



## DAILY INFORMATION BULLETIN

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GARDEN ROAD, 5th-8th FLOORS, MURRAY BUILDING,  
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### Importance of HK's democratic development stressed

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Britain will have every right - and every self-interest - in keeping a close watch on the implementation of the Joint Declaration after 1997, the Governor, the Rt Hon Christopher Patten, said in his lecture to the Centre for Policy Studies at the Royal Institution in London today (Wednesday).

In his speech entitled "Hong Kong - 12 months to the handover", Mr Patten noted that most international attention had focused on one argument that Britain had with China over the important matter of Hong Kong's democratic development.

In defence of Britain's actions, the Governor refuted suggestions that Britain had been engaged in last minute attempt to fast-forward democratic development in Hong Kong.

"We have attempted to ensure that the agreed process of democratisation is carried through fairly. We have kept our side of the bargain. Hong Kong and the world will see whether China keeps her side of it," he said.

"Everything we have done has been wholly in line with the letter and the spirit of the Joint Declaration, the Basic law and other understandings between Britain and China."

The Governor also noted that a wholly elected and mostly democratic legislature had not destroyed Hong Kong's business friendly environment, nor had it saddled Hong Kong with the burdens of welfarism.

"History suggests that it is open and accountable government which is most likely to protect the hallmarks of capitalism," he said.

He said political development in Hong Kong had speeded up as it changed from being a rather closed colonial society to an open, international city.

"People ask more questions. They want more answers. They expect information not brush-offs. They insist on being involved in the debate about their present and their future," said Mr Patten.

To ensure the Joint Declaration really meant really what it said, the best way of putting flesh on the bones of the promises about Hong Kong people running Hong Kong was to let them do so through the most obvious channel - the ballot box, he said.

"Before 1997, we still have the responsibility of sovereignty. We shall continue to defend, and defend actively and constructively, the values and institutions which are incorporated and described in the legal prose of the Joint Declaration."

The Governor said while Britain's sovereign responsibilities end beyond then, her moral responsibilities would continue - a responsibility to assess what happens in Hong Kong scrupulously against the provisions of the treaty.

"Had we not recognised that responsibility, had China not recognised that we have that responsibility, there would frankly have been no point at all in the Joint Declaration. We would simply have packed our bags, made our excuses and left," he added.

The Governor said moral responsibility apart, Britain had a huge economic and political interest in Hong Kong's continued success as well, citing the vast investment by Hong Kong people in the United Kingdom and Britain's massive stake in the territory.

"Whether Hong Kong succeeds or fails matters to Britain's and indeed Europe's future in Asia, and will have a vital impact on our economic and political prospects there," he said.

Mr Patten said he was "warily optimistic" about the future of Hong Kong because "it is so massively in China's interest that things should go well".

"Chinese officials must recognise that continued success in Hong Kong, China's richest city, its bridge to the world, the source of most outward reinvestment, is crucial to the future well-being of China.

"Most of the major issues that China will face in the next few years - from sustaining a high growth rate to entering the WTO - will be easier to tackle if the transition goes well in Hong Kong and more difficult if it does not," said the Governor.

End

Proposals to regulate Internet obscene materials published

\* \* \* \* \*

An inter-departmental working group proposes to introduce a series of measures to control obscene and indecent materials transmitted on the Internet.

The proposals which are contained in a paper published today (Wednesday) for consultation with the Internet Services Providers (ISPs), include:

- \* the introduction of a self-regulatory scheme, which encompasses the promulgation of a code of practice and the institution of a complaints handling mechanism by a self-regulatory body with members drawn from the industry;
- \* the amendment to the law to establish beyond doubt that obscene and indecent materials transmitted on the Internet should be brought within the ambit of the Control of Obscene and Indecent Articles Ordinance (COIAO); and
- \* the setting up of an industry body to represent the interests of ISPs and to liaise with the Government on industry-wide issues; such a body can also help to develop, maintain and enforce any code of practice adopted by industry members.

Commenting on the proposed regulatory approach, a spokesman for the Broadcasting, Culture and Sport Branch said there was increasing community concern over the availability of obscene and indecent materials which could be harmful if accessed by young people.

"However, since information and messages can originate from a large number of electronic addresses and sites in a global link of computer networks, it is very difficult to identify the content provider of a piece of obscene or indecent material," the spokesman said.

"Moreover, regulatory actions may prove to be very difficult if the materials originate from outside Hong Kong. The colossal amount of materials transmitted and the huge traffic through the Internet everyday makes any active monitoring scheme impracticable and perhaps even impossible.

"The working group therefore proposes to draw up a code of practice to set out the behavioural standards which the public can expect from the ISPs. Such a code can also provide a basis for discipline and compliance by the industry."

As the Government was committed to upholding the freedom to information and expression, the spokesman said the working group had proposed only materials transmitted on the World Wide Web sites and newsgroups should be regulated. Personal communications such as electronic mails would be excluded.

To tie in with the spirit in COIAO which bans obscene materials but not indecent ones that require special publication arrangements, it is proposed that access to sites of obscene materials should be blocked altogether. Access to sites of indecent materials however should only be made available with a personal identification number.

As regards complaints of any objectionable or offensive materials transmitted on the Internet, the spokesman said they could be directed to the industry body to be set up for investigation and action.

"If it is established that the complaint is justified, the industry body would instruct all ISPs to block their users from accessing the sites. Sites should be blocked as long as the obscene materials remain available," he said.

On the question of who should determine whether a piece of material is obscene, indecent, or neither, the working group has suggested two options:

- \* the industry body could submit the material in question to the Obscene Articles Tribunal (OAT) for classification; this is in line with the existing policy and practice and would ensure that a consistent standard is applied; or
- \* the industry body will decide, with the help of some guidelines drawn from the standards adopted by OAT, whether the material in question is acceptable.

The Government will be meeting ISPs representatives on July 18 to explain the proposals to them. Views from the industry and interested parties will be taken into account before the proposals are finalised.

The Legislative Council Panel on Recreation and Culture will also be informed of the content of the consultation paper at its next meeting to be held towards the end of July.

The consultation paper can be obtained from the Broadcasting, Culture and Sport Branch, 41st floor, Revenue Tower, 5 Gloucester Road, Hong Kong, or from the Government Homepage on the Internet (<http://www.info.gov.hk/>).

Comments and views may also be sent to the Branch by fax 2511 1458 or by E-mail, [rcbase2@hkstar.com](mailto:rcbase2@hkstar.com), before August 10.

End

### Water Supplies laboratory awarded accreditation

\* \* \* \* \*

In recognition of its competence to carry out a number of environmental tests, the Mainland East Laboratory of the Water Supplies Department was today (Wednesday) presented with an accreditation certificate issued by the Hong Kong Laboratory Accreditation Scheme (HOKLAS).

Speaking at the presentation ceremony held in the Sha Tin Water Treatment Works where the laboratory was located, the Director of Water Supplies, Mr Hu Man-shiu, said the accreditation was a significant milestone for the department.

"It provides a driving force for us to conduct and maintain an ever improving quality assurance system in our laboratories.

"It also reinforces the department's total commitment in delivering a quality service to the consumers," he said after receiving the certificate from the Director-General of Industry, Mrs Regina Ip.

Mr Hu was very pleased that the Mainland East Laboratory had been formally accepted as an accredited laboratory by HOKLAS.

"The accreditation covers the testing of a number of pesticides, herbicides and other trace organics under the environment testing category.

"These test parameters in drinking water are of health significance and continuous monitoring of their levels in the drinking water supply is essential in the provision of a safe and wholesome water supply to the public of Hong Kong," he stressed.

The laboratory of the Water Science Division monitors water quality throughout the entire water supply system to ensure continuous compliance with the guideline values recommended by the World Health Organisation for drinking water quality.

Accreditation was awarded after the laboratory had been thoroughly assessed and satisfactorily proved to be technically competent in performing the above analyses.

"Accuracy and reliability of measurements can be assured by operating a satisfactory laboratory quality assurance system and by using validated state-of-the-art test methods, properly calibrated equipment and competent personnel.

"All in all, it is hoped that by active participation in HOKLAS, we can be better equipped to objectively realise the department's Vision and Mission in the provision of quality water services to the satisfaction of the public of Hong Kong," said Mr Hu.

HOKLAS was formally established by the Government in May 1985 to officially identify and recognise testing laboratories which are competent to carry out specific types of tests or measurements.

End

#### Emergency alarm system eligibility criteria extended

\* \* \* \* \*

The Social Welfare Department (SWD) announced today (Wednesday) that the eligibility criteria for receiving a special grant for the installation of an emergency alarm system (EAS) has been extended.

A spokesman for the department said under the Comprehensive Social Security Assistance (CSSA) Scheme, elderly recipients who had a special need for the service of an EAS could be assisted with a special grant on a reimbursement basis up to the prescribed maximum for that purpose.

"In consultation with the Hospital Authority and the Department of Health, the SWD has extended, with immediate effect, the criteria for the special grant for EAS to cover elderly CSSA recipients aged 60 to 69 on medical grounds," the spokesman said.

To be eligible for the special grant for EAS, a CSSA recipients must:

- (a) be a single person, or living in a family with nobody able to take good care of him (for example, the other family member is infirm or disabled); and
- (b) satisfy one of the following conditions:
  - (i) aged 70 or above;
  - (ii) aged 60 to 69 in receipt of a standard rate for being 100 per cent disabled or in need of constant attendance;

- (iii) aged 60 to 69 and certified to be more than 50 per cent disabled, or suffering from such medical conditions which, in a public medical officer's opinion, could develop life threatening conditions as to require immediate attention.

"Recipients eligible for the grant are free to choose any EAS which they consider can best suit their needs," the spokesman said, adding that current systems on the market charge either a one-off installation fee or a recurrent service charge.

"The grant covers the one-off installation cost, up to a maximum of \$2,500 or the recurrent service charges, up to a maximum of \$100 a month.

"Where justified, higher amounts can also be approved," he said.

End

#### Slope improvement works on Lamma completed

\* \* \* \* \*

Four thousand residents on South Lamma would directly benefit from the latest rural planning and improvement strategy (RPIS) minor works project with the completion of the slope improvement works at Kan Cho Long, the Director of Home Affairs, Mrs Shelley Lau, said today (Wednesday).

Speaking at a ceremony to mark the \$1.2 million job's completion by the Home Affairs Department (HAD), Mrs Lau said the slope located at two kilometres south of the Sok Kwu Wan Jetty was substantially rebuilt as a result of a slippage caused by heavy rain in May 1992.

"The slip had endangered users of the two footpaths leading to Tung O and Lo So Shing. Clearly, this improved slope will serve very useful purposes. This is also a good example of how RPIS minor works projects could contribute to environmental improvement," Mrs Lau said.

She paid tribute to the Islands District working groups, the Islands District Office and the Geotechnical Engineering Office for their respective contributions.

Mrs Lau said HAD had been tasked with the implementation of RPIS minor works project since November 1994 and that the Administration had earmarked \$1.6 billion to finance these projects over a period of 10 years starting in 1989 to improve rural areas.

The scheme is controlled by a two-tier administrative structure consisting of the central RPIS Minor Works Steering Committee and the RPIS Minor Works District working groups.

The Steering Committee, chaired by the Director of Home Affairs, comprises Chairmen of NT district boards, three representatives from Heung Yee Kuk and representatives of core works departments involved in minor works.

Its main task is to advise on policy issues related to RPIS implementation, endorse district programmes, monitor progress and arbitrate if priorities clash.

The district working groups in turn look after and monitor the planning and implementation of district RPIS projects.

There are altogether nine New Territories District working groups, each chaired by the District Officer, comprising representatives from district boards, rural committees and departmental representatives.

End

School's out for ever as St George's closes

\* \* \* \* \*

The following is issued on behalf of the Joint Service Public Relations Staff:

The British Services' school, St George's, at Kowloon Tong, will closed its classroom doors for the last time after pupils and teachers packed away their textbooks and dust off the blackboards on Friday (July 12), bringing an end to 40 years teaching to three generations of service children in Hong Kong.

With the return of most of the garrison's school children back to the UK this summer, St George's will finally close after providing education for over 17,000 pupils since it first opened its doors in 1955.

To mark the occasion, 57 children, aged between 11 and 15, will be ceremonially marched out of the school doors by the visiting Loretto Pipes and Drums from Musselburgh in Scotland, after which the headmaster, Mr Martin Cater, will lower the Union Flag.

He will be assisted in this task by pupils Leann Hughes, Hannah Ley, Thomas Sutherland, Yuki Shirahama and Thomas Jackman.

St George's School has always been at the heart of the military community in Hong Kong and was originally sited in Minden Row, Tsim Sha Tsui, between the Whitfield Barracks, on Nathan Road (now the Kowloon Park) and the Chatham Road Barracks (now the Science Museum).

When the focus of military life shifted to Kowloon Tong, with the expansion of Osborn Barracks, the school moved to its present site on Norfolk Road.

The school reached its peak in the late 1970s when there were over 1,200 pupils and 54 teaching staff.

However, since the reduction of the garrison and the departure, last week, of the Sixth Form, there are now only 57 pupils and 23 staff, many of whom will take up new teaching posts with service schools in Germany and Cyprus.

Despite the drawdown, the school has maintained its very high standards and this year St George's General Certificate of Secondary Education results put them in the top 15 comprehensive schools in the United Kingdom.

End

78,000 pupils allocated secondary one places

\* \* \* \* \*

More than 78,800 pupils have been allocated secondary one places in this year's secondary school places allocation (SSPA) exercise, results of which will be announced on Friday (July 12).

"All 78,869 pupils participating in the SSPA exercise, irrespective of their age, have been allocated a place in government, aided or private bought-place secondary schools," Senior Education Officer, Mrs Lily S K Lai, said.

It includes 4,288 pupils, or 5.44 per cent, who have successfully obtained discretionary places they applied for earlier this year.

A total of 38,699 pupils, or 49.07 per cent, have been allocated places according to their first choice and 56,032 pupils, 71.04 per cent, according to their first three choices.

In addition to the 78,869 pupils, a total of seven pupils participating in the exercise have been admitted to private secondary schools which joined the direct subsidy scheme.

Results will be available at the pupils' primary schools on Friday and they should collect the allocation slip/admission slip from their schools.

The registration period is July 15 and 16. All pupils must report to the secondary schools which they have been allocated during the registration period. Failure to do so will mean that they have chosen not to take up the places allocated.

In case both the pupil and the parent/guardian are away from Hong Kong, they should authorise representatives in writing to complete the registration procedure on their behalf. Copies of authorisation letter can be obtained from their primary school heads.

In case of genuine difficulties, parents or pupils concerned should inform the SSPA section of the Education Department before the end of the registration period so that alternative arrangement can be made.

Pupils are expected to wear school uniform when reporting for registration. They must bring the following documents:

- \* the allocation slip/admission slip;
- \* Birth certificates, Hong Kong juvenile identity cards or other documentary evidence of their date of birth and their status as permanent residents of Hong Kong; (Note: pupils should also bring along their travelling documents if the symbol "C" [for conditional stay] is found at line seven of the Hong Kong Identity Card);
- \* latest school reports, if any; and
- \* two recent passport-sized photographs.

Parents seeking transfer for their children should apply directly to the schools they prefer. Acceptance is at the discretion of the schools concerned.

Successful applicants have to retrieve the admission slips from the secondary schools they have registered and submit them to the schools they wish to transfer to.

They are reminded that retrieval of their admission slips from the schools will be regarded as giving up the place allocated.

"In case of tropical cyclones, persistent heavy rain or thunderstorms during the registration period, heads of schools and parents should pay attention to announcements through the media for any necessary arrangements," Mrs Lai said.

Enquiries should be directed to SSPA section on 2832 7740 during office hours.

End

#### Report on aircraft accident published

\* \* \* \* \*

A report of an investigation into an aircraft accident which happened in Tan Kwai Tsuen Quarry on June 29 last year was published by the Government today (Wednesday).

The aircraft involved is an Aerospatiale SA315B Lama helicopter. It hit the ground after the pilot became aware of the loss of tail rotor control and carried out an emergency landing. There were no injuries to the pilot or persons working on the ground.

The investigation was conducted by the Civil Aviation Department to identify the cause of the accident and also with an aim to prevent future recurrence.

The report contains an analysis of the circumstances surrounding the crash together with conclusions and four safety recommendations.

Three of the recommendations are addressed to the operator of the crashed helicopter, Heliservices (Hong Kong) Limited, and actions have already been taken. The last one is addressed to the aircraft manufacturer, Aerospatiale.

