for a study brief to advertise the availability of his project profile, and to invite public comments on the environmental concerns associated with the project within 14 days. As public consultation proceeds in parallel with the preparation of the study brief, there is no need to extend the time limit of 45 days for processing a study brief. This arrangement allows wider and earlier public participation without lengthening the EIA process.

Deemed Approved Provisions

The EIA Bill imposes time limits on various stages of the EIA process. While the Director of Environmental Protection will strictly observe the statutory deadlines, the Bills Committee suggested that, to make the EIA process more predictable, there should be provision to allow an applicant to presume unconditional consent and proceed with his project on that basis in case the Director fails to respond within the relevant time limit. The new Clauses 5(4A), 6(4A), 8(3A), 10(3A), 12(3A) and 13(2A) accommodate this suggestion.

Other Amendments

The Bills Committee has also proposed certain amendments to fine-tune the Bill and improve the EIA arrangements enshrined therein. Clause 3(4) sets out the actions the Chief Secretary will take in the event of a public officer contravening the provisions of the EIA legislation. It is amended to require the Chief Secretary, apart from investigating and stopping any contravention, to also ensure that appropriate actions are taken to remedy any resultant environmental damage.

Clause 14(3) empowers the Governor in Council to suspend, vary or cancel an environmental permit. This reserve power will be exercised very sparingly in the unlikely event that the continuation of a project would cause serious environmental damage not envisaged in the EIA. A new Clause 14(3A) requires the Governor in Council to give reasons for revoking a permit and the conditions on which it can be reinstated.

The amendments to Clauses 17 and 19 concern the appeal arrangements. Clauses 17(1)(ia) and 17(1A) are added to allow statutory appeal on the content of an EIA study brief and on a decision to designate split projects under the new Clause 4(4). Clause 19(5) is amended to disallow a public officer from serving as a member on the Appeal Board.

The amendments to Clause 16 concerning the making of technical memorandum are primarily technical. Clause 16(2) provides that a technical memorandum issued by the Secretary for Planning, Environment and Lands may require or authorise the Director of Environmental Protection to follow his advice. This provision enables any decision that may be controversial to be deliberated carefully at a senior level in the Administration. To allay some Members' concern that this provision might create a loophole allowing the Secretary to direct the issue of an environmental permit to projects with unacceptable environmental impacts, a new Clause 16(2A) is added to ensure that the Secretary's advice pursuant to a technical memorandum is consistent with the spirit of the EIA legislation to protect the environment. Clause 16(11) clarifies that a technical memorandum is not subsidiary legislation and hence does not form a part of the law volume. Nevertheless, since the technical memorandum is relied on in the exercise of power under the Bill, it carries statutory effect and its making and any future amendment are subject to this Council's approval.

Some professional organisations have suggested that the EIA Bill should prescribe the minimum qualifications of persons involved in the statutory EIA process, a view shared by some Members of the Bills Committee. While we still consider it more appropriate to control the quality of an EIA through clear and consistently applied guidelines and meticulous vetting of the EIA report, a new Clause 32(1)(aa) is added to provide the Secretary for Planning, Environment and Lands with the flexibility to set out, if necessary, the qualifications of the personnel involved in an EIA study. We have no intention to set out statutory requirements on qualifications for the time being, but shall review the need to do so in the light of actual experience in implementing the EIA Bill.

Mr Chairman, I beg to move.

End

Complaints against disciplined services about non-payment

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

Question:

It was reported recently that some members of the British Forces stationed in the territory refused to pay taxi fares and that some police officers did not pay for their meals in restaurants. In this connection, will the Government inform this Council, in respect of the past three years:

- (a) of the numbers of complaints received by the authorities concerned about non-payment of taxi fares by members of the British Forces and the disciplined services respectively;
- (b) of the numbers of complaints received by the authorities concerned about non-payment of other fees and charges by members of the British Forces and the disciplined services respectively;
- (c) how the authorities concerned handled the complaints against members of the British Forces and the disciplined services committing the above acts; and

- (d) of the respective numbers of members of the British Forces and the disciplined services who were disciplined by the authorities concerned, or convicted in a local court, for the above acts?

Reply:

Mr President,

As regards part (a) of the question, the British garrison and the disciplined services have not received any formal complaints about non-payment of taxi fares by their members in the past three years. The British garrison are however aware of two recent disputes over the fares charged involving their members. The incidents were settled with the assistance of the Police and the Royal Military Police without a formal complaint arising from either party.

As regards part (b) of the question, the British garrison have not received any formal complaints about non-payment of other fees and charges by their members in the past three years. As regards the disciplined services, there are three complaints received by the Independent Commission Against Corruption (ICAC) against police officers (2 in 1994, 1 in 1995) concerning the non-payment of meal expenses in the past three years. The Customs and Excise Department have also received one complaint against its member for using cross border bus services without payment during the period. The claim was not substantiated.

As regards part (c) of the question, if members of the public have a complaint on such acts by a member of the British garrison or the disciplined services, they should report it to the Police. The Police will deal with them in the same way as all other criminal cases in a fair and thorough manner. If there is an element of corruption, the cases will be investigated by the ICAC.

As regards part (d) of the question, one police officer was charged but not convicted. However, disciplinary action was taken by the Police against four officers involved in the cases mentioned in part (b) of the answer.

End

Minimum fares requirement for outbound tours

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

Question:

It is learnt that in mid-October last year, the Travel Industry Council (TIC) launched a trial scheme dispensing with the minimum fares requirement for certain outbound travel tours. The trial scheme ended in mid-December last year, and the TIC later stated that the outcome of the scheme was favourable, but it still decided to retain the minimum fares requirement for outbound travel tours. In this regard, will the Government inform this Council:

- (a) whether the Government is aware of the specific contents of the outcome of the above trial scheme, and the criteria adopted by the TIC for concluding that the outcome was favourable;
- (b) whether the Government is aware of the reasons why the TIC has no intention of relaxing the minimum fares requirement for outbound travel tours completely, given the favourable outcome of the trial scheme; and whether the TIC's stance is in breach of the principle of fair competition; and
- (c) whether - in response to the views of Members of this Council, the Consumer Council, individual operators in the travel industry and members of the public - the Government will request the TIC to remove the minimum fares requirement for outbound travel tours, so as to safeguard the principle of fair competition; if not, why not?

Reply:

Mr President,

Questions (a) and the first part of question (b) relate to the Agreed Minimum Package Price scheme operated by the Travel Industry Council of Hong Kong. The scheme was first introduced by the Travel Industry Council in October 1991 as a self-regulatory measure of the outbound travel industry to prevent undercost operation with the objectives of stabilising the market and reducing the risks of travel agency default or abscondment. At present, there are eight package tour destinations covered by the AMPP scheme. All of them are short-haul destinations where competition is particularly keen. The scheme is regularly reviewed by the TIC to ensure that the AMPPs remain responsive to market changes and are set at a realistic level.