The report are now on sale at \$58 per copy at the Government Publications Centre, ground floor, Queensway Government Offices, Queensway.

End

COMAC's eighth annual report presented

\* \* \* \* \*

The eighth annual report of the Commissioner for Administrative Complaints (COMAC) was presented by the acting Chief Secretary, the Hon Donald Tsang, to the Legislative Council today (Wednesday)

As in the previous years, the Administration would respond to the report with a government minute within three months, a government spokesman said.

The minute will cover the action that the Administration has taken or proposes to take in response to COMAC's recommendations in his reports on complaints investigated from July 1995 to June this year.

The Government Minute will be tabled in the Legislative Council in October.

End

New mail processing machine installed

\* \* \* \* \*

The Post Office has installed two culler-facer-cancellers (CFCs) which will start to process mail on Friday (July 12), the Postmaster General, Mr Robert Footman, announced today (Wednesday).

The final commissioning of CFCs will be in September after a series of trials and acceptance tests.

Customers who wish to obtain datestamp impressions of CFCs on the first day of their trial operation may post their letters in the special posting boxes at the public counter hall of the following two post offices:

- \* General Post Office (GPO), 2 Connaught Place, Central, Hong Kong (first floor, business hours: 8 am to 6 pm); and
- \* International Mail Centre (IMC), 80 Salisbury Road, Hung Hom, Kowloon (ground floor, business hours: 9.30 am to 5 pm)

Customers who wish to obtain the CFC datestamp impression must ensure that the stamps affixed on their letters are phosphor-tagged. Such stamps are for sale on request at all post offices.

It should be noted that stamps from stamp vending machines are not tagged with phosphor. Enquiries may be made with the Post Office Enquiry Bureau on 2921 2222.

Unregistered letters which are fully pre-paid with phosphor-tagged stamps, bearing the full address of the addressee either in Hong Kong or overseas and posted in the special posting boxes on Friday will be processed and datestamped by CFC at the office of posting.

The postmarked letters will then be delivered to the addressees in normal course.

CFCs can only datestamp letters of the following characteristics and devoid of stiff materials, that is, metal clips as part of their contents:

	<u>Length</u>	<u>Height</u>	<u>Thickness</u>	<u>Weight</u>
Minimum	140 mm	90 mm	0.2 mm	2 gm
Maximum	235 mm	160 mm	6.0 mm	50 gm

Oversized or letters not meeting the above conditions will be processed manually and will obtain a hand-stamp datestamp impression or an impression produced by other cancelling machines.

The two CFCs, one at GPO and the other at IMC, will automatically segregate mail items collected from posting boxes into packets and ordinary size letters.

For IMC, CFCs will date-stamp and further segregate them into local and overseas letters by detecting the phosphor-tagged stamps affixed on them.

Stamps tagged with two phosphor bars are predominantly used on local letters, and those with one bar on air or surface letters posted to overseas countries.

End

#### Issuance of 1997 commemorative coins approved

\* \* \* \* \*

The Executive Council has given approval to the issuance of a set of coins to commemorate the establishment of the Hong Kong Special Administrative Region (SAR) in 1997.

The set of seven coins will be in the same denominations as the seven currently circulating coins - 10 cents, 20 cents, 50 cents, \$1, \$2, \$5, and \$10. They will be identical to the current circulation coins apart from the special commemorative designs.

Each of the seven coins will bear the standard Bauhinia design on the obverse side. On the reverse side, each coin will have its own special commemorative design and denomination.

The set is intended for general circulation and will be available during the first half of 1997. Sets of the seven coins in mint condition with special package will also be available for public sale.

The Government is also planning to issue a limited quantity of \$1,000 gold coins next year to commemorate the establishment of the Hong Kong SAR in 1997. Design of this gold coin is in progress.

Both the coin sets and the gold coins will be issued by the Hong Kong Monetary Authority on behalf of the Government.

After covering the cost of issue, profits generated from the sale of the limited coin sets and the gold coins will be held in a suspense account and will be used to fund selected projects for the benefit of the local community.

End

#### Hong Kong to participate in APEC ministerial meeting

\* \* \* \* \*

The Secretary for Planning, Environment and Lands, Mr Bowen Leung, will represent Hong Kong at the Asian Pacific Economic Co-operation (APEC) Ministerial Meeting on Sustainable Development to be held in Manila tomorrow (Thursday) and Friday (July 12).

The Deputy Secretary/Environment in the Planning, Environment and Lands Branch, Mr Tony Cooper, is attending the pre-meeting on sustainable development in Manila of senior officials which took place yesterday and today, and will accompany Mr Leung at the ministerial meeting.

The meeting will provide a forum for ministers of the Asian-Pacific region to discuss sustainable city and urban management, clean technology, clean production and sustainability in marine environment.

Ministers are expected to provide their economy's experience and priorities, with recommendation on opportunities for co-operation and views on how these themes may be incorporated into the Sustainable Development and Ministerial Declaration Action Programme.

Mr Leung said today (Wednesday) that there was increasing international awareness in sustainable development.

"Hong Kong's participation in the APEC Ministerial Meeting on Sustainable Development shows that the Government is committed to further promoting sustainable development by sharing experience of other countries in the region," Mr Leung said.

"This is also in line with the Third Review of the 1989 White Paper on the Environment published in March 1996, setting out Government's intention to incorporate sustainability into its policy and planning framework."

Mr Leung noted that the Government's proposal to embark on a 30-month study, to examine how the concept of Sustainable Development can be applied to Hong Kong, what principles and sustainability indicators are appropriate and what systems and mechanisms are required to implement the concept of sustainability is consistent with the overall theme of the APEC conference.

End

#### Teachers' salaries to be assessed

\* \* \* \* \*

In response to press enquiries on the assessment of teacher salaries to be performed by schools, the Assistant Director of Education (Schools), Mr Kwan Shutsun, said: "The Education Department understands the concerns of schools and has taken various measures to address their concerns.

"A series of 48 workshops have been held for ordinary aided schools and special schools respectively since September last year to provide them with general knowledge of salary assessment and a grasp of the basic technical skills of the subject."

Feedback of the participants was positive. Over 85 per cent rated the workshops as "good" or "very good", over 92 per cent considered both the briefing session and the case study session "useful" or "very useful".

"Many schools have since taken the initiative to assess salaries using the proforma provided in our Guide for schools reference," Mr Kwan said.

They have proved themselves competent in taking up salary assessment by achieving a high degree of accuracy, he added.

Mr Kwan stressed that the department considered it inappropriate in principle and unreasonable in practice for District Education officers/inspectors (Special Schools Administration) to carry out salary assessment on behalf of schools.

Schools, as employers, should be responsible for salary assessment for their staff members.

Mr Kwan said the workload taken up by schools would be minimal as on average each primary school handle six cases of new teachers and secondary school 12 cases a year.

Addressing the concern in the event of overpayment in assessing the salaries, Mr Kwan said the department would take a flexible approach in seeking refund.

To assist schools, he is seeking legal advice for a clause to be included in the schools employment contract and salary notification to teachers to indicate clearly that the teachers would have to repay any amounts overpaid and that the salaries would be subject to audit.

Moreover, District Education officers/inspectors (Special Schools Administration) would assist schools in vetting overseas qualifications and in assessing complicated cases.

Schools would also be provided with a sample standardised certificate of service for use by the employer- school to show the salary particulars of a teacher upon transfer/resignation.

"Given the continued assistance and random checks by our District Education officers, we are confident that schools are well placed to carry out this task.

"More workshops would continue to be conducted to provide guidance and support to schools," Mr Kwan said, adding that principals, teachers and other schools staff were welcome to attend.

End

#### 123 VMs depart on orderly repatriation flight

\* \* \* \* \*

A group of 123 Vietnamese migrants (VMs) returned by air to Hanoi, Vietnam, today (Wednesday) on the 44th flight under the Orderly Repatriation Programme (ORP).

All of the returnees, comprising 47 men, 33 women, 25 boys and 18 girls, are from North Vietnam.

The majority of them arrived in Hong Kong in 1988, with the remaining in 1989, 1990 and 1991.

The group brought the total number repatriated on ORP flights to 3,883 since November 1991.

End

Monitors' report submitted to CS

\* \* \* \* \*

The monitors appointed to observe the Orderly Repatriation Programme operation this (Wednesday) morning have submitted their report to the Chief Secretary.

The two monitors comprised a non-official Justice of the Peace, Mr Paul Young Tze-kong; and a representative from a non-government organisation, Mr Pele Yuen from Christian Action.

End

Dangerous pre-war building to be demolished

\* \* \* \* \*

A dangerous pre-war building at No 67 High Street, Western District, would be demolished for public safety, the Buildings Department announced today (Wednesday).

A notice of intention has been posted at the building this morning informing the occupants that a closure order would be applied from the Hong Kong District Court on October 10.

The department's Chief Building Surveyor (Dangerous Building), Mr Kwok Yui-chung, said the four-storey building, with timber floors and brick walls, was so dilapidated that it was beyond reasonable repair.

"Some of the timber structures are found to have badly rotten. The brick walls are in an unstable condition and a major crack also appears on the top floor.

"In view of the dangerous condition, it was necessary to close and demolish the building for public safety," Mr Kwok said.

The residents' request for re-housing would be referred to the Housing Department for consideration according to their eligibility, Mr Kwok said.

End

Hong Kong Monetary Authority money market operations

\* \* \* \* \*

	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	1,963	0930	NIL
Closing balance in the account	1,769	1000	NIL
Change attributable to :		1100	-5
Money market activity	-6	1200	-5
LAF today	-188	1500	-7
		1600	-6

LAF rate 4.00% bid/6.00% offer TWI 124.5 \*-0.1\* 10.7.96

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.19	2 years	2805	6.30	99.78	6.53
1 month	5.21	3 years	3904	6.30	98.74	6.91
3 months	5.33	5 years	5106	7.23	99.19	7.57
6 months	5.54	7 years	7305	7.60	99.20	7.90
12 months	5.97	5 years	M502	7.30	98.73	7.79

Total turnover of EF bills and notes - \$20,233 million

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End



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Motion debate on hotel and guesthouse regulation

\* \* \* \* \*

Following is the speech by the acting Secretary for Home Affairs, Mrs Stella Hung, in the motion debate on the Hotel and Guesthouse Accommodation (Fees) (Amendment) Regulation 1996 in the Legislative Council yesterday (Wednesday):

Mr President,

I urge Honourable Members not to repeal the Hotel and Guesthouse Accommodation (Fees) (Amendment) Regulation 1996 and not to support the proposed amendments to the Regulation as moved by the Hon Sin Chung-kai.

The Hotel and Guesthouse Accommodation Ordinance was enacted in May 1991 to provide for a licensing scheme to regulate fire and building safety, health and hygiene of hotel and guesthouse accommodation. Under the Ordinance, any person operating a hotel or guesthouse is required to obtain a certificate of exemption or a licence.

As the purpose of the Ordinance is to regulate the safety of temporary accommodation for tourists and local people, both hotels and guesthouses are subject to the licensing scheme. Annual inspections are essential before licence renewal to ensure that the premises continue to comply with the licence conditions. The vigorous enforcement of the Ordinance by the Licensing Authority has contributed to the reputation of our hotels and guesthouses in the context of safety. The Licensing Authority has taken, and will continue to take, robust enforcement actions against unlicensed establishments. I should stress that there is no duplication of work between the Licensing Authority and other Government Departments, as the Licensing Authority is the one and only agency in the Administration responsible for the licensing of hotels and guesthouses.

It is Government policy that fees should in general be set at levels sufficient to recover the full cost of providing the services from the users. This is an important principle which forms an integral part of our revenue structure and which underpins our low tax economy. The Public Accounts Committee in 1994 recommended that the Secretary for Home Affairs should devise an action plan as soon as possible to achieve full cost recovery for the licensing of hotels and guesthouses.

Our proposed fee scale for licensing hotels and guesthouses seeks to reflect the costs of licensing establishments of different sizes more accurately. The proposed scale is more equitable than the existing scale to operators of small guesthouses/holiday flats. Over 600 such establishments will enjoy a 31% reduction in licence fees under the proposed scale.

The cost of operating the licensing scheme is \$20.6 million per annum. Under the existing fee scale, we only recover about \$9 million or 43% of the cost if all establishments are licensed. Our proposal seeks to achieve full cost recovery over three years. In the first year, the cost recovery is only about 70%, which means tax payers are still subsidising the hotel/guesthouse business by about \$6 million.

I wish to stress that the Regulation has little, if any, impact on livelihood and on inflation as local customers account for a very small share of the business turnover of hotels and guesthouses. The proposed fee increases would only have a very mild impact on the operating costs of the industry.

I urge Honourable Members not to repeal the Hotel and Guesthouse Accommodation (Fees) (Amendment) Regulation 1996. Otherwise, our tax payers will have to continue to subsidize hotels and guesthouses, which are private, profit-making and non-welfare organizations. Clearly this is against the 'user pays' principle and is unreasonable and unfair. The repeal would run counter to the Public Accounts Committee's recommendation and prevent the Administration from rationalising the fee structure.

I further urge Honourable Members not to resolve to amend the Regulation as moved by the Hon Sin Chung-kai. The fee scale under the Resolution has little, if any, regard to full cost recovery. Neither could it implement the recommendation of the Public Accounts Committee. It would prevent the Administration from rationalising the fee structure and cause unacceptable delay in achieving full cost recovery. Under this Resolution, if passed, our tax payers would continue to subsidise hotels and guesthouses, which I reiterate is unreasonable and unfair.

Thank you, Mr President.

End

Commissioner for Administrative Complaints (Amendment) Bill

\* \* \* \* \*

Following is the speech by the acting Chief Secretary, the Hon Donald Tsang, in moving the second reading of the Commissioner for Administrative Complaints (Amendment) Bill 1996 in the Legislative Council today (Wednesday):

Mr President,

I move that the Commissioner for Administrative Complaints (Amendment) Bill 1996 be read a second time.

This Bill has three purposes. The first purpose is to empower the Commissioner for Administrative Complaints to investigate those administrative actions taken by or on behalf of the Police, the ICAC, and the Secretariats of the Independent Police Complaints Council and the Public Service Commission in relation to the Code on Access to Information. The second purpose is to enhance the operation of COMAC, and the third is to change COMAC's English title to "The Ombudsman".

#### Code on Access to Information

We have stated publicly that we will extend the Code on Access to Information throughout the Government by the end of this year. Under his existing statutory powers, COMAC may investigate whether a branch or department listed in Schedule 1 to the Ordinance has failed to apply the Code properly. However, Schedule 1 does not include the Police, the ICAC, or the two Secretariats of the Independent Police Complaints Council and the Public Service Commission, which are thus outside COMAC's jurisdiction.

While we do not propose that COMAC be given general jurisdiction to investigate complaints of maladministration on the part of these four departments, we consider that it would be more efficient for the operation of the Code, and less confusing to members of the public, to have a single independent review body under the Code. We therefore propose that the COMAC Ordinance be amended so that COMAC may investigate complaints of non-compliance with the Code against these four agencies, i.e. the Police, the ICAC, and the two Secretariats of the Independent Police Complaints Council and the Public Service Commission.

#### Amendment to Schedule 2

When the Police and the ICAC are brought within COMAC's jurisdiction for the purpose of the Code, we need to ensure the security of sensitive materials relating to the prevention, detection or investigation of crime. We therefore propose to amend Schedule 2 to the Ordinance to make it clear that COMAC is not to investigate any action taken in relation to the prevention, detection or investigation of any crime or offence.

#### Secrecy Provision

Section 15 of the COMAC Ordinance requires COMAC and his staff to maintain secrecy in respect of all matters that come to their knowledge in the exercise of their functions. This is unnecessarily wide. The Bill seeks to make it clear that the provision only covers matters arising from any investigation or complaint made to COMAC or his staff in the exercise of their complaint-handling functions, and that COMAC and his staff may disclose information that is necessary to be disclosed for the purpose of investigating a complaint, or deciding on whether an investigation should be undertaken, continued or discontinued.

### Reporting Requirement

COMAC also finds that the present reporting requirement in the Ordinance poses problems for the efficient discharge of his functions in view of the large increase in the number of complaints made to his office. This is particularly so in respect of simple complaints where the organisation being complained against agrees with his findings and recommendations. COMAC wishes to have greater flexibility in handling simple and minor complaints. We therefore propose that the reporting requirements set out in section 16(1) of the Ordinance, i.e. when COMAC has formed a view that there is maladministration or inadequacy on the part of an organisation being investigated, should be made discretionary instead of mandatory. However, section 17(2) of the Ordinance would still require COMAC to inform the organisation affected of the outcome of his investigations.

### Change in Title

COMAC considers that his powers and jurisdiction are now more akin to those of a traditional ombudsman following the legislative changes effected in June 1994. He has proposed that his English title be changed to "The Ombudsman" as this would facilitate his contacts with his overseas counterparts. This proposal is now implemented in the Bill.

I commend the Bill to Honourable Members.

End

### Prevention of Bribery (Miscellaneous Provisions) Bill

\* \* \* \* \*

Following is the speech by the Attorney General, the Hon Jeremy Mathews, at the resumption of second reading debate on the Prevention of Bribery (Miscellaneous Provisions) (No 2) Bill 1995 in the Legislative Council today (Wednesday):

Mr President,

I wish to thank the Chairman of the Bills Committee, the Hon James To, and members of the Committee for their thorough scrutiny of this important Bill. The debate in the Chamber this afternoon, serious and high-minded, underscores the importance this Council and the community attach to the work of the ICAC, while reflecting proper concerns over checks and balances over the use of the ICAC's powers.

I am pleased that almost all issues of concern to the Bills Committee have been resolved to the satisfaction of members. The Administration has agreed to a number of Committee Stage amendments, which I will be moving later this afternoon.

The Committee Stage amendments

I will now describe the major amendments to the Bill. I will propose that clause 1 should be amended so that the Ordinance will come into operation on a date to be appointed by notice in the Gazette. By virtue of section 20 subsection (3) of the Interpretation and General Clauses Ordinance, it will be possible for different dates to be fixed for different provisions. The ICAC will need some lead-time before some of the new provisions can be brought into operation. This is the case, for example, where the provisions require court applications to be made. Members of the Bills Committee have, however, asked me to undertake to bring all provisions into effect as soon as practicable, and I agree to do so.

Clause 4 is to be amended so that further restrictions are placed on the Commissioner's powers of investigation under section 13 of the Prevention of Bribery Ordinance. That section enables the Commissioner to require persons to produce certain documents. The Chairman of the Bills Committee had proposed that the powers under section 13 should be subject to court control. The Administration considers that a distinction should be made between requirements imposed under the section directed at suspects, and those directed at third parties (such as banks). Where a suspect is required to disclose a document, he may be required (in effect) to incriminate himself. This being so, we accept that there is a case for imposing court control over such requirements.

We do not believe there is any similar justification for requiring a court order before third parties can be required to produce documents relating to a suspect. Moreover, precedents exist in the Securities and Futures Commission Ordinance and the Companies Ordinance for a power to require the production of documents without any court control.

The Committee Stage amendment in respect of section 13 therefore imposes court control over requirements directed at a suspect. It also restricts the scope of section 13 -

- by restoring to section 14 (and therefore imposing court control over) the power to require a person in charge of a public body to furnish documents to the ICAC;
- by deleting references to safe-deposit boxes; and

- by introducing a requirement that there must be reasonable cause to believe that the documents to be produced are "likely to be relevant" for the purposes of the investigation.

The Administration believes the amendments proposed will achieve the twin objects of -

- introducing court control where it is appropriate; and
- ensuring that ICAC investigations can continue to be undertaken effectively and in confidence.

The Committee Stage amendments to clause 5 of the Bill relate to new section 13A of the Prevention of Bribery Ordinance. That section would have enabled any ICAC investigating officer to make an application to the High Court for an order requiring the Commissioner of Inland Revenue to produce to the ICAC material held by him. The proposed amendments limit the persons who may make such an application; provide that applications lie to the High Court in chambers; and set out further guidelines to the court in deciding whether it is in the public interest to make such an order.

Further amendments to clause 5 are proposed in the form of a new section 13C. This new section reflects the concern, expressed by the Hon Eric Li, that confidential information about a taxpayer that is held by the Commissioner of Inland Revenue may be obtained by the ICAC and publicly revealed in a subsequent prosecution. I wish to emphasise here that the Bill will permit the disclosure of Inland Revenue information obtained by the ICAC only for the purposes of proceedings relating to, or any prosecution of an offence, under the Prevention of Bribery Ordinance. I can assure Members that the information may not be otherwise disclosed.

The proposed new section 13C will apply where it is intended to use such information for those purposes. It will enable the taxpayer, and the person who may have supplied the information to the Commissioner of Inland Revenue, to apply to the court for an order preventing the identity of the taxpayer from being publicly revealed. The court, when deciding whether to make such an order, will be required to consider whether the public interest in the publication of such information is outweighed by the privacy and confidentiality of the information, the prejudice that might result from publication, and the public interest in preserving the secrecy of tax information. This approach is, I suggest, a good way of dealing with the competing interests at stake, and I am grateful to the Hon Eric Li for drawing attention to the problem and in assisting in finding a solution.

The proposed amendments to clause 6(a) of the Bill relate to the powers under section 14 of the Prevention of Bribery Ordinance to obtain information. The Bill subjects those powers to court control. The Committee Stage amendments provide that an application to the court for authority to use the powers is to be made in chambers, and prohibit the court from authorising the use of certain of the powers unless the information sought is likely to be relevant to the corruption investigation or proceedings. It is essential that applications to the court under the section are handled in confidence, and I will raise with the Judiciary how this can be best achieved.

The proposed amendment to clause 6(b) of the Bill restores to section 14 the power to require a person in charge of a public body to furnish documents to the ICAC. The effect of this amendment is that the power will become subject to court control.

The proposed amendment to clause 10(a) provides that the powers of search under section 17 of the Prevention of Bribery Ordinance can only be exercised if the court or the Commissioner is "satisfied" of relevant matters, rather than if it "appears to" them that this is the case.

A new clause 14A is to be added to the Bill. This is a savings provision to ensure that notices already served under section 14A or 14C of the Prevention of Bribery Ordinance will continue in effect notwithstanding the repeal of the former section and the amendment of the latter section. It also has the effect that extensions of such notices are subject to court control.

Mr President, I now turn to section 30 of the Prevention of Bribery Ordinance, on which so much has been said and written, and on which the Bills Committee spent much anxious time. Section 30 makes it an offence for a person, without lawful authority or reasonable excuse, to disclose details of an investigation in respect of an offence alleged or suspected to have been committed under the Ordinance.

The Bill, as introduced, proposed no amendment to section 30. The Bill, as members will recall, was introduced to give effect to those recommendations of the ICAC Review Committee which required legislation. The Review Committee proposed no change to section 30, which had been amended by this Council in 1992 to ensure consistency with the Bill of Rights Ordinance. The Review Committee was satisfied that section 30 achieved the right balance. But that view was not shared by members of the Bills Committee. However, it is significant to note that, after exhaustive deliberations, no member of the Bills Committee has suggested that section 30 should be repealed. But the Bills Committee was not able to reach agreement with the Administration over the way in which the section should be amended. As a result, I will be moving two Committee Stage amendments in respect of the section and three members will move their own amendments. I will say more about all these proposed amendments when the Bill is in Committee Stage.

Mr President, I cannot leave section 30 without responding briefly to the suggestion made by a Member that the Ming Pao prosecution was an abuse of power. I would like to refute that suggestion as being completely unfounded. The prosecution was properly brought, based on the view of the evidence and the law as it was then thought to be. There was no abuse of power by the ICAC; there was no abuse of the prosecution process.

The Committee Stage amendments will also contain amendments to the Bill's provisions in respect of the Independent Commission Against Corruption Ordinance, to which I now turn.

Clause 15 of the Bill relates to the power to dismiss ICAC officers under section 8 of that Ordinance. The clause is to be amended so that, before terminating an appointment, the Commissioner must consult the Advisory Committee on Corruption. The Report of the ICAC Review Committee recommended that this should be the case, and the Administration has agreed that this recommendation should be reflected in the legislation.

Clause 16 of the Bill is to be amended to reflect the fact that, since the Bill was gazetted, an authentic Chinese version of the Independent Commission Against Corruption Ordinance has been produced.

A new clause 16B is to be added, amending section 10D of the ICAC Ordinance. That section enables the ICAC to take finger-prints, photographs and measurements of persons arrested under section 10. The Bill will enable the ICAC, if it wishes, to serve a summons on a person, instead of arresting him or her. This being so, it is considered appropriate that the ICAC should have the power to take finger-prints, photographs and measurements of a person on whom a summons is served. The Committee Stage amendment so provides.

Clause 17 of the Bill amends section 13(2) of the ICAC Ordinance so that, in order to perform his corruption-prevention duties, the Commissioner may gain access to documents held by public bodies. The Bills Committee was concerned that this power might be too broad and so the Administration has agreed to limit the power so that it applies only to documents that an authorised ICAC officer reasonably considers will reveal the practices and procedures of the public body.

The Committee Stage amendments also include drafting improvements to the Bill. The amendment to clause 7, and the proposed new clauses 12A and 16A, are cases in point.

Conclusion

Mr President, when I introduced this Bill into the Council I described it as an essential step in reaffirming the ICAC's mandate in the light of present day circumstances and the changing expectations of the people of Hong Kong. The Administration is pleased that, subject to the Committee Stage amendments that I have referred to, the Bill has received the support of the Bills Committee. The enactment of this Bill will therefore be a strong reaffirmation of the ICAC's mandate as it continues its vital work in the years ahead.

End

Prevention of Bribery Ordinance: clause 13A

\* \* \* \* \*

Following is the speech by the Attorney General, the Hon Jeremy Mathews, in support of the proposed new clause 13A, amending section 30(1) of the Prevention of Bribery Ordinance in the Legislative Council today (Wednesday):

Mr Chairman,

I move that new clause 13A as set out under my name in the paper circulated to Members be read the second time. The new clause repeals and replaces section 30 subsection (1) of the Prevention of Bribery Ordinance.

Section 30 makes it an offence for a person, without lawful authority or reasonable excuse, to disclose details of an investigation in respect of an offence alleged or suspected to have been committed under the Ordinance. This section has been a key element in the overall scheme for tackling corruption in Hong Kong.

In the recent Ming Pao case, the Privy Council stated that the restrictions on freedom of expression created by section 30 are consistent with the Bill of Rights Ordinance. As the Privy Council said in that case

"It cannot be denied that there is a pressing social need to stamp out the evil of corruption in Hong Kong. Investigation by the ICAC is an important means of achieving that end and the protection of the integrity of such investigation is essential."

The Privy Council also accepted that the section affords protection to the reputation of suspects, although it considered that this protection is of secondary importance to the protection of the integrity of the investigation.

The fact that section 30 is consistent with the Bill of Rights Ordinance does not mean that this Council cannot decide, as a matter of policy, to amend the section. The question, therefore, is whether section 30 should be amended and, if so, in what way.

#### The Administration's proposals

The Report of the ICAC Review Committee concluded that "No changes should be made to section 30, which strikes the right balance between the need to protect the reputation of an individual under investigation and the secrecy of an investigation at the covert stage on the one hand, and the freedom of expression on the other." The Bill does not therefore include any provision to amend section 30.

Some members of the Bills Committee nevertheless considered that there should be some relaxation of the restrictions in the section. The Administration has listened carefully to those views and has agreed that subsection (1) of section 30 should be amended as follows:

- \* firstly, the offence will be expressly limited to disclosures made by a person who knows or suspects that an ICAC investigation is taking place; and
- \* secondly, it will only apply to disclosures relating to an investigation into an offence under Part II of the Ordinance;

The proposed new clause 13A will achieve this. I will shortly be moving the addition of a new clause 13B which will further limit the scope of section 30.

As well as proposing these relaxations to the section, the Administration strongly believes that a recently discovered loophole in section 30 must be plugged. The Privy Council decided in the Ming Pao case that section 30 applies only to an investigation in respect of a specified person. Disclosure of the details of a general investigation, as occurred in that case, is not an offence.

The Privy Council came to its decision as a matter of statutory interpretation. It did not express any view as to whether there is any justification for distinguishing between the two types of investigation. The Administration strongly believes that there is no justification for such a distinction. A general investigation needs to remain covert, and is equally vulnerable to being prejudiced by a disclosure as one in respect of an identified suspect.

It is undeniable that an investigation may be prejudiced by a disclosure even though no particular suspect has been identified. For example, an investigation may relate to a small group of people, one of whom is in fact a corrupt person. A disclosure of details of that investigation may be as damaging as one which relates to an investigation into that person. The corrupt person may destroy all evidence of his corruption or may disappear.

ICAC investigations need to be kept confidential, particularly at the early and particularly vulnerable stages of the investigation. If details of the early stages of an investigation can be freely disclosed, simply because there is no identified suspect, the investigation may never get to the stage where there is an identified suspect. All evidence of the crime may have been destroyed as a result of the disclosure.

I will shortly be proposing amendments that relax the restrictions on disclosure at the more mature stages of the investigation, when there is less need for secrecy. But I urge members to support the amendment I propose to section 30(1) which will ensure that the most vulnerable stage of an investigation is properly protected.

End

Prevention of Bribery Ordinance: clause 13B

\* \* \* \* \*

Following is the speech by the Attorney General, the Hon Jeremy Mathews, in support of the proposed new clause 13B, amending section 30(1A) and (2) of the Prevention of Bribery Ordinance in the Legislative Council today (Wednesday):

Mr Chairman,

I move that new clause 13B as set out under my name in the paper circularised to Members be read the second time.

The existing subsection (1A) of section 30 of the Prevention of Bribery Ordinance provides that the restrictions on disclosure cease to apply after the person who is the subject of the investigation has been arrested. Under my proposed amendment, the restrictions would also cease to apply after a warrant has been issued for the arrest of the person who is the subject of the investigation, or after a restraining order has been served on any person under section 14C(3) of the Ordinance.

Where an arrest warrant is issued, the investigation will clearly have reached a mature stage and have a specific direction, similar to that where a person is actually arrested. A restraining order prohibits a particular person from disposing of, or otherwise dealing with specified property. Such an order will only be made after considerable investigations have taken place. In addition, such orders give rise to a degree of publicity in that, if they relate to immovable property, they are registered in the Land Registry. The Administration therefore considers that, if an arrest warrant is issued or a restraining order is made, it is difficult to justify continuing the restrictions of section 30.

The existing subsection (2) of section 30 provides that the Commissioner, ICAC, may disclose the identity of a suspect if any of five specified events occur. Two of those events are the issue of an arrest warrant and the making of a restraint order. As I have just explained, the occurrence of either of those two events will, under my proposed amendment, cause all restrictions on disclosure to be lifted.

That leaves three further events in the existing subsection (2), namely where the person subject to the investigation fails to comply with a notice under section 14(1)(a) or (b) requiring him to give details of his assets; where his residence has been searched under a warrant issued under section 17; and where he has been required to surrender a travel document under section 17A.

The amendment that I am moving will have the effect that, if any of those three events occur, any details of the investigation may be disclosed by the Commissioner, or by the subject person, or by any other person with the consent of the Commissioner or the subject person.

This is a considerable relaxation of the section, but it ensures that third parties will not be able to disclose details of an investigation after one of the specified events has occurred, unless the Commissioner or the suspect consents to this. The Administration considers that, even though one of those events has occurred, there are still good reasons for imposing such restrictions on disclosures. In particular, there is still a need to protect the reputation of the subject person.

As I have said, in the three situations described, third parties should not be permitted to make disclosures without the consent of the subject person or of the Commissioner. However, my amendment provides that, where the Commissioner or the subject person has consented to a disclosure being made by a particular person to the public or a section of the public, he is to be treated as having consented to such a disclosure by any other person. This provision will be of particular assistance to the media since, if the subject person is content for details of the investigation to be made public, it will not be necessary for each newspaper or broadcaster to obtain the consent of that person before it can run the story.

The amendment I am moving will also permit disclosures to be made by any person if, but only to the extent that, the disclosure reveals any unlawful activity, abuse of power, serious neglect of duty, or other serious misconduct by the ICAC; or a serious threat to public order or to the security of Hong Kong or to the health or safety of the public.

The combined effect of these amendments will relax the restrictions imposed by section 30 in significant respects.

End

Prevention of Bribery Ordinance

\* \* \* \* \*

Following is the speech by the Attorney General, the Hon Jeremy Mathews, in reply to the Hon Christine Loh's amendment to section 30(1A) and (2) of the in the Prevention of Bribery Ordinance in the Legislative Council today (Wednesday):

Mr Chairman,

Under the amendment proposed by the Hon Christine Loh, section 30 would cease to apply where a notice is served on the subject person under section 14(1)(a) or (b); where his residence has been searched under a warrant issued under section 17; or where he has been required to surrender a travel document under section 17A. The Administration strongly opposes this amendment, because of its possible impact both on a suspect's reputation and on ICAC investigations.