Late last year, the Travel Industry Council reviewed the AMPPs for package tours to Korea and Thailand and considered that they might no longer be at a realistic level. The Travel Industry Council therefore decided to lift the AMPPs for these two destinations on a trial basis for two months from mid-October to mid-December 1996. The Council hoped that the temporary lift would help adjust prices through market forces.

During the trial period, the Travel Industry Council closely monitored the prices for the package tours to Korea and Thailand. They considered that the prices set freely by the travel agents were at a realistic and fair level and that there was no evidence of price undercutting during the period. The Council were therefore satisfied with the result of the trial.

Towards the end of the trial period, the free market prices closely tracked or were above the AMPPs before they were lifted. The Council considered it necessary and prudent to resume the AMPPs for package tours to Korea and Thailand at the end of the trial period in mid-December, having regard to the onset of the Christmas and New Year holidays, which are the peak season for outbound package tours. The Council took this action to prevent intentional cut-throat pricing to attract purchase of tours by consumers which were cancelled later on because they were not commercially viable. The Council was also keen to minimise the possibility of deliberate underpricing by rogue travel agents for the purpose of amassing payments from consumers before default or abscondment.

The Travel Industry Council consider that the AMPP scheme is beneficial rather than detrimental to consumers. Competition in the outbound travel industry, especially the short-haul market, is extremely fierce. Both the number of travel agents and the volume of business are higher than those in the long-haul market. Hence the impact on consumers in case of travel agency default or abscondment will be significantly higher. With the setting of minimum prices, healthy price competition is still engendered but not to the extent of non-commercially viable pricing. In addition, some of the emphasis of competition will be placed on the quality of service, such as inclusion of sight-seeing spots or extra programmes, which is beneficial to consumers.

The second part of question (b) and question (c) asks whether the AMPP scheme operated by the Travel Industry Council is in breach of the principle of fair competition. We consider that the AMPP scheme is conducive to maintaining a healthy business environment. With the scheme, travel agents do not need to fear the practice of commercially non-viable pricing in order to corner the market. Consumers face less risk of financial loss resulting from default or abscondment by travel agencies and less unhappiness resulting from cancellation of tours. With the AMPP scheme, travel agents still compete on pricing but above the minimum threshold. And they pay more attention to, and compete, on quality of service and content of tour programmes.

We are fully aware of the need to strike a right balance between reducing the risks of intentional underpricing operation by travel agents with all its consequential negative implications for consumers on the one hand, and ensuring that outbound travellers are not required to pay unreasonably high prices on the other. So far, the AMPP scheme operated by the Travel Industry Council has not caused great concern to the Government. Nevertheless, we will continue to keep the AMPP scheme operated by the Travel Industry Council under review. We work closely with the Council and the Council is receptive to suggestions from the Government. In addition, we will continue our long-established practice of consulting the Advisory Committee on Travel Agents, on which the Consumer Council is represented, as well as the LegCo Panel on Trade and Industry on matters relating to the outbound travel industry and the protection of outbound travellers.

End

CSSA recipients' expenses in Chinese medicines

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Following is a question by the Hon Mrs Elizabeth Wong and a reply by the acting Secretary for Health and Welfare, Mrs Doris Ho, in the Legislative Council today (Wednesday):

Question:

Will the Government advise this Council whether recipients of the Comprehensive Social Security Assistance Scheme (CSSA) are reimbursed for the actual expenses incurred in using traditional Chinese medicine, if not, why not?

Reply:

In line with our policy that no one should be denied adequate medical treatment because of a lack of means, Comprehensive Social Security Assistance recipients are entitled to free medical treatment at public hospitals or clinics. Medical expenses for direct patient care, regardless of whether they are for traditional Chinese medicine or western medicine, are therefore not reimbursable.

End

Tuen Mun Road New Year's Eve incident

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Following is a question by the Hon Ho Chun-yan and a reply by the Secretary for Transport, Mr Gordon Siu, in the Legislative Council today (Wednesday):

Question:

It is reported that some 300,000 people went to Gold Coast Beach in Tuen Mun on New Year's Eve last year to see the fireworks display, causing traffic chaos in the district. As a result, many people who were at the scene were unable to reach home until three to four o'clock in the early morning on New Year's Day. In this connection, will the Government inform this Council:

- (a) whether, before the event, the departments concerned had assessed the possibility of a large crowd turning up at the site and made any contingency measures, such as arrangements for dispersing the crowd to various districts, extending the service hours and increasing the frequencies of ferries and buses to transport people to and from the site; and whether the Tuen Mun District Office or the Tuen Mun District Board had been consulted on such arrangements;
- (b) whether, after the event, the departments concerned have reviewed the arrangements and contingency measures, including any special traffic arrangements, adopted on that day; if so, what the outcome is; and whether the departments concerned will offer a public apology for the inconvenience caused to the people concerned; and
- (c) whether the departments concerned had considered beforehand if it was suitable to stage this kind of major activity in the district?

Reply:

Mr President,

The 1996 New Year's Eve Countdown Fireworks Display was organised by the Tuen Mun Yan Oi Tong with the assistance of the Tuen Mun District Office, the Regional Services Department and the Police.

An Inter-departmental Working Group led by District Officer/Tuen Mun was set up in early October 1996 to work out an action checklist and define the respective roles of the Government departments concerned in organising the Display.

The Working Group planned on the basis of a turnout of at least 100,000 people watching the display along the coastline from Siu Lam to Butterfly Bay. Transport Department, on the other hand, had contingency plans to cater for more passengers riding on buses, if this was necessary.

Transport Department together with the Police worked out special traffic and transport arrangements for the event, including road closures, suspension of carparks and pedestrian flow to ensure safety and to facilitate movement of public transport vehicles. The Castle Peak Road section between So Kwun Wat and Sam Shing was closed to all vehicles except buses.

Transport Department had made arrangements with public transport operators for special services. KMB, KCRC and LRT deployed additional buses and extended the hours of operation to meet demand. Tsuen Wan bound passengers would take KMB buses from the eastern end of the pedestrianized area on Castle Peak Road, and Tuen Mun and Yuen Long bound passengers would take KCRC feeder buses or LRT from the western end at Sham Shing.

By 11 pm on New Year's Eve, it was estimated that the number of spectators exceeded the 200,000 mark and contingency plans were activated -

- (a) KMB, which already had 80 buses standing by, eventually deployed 100 more buses to the scene and extended the services until the queue was cleared;
- (b) KCRC extended the departure time of buses to operate between Tuen Mun, Sam Shing and Yuen Long until all passengers were cleared;
- (c) LRT also extended the services of 6 routes and the last train left Tuen Mun at 3.30 am.