Subject's reputation

In the three situations I have described there is still a need to protect the subject person's reputation. There is no reason why section 30 should cease to apply simply because a person has been required to give details of his assets. Needless to say, that person may be entirely innocent and may, by complying with the notice, establish this to the satisfaction of the ICAC. A search of the suspect's residence may reveal no evidence of criminality and, if the suspect is required to surrender his travel document, he may subsequently get it back. In none of these situations is there any compelling reason why details of the investigation should be freely disclosed, and the subject person's reputation ruined. However, if the subject person wishes to disclose details of the investigation; or there has been serious ICAC misconduct; or there is a serious threat to public order or to the security of Hong Kong or to the health or safety of the public, disclosure will be possible under the amendment I am moving.

Ms Loh has argued that section 30 should cease to apply if any of the three events I have mentioned has occurred, since the same degree of suspicion is required for those events as for the arrest of the subject person. With respect, this is not an adequate justification. A suspect's reputation should not be exposed to attack merely because there are reasonable grounds for suspecting that he has committed a corruption offence. As I have explained earlier this afternoon, there are valid reasons for protecting the reputation of those under ICAC investigation. That protection should only be removed if there is a compelling reason to do so.

The arrest of the suspect, or the issuing of a warrant of arrest, indicates that the investigation has reached a mature stage, and that the suspect has been deprived, or will be deprived, of his liberty. Members of the public have an overriding right to be informed of this. The making of a restraint order in respect of land already involves public registration, and so it is difficult to justify further restraints on disclosure. But Ms Loh is proposing that all restrictions on disclosure should be lifted after three events which merely form part of on-going investigations, and which are not of such significance that there is an overriding reason for the public to know about them. I do not believe that a suspect's reputation should be so exposed.

#### Protection of investigations

I turn now to the protection of the integrity of an investigation. Ms Loh has argued that there is no practical need for secrecy after any of the three events has made the suspect aware of the investigation.

There is a fallacy in her argument. It assumes that all suspects who know they are under investigation will tip-off any other guilty parties. This is not the case. Firstly, the suspect may be entirely innocent and may not know who the guilty parties are. He will not tip them off. Why should third parties be permitted to disclose details of the investigation and thereby alert the guilty parties? Secondly, the suspect may be guilty and may be assisting the ICAC by giving evidence against his co-conspirators. In that situation he will not want to tell the co-conspirators what he is doing. Third parties should not be permitted to do so.

In contrast to Ms Loh's proposed amendment, my amendment does afford protection to an investigation in situations where neither the Commissioner nor the suspect wants to disclose any details of it.

#### Conclusion

Mr Chairman, the Administration objects to Ms Loh's proposed amendment because it affords inadequate protection to the reputation of suspects and to the integrity of investigations. The amendment I have moved will relax the restrictions imposed by section 30 in several important respects, whilst still affording adequate protection to reputations and investigations. I urge members to support the Administration's amendment.

End

Prevention of Bribery Ordinance: committee stage

\* \* \* \* \*

Following is the speech by the Attorney General, the Hon Jeremy Mathews, in reply to members' committee stage amendments to section 30(1) of the Prevention of Bribery Ordinance in the Legislative Council today (Wednesday):

The Hon Selina Chow's proposal

Mr Chairman, the only difference between Mrs Chow's amendment and my own is that her amendment does not plug the loophole that I have mentioned. It would allow disclosures of details of a general investigation, no matter how harmful the disclosure may be to the investigation.

I would ask members to consider the example in which a report is made to the ICAC of the most serious corruption by a member of a senior group of Government officials - corruption striking at the heart of good government. Suppose the report does not identify a particular person, but gives information that seems credible, concerning a unit within a certain Government department. The ICAC begin to investigate. They uncover clear evidence of corruption but have not yet identified any particular suspect. Then a newspaper publishes details of the investigation. The guilty party flees from Hong Kong taking his ill-gotten gains with him. Just consider what effect that would have on the confidence of the community and their faith in the ICAC.

If members support Mrs Chow's amendment they will be saying that they are content for such publications to take place, regardless of the consequences. I strongly urge members not to support Mrs Chow's amendment.

The Hon Albert Ho's proposal

The amendment proposed by the Hon Albert Ho would also allow disclosures in respect of general investigations. For the reasons I have just given, I would urge members to reject it.

There is, however, a further aspect to Mr Ho's amendment. The effect of that amendment would be to limit restrictions contained in section 30(1) to disclosures which are "likely to cause prejudice to the investigation." This is unacceptable for two reasons. Firstly, it would deprive the section of its role in protecting the reputation of suspects. Secondly, it would inadequately protect the integrity of investigations.

Let me quote from the judgment of the Hong Kong Court of Appeal in the Ming Pao case.

"..... it cannot be assumed that every time an offence under the Ordinance has been alleged or suspected to have been committed, and an investigation is underway, it necessarily leads to a person being charged. The allegations and suspicions may, ultimately, turn out to be groundless. The protection of the reputation of suspects, who may have to undergo the opprobrium of investigation over a long period, is a matter of considerable importance: particularly if the suspect is a Crown servant having to perform his duties vis-a-viz the public in the meanwhile. No time limit is imposed by statute for the process of investigation."

It is no answer to say that the law of defamation can protect the reputations of suspects. Truth is a defence to an action in defamation. A disclosure of the fact that a person is being investigated by the ICAC, if true, would not therefore give that person any remedy in defamation.

The effect of Mr Ho's amendment would be that a person could make a malicious report to the ICAC of corruption by a particular person and then disclose to the media the fact that the person was under investigation. The media could then publish the story, with the result that the person's reputation was seriously tarnished. Provided the disclosures were not likely to prejudice the investigation, no offence would have been committed.

It may be argued that persons who are under investigation for non-corruption offences do not have any protection for their reputations beyond that provided by the law of defamation. But corruption offences are in a category of their own, and call for special measures, both to further investigations and to protect those subject to investigation. There are several reasons why corruption suspects need special protection -

- a large percentage of allegations received are, after investigation, not substantiated
- the ICAC is under a duty to investigate all allegations and is given special powers to do so
- a corruption investigation may continue for a long period of time
- a serious stigma attaches to corruption, and those under investigation for corruption, however innocent, may be unfairly tainted.

The ICAC has quite properly been given special powers of investigation, but hand in hand with those powers must go special measures to protect suspects who may be entirely innocent. Mr Ho's proposed amendment offers no protection to the reputation of suspects.

Mr Ho's amendment also would inadequately protect the integrity of investigations. This is not simply the view of the Administration. The Privy Council, in the recent Ming Pao case, made the following comments on the second limb of section 30 subsection (1), which prohibits disclosures to persons other than the suspect.

"Lord Lester argued that the restrictions in the second limb were disproportionate in that they criminalised disclosures even when no prejudice was caused or likely to be caused to an ICAC investigation and even if the accused believed that there would be no prejudice. The difficulty about this argument is that in many cases it will be impossible to know whether disclosure has prejudiced an investigation or not, for example, a suspect might destroy incriminating documents of which the investigator was not and never would be aware but which he would have discovered had there been no prior disclosure. For the same reason the suggestion that the desired aim could have been achieved by qualifying the second limb subsection with some such words as 'likely to prejudice the investigation' fails because of the difficulty of establishing when a disclosure satisfied the test. If the restriction is to be effective it cannot draw distinctions between prejudicing and non-prejudicing disclosures nor have regard to the state of mind of the discloser."

The "likely to prejudice" test would fail to achieve the desired aim of protecting the integrity of ICAC investigations because of the difficulty of establishing when a disclosure satisfied the test. Let me give an example. Let us assume that a government official is under investigation but does not know this. Someone in the same department as the suspect learns of the investigation and tells a colleague. The colleague tells someone else, and so on. Would any of these disclosures be likely to prejudice the investigation and, if so, which one? The fact that the suspect may or may not eventually learn of the investigation does not answer the question. The suspect may overhear a conversation that was not, of itself, likely to prejudice the investigation. If he then destroys all evidence of his corruption the disclosure would still not have been an offence. Even if the suspect is informed of the investigation by a colleague, that does not necessarily mean that the disclosure was likely to prejudice the investigation. Under the "likely to prejudice" test, it is not clear whether it would be an offence for a person to disclose to a suspect the fact that he was under investigation. It is unacceptable from a legal policy point of view that a criminal offence should be subject to such uncertainty.

These examples show that the "likely to prejudice" test does not adequately protect ICAC investigations. I am aware that a similar test appears in certain other pieces of legislation. But that proves nothing. Two of the precedents for the "likely to prejudice" test relate to investigations into drug trafficking and terrorism. Investigations into such offences are of a completely different nature to investigations into corruption. Again I quote from the Privy Council decision in the Ming Pao case [at p.9] -

"The fact that disclosure of investigations into other offences is not so severely restricted does not render the provisions of section 30(1) disproportionate or unnecessary. In many offences involving dishonesty there will be a party who suffers and who has an obvious interest to report the matter to the authorities with the result that the offender can expect that some investigation into the offence will take place. In cases of bribery, however, neither party to the transaction is likely to have any interest to report the matter rather the reverse, since both are likely to be satisfied with what has occurred. This means that bribery offences are particularly difficult to detect and the maintenance of secrecy as to an investigation is even more important in order not to put the suspect on his guard."

I am aware that the anti-corruption legislation of New South Wales contains the "likely to prejudice test". However, in February of this year the Australian Royal Commission into the New South Wales Police Service published an interim report, dealing with police corruption. The report concluded that the internal anti-corruption work of the New South Wales police service, and the anti-corruption work of the elements of the New South Wales ICAC that targeted the police, have failed. The report recommended that a new agency be established and that the agency be given "an appropriate secrecy provision". I trust that I have said enough to indicate how dangerous it is to point to a precedent from another jurisdiction and assume both that the precedent is effective in that jurisdiction and that it would be effective in Hong Kong.

In contrast to the position in New South Wales, the success of the anti-corruption work of the ICAC in Hong Kong is widely recognised. The Report of the ICAC Review Committee stated that -

"Almost all submissions acknowledged the success of the ICAC in combating corruption and bringing it under control. They perceived the danger of a significant increase in corruption during the run-up to 1997 and expressed a belief that the independence and effectiveness of the Commission remained crucial to the continued development and prosperity of the community."

One of the reasons for the ICAC's success, I believe, is the protection afforded to the integrity of investigations by section 30. At this crucial time in Hong Kong's history, we should not be putting the effectiveness of the ICAC at risk by weakening the main elements of section 30. The "likely to prejudice test" would do just that.

For all these reasons, I strongly urge members of this Council to vote against Mr Ho's amendment.

End

## Independent Police Complaints Council Bill

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Following is the speech by the acting Secretary for Security, Mrs Carrie Yau, in moving the second reading of the Independent Police Complaints Council Bill in the Legislative Council today (Wednesday):

Mr President,

I move the second reading of the Independent Police Complaints Council (IPCC) Bill. The Bill seeks to give statutory status to IPCC and enhance its monitoring role as a civilian oversight body on complaints against the Police.

The Bill will provide the legal basis for the IPCC to discharge its functions of monitoring and reviewing investigations by the Complaints Against Police Office (CAPO), which deals with all complaints against Police officers. Where the IPCC identifies any inadequacies or discrepancies in Police investigations, they will be taken up with CAPO. If not satisfied with CAPO's investigation, the IPCC can draw a case to the attention of the Governor.

Specifically, the Bill would empower the IPCC to require CAPO to investigate or reinvestigate any complaint. The Bill also provides that the IPCC may interview witnesses, complainants or complainees. This will enable the IPCC to clarify ambiguities and discrepancies and make a better assessment of the whole complaint case. Further, IPCC Members can also conduct scheduled or surprise visits to observe investigations by CAPO directly. In carrying out their duties, IPCC members enjoy the same protection and privileges as are given to magistrates.

Mr President, the Bill will firmly anchor the IPCC in our Police complaints system by defining clearly in the legislation the powers and functions of the IPCC. In turn, this will promote the accountability of the IPCC. According to the Bill, the IPCC shall in each year make a report to the Governor concerning the exercise of its functions and the Governor shall lay the report before this Council.

In recent years, we had already implemented a number of measures to improve our Police complaints system, such as installation of closed circuit television, video or tape-recording facilities in CAPO. We are, however, not complacent with improvements made so far. In parallel with the Bill, we will therefore introduce a new package of improvement measures aimed at further enhancing the independence of the IPCC, and the credibility and transparency of the Police complaints system.

These improvement measures are drawn up from the recommendations arising from an independent review of CAPO procedures conducted under the IPCC aegis, and a comparative study of overseas police complaints systems conducted by representatives from the IPCC, Security Branch and the Police. The full reports have been made available to Members of this Council.

The improvement measures are summarised as follows -

- (i) to address the concern that some complaints may have taken considerable time to complete, CAPO will set time limits on handling complaints. These include contacting a complainant within two working days, providing progress report to the complainant every two months, aiming to complete investigation of complaint cases within four months - it will, of course, be shorter in practice if the case is less complicated;
- (ii) to enhance transparency of the system, IPCC will open part of its meetings to the public; complainants will be given more details of the investigation results; and leaflets on Police complaints investigation procedures and the monitoring procedures of IPCC will be made available at all police stations and District Offices for distribution. On top of these, we intend to allocate three million dollars to IPCC Secretariat to launch publicity programmes over a three year period;
- (iii) to ensure serious cases will receive adequate attention in the complaints system, the IPCC will set up a special panel to monitor serious cases, after which it will submit its findings in a special report to the Governor;
- (iv) to enhance the capability of the IPCC, one additional Vice-chairman and three additional members will be appointed. Besides, one more vetting team will be provided;
- (v) to prevent any "tipping-off" to officers being complained, CAPO procedures will be tightened up to make this a disciplinary offence; and
- (vi) to gauge public opinion towards the overall performance of the Force including the Police complaints system, regular surveys and researches will be conducted.

Mr President, I believe that by enacting the Bill and implementing the above package of improvement measures, we would make the system more transparent and credible. It will enhance the public awareness of and confidence in the existing Police complaints system.

Thank you, Mr President.

End

Patents Bill

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Following is the speech by the Secretary for Trade and Industry, Miss Denise Yue, in moving the second reading of the Patents Bill in the Legislative Council today (Wednesday):

Mr President,

I move that the Patents Bill be read the Second time.

The purpose of the Bill is to establish an independent patent registration system in Hong Kong, which is in line with international standards and will continue through 1997, for the protection of inventions.

A patent protects technical innovation. A patent system encourages new technology by granting the inventor a patent for his invention which gives him the right to exploit his invention for a set term. An inventor in exchange is required to make his invention public. The disclosure of this invention provides a major source of technical information to other inventors, businessmen and other users.

At present, there is no original grant of patents in Hong Kong. We register in Hong Kong United Kingdom patents and European patents designating the United Kingdom. A local patent law needs to be enacted before July 1, 1997 because the existing patent registration law is dependent on United Kingdom patent law. The Patents Bill aims to achieve this.

The Bill largely follows the recommendations made by the Patents Steering Committee in its Report issued for consultation in May 1993, and incorporates, where appropriate, comments received from the industrial, professional and academic fields during a consultation exercise conducted in February and March this year.

The Patents Bill provides for the grant of independent patents in Hong Kong based on the registration of a patent granted by designated patent offices. We propose the United Kingdom Patent Office, the European Patent Office designating the United Kingdom, and the Chinese Patent Office as designated patent offices. It also provides for the grant of short-term patents. This will give a new type of protection in Hong Kong for inventions with a short-term commercial life. The Bill sets out the procedures for obtaining and maintaining patents and short-term patents in Hong Kong, the rights given to the owners, and provisions for enforcement.

The basis for the Bill and the new independent patent system have been agreed in the Sino-British Joint Liaison Group.

Mr President, a new local patent law is an essential tool for protection of technical innovation. It is also an integral part of Hong Kong's intellectual property regime. To ensure continuity in the protection of inventions in Hong Kong, the new local patent law and the necessary administrative system must be put in operation before July 1, 1997. At the risk of stating the obvious, I would just like to note that any delay in the implementation of the new patent system would jeopardise the protection of patents in Hong Kong after 1997, with all its consequential negative implications for the further economic and technological development of Hong Kong.

By introducing the Patents Bill into this Council today, we hope that Honourable Members will give the earliest possible consideration to the Bill. We hope that the Bill can be enacted with enough time remaining for us to prepare the necessary Patents Rules and administrative procedures for the implementation of the new patent system before July 1, 1997.