In the event, some 78,000 people took public transport (25,000 on KMB buses, 12,000 on KCRC buses and 41,000 on LRT) and 20,000 went by private cars, taxis and minibuses.

Due to the size of the crowd and in the interests of safety, a segregation crowd management programme was implemented by the Police during the dispersal phase of the event. This programme allowed for the dispersal of large sections of the crowd in phases, interspersed with security gaps to ensure a large section in between to ensure an orderly departure. The tactic proved effective in ensuring pedestrian safety.

The situation was more difficult along the section of Castle Peak Road near Gold Coast Phase I. As a large number of people were there, they jammed up the narrow Castle Peak Road thus for some 30 minutes buses approaching the pick up point were unable to turn around quickly and to pick up passengers.

The option of providing a ferry service was carefully considered but had to be discarded because of practical problems. The Gold Coast Pier was small and could only cope with vessels no larger than 200 seats, i.e. not much more than a large double decker bus, but the boarding time was much longer. The main ferry pier at Butterfly Bay was right next to the Light Rail Terminal, and the space in between was too restricted to accommodate the marshalling of both ferry passengers and Light Rail passengers in large numbers.

Following the event, when there were reports about the crowd control and transport situation, the Director of Home Affairs apologised to residents and spectators who had been inconvenienced that night. An inter-departmental review was convened by the District Officer/Tuen Mun. The meeting agreed that while the main objective of the event was achieved and inter-departmental co-ordination was satisfactory, there were clearly congestions and delays in journeys caused by the sheer size of the crowd which was significantly larger than anticipated.

Regarding whether Tuen Mun was suitable for holding major public events, concerned department did recognize that traffic and transport arrangement would be more difficult to handle because Tuen Mun was not served by mass carriers like the KCR and the MTR. However, as there had been one fireworks display in 1989 which was smoothly conducted, and also taking into consideration other relevant factors, it was decided to proceed with the fireworks display. The debriefing session on 13 January did not rule out similar public events in Tuen Mun, but the experience gained in the last New Year's Eve would be fully taken into account in future. New traffic arrangement for example, for any future major displays in Tuen Mun, could be introduced. It might for example be possible to pedestrianize a wider section of Castle Peak Road and provide bus boarding points at locations which could exit Tuen Mun Road quickly.

End

Castle Peak Road widening project

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Following is a question by the Hon Howard Young and a reply by the Secretary for Transport, Mr Gordon Siu, in the Legislative Council today (Wednesday):

Question:

With regard to the feasibility studies and plans being undertaken on the project of widening of Castle Peak Road, will the Government inform this Council whether consideration is being given to providing adequate lay-bys and stopping places for coaches at certain vantage points along Castle Peak Road which can give viewers a panoramic view of the Tsing Ma Bridge, so as to develop the road into a tourist attraction as well as a transport artery between Tsuen Wan and Tuen Mun; if not, why not?

Reply:

Mr President,

We do have plans to widen to dual-2 lane standard Castle Peak Road between Tsuen Wan and Tuen Mun in stages. Work on some sections has already been completed. Plans are being drawn up to widen the sections from Sham Tseng - Tsuen Wan Area 2, from Ka Loon Tsuen - Sham Tseng, from So Kwun Tan - Siu Lam, and from Siu Lam to Ka Loon Tsuen.

The widening of Castle Peak Road improvement is aimed at coping with traffic demand resulting from developments on both sides of the Road. Where possible in our design, we should provide space for lay-bys. However, given the primary function of Castle Peak Road as a busy transport artery between Tuen Mun and Tsuen Wan, the hilly topography and severe site constraints, there are limitations to the provision of purpose-built lay-bys en-route to allow the drivers to stop and park their vehicles.

Mr President, the Government is well aware of community interest in viewing the spectacular Tsing Ma Bridge, which is going to be a new landmark for Hong Kong. In the proposed widening of Castle Peak Road between Ka Loon Tsuen and Area 2 of Tsuen Wan near Bayview Garden, we will take the opportunity to expand the lay-by facilities and to provide more parking areas along the road, wherever possible. 8 new lay-bys each of 30 metres long can be provided along this section. These extended lay-bys can cater for both buses and coaches for boarding and alighting of visitors. We will also consider in our feasibility studies to provide more parking areas by making use of some of the discarded carriageways after the road has been realigned.

As regards viewing the Tsing Ma Bridge, the best location is at the Airport Core Project Exhibition Centre at Ting Kau and also at north-west Tsing Yi, where a purpose-built viewing platform with over 100 parking spaces for coaches, private cars and motorcycles will be provided. This new strategic viewing facility is scheduled for commissioning in May. We are confident that it will become a major tourist attraction, for both local and overseas visitors. In addition, we are considering the possibility of widening the north-west Tsing Yi Island site further, so that it will, in the longer term, become the tourist centre for looking at the Tsing Ma Bridge.

End

Service suspension period of police vehicles acceptable

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

Question:

Will the Government inform this Council of:

- (a) the number of traffic accidents involving police vehicles, and the type of police vehicles involved in such accidents, in each of the past three years;
- (b) the main causes of traffic accidents involving police vehicles and the total number of such accidents in the past three years arising from careless or reckless driving on the part of the drivers of police vehicles; and
- (c) the average period of suspension from service of police vehicles involved in traffic accidents in the past three years; whether such suspension had any effect on normal police work and, if so, what these effects were?

Reply:

Mr President,

- (a) The number of traffic accidents involving police vehicles were 628 in 1994, 610 in 1995 and 527 in 1996. Of the 628 cases in 1994, 242 involved motorcycles and 386 involved four-wheeled vehicles. Of the 610 cases in 1995, 182 involved motorcycles and 428 involved four-wheeled vehicles. Of the 527 cases in 1996, 218 involved motorcycles and 309 involved four-wheeled vehicles.

- (b) The main causes of traffic accidents involving police vehicles are deficiencies in driving attitude and skill. The Police record showed that 82, 75 and 29 police officers were convicted in court for "Careless Driving" under the Road Traffic Ordinance (Cap. 374) respectively in 1994, 1995, 1996. Only one police officer was convicted in 1996 for "Reckless Driving".
- (c) The Police do not keep separate statistics on the average period of suspension of police vehicles involved in traffic accidents. The Police only keep statistics on the average period of suspension from service of police vehicles, including suspension caused by maintenance and accidents. The average period of suspension from service of police vehicles in 1994, 1995 and the first 11 months of 1996 were 47 days, 43 days and 37 days respectively. The Police consider that the current average period of suspension acceptable and has little impact on daily work.

End

Private medical insurance

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Following is a question by the Hon Edward Leong Che-hung and a written reply by the Secretary for Financial Services, Mr Rafael Hui, in the Legislative Council today (Wednesday):

Question:

Does the Administration know, in respect of each of the past three years, of:

- (a) the number of individual persons covered by private medical insurance in the territory, together with the total premium and the total payout involved; and
- (b) the number of business establishments in the territory taking up medical insurance for their employees and the total number of employees covered by such insurance, together with the total premium and the total payout involved?

Reply:

- (a) and (b) Medical insurance business is conducted by both general business insurers and long term business insurers. There are no separate reporting requirements for medical insurance business in Hong Kong as there are no specific prudential concerns. Generally, statistics on medical insurance business are reported in aggregate with those on accident insurance business if carried on by general business insurers, or subsumed under those of life insurance business if carried on by long term business insurers because such business is largely transacted in the form of endorsement to a life policy. The Insurance Authority ("IA") does not, therefore, have disaggregated statistics on medical insurance business in Hong Kong.

The Medical Insurance Association ("MIA") collects statistics on medical insurance business from its members. The MIA is a trade association of authorized insurers with 46 members currently. The MIA's statistics on private medical insurance and on group medical insurance are annexed. However, as some insurers who carry on medical insurance business are not members of MIA, and as submission of statistics by members to the MIA is entirely voluntary, the statistics annexed do not cover the total amount of business conducted and payments made in the relevant years. The IA's rough estimate is that these figures should cover about 60% of the total relevant amounts.

Annex

Table A - Private Medical Insurance

Year	No. of persons covered	Total premium (note 1) (in HK\$m)	Total payout (note 2) (in HK\$m)
1993	297,047	323.28	140.90
1994	386,376	453.46	145.38
1995	1,061,650	1,073.52	448.65

Table B - Group Medical Insurance

Year	No. of business establishments (note 3)	No. of employees covered	Total premium (note 1) (in HK\$m)	Total payout (note 2) (in HK\$m)
1993	10,595	627,153	879.52	616.51
1994	11,573	693,824	1,109.60	778.98
1995	15,402	856,690	1,453.31	1,045.30

Note:

1. Total premium represents gross earned premium during the year, which is the gross written premium adjusted by the unearned premiums at the beginning and end of the year.
2. Total payout represents gross claims paid during the year, which is the aggregate of claim costs and expenses directly attributable to the settlement of claims (such as legal or medical expenses).
3. The MIA does not collect statistics on the number of business establishments taking up medical insurance for their employees. The figures represent the number of policies in force. As a group of companies may take out one single policy which covers all the employees within the same group, it is probable that the number of business establishments involved may be higher.

End

Policy for entry for training explained

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Following is a question by the Hon Chan Wing-chan and a written reply by the Secretary for Security, Mr Peter Lai, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council:

- (a) the number of people coming from mainland China to the territory in each of the past three years, for reason of undergoing training;
- (b) the number of these trainees remaining in the territory as at the end of last year;
- (c) the trades in which these trainees have been engaged after arrival in the territory, and the percentages of these trainees working in restaurants and the retail trades respectively; and
- (d) the average period of stay granted to these trainees, and the longest and shortest period of stay granted?

Reply:

- (a) Statistics on the number of visas issued under the policy for entry for training in general are as follows -

<u>Year</u>	<u>No. of training visas issued</u>
1994	5726
1995	5460
1996	4154

The Immigration Department does not keep separate arrival statistics for PRC nationals who entered for training purposes or have a breakdown of the visas issued by nationality of the recipients of visas.

- (b) The limit of stay granted to these persons varied from 1 to 6 months. The Immigration Department does not keep separate statistics on the number of persons still receiving training in Hong Kong;

- (c) The policy of admitting foreign nationals for training is open to all industries. A sample survey conducted in 1995 on 3,664 approved training applications revealed the following distribution of industries with foreign trainees in Hong Kong in descending order:

<u>Business nature of sponsoring company</u>	<u>Percentage</u>
University/Tertiary Institution	20.8
Trading & Investment	18.9
Industrial Enterprise	11.2
Engineering	10.2
Banking	6.8
Shipping, Transportation, Property Management, etc.	6.8
Computer Industry	5.7
Hotel Industry	5.0
Others	14.6

(Others included accountancy, airline industry, architect & design, human resources, insurance, multi-mass media publisher, legal field, telecommunication etc.)

The Immigration Department does not have a breakdown of the industries in which the trainees are engaged.

- (d) Under the policy for entry for training, the duration should not exceed 12 months. The duration of majority of training applications ranges from 1 to 6 months. The duration of some cases was as short as 7 days, while a few cases were of 16 months duration on exceptional basis.

End

Green Manager Scheme to be promoted in the private sector

Following is a question by the Hon Ip Kwok-him 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:

- (a) of the effectiveness of the Green Manager Scheme in government departments since its implementation; and whether the Scheme has achieved the expected results; if not, what improvement measures does the Government have; and
- (b) whether the Government will promote the implementation of the Scheme in the commercial sector or other private organisations; if so what the details are; if not, why not?

Reply:

Mr President,

- (a) The overall objective of the Green Manager Scheme is to require each policy branch and department to provide a senior officer to ensure that environmental issues are considered when formulating policy or applying departmental programmes. The following speak for the achievement of the Scheme so far -
 - (i) Since the implementation of the Green Manager Scheme in January 1994, eighty eight government branches and departments have appointed Green Managers.
 - (ii) Green Managers have implemented a total of 65 green housekeeping measures involving waste minimisation, waste recovery, energy conservation, staff participation, publicity and education.

- (iii) To date seven departments have completed or are in the process of conducting environmental audits for their offices and operations. These pilot projects have been successful and we intend to encourage as many departments as possible to carry out their own environmental audits. In January 1997, we commissioned consultants to provide training courses for 250 government officers to enable them to carry out environmental audits and implement environmental management systems in their own work places.
 - (iv) The Government is finalising a draft Waste Reduction Plan and will conduct widespread consultation later in the year. The administration will give a clear lead to the community and we will naturally look to Green Managers in departments to help us implement a range of waste reduction measures.
 - (v) To maintain the momentum of the Scheme, a plenum of Green Managers will take place in March 1997.
- (b) The government is also actively promoting the Green Manager Scheme in the private sector through the following measures -
- (i) We compile and update a Green Manager Information Database and maintain active liaison with private sector green managers to promote initiatives related to corporate environmental management.
 - (ii) The Environmental Protection Department (EPD) collaborates actively with the Hong Kong Productivity Council (HKPC), the Centre of Environmental Technology and the Hong Kong Quality Assurance Agency to provide training to interested private sector companies.
 - (iii) The EPD has also provided advice to the HKPC on the ISO 14000 Environmental Management System pilot scheme.
 - (iv) A pamphlet "Green Managers in Business" has been published to provide guidance on setting up green manager schemes.
 - (v) A book "A simple Guide to set up an Environmental Management System" will be distributed by March 1997 and placed on the EPD's homepage on the internet to help green managers establish Environmental Management Systems.