By introducing the Patents Bill into this Council today and having regard to the 12-month lead time required for procuring and setting up the first phase of the computer system, we also hope that Honourable Members will vote the necessary funds sought for the patent computer system at a forthcoming meeting of the Finance Committee of this Council before it goes into summer recess.

The time-table we have set for ourselves is an extremely tight one. With support from Honourable Members, I am confident we can achieve our task.

Mr President, I commend this Bill to the Council.

End

#### Aviation Security Bill

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Following is the speech by the acting Secretary for Security, Mrs Carrie Yau, at the resumption of the second reading debate of the Aviation Security Bill in the Legislative Council today (Wednesday):

Mr President,

The Aviation Security Bill was introduced into the Legislative Council for its first and second readings on 5 June 1996.

The Bill seeks to localise UK legislative provisions, concerning international conventions on aviation security, which are currently extended to Hong Kong by Orders-in-Council. It also includes provisions to apply other internationally recommended aviation security measures which are currently being implemented in Hong Kong through administrative means. The enactment of the Bill will enable us to establish a comprehensive statutory framework for implementing aviation security measures, now and beyond 1997.

Our aim is to implement our aviation security requirements in co-operation and consultation with the aviation industry. To this end, we have widely consulted within the aviation industry including with the airlines, airport tenants and the Airport Authority.

Although it is not directly related to the Bill, I wish to assure Mr Howard Young that we are happy to continue with our consultation on any matters which ensure that we have the highest standard of effectiveness in operation of our airport as well as highest standard in maintaining our security standards.

I just wish to record my thanks for Honourable Members' immediate support for this Bill. With the passage of this Bill, we shall be sending a very strong message to the international community that Hong Kong is meeting, and will continue to meet internationally accepted aviation security standards and obligations. There are only a few technical amendments which I shall move later at the committee stage.

Mr President, I recommend the Aviation Security Bill to this Council.

End

Aviation Security Bill: committee stage

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Following is the speech by the acting Secretary for Security, Mrs Carrie Yau, in moving the committee stage amendments of the Aviation Security Bill in the Legislative Council today (Wednesday):

Mr Chairman,

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

The amendments put forward are technical in nature. Amendments to Clauses 4, 5, 49 (2) and 58 will remove several minor inconsistencies between the English and Chinese texts of the Bill. Amendments to Clauses 15 and 49 (4) seek to rectify two clerical errors. Amendments to Clauses 2 and 12 will clarify the scope of several provisions relating to explosives.

Mr Chairman, I beg to move.

End

### Immigration Service (Amendment) Bill

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Following is the speech by the acting Secretary for Security, Mrs Carrie Yau, at the resumption of the second reading debate of the Immigration Service (Amendment) Bill 1996 in the Legislative Council today (Wednesday):

Mr President,

The Immigration Service (Amendment) Bill 1996 was introduced into this Council on February 7 this year. This Bill seeks to give members of the Immigration Service powers of investigation into offences relating to registration matters under the purview of the Immigration Service, and into certain forgery offences under the Crimes Ordinance, Cap. 200. It also seeks to regularise the procedures relating to the handling of persons arrested by members of the Immigration Service.

I am grateful to the Honourable Emily Lau and Members of the Bills Committee for the great care they have taken in scrutinising the Bill and the valuable suggestions that they have put forward during the Committee Stage.

This process has helped the Administration considerably to fine-tune the Bill to address possible concerns of the public with the additional powers to be conferred on the Immigration Service.

The major Committee Stage Amendments in respect of this Bill which we propose will help to safeguard the rights of individuals being investigated or arrested:-

- (a) First, in any case of detention taking place before formal arrest, we propose to provide for a maximum length of 12 hours;

- (b) secondly, we propose to confine the total detention period between initial detention for inquiry and bringing an arrested person before a magistrate or release of the person to 48 hours; and
- (c) thirdly, we propose to amend section 13(1) and (2) by deleting the words "appearing to him to have control of the place or to be residing therein" and substituting "residing in or in charge of the place". This is modelled on section 50(3) of the Police Force Ordinance, Cap. 232, and provides a better safeguard to private premises against search by members of the Immigration Service. We also propose a number of minor amendments to the Bill to bring it more into line with other legislation governing the powers of other disciplined forces.

I can assure the Honourable Members that whilst the Administration wishes to ensure that officers of the Immigration Service are given the necessary powers of investigation to discharge their statutory duties, it is equally concerned that there should be adequate checks and balances to prevent any abuse of powers. We are satisfied that the Bill, with the Committee Stage Amendments that we propose, will strike a right balance, and that the existing stringent safeguards against any abuse of power are effective and sufficient.

As regards the issue of training over which the Honourable Emily Lau and James To expressed concern, I would like to talk about this now. We are already providing extensive training on investigation work and powers to investigators of the Immigration Service. Once the Bill is enacted, new training courses and briefings will be put in place to ensure that staff of the Immigration Service who will be wielding the new powers are conversant with the law and capable of exercising the powers conferred on them. Appropriate Standing Orders will be issued to guide and regulate the exercise of these proposed powers. In fact, most of the powers conferred by the Bill are similar to existing powers exercised under the Immigration Ordinance. We are confident that officers of the Immigration Service will have no difficulties in assuming the new investigation responsibilities.

In response to the request of the Bills Committee, the Administration will submit a paper to the LegCo Security Panel detailing the complaints handling procedures and training provided to officers of the Immigration Service when the Bill comes into operation. Surely, we will follow up this commitment.

Mr President, I recommend the Immigration Service (Amendment) Bill 1996 to this Council.

End

Immigration Service (Amendment) Bill: committee stage

\* \* \* \* \*

Following is the speech by the acting Secretary for Security, Mrs Carrie Yau, in moving the committee stage amendments of the Immigration Service (Amendment) Bill 1996 in the Legislative Council today (Wednesday):

Mr Chairman,

I move that the clauses specified be amended as set out in the paper circularized to Members.

These amendments contain the proposed changes to the Immigration Service (Amendment) Bill 1996 which I have already referred to in the Second Reading debate and also some technical amendments. They have been discussed in detail by the Bills Committee and have received the Committee's endorsement.

Mr Chairman, I beg to move.

End

More stringent supervision of building works

\* \* \* \* \*

The Government today (Wednesday) welcomed the passage by the Legislative Council of all but the criminal sanctions provision of the Buildings (Amendment) (No 3) Bill which provide more stringent registration of building professionals and contractors and set out clearly the level of supervision and responsibilities of the persons supervising building works.

A government spokesman said: "The Administration will now proceed to implement the new legislative provisions which mark an important step towards improving safety at construction and demolition sites."

"We hope to submit to the Legislative Council within six months relevant amending regulations. In parallel, the Buildings Department will work on the Technical Memorandum and Code of Practice for issue to the construction industry as soon as possible."

However, the spokesman expressed regrets that the Legislative Council voted to remove the criminal sanctions provision for failing to comply with supervision plans in cases directly resulting in injury or damage to properties.

"The Administration has been, and still is of the firm view that the criminal sanctions proposed are necessary to enforce the safety requirements set out in the new legislation which contains supervision plans that will be able to identify the responsible parties for any wrong-doing.

"We note the concern of some LegCo members that the criminal sanctions only apply in private sector projects. The Administration is committed to completing a review of the application of the new legislation by the end of this year.

"Upon completion of the review, we will consider introducing a new bill into Legislative Council to impose criminal sanction for material deviations from supervision plans directly result in injury to person or damage to properties," the spokesman said.

End

#### Buildings (Amendment) (No 3) Bill

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Following is a speech by the acting Secretary for Planning, Environment and Lands, Mr Canice Mak, in moving the second reading of the Buildings (Amendment) (No 3) Bill 1995 in the Legislative Council today (Wednesday):

Mr President,

I would like to thank the Honourable Ronald Arculli, Chairman of the Bills Committee, and other Members for their very careful and detailed deliberation on this Bill in the past nine months.

This Bill serves two main purposes. The first aims to strengthen supervision and safety management at construction and demolition sites through the introduction of a supervision plan system. The second is to improve the registration system for authorised persons, registered structural engineers and building contractors. The Bills Committee and other concerned parties, such as the relevant professional bodies and the contractors associations and REDA (Real Estate Developers Association), have given many valuable comments on specific provisions of the Bill. The Administration agrees with most of these comments, and I shall move the necessary amendments to the Bill at the committee stage later on. However, it may be useful if I could explain in some detail the Administration's response to a number of points raised by the Bills Committee and other organisations.

With regard to the registration of authorised persons and structural engineers, there will be panels of members from whom the Building Authority may appoint more than one Registration Committee. The Building Authority will be empowered to direct the Registration Committee to hold meetings in order to help ensure that the applications for registration as authorised persons and structural engineers will be processed expeditiously. The registration will continue to be in force while an application for renewal is still being processed, subject to any order of the disciplinary board. This is to obviate the administrative problem of processing a large number of applications within a fixed time limit.

I also wish to assure the Hon Edward Ho that his suggestion of a classification system for contractors be seriously considered. The Building Authority will be required to give reasons why an application for inclusion, retention or restoration of name in the relevant register is rejected. He will also be required to inform an authorised person or registered structural engineer before removing the latter's name from the relevant register.

Furthermore, a legal adviser will be appointed to assist in the proceeding of the disciplinary board for authorised persons and registered structural engineers. The power of a judge to dismiss an appeal against the decision of the board if he considered that there had been no substantial miscarriage of justice, even if he was of the opinion that the point raised in the appeal might have been decided in favour of the appellant, will be removed. These measures would serve to further improve the fairness of the disciplinary proceedings.

Similar amendments will be moved by me to other provisions of the Bill relating to the registration of general building contractors and specialist contractors. Moreover, the factors which will be taken into account in considering whether an applicant qualifies to register as a contractor will be clearly set out. In the case of general building contractors, the Building Authority will be allowed to accept relevant local experience as a substitute for the required qualifications. As a transitional arrangement, the registration of existing contractors will continue to be in force for two years after the commencement of the relevant provisions of the Bill.

To implement the supervision plan system, the Building Authority may refuse to give his consent to the commencement of works where the authorised person has failed to lodge a supervision plan. The format and content of the plan have to comply with the requirements set out in the technical memorandum which will be formulated by the Building Authority in consultation with the professional institutes and the construction industry and approved by this Council under the negative vetting procedures.

To ensure that supervision plans are complied with, we recommend a three-tier sanction system. Minor deviations from the supervision plan may entail administrative warnings given by the Building Authority. Material deviations or repeated minor deviations will be made a disciplinary offence. Material deviations which directly result in injury to persons or damage to property, or a risk of injury or damage will be made a criminal offence. However, provisions will be made for exceptional circumstances when urgent action is required for safety reasons, to permit deviations from the supervision plan.

The Building Authority will be empowered to order works to cease when the condition of the approval or consent given by him has not been, or is not able to be, complied with, or when there is material deviation from the technical memorandum or the supervision plan which may lead to a dangerous or potentially dangerous situation.

I am, like the Hon Arculli, pleased to note that the Bills Committee has indicated support for all but one of the amendments to be moved by me, i.e. criminal sanction provisions when material deviations from the supervision plan directly result in injury to persons, or damage to property, or a risk of injury or damage. I will further explain the views of the Administration and clarify any misunderstanding like those expressed by the Hon Albert Chan and the Hon Mr Yip Kwok-him about government architects and engineers not subject to criminal sanction on the issue during the committee stage.

Thank you, Mr President.

End

#### Buildings (Amendment) Bill

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Following is a speech by the acting Secretary for Planning, Environment and Lands, Mr Canice Mak, in moving the second reading of the Buildings (Amendment) Bill 1996 in the Legislative Council today (Wednesday):

Mr Deputy President,

I would like to thank the Honourable Mr Albert Chan, Chairman of the Bills Committee, and other Members for supporting this Bill and the Committee Stage Amendments that I will propose.

This Bill has three purposes: empowering the Building Authority to order owners to carry out investigations into drains and sewers for slope safety reasons; facilitating the recovery of the cost of works carried out by the Building Authority on behalf of building owners; and making clear that a closure order will cease to have effect when the concerned structures are demolished or cease to exist.

In scrutinising the Bill, some Members proposed that water pipes should also be covered by the Bill. We agree and have prepared Committee Stage Amendments to this effect. Upon the enactment of the Bill, the Buildings Department will maintain close liaison with the Water Supplies Department in exercising the new power to require investigations into water pipes and remedial works regarding any leakage, defect or inadequacy identified.

Members have also expressed concern over the discretion of the Building Authority in serving orders requiring investigations into water pipes, drains and sewers. We have prepared Committee Stage Amendments to provide that where the Building Authority is of the opinion that no leakage, defect or inadequacy is likely, no order shall be served. In forming his opinion, the Building Authority should take into account all relevant matters and information, such as, the age of the water pipes, drains or sewers, and records of previous investigations and maintenance works. The Building Authority's decision is also subject to appeal to the Appeal Tribunal under Part VI of the Buildings Ordinance, the members of which are mainly independent legal or building professionals. We believe this provides for the necessary safeguard against potential abuse of power.

We have also prepared a Committee Stage Amendment to ensure that an owner is responsible for the maintenance of and investigations into the water pipes, drains and sewers serving his building, irrespective of where such pipes, drains and sewers are laid.

Thank you, Mr Deputy President.

End

#### Inland Revenue (Amendment) (No 3) Bill

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Following is the speech by the Secretary for the Treasury, Mr K C Kwong, in resuming the second reading debate of the Inland Revenue (Amendment) (No 3) Bill 1996 in the Legislative Council today (Wednesday):

Mr President,

I am grateful for Members' support for the resumption of the second reading debate of the Bill. The Bill has two objectives. First, it seeks to reflect existing practices and provide greater certainty in law by -

- (a) excluding stock brokers and investment advisers from potential profits tax liability in respect of share trading and fund investment profits derived by non-resident investors for whom they act as agents; and
- (b) including a specific tax exemption for certain income derived from bona fide offshore funds managed in Hong Kong.

Secondly, the Bill seeks to extend the current tax exemption for stock borrowing and lending transactions to cover also stocks not listed in Hong Kong. This is in response to a request made by the financial services sector for promoting stock borrowing and lending transactions in Hong Kong.

After the publication of the Bill, we have received submissions from the Law Society of Hong Kong, the Hong Kong Society of Accountants, the Joint Liaison Committee on Taxation, the Taxation Institute of Hong Kong and the Stock Exchange of Hong Kong. We are grateful for their views on the Bill. I would also like to thank the Hon Eric Li for his valuable advice on the Bill. We have carefully examined these views and, as a result, I will move at Committee Stage a number of amendments. I shall explain at that stage the reasons for the amendments; but I would like to take this opportunity to address two points concerning the legislative intent of the Bill in respect of the first objective which I just described.

Section 20AA as proposed in the Bill seeks to exclude brokers and investment advisers from potential profits tax liability for acting as agents for non-resident investors. We note the concern expressed by various parties in respect of the restriction imposed under the Bill that the provisions in section 20AA would not apply in cases where the investors and the agents have an "associate" relationship. We have thoroughly examined this issue and remain of the view that the imposition of the restriction is justified and necessary. In such cases, the agent, being the associate of his client, should be able to ascertain whether there is any potential liability to profits tax and the question of uncertainty which we aim to address in the Bill by providing the tax exemption therefore should not arise. There is a limit to how far the tax exemption provided under the proposed legislation should go without creating opportunities for tax avoidance. We believe that we have struck the right balance in the Bill. Our proposal does not imply that the parties concerned under an "associate" relationship would automatically be chargeable to profits tax. This is by no means the case. Whether a tax liability arises will depend on the circumstances of each case and on the application of the existing provisions of the Inland Revenue Ordinance. The situation for these cases with "associate" relationship will not be inferior to what it is now, before the proposed legislation is enacted. There is also no question of the proposed legislation preventing a non-resident investor from, or placing any restriction on him in, making use of an associated agent in Hong Kong.

However, to reflect better our legislative intent, the Commissioner of Inland Revenue will issue a Practice Note to clarify issues relating to the application of the "associate" restriction and the interpretation of the term "non-resident" as requested by the various parties concerned.