- (vi) A booklet "Advisory Note on Energy Efficiency in Existing Commercial Buildings in Hong Kong" has been published to provide guidance to Green Managers and building users on energy efficiency and conservation.
- (vii) A brochure "Waste Paper Recycling from Office" encourages Green Managers to start waste paper recycling programmes in office buildings.
- (viii) The Industrial Support Fund, managed by the Industry Department, funds industrial and technological development research, including environmental projects relevant to Green Managers.
- (ix) We will shortly be distributing a video entitled "Green Offices" to introduce practical tips to reduce waste in offices and to promote the Green Manager Scheme.

End

Illegally imported diesel oil and industrial diesel oil

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Following is a question by the Hon Christine Loh Kung-wai and a written reply by the Secretary for the Treasury, Mr K C Kwong, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council, in respect of the past three years, of:

- (a) the estimated respective annual consumption of illegally imported diesel oil and industrial diesel oil by commercial vehicles;
- (b) the types of commercial vehicles using illegally imported diesel oil and industrial diesel oil;
- (c) the respective proportions of annual consumption of illegally imported diesel oil and industrial diesel oil by commercial vehicles to the annual total consumption of diesel oil for vehicles;

- (d) the impact of the use of illegally imported diesel oil and industrial diesel oil on air pollution in the territory; and
- (e) the total loss of Government revenue as a result of the use of illegally imported diesel oil and industrial diesel oil by commercial vehicles?

Reply:

- (a) We do not have statistics about the annual consumption of illegally imported diesel oil and industrial diesel oil which may have been used by commercial vehicles. We only have statistics on the quantity of illicit diesel oil seized. The statistics for the past three years are set out in the table attached.
- (b) The types of commercial vehicles where the use of illegally imported diesel oil and industrial diesel oil is commonly found during enforcement action in the past three years are taxis and heavy goods vehicles.
- (c) For the reason set out in (a), we do not have statistics about the proportions of annual consumption of illegally imported diesel oil and industrial diesel oil by commercial vehicles to the annual total consumption of diesel oil for vehicles.
- (d) Illegally imported diesel oil and industrial diesel oil tend to have a higher sulphur content than automotive diesel oil. Therefore, their use as automotive fuel is likely to cause higher emissions of sulphur dioxide and respirable suspended particulates. However, we have no evidence to show that the misuse has caused any significant adverse impact on the overall air quality in the territory.
- (e) On the basis of the quantity of illicit diesel oil seized, the potential duty loss to Government for the past three years is provided in the table at (a) above.

Year	1994		1995		1996	
	Quantity seized (litre)	Duty Potential (\$)	Quantity seized (litre)	Duty Potential (\$)	Quantity seized (litre)	Duty Potential (\$)
(a) Illegally imported diesel oil	183,342	447,252	147,895	388,013	558,196	1,606,314
(b) Industrial diesel oil used by commercial vehicles -						
(i) Marked oil	408,690	998,354	1,035,338	2,728,762	776,259	2,216,932
(ii) Marked oil (Detreated)	88,540	216,923	286,567	774,066	133,810	385,576
Total	680,572	1,662,529	1,469,800	3,890,841	1,468,265	4,208,822

Govt committed to enhance students' language proficiency

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Following is a question by the Hon David Li Kwok-po and a written reply by the acting Secretary for Education and Manpower, Mr Matthew Cheung, in the Legislative Council today (Wednesday):

Question:

The Examinations Authority has disclosed that, according to the results of the students sitting for the Hong Kong Certificate of Education Examination (HKCEE) for the first time, the average percentage of such students who failed the English Language subject was much higher than that for the Chinese Language subject over the last ten years. In this connection, will the Government inform this Council:

- (a) of the average percentage of the students sitting for the HKCEE for the first time who obtained a pass in the Chinese Language and English Language subjects respectively over the past three years; and
- (b) whether additional resources will be allocated to assist students, particularly those from schools with consistently poor performance in the Chinese Language and English Language subjects in the HKCEE, in improving their language proficiency?

Reply:

Mr President,

- (a) Over the past three years, the results of first-time HKCEE candidates in the Chinese Language and English Language subjects are as follows:

Year	Pass(Grade E or above) Rate (%) (No. of students)		
	<i>Chinese Language</i>	<i>English Language (Syllabus A)</i>	<i>English Language (Syllabus B)</i>
1994	60.2 (35,824)	50.5 (2,557)	55.4 (30,443)
1995	60.1 (36,637)	45.5 (2,730)	56.8 (31,376)
1996	59.5 (36,967)	44.9 (3,051)	56.4 (31,318)

- (b) The Administration is committed to ensuring that our students acquire a high level of proficiency in both Chinese and English and has allocated substantial resources in this respect. It has accepted fully the recommendations of the Education Commission Report No. 6 entitled "Enhancing Language Proficiency: A Comprehensive Strategy" and is implementing from 1996/97 the Phase I recommendations at a full year recurrent cost of about \$44 million. Highlighted below are some of the key measures which are being implemented and which will continue in the coming years:
- the setting up of the Standing Committee on Language Education and Research in October 1996 to provide an institutional framework to enable research to be conducted into language education needs of Hong Kong, to develop policies to meet those needs, and to monitor and evaluate such policies in a coherent and systematic manner;
 - the Education Department will continue with the Extensive English Reading Scheme for Primary Five to Secondary Three students, which has been implemented on a phased basis since September 1991. A Chinese Extensive Reading Scheme in Primary Schools (Phase I) was introduced in December 1996 and since then about 4,800 students from 34 primary schools have participated in the Scheme. It is anticipated that about 8,400 students from 60 schools will participate in Phase II of the Scheme starting September 1997;
 - a pilot scheme on the Intensive English Course for Secondary Six students in English-medium schools was introduced in late 1996 to help the target students achieve the standard of English required for entry into the tertiary institutions. Meanwhile the Intensive English Language Programme for Secondary Six and Secondary Seven students in Chinese-medium schools continues, benefiting about 3,300 students;
 - to enhance the effectiveness of language teaching, the Advisory Committee on Teacher Education and Qualifications has engaged consultants to set language benchmarks for teachers and has now developed tentative language benchmarks for English teachers of lower secondary forms, teachers of Putonghua and those using Chinese as the medium of instruction in primary schools. Further studies will need to be conducted before the benchmarks are finalised. Thereafter, the benchmarks will be imposed on new teachers as soon as possible, and all serving teachers are expected to pass the benchmark examinations within a reasonable period of time;

- we will continue to encourage and assist schools to employ native English-speaking teachers. As at September 1996, 87 native English-speaking teachers are employed in 53 schools;
- to identify ways to improve the effectiveness of language teaching, the Education Department has recently commissioned a study on the workload of language teachers; and
- to improve support services for language teaching, we will set up a Language Resource Centre later this year. Electronic media and computers will be used to develop links among school teachers and various institutions to enhance the exchange of teaching ideas and materials.

All these measures are aimed at improving the language proficiency of our students, including those from schools with consistently poor performance in the Chinese Language and English Language subjects in the HKCEE.

End

Prescription of antibiotics

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Following is a question by Dr the Hon Huang Chen-ya and a written reply by the acting Secretary for Health and Welfare, Mrs Doris Ho, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council:

- (a) of the number of patients suffering from influenza who sought treatment at public hospitals as well as general out-patients clinics under the management of the Department of Health, and the number of these patients who were prescribed with antibiotics by the medical officers concerned, in each of the past three years;

- (b) whether the authorities concerned have any mechanism to assess whether the prescription of antibiotics to such patients by medical officers is appropriate; if so, of the percentage of cases in the past three years in which the prescription of antibiotics was found to be inappropriate; if not, why not; and
- (c) whether the authorities concerned have monitored the drug resistance of bacteria arising from the inappropriate prescription of antibiotics; if so, of the extent of the increase in drug resistance of common bacteria according to the data obtained by the past ten years?

Reply:

Statistics are not readily available on the number of cases involving patients suffering from influenza or common cold who sought treatment at our public hospitals or general out-patient clinics.

Apart from professional training on the appropriate use of antibiotics, frontline medical staff are provided with expert assistance from the pathologists/microbiologists or infection control committees affiliated with their respective institutions. All major public hospitals also conduct regular surveillance of antimicrobial susceptibility on bacterial isolates, the outcome of which is promulgated widely through newsletters, departmental seminars and periodic reports to promote good prescription practice.

The Drug and Therapeutic Committee or a similar functioning committee has been set up at each hospital to review and advise on proper use of antibiotics, to assess the need for inclusion of new antibiotics in the prescription list, as well as to formulate prescription policies and practices. Furthermore, the Central Drug Utilisation Review Committee in the Hospital Authority Head Office promotes efficacious use of drug through utilisation reviews and publication of a drug bulletin providing education and feedback to clinicians on the proper use of drugs, including antibiotics.

The outcome of surveillance in recent years has revealed increased antibiotic resistance for common pathogens to some older antibiotics which is in line with overseas experience. However, this problem can be managed by the use of new antibiotics or combination of antimicrobial chemotherapy. Inappropriate prescription of antibiotics is only one of the many known causes for the emergence of drug resistant bacteria.

End

Official Receiver in winding up cases

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

Question:

Will the Government inform this Council:

- (a) of the criteria adopted in determining whether the Official Receiver or some other fit person should act as the liquidator in winding-up cases; and
- (b) whether the party filing a winding-up petition has the right to name the liquidator; if so, how the interests of the company being wound up are protected?

Reply:

Mr President,

- (a) In dealing with compulsory company winding-up cases, the decision of the Official Receiver (OR) on whether he himself or another fit person should act as the liquidator of the estate is determined mainly by the amount of assets in the company's estate. If those assets are not likely to exceed \$200,000, the OR will seek the court's approval to process the case under a summary procedure order whereby the OR will be appointed as the liquidator.

If the assets of the company's estate are likely to exceed \$200,000, the OR shall process the case in accordance with section 194 of the Companies Ordinance ("the Ordinance") and call meetings of creditors and contributories of the company for the purpose of determining whether or not an application is to be made to the court for appointing some other fit person who has insolvency experience to be the liquidator. If there is a difference between the determinations of the meetings of creditors and contributories in respect of the appointment of a liquidator, the court will decide the matter and make such order as it thinks fit under section 194(c) of the Ordinance.

- (b) The party presenting a petition for a compulsory winding-up against a company does not have the right to designate who shall be the liquidator of the estate. The procedure for the appointment of the liquidator is as set out in (a) above.

Under section 193 of the Ordinance, the court may appoint a liquidator provisionally at any time after the presentation of a winding-up petition. A party filing a winding-up petition may apply to the court to appoint a provisional liquidator at any time before the making of the winding-up order and either the OR or any other fit person may be appointed. The company against whom the winding-up petition has been filed may also apply to the court to object to the appointment of the provisional liquidator prior to the winding-up hearing. On the making of a winding-up order by the court, the OR by virtue of his office becomes the provisional liquidator and continues to act until a liquidator of the company has been appointed in accordance with the procedure set out in (a) above. Such procedures ensure that the interests of the company being wound up are protected.

End

Measures to reduce nuisance caused by slaughterhouse

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

Question:

As the residents living in the vicinity of the Tsuen Wan Slaughterhouse have complained about noise and odour nuisances emanating from the slaughterhouse, will the Government inform this Council whether it has considered adopting the same arrangements used in the removal of Shiu Wing Steel Limited in Tseung Kwan O, thus enabling the private operator of the slaughterhouse, the residents and the property developers in the area to benefit at little or no public expense; if so, what the details are; if not, why not?

Answer:

Mr President,

The justifications for the relocation of Shiu Wing Steel Works do not apply in the case of Tsuen Wan Slaughterhouse. Shiu Wing was relocated to implement the Tsueng Kwan O Outline Zoning Plan because the site Shiu Wing occupied is zoned "Commercial/Residential" and "Open Space" on the plan. The site Tsuen Wan Slaughterhouse occupies, however, is zoned "Other Specified Uses" annotated 'Slaughterhouse' on the Kwai Chung Outline Zoning Plan.

As regards the complaints by nearby residents regarding the odour and noise from Tsuen Wan Slaughterhouse, we would like to point out that the operation of the slaughterhouse complies with the licensing conditions and public health requirements under the Public Health and Municipal Services Ordinance, Cap. 132. The odour and noise emissions are within the limits under the Air Pollution Control Ordinance, Cap.311 and the Noise Control Ordinance, Cap. 400.