We also note the concern of various parties that section 20AB as proposed in the Bill, which is modelled on legislation in the United Kingdom and sought to provide a specific tax exemption for certain income derived from bona fide offshore funds managed in Hong Kong, is not easy to follow and instead of achieving its objective, it may complicate the existing tax system in this area. We have reviewed the approach and concluded that a simpler way to achieve the policy objective and to reflect our legislative intent is to amend existing section 26A(1A) of the Inland Revenue Ordinance to extend the present tax exemption under the section to cover also mutual fund corporations and unit trusts established outside Hong Kong or similar collective investment schemes, provided that the Commissioner of Inland Revenue is satisfied that the mutual fund corporation, unit trust or collective investment scheme is a bona fide widely held investment vehicle which complies with the requirements of a supervisory authority within an acceptable regulatory regime. We are pleased to note that this revised approach is welcomed by the various parties concerned. I will move amendments at Committee Stage to delete the proposed section 20AB and replace it with a new clause to this effect.

No prior approval from the Commissioner is necessary for an individual investment vehicle to qualify for the proposed tax exemption under section 26A(1A) provided that the requirements as stipulated in this Bill are satisfied. The Commissioner is prepared to give advance ruling if there is doubt in individual cases. The Commissioner will also issue a Practice Note to clarify the interpretation of such terms as "supervisory body" and "acceptable regulatory regime" under the Bill.

Thank you, Mr Deputy President.

End

Inland Revenue (Amendment) (No 3) Bill: clauses 2 and 3

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Following is the speech by the Secretary for the Treasury, Mr K C Kwong, at the committee stage to amend clauses 2 and 3 of the Inland Revenue (Amendment) (No 3) Bill 1996 in the Legislative Council today (Wednesday):

Mr Chairman,

I move that Clauses 2 and 3 be amended as set out in the paper circulated to Members.

The amendment to Clause 2(1)(a) of the Bill seeks to add the term "Unified Exchange" to the section and the term will have the same meaning as that in the Stamp Duty Ordinance for the sake of consistency.

The amendment to Clause 2(1)(b) seeks to ensure that the term "specified securities" under the Bill will cover Hong Kong stocks the sale and purchase of which in Hong Kong are not subject to the rules and procedures of the Unified Exchange.

The amendment to Clause 2(2), by amending proposed section 15E(9) and adding a new subsection 10, seeks to ensure that "specified securities" under the Bill would be covered by provisions on stock borrowing and lending in the Inland Revenue Ordinance. For consistency purpose, the meaning of terms involved in the definition of "specified securities", i.e. "Hong Kong stock", "unit" and "unit trust scheme" will be the same in the relevant provisions of the Inland Revenue Ordinance and the Stamp Duty Ordinance.

The amendment to section 20AA(3) in Clause 3 seeks to ensure that under the Bill, transactions of a non-resident investor arising from the activities of an approved investment adviser will be taken as "carried out through" the adviser.

The amendment to section 20AA(6) in Clause 3 seeks to remove the reference to section 20AB in the proposed section 20AA and extends the meaning of broker and approved investment adviser under the Bill to include dealers and investment advisers exempt from registration under the Securities Ordinance.

The remaining amendment to Clause 3 seeks to delete section 20AB which is to be replaced by the new Clause 4. I will explain the operation of the new clause later on when I deal with the Committee Stage Amendment for adding a new clause to the Bill.

Mr Chairman, I beg to move.

End

Inland Revenue (Amendment) (No 3) Bill: new clause

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Following is the speech by the Secretary for the Treasury, Mr K C Kwong, in moving the second reading to add a new clause to the Inland Revenue (Amendment) (No 3) Bill 1996 in the Legislative Council today (Wednesday):

Mr Chairman,

I move that new Clause 4 as set out in the paper circulated to Members be read the second time.

The new clause seeks to amend section 26A(1A) of the Inland Revenue Ordinance to provide that sums received by or accrued to a mutual fund corporation or trustees of a unit trust established outside Hong Kong or a similar collective investment scheme, where the Commissioner of Inland Revenue is satisfied that the mutual fund corporation, unit trust or collective investment scheme is a bona fide widely held investment vehicle which complies with the requirements of a supervisory authority within an acceptable regulatory regime, will not be included in the profits of the corporation or trustees or the person chargeable to tax for the profits of the collective investment scheme, as the case may be. As I undertook during the debate on the resumption of the second reading of the Bill, the Commissioner of Inland Revenue will issue a Practice Note to clarify the interpretation of such terms as "supervisory authority" and "acceptable regulatory regime" under the new clause.

Mr Chairman, I beg to move.

End

Inland Revenue (Amendment) (No 3) Bill: third reading

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Following is the speech by the Secretary for the Treasury, Mr K C Kwong, in moving the third reading of the Inland Revenue (Amendment) (No 3) Bill 1996 in the Legislative Council today (Wednesday):

Mr President,

The Inland Revenue (Amendment) (No 3) Bill 1996 has passed through Committee Stage with amendments. I move that this Bill be read the third time and do pass.

End

Airport Authority Annual Report

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Following is a speech by the acting Financial Secretary, Mr Rafael Hui, on the Airport Authority Annual Report, in the Legislative Council today (Wednesday):

Mr President,

In accordance with section 32(5) of the Airport Authority Ordinance, I now table the Airport Authority's Annual Report with its statement of accounts and auditor's report for the year ending 31 March 1996. This is the first Annual Report of the Airport Authority. It also covers the activities of the Provisional Airport Authority before its reconstitution as the Airport Authority on 1 December 1995.

As Members will be able to see from the Annual Report, the Authority has made significant progress in its work in the year under review. Construction of the new airport is on course and within budget. Following the coming into force of the Airport Authority Ordinance on 1 December 1995, the Airport Authority signed the Financial Support Agreement and the Land Grant with the Government. It also successfully completed its first external financing arrangement for HK\$8.2 billion. A number of major franchises on air cargo, aircraft catering and aviation fuel supply services have been awarded. Franchises on maintenance services and ramp handling services will be awarded very soon. These remarkable achievements would not have been possible without the hard work and devotion of all members of the Board, the management and all staff of the Authority. I would like to take the opportunity to thank all of them.

I would also like to thank Members of this Council for their continuing support for the new airport project. Recently, Members approved funds for the Government facilities required to support the operation of the second runway at the new airport.

In particular I am very grateful to Mr Wong Po Yan, who took over the chairmanship of the Authority when it dropped the word "Provisional" from its name on 1 December 1995. I know very well from my colleagues who are more familiar with the airport project that being Chairman of the Authority is a most challenging and demanding job. I would like to take this opportunity to thank Mr. Wong for his dedicated service, and in particular for the time and effort he has put in to promote in the interest of Hong Kong the early commissioning of the second runway at the new airport.

With the commissioning of the second runway, the new airport will further enhance Hong Kong's status as a leading aviation centre, a leading centre for trade and financial services and leading tourism destination.

I am confident that the Authority will carry on with the good work to be done in the years to come. The new airport at Chek Lap Kok will prove to be an excellent investment for Hong Kong and the pride of Hong Kong people.

End

Transit facility for PRC nationals

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Following is a question by the Hon Howard Young and a reply by the acting Secretary for Security, Mrs Carrie Yau, in the Legislative Council today (Wednesday):

Question:

There has been a rapid increase in the number of People's Republic of China (PRC) passport holders visiting the territory on transit which benefits Hong Kong's tourism industry. In this connection, will the Government inform this Council whether such holders are allowed to visit Macau and re-enter Hong Kong within the 7-day visa-free period and whether, on re-entering from Macau, they may be granted an additional visa-free period in excess of the original 7-day visa-free period; if so, whether there are any measures to encourage tourism on the one hand and avoid the system being used to prolong overstaying unnecessarily on the other?

Reply:

Mr President,

With effect from 1 August 1993, PRC nationals in China transiting through Hong Kong to or from overseas countries are allowed a visa-free stay of up to seven days as visitors provided that they have valid passports, confirmed booking and valid visas for their overseas destinations. The purpose of this arrangement is to facilitate their overseas travel by connecting flights in Hong Kong or stopping over here before returning to China. This transit facility is however not allowed for journeys from China to Macau since PRC nationals in China can go to Macau direct.

PRC nationals in China are expected to adhere to their travel plans and not to make side trips to other places, including Macau, when transiting through Hong Kong. However, immigration officers have no power to stop any visitor or transittee from departing to a place other than their intended final destination. But if they return to Hong Kong from a side trip, they will have to explain to the satisfaction of the immigration officers that they indeed have reasons to deviate from their original travel plans.

Depending on individual case merits, they may be landed for a few days to complete their previous 7 days' stay. Further change of plans by using the same method (i.e., by leaving for Macau and return to Hong Kong again) will come under close scrutiny. On the other hand, if a transittee's case does not justify, he/she may be refused permission to land in Hong Kong.

At present, we have no plan to relax the visa-free arrangement to allow PRC nationals of China to transit through Hong Kong to Macau. Such a relaxation will invite abuses to bypass the existing schemes controlling PRC nationals visiting Hong Kong.

End

#### Implementation of 5-year plan for arts development

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Following is a question by the Hon Elizabeth Wong and a reply by the acting Secretary for Broadcasting, Culture and Sport, Mrs Rita Lau, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council whether it has any knowledge of the timing for the implementation of the 5-Year Plan for arts development drawn up by the Arts Development Council?

Reply:

Mr President,

The Hong Kong Arts Development Council's 5-Year Strategic Plan, which sets out the blueprint for the development of the arts in Hong Kong for the period from 1996/97 to 2000/01, was drawn up in December last year.

In the Strategic Plan, the Council has identified 74 key tasks under four broad goals - access, excellence, resources and advocacy. In order to carry out these tasks, the Council has proposed 292 action steps to be implemented during the five-year period ending 2001.

The Council began to implement the 5-Year Strategic Plan on 1 April 1996. To date, the Council has commenced implementing 59 of the 74 key tasks, and 157 of the 292 action steps.

End

Medical treatment for overseas visitors

\* \* \* \* \*

Following is a question by the Hon Cheung Hon-Chung and a reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council:

- (a) whether non-Hong Kong residents can receive treatment in the casualty departments of public hospitals in the territory; if so, how the relevant charges are collected from such persons; in case of default, what actions are taken to recover the arrears from such persons, and what the results of such actions are; and
- (b) whether it has signed agreement with any countries and regions which will enable residents of these territories to receive free emergency medical treatment in each other's territory on a reciprocal basis; if so, what the details are; if not, why not?

Reply:

Mr President,

In keeping with our policy that no one should be prevented from obtaining adequate medical treatment due to lack of means, accident and emergency services are provided free of charge by the Hospital Authority and the Department of Health, except in the case of one ex-subvented hospital where a nominal fee of \$34 for Hong Kong residents and \$175 for overseas visitors is imposed for historical reasons. Action is being taken to standardise the practice across all public hospitals.

The only country with which Hong Kong has a reciprocal agreement on medical treatment is United Kingdom. The agreement has been in place since 1 April 1982 and took the form of a formal exchange of letters between the British and Hong Kong Governments. From what we know, this arrangement was initiated when the United Kingdom announced a new legislation in 1982 which imposed charges on overseas visitors for access to medical and dental treatment under National Health Service.

Under the existing agreement, Hong Kong residents are eligible for free access to the National Health Service, including accident and emergency treatment. Similarly, United Kingdom citizens may receive a full range of medical treatment in Hong Kong at the same subsidised rate as local residents.

The term "Hong Kong resident" is defined as any person who is ordinarily resident in Hong Kong and who holds a valid Identity Card, Passport or Certificate of Identity issued by the Hong Kong Immigration Department or who is the spouse or dependent child under 18 years of age of such a person, while "United Kingdom citizens" means any person who is ordinarily resident in the United Kingdom and who holds a National Health Service Medical Card.

End

#### Remuneration and benefits of policy secretaries

\* \* \* \* \*

Following is a question by the Hon Emily Lau and a reply by the Secretary for the Civil Service, Mr W K Lam, in the Legislative Council today (Wednesday):

Question:

It has been reported that a member of the Preparatory Committee has suggested that the salaries of principal officials of the Hong Kong Special Administrative Region Government should be increased significantly. At present, the monthly salary of a policy secretary at D8 of the directorate pay scale is 157,250, and its total remuneration package inclusive of other benefits amounts to almost \$300,000 a month. In this connection, will the Government inform this Council :

- (a) of the criteria for determining the remuneration and benefits of policy secretaries;
- (b) how the remuneration and benefits of policy secretaries compare to those of senior executives at comparable levels in the private sector;

- (c) whether the Senior Non-Expatriate Officers Association has made a request for improving the remuneration and benefits of policy secretaries; and
- (d) whether it has any plan to review the remuneration and conditions of service of policy secretaries?

Reply:

Mr President,

I shall answer the points seriatim.

- (a) Our policy and objective on civil service remuneration is to offer sufficient remuneration to attract, retain and motivate staff of a suitable calibre to provide the public with an effective and efficient service. Such remuneration should be regarded as fair both by civil servants and by the public which they serve. Within these parameters, broad comparability with the private sector is an important factor in setting civil service pay.

With regard to Branch Secretaries, the administration accepts that while any reasonable assessment of fair remuneration for civil servants should make reference to corresponding commercial packages, top directorate packages may not match those of some top executives in the private sector, given the difference in the nature of the service.

Other than external relativities, we also need to take account of the responsibilities and hence remuneration of other officers on the Directorate pay scale i.e. internal relativities. We have a number of grading factors we use to determine the classification of Departments and their Heads. Taken from the Tenth Report of the Standing Committee on Directorate Salaries and Conditions of Service, these are attached to the printed version of my reply. A recommendation was made in the same report that Branch Secretaries should be remunerated at a higher pay point than the Heads of the large civilian departments because of their clearly wider and heavier responsibilities. Currently, Heads of large civilian departments are remunerated at D7 and the Branch Secretaries are remunerated at D8.

- (b) We have not collected any up-to-date information to compare the remuneration and benefits of Branch Secretaries to those of senior executives in the private sector lately. Our practice has been for the annual directorate pay adjustments to follow those of the upper pay band and for there to be periodic reviews of whether directorate pay has fallen significantly out of step with changes in private sector pay. Our last such review was done in 1989.

- (c) The Senior Non-Expatriate Officers Association has not made any such request.
- (d) At this stage, we have no plan to review the remuneration package of policy secretaries.

End

Obligations for compensation discharged

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Following is a question by the Hon Tsang Kin-sing and a reply by the acting Secretary for Security, Mrs Carrie Yau, in the Legislative Council today (Wednesday):

Question:

As the British rule over the territory will end on June 30, 1997, will the Government inform this Council whether, prior to that date, the British Government will demand that the Japanese Government formally apologise to the people of Hong Kong for the atrocities committed by the Japanese army in the territory during the Second World War, and make reparations in this regard?

Reply:

Mr President,

We fully understand the strength of feeling on this issue. We note that former Prime Minister Murayama made a statement of apology for Japan's wartime past in a speech on the VJ (Victory in Japan) Day anniversary last year. On the question of compensation, we confirm that the matter was referred to the British Government for consideration when the matter was last raised in this Council in December 1990 and November 1992. The British Government advised that the Japanese Government had fully discharged their obligations for compensation under the Treaty of Peace with Japan signed by the United Kingdom and other Allied Powers in San Francisco in 1951. It is therefore not open to the British Government to raise the matter with the Japanese Government.

End

NT Land (Exemption) Ordinance explained

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Following is a question by the Hon Zachary Wong Wai-yin and a reply by the acting Secretary for Home Affairs, Mrs Stella Hung, in the Legislative Council today (Wednesday):

Question:

The New Territories Land (Exemption) Ordinance (Cap 452) has been implemented for two years. In this connection, will the Government inform this Council of:

- (a) the number of lawsuits filed under the Ordinance over the past two years;
- (b) the number of women in the above lawsuits who were successful in securing the right of succession to land in the New Territories; and
- (c) whether activities have been conducted to publicise the Ordinance so as to ensure that women in the New Territories have a clear understanding of their entitlements under the Ordinance; if so, the contents, timing and costs of such activities?

Reply:

The New Territories Land (Exemption) Ordinance provides for the application of the general laws of inheritance to land in the New Territories, thereby safeguarding the equal rights for women to inherit land in the New Territories. The Ordinance takes effect in this regard from 24 June 1994.

There is no provision for filing lawsuits under the New Territories Land (Exemption) Ordinance. Women who wish to inherit land in the New Territories after the enactment of the Ordinance have to apply for grants of probate or letters of administration under the general laws of inheritance. These laws include the Probate and Administration Ordinance (Cap 10), the Intestates' Estates Ordinance (Cap 73) and the Inheritance (Provision for Family and Dependents) Ordinance (Cap 481).

It is a matter entirely for the personal representatives of the deceased to apply for the appropriate grants of representation or to file lawsuits in case of disputes under the general laws of inheritance. The Probate Registry does not keep statistics of cases by Ordinance, and the court registries classify lawsuits according to their nature, such as personal injuries, bankruptcy, companies winding-up, probate, divorce, admiralty, etc. There is no distinction made of individual women who derive their rights of inheritance to land from the New Territories Land (Exemption) Ordinance. We therefore do not have statistics on the number of women who have successfully inherited land as a result of the enactment of the Ordinance.

Regarding publicity, the provisions of the New Territories Land (Exemption) Ordinance were extensively publicised after their enactment. Publicity leaflets explaining the purpose and key features of the Ordinance were distributed widely through District Offices, Rural Committees and the Housing Department. A special civic education programme which focused particularly on the rights of women under this Ordinance was produced and shown on television. Liaison Officers in the New Territories District Offices also explained the relevant provisions to villagers during their regular visits. The above activities were part of the on-going liaison and public education services provided by Home Affairs Branch and Home Affairs Department. No separate account is therefore kept of the costs or expenditures involved.

End

#### Standard number of hospital beds

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Following is a question by the Hon Szeto Wah and a written reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council today (Wednesday):

Question:

With regard to the setting up of public hospitals and their staff establishment, will the Government inform this Council whether it knows of:

- (a) the standard number of hospital beds and the standard establishment of doctors and nurses, as well as the actual number of hospital beds and the strength of doctors and nurses, in each public hospital at present;
- (b) the criteria for determining the network served by each district public hospital, as well as the criteria to be taken into account in deciding whether a public hospital should be set up in a district;

- (c) whether there is a set of criteria for drawing up the respective proportions of population to hospital beds and population to resident doctors, if so, what the details are; and
- (d) how 'hospital clusters' are distributed and what their mode of operation is, and what the composition of each cluster is?

Reply:

The actual number of public hospital beds and the total strength of medical and nursing staff working in the Hospital Authority as at end of March 1996 are set out in Annexes I & II respectively.

The concept of establishment does not apply strictly to the Hospital Authority which employs a staffing level mechanism based on approved posts as the basis for determining manpower requirements for individual ranks and grades. With the devolution of responsibilities, each hospital may vary their staff mix according to prevailing operational requirements. Emphasis has been placed on quality outcome as well as resource input. Apart from budgetary control, the Authority has also developed a set of manpower indicators at Annex III to assist hospital managers.

As part of the efforts to improve its annual planning process, the Hospital Authority Head Office is embarking on an exercise to work out an agreed staffing level with each hospital. This process is expected to complete in the next few months and will serve to provide an objective benchmark for future monitoring and control.

Hospital clusters are drawn up for administrative reasons to enhance the co-ordination, planning and management of clinical services between different medical institutions. The designation of these clusters takes into account the geographic location of individual hospitals, their traditional roles and functional relationships. Details about the eight existing clusters are at Annex IV.

The hospitals in each cluster complement and support each other through cross-referral of patients, sharing of major medical equipment and other clinical support services. The objective is to maximise the use of available resources and avoid duplications or gaps in service provision. Each cluster is supervised by a dedicated team of staff in the Hospital Authority Head Office.

The need for new hospitals is identified through regular reviews of utilisation pattern, which is affected by factors including population size, demographic structure, medical technology advancement, ambulatory care, community support and private service providers. The total demand of hospital beds is estimated based on an established formula:

$$\text{No of beds required} = \frac{\text{Projected population} \times \text{Estimated inpatient discharge rate} \times \text{Average length of stay per patient}}{365 \text{ days} \times \text{optimum occupancy rate (85\%)}}$$

The number of doctors required in each public hospital cannot be determined solely with reference to a fixed set of criteria, but will depend on a number of factors including the role and scope of services provided, mix of cases and complexity of medical conditions. The set of manpower indicators developed by the Hospital Authority is an effective planning tool to assist each hospital in the planning and deployment of resources.

End

#### Commercial premises in housing estate shopping centres

\* \* \* \* \*

Following is a question by the Hon Lo Suk-ching and a written reply by the acting Secretary for Housing, Mr Keith Kwok, in the Legislative Council today (Wednesday):

Question:

As the commercial units in housing estates under the management of the Housing Authority (HA) are mainly let by way of tenders and supplemented by negotiation, will the Government inform this Council if it is aware of:

- (a) the proportion of the shops in public housing estate shopping centres let by negotiation in the total number of shops let; and how such a proportion is determined by the HA;
- (b) the reasons for the HA not putting up all the shops for letting by open tender;
- (c) the guidelines issued by the HA setting out clearly the criteria for letting shops by negotiation; if so, what the criteria are; and
- (d) any mechanism put in place by the HA to monitor the decision-making process regarding the letting of shops by negotiation?

Answer:

Mr President,

A large majority of commercial premises in Housing Authority (HA) shopping centres are let through open tender. There is no fixed ratio for the number of premises which must be let in a particular way. In the last two years, about 20% of commercial premises were let through negotiation.

Use of open tender or negotiation depends on the nature and size of the business to be operated. For example, in order to attract major retail companies to open outlets in public housing estates, the HA may put up a small number of commercial premises for letting through negotiation. This will enable the HA to exercise flexibility in determining the terms of each tenancy, such as length and rent. Tenants selected in this way are generally popular chain-stores which are welcomed by local residents as well as other retailers in the same shopping centre because they enhance the attractiveness and increase the patronage of the centre. This method of letting commercial space is commonly adopted in the private sector.

The HA's criteria for letting commercial premises through negotiation are confined to cases where -

- (a) the space to be leased exceeds 250 m<sup>2</sup> and the type of trade can attract more customers to the shopping centre, or can provide a desirable facility for residents; or
- (b) the premises to be let have failed to attract suitable bidders in more than two open tender exercises; or
- (c) an attraction is offered by the brand name of the company under which the premises are to be operated, or by the tenant's ability to develop business through substantial promotional activities, both of which will enhance the overall attractiveness of the shopping centre; or
- (d) where a sitting tenant has demonstrated the capability for expansion.

A Letting Panel, chaired by the Chairman of the HA's Commercial Properties Committee, oversees the arrangements for letting commercial properties by negotiation. The leasing procedures and guidelines are also subject to periodic review by the Independent Commission Against Corruption.

End

AG's exercise of power under Coroners Ordinance

\* \* \* \* \*

Following is a question by the Hon James To Kun-sun and a written reply by the Attorney General, the Hon Jeremy Mathews, in the Legislative Council today (Wednesday):

Question:

Under Section 8 of the Coroners Ordinance, a coroner shall hold an inquiry into the cause of the death of any person when required by the Attorney General. In this connection, will the Government inform this Council of:

- (a) the total number of cases in which the coroner was required by the Attorney General to hold such inquiries in the past five years; and
- (b) the criteria on which such a request by the Attorney General is based?

Reply:

Mr President,

Section 8 of the Coroners Ordinance provides that a coroner shall when required by the Attorney General hold an inquiry into the cause of and the circumstances connected with the death of any person. The Attorney General has not exercised his power under section 8 during the past 5 years.

There are no statutory criteria relating to the exercise of the Attorney General's power under section 8 of the Coroners Ordinance. In deciding whether to require that an inquiry be held in respect of the death of a particular person, an Attorney General would consider whether

- (a) a coroner had refused or neglected to hold an inquiry in circumstances where he was obliged to hold one; or
- (b) there were other circumstances that indicated that it would be in the public interest to order an inquiry.

End

Channels for identifying genuine copyright owners

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

Question:

Will the Government inform this Council :

- (a) what measures the Government has put in place to assist industrial and commercial establishments in identifying the copyright owner of a commodity in respect of which more than one firm claim that they own the copyright of the commodity concerned, so as to prevent such establishments from purchasing commodities without copyrights; and
- (b) of the department which is responsible for co-ordinating information about copyright owners of commodities such as songs, books, films and computer software; and what channel is available to the commercial sector for making enquiries about such information?

Reply:

Mr President,

- (a) Copyright is a private right. Copyright subsists without the need for registration under the existing copyright law in Hong Kong. In line with international practice, the Government has not established any Copyright Register for recording information on copyright works and the copyright owners of such works. Accordingly, the Government does not have information on copyright ownership or transfer.

If two or more persons claim that they own the copyright in a certain commodity, the potential purchasers, be they industrial or commercial establishments, would have to ascertain the legitimacy of the claims, which are matters of evidence. It is always advisable for them to seek legal advice before making industrial or commercial decisions.

- (b) As explained, Government does not have information on copyright ownership or transfer and no government department is in a position to collate such information. Nevertheless, there are channels where potential purchasers of copyright works can make enquiries on the identity of the copyright owner. They are listed below:

- \* In the music industry, the Composers and Authors Society of Hong Kong Ltd (CASH) issues licences for public performance, broadcasting and cable diffusion of music works. The Phonographic Performance (SE Asia) Ltd (PPSEAL) licenses sound recordings for members of the International Federation of the Phonographic Industry (IFPI). IFPI contracts with broadcasters for broadcasting its members' sound recordings and music videos.
- \* In the book publishing industry, some of the authors of literary dramatic or musical works and publishers for published editions of such works have joined the Hong Kong Reprographic Rights Licensing Society (HKRRLS). The Society is planning to issue reprographic licences on behalf of its members.
- \* In the film and computer software industries, some film producers and computer programmers have joined their respective associations. Such associations may be able to provide some information on copyright ownership.

The Intellectual Property Department provides general information on intellectual property including copyright. It has a 24-hour Telephone Enquiry Hotline (Tel. : 2803 5860. It also has a home page on the Internet (<http://www.houston.com.hk/hkgipd/>).

End

#### Government runs polyclinics

\* \* \* \* \*

Following is a question by the Hon Michael Ho Mun-ka and a written reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council:

- (a) of the current number of government-run polyclinics in the territory, and the number of such clinics which provide both day-time and night-time consultation services;

- (b) whether the setting up of a polyclinic in a district is determined according to its population size;
- (c) of the criteria for determining the need for providing both day-time and night-time consultation services in polyclinics; and
- (d) how public hospitals and district polyclinics complement each other in providing medical services for the public?

Reply:

The term "polyclinics" is used to describe clinics which provide more than two types of medical services. At present, there are six polyclinics offering a wide range of primary health care services such as general out-patient consultation, tuberculosis and chest service, social hygiene and special skin service. The Department of Health is providing both day and evening consultation service. Among 60 general out-patient clinics in the territory, six are located within polyclinics while 18 are providing both day and evening service.

According to the Hong Kong Planning Standards and Guidelines, one general out-patient clinic is normally provided for every 100,000 persons. In determining whether evening service should be provided at each clinic, due consideration will be given to relevant factors including utilisation pattern of existing facilities, location and accessibility of the clinic as well as other service providers in the vicinity.

A referral system is already in place so that patients requiring specialist care may be transferred from general out-patient clinics to medical institutions managed by the Hospital Authority for further treatment. A similar mechanism also exists whereby patients discharged from public hospitals with stable conditions can be followed up in the primary health setting. Information about the medical condition and treatment of patients will be exchanged in order to ensure continuity of care. Needless to say, this arrangement will be reviewed regularly in the light of changing circumstances.

End

Employees retraining scheme

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Following is a question by the Hon Sin Chung-kai and a written reply by the Secretary for Education and Manpower, Mr Joseph W P Wong, in the Legislative Council today (Wednesday):

Question:

Regarding the retraining courses offered by the Employees Retraining Board, will the Government inform this Council of:

- (a) the number of workers who have joined the following programmes since the implementation of the Employees Retraining Scheme:
  - (i) General Retraining Programme
    - i. Courses on Job Search Skills
    - ii. Job-Specific Skill Courses
    - iii. General Skills Courses
    - iv. Skills Upgrading Courses
  - (ii) On-the-job Training Programmes, with a breakdown by industry
  - (iii) Programmes for the Elderly
  - (iv) Programmes for Disabled and Industrial Accident Victims
  - (v) Other programmes; and
- (b) the contents of each of the above programmes?

Reply:

Mr President,

- (a) Since its establishment in 1992, the Employees Retraining Board has provided a total of 136,149 retraining places under the Retraining Programmes and the On-the-Job Training Programmes as at the end of June 1996. A breakdown of the number of retraining places by type of course is set out below:

	<u>Programme</u>	<u>No of retraining places</u>
(i)	General Retraining Programme	
	i. Job search skills courses	28,307
	ii. Job-specific skills courses	19,902
	iii. General skills courses	69,725
	iv. Skills upgrading courses	1,927
	<i>Sub-total :</i>	<b>119,861</b>
(ii)	On-the-Job Training Programme (by industry)	
	i. Communication, Social & Personal Service	3,857
	ii. Import & Export and Retail & Wholesale	2,723
	iii. Manufacturing	1,929
	iv. Finance, Insurance, Real Estate and Business Service	1,021
	v. Hotel & Catering	908
	vi. Transport, Storage & Communication	680
	vii. Others	227
	<i>Sub-total :</i>	<b>11,345</b>
(iii)	Programme for the Elderly	2,888
(iv)	Programme for Disabled and Accident Victims	1,485
(v)	Other Programmes	570
	<b>Grand total:</b>	<b>136,149</b>

There is no breakdown of the actual number of workers who have joined each of the above programmes and some workers might have taken more than one course since the commencement of the Employees Retraining Scheme.

(b) The general contents of each of the programmes are as follows:

(i) General Retraining Programme

- i. Job search skills courses - retrainees are taught job search skills, interview techniques, information on labour market, psychological coping skills, interpersonal and communication skills.
- ii. Job-specific skills courses - retrainees are taught vocational skills for specific occupations. Examples of vocational skills relate to salespersons, hotel housekeepers, receptionists, office assistants, junior account clerks, building attendants, travel assistants and domestic helpers.

- iii. General skills courses - retrainees are taught general vocational skills such as computer, typing and language (e.g. English, Putonghua and Japanese) training.
  - iv. Skills upgrading courses - these courses are designed to help workers of a specific occupation to upgrade their skills to meet market needs. Examples are skill upgrading courses for mechanical craftsmen and technicians, product design and development personnel and electroplating operatives.
- (ii) On-the-Job Training Programme - under this programme, individual employers provide induction training which is specific to the jobs concerned after they have taken on the retrainees.
  - (iii) Programme for the Elderly - these are specially designed courses for persons aged 50 and above. They are trained for occupations such as junior clerks, couriers, carpark attendants and domestic helpers, and in areas such as office English and basic computer skills.
  - (iv) Programme for Disabled and Accident Victims - this programme includes training for office assistants, cleaning services, desktop publishing, paging services, mobile kiosk work and fast food services.
  - (v) Other programmes - these are tailor-made courses designed to train employees for a specific firm or groups of firms, such as training for paging operators, retail salespersons, market interviewers and building attendants.

End

Measures to control air quality in tunnels

\* \* \* \* \*

Following is a question by the Hon Christine Loh and a written reply by the acting Secretary for Planning, Environment and Lands, Mr Canice Mak, in the Legislative Council today (Wednesday):

Question:

In 1993, the Environmental Protection Department issued the "Practice Notes on Control of Air Pollution in Vehicle Tunnels" to all tunnel operators. The Notes set down guidelines on the minimum requirements for three air pollutants: carbon monoxide, nitrogen dioxide and sulphur dioxide. As tunnel operators are already required by legislation and the terms of management contracts to monitor the concentration of carbon monoxide to ensure that it does not exceed the prescribed limits, and in view of the Government's recent statement that it will discuss with the tunnel operators the feasibility of installing nitrogen dioxide monitors inside the tunnels, will the Administration inform this Council whether:

- (a) it will consider bringing in regulatory control on the level of sulphur dioxide as well as other pollutants (such as suspended particulates and various hydrocarbons) inside road tunnels; if so; what the details are; if not, why not; and
- (b) it will adopt other measures to improve the air quality in all road tunnels to a standard conforming to the guidelines laid down in the Practice Notes?

Reply:

Mr President,

- (a) We will consider the need for legislation to ensure the consistent application of the air quality standards set out in the Practice Notes to all road tunnels. The development of new legislation will, however, require time. In the meantime, and as set out in my reply to a question from the Hon Choy Kan-pui on 26 June 1996, tunnels operators are already required, either by legislation or by contract terms, to monitor the level of carbon monoxide in the tunnels. They are also required to monitor visibility as well. The levels of carbon monoxide and visibility, together with nitrogen dioxide, are sufficiently indicative of the air quality inside the tunnels.