Nevertheless, we appreciate that such emissions, although not in breach of statutory limits, may be a cause of nuisance to residents. To reduce the emissions, we have obtained the cooperation of the operator for more frequent hosing down of the pig unloading area and the lairage area, repairing the broken windows facing Riviera Gardens and closing up the windows during slaughtering hours. In recent weeks, the operator has also closed a good proportion of the open apertures facing Riviera Gardens. The operator of Tsuen Wan Slaughterhouse has obtained the agreement of the pig delivering lorry drivers that they should not pass through Riviera Gardens via Wing Shun Street. To ensure this is done, Transport Department has prohibited the south-bound traffic at Wing Shun Street from turning right into the slaughterhouse. These measures have brought about significant improvements to the area. The operator has also agreed to consider employing consultants to examine other measures to further reduce noise and odour including the feasibility of using odour neutralizer. A working group with representatives from Tsuen Wan District Office and relevant government departments, Tsuen Wan Slaughterhouse management, District Board members and representatives of Riviera Gardens was established in July 1996 to identify and monitor practical ways of reducing and containing the noise and odour nuisances emanating from the Slaughterhouse. The Administration is also considering imposing additional conditions on the licence of Tsuen Wan Slaughterhouse upon its renewal in November 1997.

Accident and emergency service in public hospitals

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Following is a question by Dr the Hon Huang Chen-ya and a written reply by the acting Secretary for Health and Welfare, Mrs Doris Ho, in the Legislative Council today (Wednesday):

Question:

Is the Government aware, in respect of the past year, of:

- (a) the total number of patients who attended the accident and emergency departments in public hospitals, and the number of such patients who were -
 - (i) admitted into hospital wards directly,
 - (ii) admitted into observation wards and later transferred to hospital wards, and
 - (iii) admitted into observation wards and later discharged;
- (b) the number of patients admitted into observation wards in public hospitals, whose condition had deteriorated and who -
 - (i) were required to undergo operation;
 - (ii) were required to receive treatment in the intensive care units, and
 - (iii) died within 24 hours of admission; and
- (c) the number of patients who attended the accident and emergency departments in public hospitals but were refused admission initially and who -
 - (i) were later admitted into hospital for treatment, and
 - (ii) died within 48 hours?

Reply:

A total of 1,973,661 patients attended the accident and emergency departments in public hospitals during 1996, out of whom 379,590 were admitted into hospital wards directly. Based on activity statistics captured by the Accident and Emergency Information System which cover seven acute general hospitals (Caritas Medical Centre, Pamela Youde Nethersole Hospital, Prince of Wales Hospital, Queen Elizabeth Hospital, Tang Shiu Kin Hospital, United Christian Hospital and Yan Chai Hospital) accounting for about 60% of the total workload, 17,002 patients were admitted into observation wards and then transferred to hospital wards, while 76,007 were admitted into observation wards and later discharged.

We do not have any readily available information on the number of patients admitted into observation wards whose condition had deteriorated to require operative treatment, intensive care or died within 24 hours of admission. However, it is important to note that only patients with borderline medical conditions who are not deemed necessary for hospitalisation will be admitted to observation wards.

We do not have any readily available information on the number of patients who attended the accident and emergency departments but were refused admission initially and later admitted for treatment or died within 48 hours.

End

Official Receiver's Office

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

Question:

Will the Government inform this Council:

- (a) the respective numbers of staff in various professional grades in the Official Receiver's Office at present; and

- (b) the number of winding-up cases handled by the Official Receiver acting as the liquidator in the past three years; and the number of winding-up cases in which other fit persons were appointed as the liquidator or provisional liquidator in the same period, together with the reasons for appointing such persons as the liquidators to handle these cases?

Reply:

Mr President,

- (a) As at 27 January 1997, there are a total 69 insolvency officers, 20 accountants and accounting officers; and 14 legal officers in the Official Receiver's Office.
- (b) In the past three years, the total number of compulsory company winding-up cases is 1,392. Of these, the number of cases where private sector insolvency practitioners are appointed as the liquidator or provisional liquidator is 47.

Section 194 of the Companies Ordinance provides that where the company's estate exceeds \$200,000 in assets, creditors and contributories are entitled at creditors' and contributories' meetings to decide whether or not to apply to the court to have some other fit persons to be appointed as joint and several liquidators in place of the Official Receiver. In addition, to cope with the increasing workload, the Official Receiver has since May 1996 contracted out compulsory company winding-up cases exceeding \$200,000 in assets to private sector practitioners who are members of the Administrative Panel of Insolvency Practitioners.

End

CWTC offers waste producers a price competitive service

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

Question:

It is learnt that the year-on-year increase in the cost-recovery rate for chemical waste treatment by the Chemical Waste Treatment Centre (CWTC) has resulted in the manufacturers significantly reducing the amount of chemical waste sent to the CWTC for disposal. In this connection, will the Government inform this Council:

- (a) whether the charges imposed by the CWTC are higher than the cost incurred by the manufacturers using their own facilities to dispose of chemical waste; if so, how much higher; and
- (b) of the other reasons, apart from the gradual increases in the charges imposed by the CWTC, that have prompted the manufacturers to reduce using the services provided by the CWTC and use their own facilities to dispose of chemical waste?

Reply:

Mr President,

- (a) We do not have the data to compare the charges imposed by the CWTC with individual costs incurred by different manufacturers treating their wide range of chemical wastes with their own facilities. Experience shows that the CWTC generally offers waste producers a price competitive service for highly concentrated wastes containing multiple chemical compounds that are difficult to treat in an environmentally acceptable manner.
- (b) It is difficult to speculate on the reasons why some manufacturers treat their own waste. The CWTC charges certainly provide an economic incentive to manufacturers to upgrade technology, minimise waste generation and improve waste management practices. Furthermore, manufacturers are increasingly incorporating environmentally friendly manufacturing techniques and processes in their operations, having recognised the growing importance that customers, both corporate and individual, place on this. I very much welcome this development.

End

Information kept by Public Records Office

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Following is a question by the Hon Ho Chun-yan and a written reply by the acting Chief Secretary, Mr Michael Suen, in the Legislative Council today (Wednesday):

Question:

It is learnt that the Government Records Service Division at present still keeps certain undisclosed records, which include information on the military yen and other administrative measures during the Japanese Occupation. These records have been classified as confidential documents, such that even the index of these documents is not disclosed. In this connection, will the Government inform this Council whether, given the implementation of the Code on Access to Information, the Government has given consideration to disclosing the relevant documents, so that the public can know about the valuable historical records of Hong Kong during the Japanese Occupation; if so, what the outcome is; if not, why not?