- (b) A new ventilation system with nitrogen oxides monitors has recently been installed in the Lion Rock Tunnel and action is in hand to upgrade the air quality monitoring facilities in the Airport Tunnel. We are also assessing the air quality situation in the other Government tunnels and upgrading work will be implemented if necessary. For franchised tunnels, the Administration will continue to discuss with the tunnel operators compliance with the air quality requirements set out in the Practice Notes issued by the Environmental Protection Department. A trial scheme to improve the air quality in Tate's Cairn Tunnel is being conducted with the agreement and co-operation of the tunnel operator. Subject to the outcome of the trial, we will work together with the tunnel operator to implement the necessary air quality improvement measures as a matter of priority. In the longer term, as noted above, we will also consider the need for legislation to ensure consistent application of the air quality standards set out in the Practice Notes to all tunnels.

End

Insurance policy for aided and caput schools

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

Question:

Will the Government inform this Council:

- (a) of the coverage and the premium of the comprehensive insurance policy on public liabilities taken out by the Government for all subsidised schools in the territory; and
- (b) given the inadequate protection which students participating in extra-curricular activities or studying at schools located in the vicinity of potentially dangerous slopes can get in case of accidents, whether the Government will consider increasing the insured amount and extending the coverage of the insurance policy taken out for these schools, so as to raise the amount of compensation payable to those who suffer injury or death in accidents?

Reply:

Mr President,

- (a) The Block Insurance Policy for all Aided and Caput schools covering the period from 1 September 1995 to 31 August 1997 was taken out by the Government at a premium of over \$3.5 million.

The Block Insurance Policy includes three components: public liability insurance, employees' compensation insurance and group personal accident insurance. The coverage of each component is set out below:

Public liability insurance: This covers the insured school's legal liability for damages in respect of bodily injury to students and other persons (other than employees of the insured school), and loss of or damage to property caused by an occurrence in school and/or educational activities organised by the Education Department or the insured school. The maximum insured sum is HK\$7.5 million per occurrence and unlimited in aggregate during the period of insurance.

Employees' compensation insurance: This covers bodily injury by accident or disease arising out of and in the course of employment by the insured school during the period of insurance. The maximum insured sum is HK\$200 million per insured school for each and every event.

Group personal accident insurance: This covers accidental death and disablement benefit to each student provided that such accident occurs while the student is participating in a school activity. The maximum sum insured is HK\$20,000 each student for each and every loss.

- (b) Government is considering to increase the maximum sums insured in respect of the public liability insurance and group personal accident insurance. We hope to come to a decision soon. However, we do not see the need to review the employees' compensation insurance in respect of which the maximum sum insured is in line with the statutory requirement under the Employees' Compensation Ordinance (Cap 282).

End

Rear seat passengers safety belt requirement exemption

\* \* \* \* \*

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

Question:

The Government has introduced legislation requiring passengers in rear seats of private cars to wear seat-belts. Exemption is only given to those who have been certified by competent persons and verified by the Transport Department (TD) as unfit for wearing seat belts. In connection with this, will the Government inform this Council:

- (a) of the criteria adopted by the TD in verifying recommendations made by competent persons for certain individuals to be exempted from wearing seat belts;
- (b) how the TD will ensure that there is no disparity in treatment in exercising its discretionary powers;
- (c) whether the Government will consider relaxing the requirement for wearing rear seat belts, such as streamlining or even abolishing the procedure of granting exemption through the TD so that certification for exemption made by competent persons can be accepted instead; and
- (d) how the Government will educate the public, particularly parents and pregnant women, on the safety measures in wearing rear seat belts?

Reply:

Mr President,

Under Regulation 10 of the Road Traffic (Safety Equipment) Regulations, any person may apply to the Commissioner for Transport for an exemption from wearing seat belts.

- (a) In dealing with such applications, the Transport Department would consider the reasons put forward by the applicant, including his/her physical condition and other relevant factors such as the advice of a registered medical practitioner. The written advice from a registered medical practitioner is not a mandatory requirement but it would help facilitate processing an application.

- (b) To ensure that all cases are dealt with fairly, the Transport Department has drawn up guidelines for processing exemption applications. These guidelines cover the range of conditions and reasons which can be put forward by applicants for exemption, how the applications are to be substantiated, e.g. by a medical practitioner, and how the applications are processed within the Department.
- (c) As to arrangements for seeking exemption from wearing seat belts, the Transport Department will review the matter after gathering more experience in processing exemption applications before deciding whether to introduce new procedure.
- (d) Since the end of 1995, the Transport Department has been publicising and educating motorists and passengers on the rear seat belt requirement through information leaflets and the Road Safety Quarterly which are distributed through schools, District Offices, Transport Department Licensing Offices, petrol stations, etc. As from May 1996, announcements have also been made on television and radio to publicise the matter. In addition, the Road Users' Code which is distributed free to all applicants of driving tests is being updated to include diagrams illustrating the proper wearing of seat belts and the use of seat belts for children and pregnant women.

End

#### Out-patient services

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Following is a question by Dr the Hon Huang Chen-ya and a reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council (today):

Question:

With regard to the out-patient services provided by the Department of Health and the Hospital Authority respectively in the past three years, will the Government inform this Council of:

- (a) the respective numbers of patients seeking treatment and their attendance in each year; and

- (b) the respective average cost per out-patient visit and its cost structure (including staff salaries, costs for drugs and laboratory tests etc.) in each year?

Reply:

The number of patient attendance in the past three years are:

<u>Year</u>	<u>Department of Health</u> (General Out-patient)	<u>Hospital Authority</u> (Specialist Out-patient)
1993/94	3,970,000	4,709,713
1994/95	4,010,000	5,273,162
1995/96	4,200,000	5,851,232

The average cost per patient attendance in the last three years are:

<u>Year</u>	<u>Department of Health</u> (General Out-patient)	<u>Hospital Authority</u> (Specialist Out-patient)
1993/94	\$152	\$340
1994/95	\$175	\$386
1995/96	\$191	\$422

The cost structure of out-patient services in the last three years are:

	<u>Department of Health</u> (General Out-patient)		
	<u>1993/94</u>	<u>1994/95</u>	<u>1995/96</u>
	\$	\$	\$
Staff cost	104	121	134
Drug cost	14	15	16
Other charges (including laboratory expenses and other supporting services)	34	39	41
	-----	-----	-----
	152	175	191
	===	===	===

Hospital Authority  
(Specialist Out-patient)

	<u>1993/94</u>	<u>1994/95</u>	<u>1995/96</u>
	\$	\$	\$
Staff cost	231	270	296
Drug cost	68	73	80
Other charges (including laboratory expenses and other supporting services)	41	43	46
	-----	-----	-----
	340	386	422
	====	====	====

End

Range of services to divorcing couples

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Following is a question by the Hon Choy Kan-pui and a written reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council:

- (a) of the number of divorce cases in the territory in the past three years, and the breakdown by year of the number of cases involving women from mainland China and other overseas countries, together with the country of origin of those women from overseas;
- (b) of the breakdown by year of the number of people under the age of 18 affected by parental separation in the divorce cases mentioned in (a) above; and
- (c) whether the relevant departments provide counselling and assistance to the affected parties in divorce cases and their family members?

Reply:

The number of divorce cases filed in the past three years is 8,626, 9,272 and 10,292 for 1993, 1994 and 1995 respectively. Statistics giving the breakdown by the country of origin of the women involved and the number of people under the age of 18 affected by parental separation are not available.

The Social Welfare Department (SWD) provides a wide range of services and assistance to divorcing couples and their families. Marriage counselling is recommended with the objective of saving the marriage and to ease the family distress caused by crises in marital relationships. Family caseworkers will also help divorcing couples understand the impact of separation or divorce on their children, and emphasise to them the need to make the family relationship work. SWD's Child Custody Services Unit also provides intensive casework service on child custody and guardianship matters arising from divorce cases. Other welfare services such as financial assistance, housing assistance, child care services, psychological counselling and other family support services will also be provided to couples and their children as appropriate. Referrals to the Legal Aid Department will also be made if divorcing couples are in need of legal assistance.

End

#### Employment visas issued to top five nationalities

\* \* \* \* \*

Following is a question by the Hon Law Cheung-kwok and a written reply by the acting Secretary for Security, Mrs Carrie Yau, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council of:

- (a) the number of work permits which have been issued to foreigners of different nationalities, and the number of applications for such permits which have been rejected, in each of the past three years; and
- (b) the breakdown of the foreigners who have been granted work permits by trade, type of work, age and pay, in each of the past three years?

Reply:

Mr President,

- (a) Under the general policy on entry for employment, the number of employment visas issued and applications refused in the past three years, with breakdowns on the top five nationalities, (not including those granted to contract workers and foreign domestic helpers) are as follows:

<u>Year</u>	<u>Nationality</u>	<u>No Issued</u>	<u>No Refused</u>
<b>1993</b>	Japanese	2,456	101
	USA	2,280	177
	Australian	1,069	205
	Taiwanese	1,056	261
	Philippines	1,022	399
	Others	6,988	1,225
	<i>Total</i>	14,871	2,368
<b>1994</b>	USA	3,017	164
	Japanese	2,931	71
	Philippines	1,205	253
	Taiwanese	1,068	237
	Australian	1,058	77
	Others	6,952	1,227
	<i>Total</i>	16,231	2,029
<b>1995</b>	Japanese	3,141	66
	USA	2,604	108
	Philippines	976	276
	Australian	878	136
	Taiwanese	833	97
	Others	7,606	2,549
	<i>Total</i>	16,038	3,232
<b>1996 (Jan-Mar)</b>	Japanese	747	30
	USA	595	21
	Philippines	265	89
	Australian	270	14
	Taiwanese	240	10
	Others	1,641	276
	<i>Total</i>	3,758	440

Note: Under the "Nationality" Column, some examples of "Others" are Thailand, South Korea, India, Malaysia, and Indonesia.

- (b) For the employment visas issued, we do not have breakdown by trade, age, or pay. A breakdown by profession in each of the past three years is as follows:

Profession	1993	1994	1995	1996 (Jan-Mar)
Technical professionals	2,786	2,485	2,967	479
Administrators, managers and professional	6,863	7,017	6,550	1,843
Others	5,222	6,729	6,521	1,436
<b>Total</b>	<b>14,871</b>	<b>16,231</b>	<b>16,038</b>	<b>3,758</b>

Note: Under the "Profession" Column, some examples of "Others" are accountants, consultants, designers, journalists, lecturers, etc.

End

#### Importation of labour for new airport and related projects

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Following is a question by the Hon Leung Yiu-chung and a written reply by the Secretary for Education and Manpower, Mr Joseph W P Wong, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council whether :

- (a) it has estimated the job opportunities which the construction of the second runway of the new airport will create for the territory;
- (b) the labour importation quotas set for the new airport and related projects will still apply to the second runway project; if not, whether it will increase the labour importation quotas for the latter project; and

- (c) in deciding if the labour importation quotas should be increased, the Government will take into account both the present unemployment situation in the territory and the occurrence of incidents in which foreign workers imported under the Special Labour Importation Scheme for the new airport projects were subjected to wrongful deduction of wages?

Reply:

The objective of the Special Labour Importation Scheme for the New Airport and Related Projects (SLIS) is to facilitate the timely completion of the new airport and related projects by allowing contractors of such projects to import workers for job vacancies which they are genuinely unable to fill by local workers within a specified timeframe. To protect the employment opportunities of local workers, the SLIS is operating on the principle that local workers are given priority in filling job vacancies and that they should not be displaced by imported workers. The SLIS covers all projects related to the new airport. Contractors who have been awarded works contracts for such projects are eligible to apply for imported workers under the scheme.

My reply to the specific parts of the questions is as follows:

- (a) According to the Airport Authority's assessment, the construction of the second runway and associated works on the northwest concourse of the terminal will require up to approximately 1,000 workers at the peak of the construction work.
- (b) The second runway is a new airport-related project which falls within the ambit of the SLIS. Given the small total number of workers required for the construction of the second runway and associated works on the northwest concourse of the terminal relative to the existing quota ceiling of 17,000 under the Scheme, it would not be necessary to increase the quota ceiling for this purpose.
- (c) We have no plans to increase the quota ceiling under the SLIS despite the possible need for imported workers arising from the second runway project. If the contractors of the second runway and associated works on the northwest concourse of the terminal wish to apply for imported workers under the SLIS, they have to comply fully with all the existing rules and procedures of the Scheme.

End

Senior Citizen Card Scheme

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

Question:

With regard to the operation of the Senior Citizen Card Scheme (the Scheme), will the Government inform this Council:

- (a) whether it will conduct a comprehensive review of the Scheme since the Scheme has been implemented for two years;
- (b) of the regular publicity campaigns by the Social Welfare Department to promote the Scheme;
- (c) how business organisations are invited to participate in the Scheme;
- (d) whether consideration will be given to the automatic issue of Senior Citizen Cards to the Elderly through the Immigration Department;
- (e) whether there is any mechanism to monitor those business establishments which have pledged to offer concessionary services to the elderly in order to ascertain if such establishments have honoured their pledges; and whether there is any channel for the elderly to lodge complaints against those organisations which fail to provide concessionary services in accordance with their pledges; and
- (f) whether the Home Affairs Department has made use of its regional network (such as the regional consultative organisations throughout the territory) to promote the Scheme; if so, what promotional activities have been organised; if not, why not?

Reply:

- (a) By the end of June 1996, 427,699 applications from elderly people, representing about 70% of the elderly population, had been received by the Social Welfare Department Senior Citizen Card Office. 423,320 cards have been issued and the remaining applications are being processed. So far, 424 companies and organisations with a total of 2,133 outlets have joined the Scheme to offer concessions and/or priority services to senior citizens. Regular reviews and monitoring of the Scheme are carried out by Social Welfare Department. As the Scheme has operated smoothly so far, a comprehensive review is not considered to be necessary.
- (b) Application forms and promotional posters are available to the public at service counters of various Government Departments and non-governmental organisations. Promotional programmes, exhibitions and publications are also provided at district level and the Senior Citizen Card Ambassador Programmes further assist in promoting the Scheme.
- (c) Business organisations are invited to participate in the Scheme by invitation letters, telephone contacts, etc. In addition, Senior Citizen Card Ambassador Programmes have recently been organised on a trial basis at district level. Through these programmes, elderly people as well as volunteers act as ambassadors and personally invite business organisations at district level to join the Scheme to offer concessions and priority services to the elderly. So far, more than 50 organisations have been recruited under these programmes. In view of its achievements, this promotional strategy will continue to be used.
- (d) The right to disclose the personal data of individuals is limited by the need to protect that person's privacy. The Immigration Department holds information on individuals' age as a result of the registration of persons but this is done for purposes which do not include the issue of Senior Citizen Cards. The Registration of Persons Ordinance and its subsidiary regulations prohibit the disclosure of a registered person's particulars. The release of personal data kept by the Immigration Department for the purpose of issuing Senior Citizen Cards could be regarded as an arbitrary interference with privacy and would thus breach Article 14 of the Bill of Rights. Moreover, such disclosure of information would also breach the provisions of legislation on data protection which is soon to come into effect. Given these considerations, it would not be appropriate to use such information without the consent of the individual concerned.

It is far preferable for elderly people to be given the free choice whether or not to apply for a Senior Citizen Card on the understanding that the personal data they supply when applying will be used solely for the issue of the Card.

- (e) Participation of business organisations in the Senior Citizen Card Scheme is entirely voluntary as the objectives of the Scheme are to raise community respect and concern for elderly people. If elderly people find that certain companies do not honour their pledges, they can make direct complaints to the companies concerned. The Social Welfare Department is also prepared to relay such complaints to the companies concerned and to seek clarification as and when necessary.
- (f) Since the introduction of the Scheme in 1994, the Home Affairs Department has been actively assisting the Social Welfare Department in the promotion of the Scheme through its close relationship with District Boards and extensive local liaison network. Publicity efforts have been and will continue to be made on the following fronts:
  - (i) application forms and publicity materials for the Scheme are distributed at the Public Enquiry Service Centres run by Home Affairs Department in all 18 of their districts;
  - (ii) to help make the Scheme more widely known at the district level, these forms and materials are also sent to Area Committees, Rural Committees, Mutual Aid Committees, Owners Corporations and other district organisations. District Office staff have also helped promote the Scheme during their day-to-day contacts with local residents; and
  - (iii) the Home Affairs Department has been assisting the Social Welfare Department in appealing to District Boards for support. The opportunity has been taken to promote awareness of the Scheme in many community building programmes organised by District Offices, District Boards or local organisations for the elderly.

The public in general and elderly people in particular are well aware of the Scheme. The Home Affairs Department will continue to help the Social Welfare Department in attracting even higher patronage and more sponsorship for the Scheme.