Reply:

The Public Records Office (PRO) holds a small collection of war-time records relating to finance, land, social development, citizenship and economy. We apply the spirit of the Code on Access to Information (the Code) to the archival stock in the PRO in the same way as we do to information held in other government departments or agencies. The public have direct access to all open records in the PRO. There is also provision for members of the public to apply to the Government Records Service Director for access to records which are classified as "closed records". Any such application will be considered carefully, with due regard to the provisions of the Code, and to the Personal Data (Privacy) Ordinance in the case of records which contain personal data. Any member of the public who is interested in the history of Hong Kong is welcome to contact the Public Records Office for assistance.

End

Protection of Wages on Insolvency Fund

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Following is a question by the Hon Lee Cheuk-yan and a written reply by the acting Secretary for Education and Manpower, Mr Matthew Cheung, in the Legislative Council today (Wednesday):

Question:

The Protection of Wages on Insolvency Fund Board (the Fund Board) stated in its 1995-96 Annual Report that it would closely monitor the Protection of Wages on Insolvency Fund (the Fund) to see how the Fund's overall operation would be affected by the resolution passed by this Council on 31 January last year to significantly increase the Fund's coverage. In this connection, will the Government inform this Council:

- (a) of the details of the analysis of the approved ex gratia payments as percentages of applicants' entitlement during the period from 2 February last year when the resolution came into effect, up to 31 December of the same year; and how these figures differ from those recorded before the resolution became effective (that is, during the ten-month period from 1 April 1995 to 31 January 1996);
- (b) of the total amount of ex gratia payments made from the Fund during the period from 2 February to 31 December last year; and how the amount differs from that paid in the ten-month period before the resolution became effective;
- (c) of the up-to-date financial position and balance of the Fund;
- (d) how the Fund Board assesses the effect of the resolution on the operation of the Fund;
- (e) whether the authority concerned will increase the maximum amount of ex gratia payments in the light of the passage of the Protection of Wages on Insolvency (Amendment) Ordinance 1996 to extend from four to six months the period within which applications for ex gratia payments from the Fund may be made; and
- (f) whether the authority concerned has any plan to increase the amount of ex gratia payment from the Fund in accordance with the annual wage increase; if so, when the plan will be implemented; if not, why not?

Reply:

Mr President,

- (a) We do not keep statistics on the approved ex-gratia payment as a percentage of the applicants' entitlement. We only have statistics on the percentage of applicants recovering their full entitlement in respect of arrears of wages (AW), wages in lieu of notice (WILON) and severance payment (SP) before and after the resolution came into effect on 2 February 1996 :

Percentage of applicants recovering their full entitlement

	<u>1.4.95 - 1.2.96</u> (under previous ceilings)	<u>2.2.96 - 31.12.96</u> (under new ceilings)
AW	81.76%	92.30%
WILON	67.11%	97.66%
SP	52.5%	70.76%

- (b) During the 11-month period from 2 February 1996 to 31 December 1996, the amount of ex-gratia payment paid out from the Protection of Wages on Insolvency Fund (the Fund) was \$171m. This represents an increase of 86% as compared to the amount of \$92m paid out in the 11-month period prior to 2 February 1996.
- (c) As at 31 December 1996, the Fund Board had a total accumulated fund of \$865m.
- (d) The Fund Board has expressed deep concern over the sharp increase in the amount of ex-gratia payment paid out after the resolution came into effect in February 1996. It is estimated that the annual surplus of the Fund will fall from \$113m in 1995/96 to \$40m in 1996/97 and further to only about \$5m in 1997/98. The effect of the new coverage has yet to be fully felt because over 30% of the applications approved during the 11-month period ending December 1996 were still paid under the previous ceilings. The Fund Board will therefore be in a better position to assess the full impact of the resolution later this year.

- (e) The extension of the application period from four to six months is to cover employees who would otherwise be denied protection because of the delay in making application to the Fund. This is not related to increasing the maximum levels of payment as the latter is to enable eligible applicants to recover a higher percentage of their entitlement.
- (f) The maximum levels of payment were only increased substantially in February 1996. The Fund Board and the Administration would need more time to assess the full effect of the revision. We therefore do not intend to revise the ceilings of payments at this stage. We will keep the situation under regular review and consider further improvements as and when necessary in the light of the wage movement and the financial position of the Fund.

End

District Lands Office checks against illegal use of industrial premises

* * * * *

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

Question:

Regarding the problem of illegal use of industrial buildings as office premises, will the Government inform this Council:

- (a) whether the Government has taken any actions to arouse public awareness of the illegal use of industrial buildings as office premises beyond the allowable ratio; if so, of the effects of such actions; and the extent of such illegal use throughout the territory, and whether the actions taken by the Government have been effective or adequate in tackling the problem;
- (b) of the percentages in respect of the sale, leasing and vacancy positions of industrial and office buildings respectively in Kwai Tsing in each of the past three years according to the records of the Rating and Valuation Department; and whether the illegal use of industrial buildings as office premises in Kwai Tsing has any effect on the compilation of such figures;

- (c) whether the Kwai Tsing District Lands Office has carried out inspections to ascertain if there are any industrial buildings in Kwai Tsing that are illegally used as office premises in the past year; if so, of the number of industrial buildings inspected, the number of industrial buildings found to have been used as office premises illegally and the number of prosecutions instituted against the building owners concerned; and
- (d) How the statistics mentioned in the answer to (c) above compare with those in other districts?

Reply:

Mr President,

- (a) The Government has undertaken publicity through various media including television, radio and the press from time to time on the illegal use of industrial buildings beyond the allowable office use ratio. Inspection checks are also made at periodic intervals. We consider the current level of actions taken appropriate and effective to tackle the problem.
- (b) Vacancy rates of offices and flatted factories in Tsuen Wan in 1993 to 1995 are as follows -

<u>Year</u>	<u>Offices</u>	<u>Flatted factories</u>
1993	21.4%	6.2%
1994	17.8%	5.7%
1995	11.5%	6.6%

The above figures for Tsuen Wan include Kwai Chung, Tsing Yi, Nga Ying Chau, Ting Kau, Sham Tseng and Tsing Lung Tau. There are no separate figures for Kwai Tsing. Statistics for 1996 are being compiled. There is no record of the percentage of sale or letting of these properties. Factory buildings illegally used as office premises are still classified as flatted factories.

- (c) In 1996, District Lands Office, Kwai Tsing has conducted 303 inspections on industrial premises. The number of cases of illegal use discovered was 9. As the illegal use constitutes a breach of lease conditions, lease enforcement action has been taken including warnings and initiation of re-entry or vesting actions.

- (d) Taking the two districts in Kowloon as examples, in 1996 we conducted 291 inspections in Kowloon East, which includes Kwun Tong. The number of cases of illegal use discovered was 96. The figures for Kowloon West, including Cheung Sha Wan, were 320 inspections and 78 cases of illegal use discovered.

End