

**MRS SELINA CHOW** (in Cantonese): President, ever since Mr Henry TANG became the Financial Secretary, the economy of Hong Kong has been improving. By this year, the fiscal deficits have been eliminated three years ahead of schedule. No wonder some people have called the Financial Secretary a lucky fellow and some people said he has stamina and resilience. All in all, he deserves the recognition people give him. And officials in many government departments can breathe a sigh of relief as they are no longer required to rack their brains all the time to devise economizing measures. Business boom and people wear a smile on their faces. The Financial Secretary should be happy and proud of all these.

As a matter of fact, in the past few years the Financial Secretary has done a lot in boosting the tourist industry and CEPA. Maybe no people, including some Honourable colleagues of this Council, have benefited from these directly and no one may fully understand the achievements of these two good policies. But an old friend of mine, a woman who sells socks at the bottom of a staircase, told me happily that her business had got better. Although her customers are not tourists, she has benefited from the fact that employees in the retail and catering trades nearby are doing better than before and they have more money to spend, so her business has increased.

Despite all these, we still hear many people say that they have not got any benefits from the economic recovery. This is because, as we see it, business is not particularly good in some trades and districts. So notwithstanding the attractive and rosy outlook depicted by the growth rates and figures cited by the Financial Secretary, some grass-roots citizens are still in dire stress and they are having a really rough time. One of those unlucky groups of people is construction workers. We are sympathetic to workers in the case of Dickson Group Holdings Limited. It is true that with the decline of the construction industry in recent years, many of the large infrastructure projects cannot commence and this applies to government projects as well. As a result, the annual sum of \$29 billion earmarked for public works has not been used up.

A pet explanation by the Government and the first and foremost reason it gives is political strife. The blame is shifted onto the Legislative Council. Admittedly, over these few years some major public works projects have sparked off heated debates in this Council and these projects, be they the development in West Kowloon, the reclamation in Central, the planning of land in Kai Tak and the Tamar site for the government headquarters and the offices of the Legislative

Council and Executive Council, and so on, all these projects have come to a standstill and regardless of whose fault it is, the result is that the related trades and professions have been adversely affected.

All along the Liberal Party has been hoping that a way can be found to break this impasse so that there can be further development. Of course, as representatives of the public, we have the obligation to ensure that public money is well spent, but we do not think that this Council should intervene too much with the professional domains, for after all, a suitable balance has to be struck. Looking back at the past few years or so, the Government has been talking more than doing things. The countless consultancy reports and endless consultations make people think that the Government has been going at a very slow pace in infrastructure projects and it has been caught in a quagmire.

President, for some infrastructure projects which are controversial, the Government may be somewhat justified in putting the blame for delay on political disputes. But apart from these large public works, what about those small and medium-sized projects? Are the delays attributable to the Legislative Council which stands in the way of everything? No.

Over the past couple of years, of the 59 projects submitted by the Government two years ago to this Council for examination, 58 of them were endorsed by this Council. For the 49 projects submitted last year, the Council only asked that one of them be resubmitted. In the end, all the projects were approved and it cannot be said that the Council has been reluctant in giving its approval to these projects. However, if we look at the number of works projects submitted to this Council, there were 112 in 1994-95, 93 in 1999-2000 and the number dropped to 49 in 2004-05. At the same time, we keep on hearing complaints from the District Councils, expressing a strong discontent with the delays in building community facilities and the fact that the projects of the former Municipal Councils are constantly downsized and postponed.

Last weekend, I went to Discovery Bay and I had a heart-to-heart exchange with residents there. They said with oneness of mind that they were very unhappy with the procrastinations of the Government. Before they moved into Discovery Bay, they could see clearly in the plans that there would be community facilities. Now as the number of residents keeps on growing, nothing is heard about these facilities. The reply given by officials when questioned when could a sports ground be built was that residents could take a

ferry to Ping Chau. It is heard that the utilization rate of the Ping Chau sports ground is only 27%. No wonder the officials came up with this ingenious idea. Such a practice reminds me of those small businessmen from Cross Street and Tai Yuen Street in Wanchai who came to seek assistance from the Complaints Division of this Council last week. The reason is that the new Wan Chai market designed by the former Municipal Services Department cannot find enough tenants to operate there and so the open air market that has long become a local tourist attraction is to be sacrificed. How can high-handed measures like these foster any harmony in society?

President, I think the Government should demonstrate the resolve to speed up the construction of more community facilities that have been delayed for many years. I believe this is in urgent need of intervention and co-ordination by a Secretary of Department before any result can be seen. In fact, often we hear voices from the District Councils asking the Hong Kong Tourism Board (HKTB) to develop local tourism and improve tourist spots in various districts for enjoyment by residents of the districts and serve as destinations for people from outside the districts. The Government should address these aspirations squarely. This is especially the case as the middle-class people have been paying more taxes and fees to feed the public coffers. Now as the economy picks up, what have they got in return? Therefore, their request that there can be improvement and beautification of the environment is perfectly natural. An example is the Five Beaches area near Tuen Mun which is a beautiful place. Besides, there are also many scenic spots on the outlying islands and theme markets, and so on, all of which should be fitted with better facilities and put under better management.

Apart from that, the provision of tourist information and support for guided tours are also in serious shortage. The Government can make a small investment and set up some kind of co-ordination mechanism in the administrative framework, put in resources and have bodies like local tourism development committees tasked with promotion and support. All these will be of great help to the growth of the local economy and tourism.

President, although I am the chairman of the HKTB, actually I am a volunteer and I do not have any substantive interest and so I do not think I need to declare any interest. But when I hear some inaccurate accusations and as they are based on some equally inaccurate facts, I feel I am obliged to clear things up.

It is unfortunate that Mr SIN Chung-kai is not present here. Mr SIN is particularly fond of the HKTB, so it seems. But his knowledge of the relevant information is disappointing. The recurrent expenditure of the HKTB is not \$500 million as he said, but \$465 million. He did not mention that in 2001-02, the funding was \$514.5 million. That is to say, during this five-year period, the funding for recurrent expenditure has been cut by \$50 million and the number of staff has also been cut from 270 to 226 now. As we know, the workload has increased drastically during these few years and I think Members are well aware of our successful efforts in winning back the tourists after the SARS outbreak.

Another mistake made by Mr SIN is about the funding from the Government for 2006 Discover Hong Kong Year which is made in two years. He said that last year the Government gave an additional funding of \$500 million. But he did not say clearly that this sum would be used for two years and the amount was not \$500 million but \$470 million. He also said that irrespective of the amount of government funding, the HKTB might use up all the money. This has created a false impression that the HKTB spends money casually and not prudently.

Apparently, Mr SIN has also overlooked — I dare not say that this is deliberate, but the omission is very obvious — the adjustment made has been clearly accounted for in this year's Budget. Due to the spread of avian flu and the postponement in the commissioning of certain tourist facilities, the schedule of promotion activities and the associated marketing activities abroad is also extended. If we can ride out the avian flu threat unscathed, that would save us \$22 million. However, the marketing activities must still be conducted even if the facilities will open later than scheduled. So the planned expenditure of \$24.5 million in the first quarter will only be spent in about the second or the third quarter when the tourist facilities are opened. In other words, the funding this year will not be more than the amount approved last year and it may even be less. The comment made by Mr SIN that the money will be spent no matter how much it may be is not only incongruous with the fact but also fails to reflect our practice that money will only be spent when it is necessary.

Mr SIN also questioned why the Government insisted on pegging the estimates of tourism return for 2005 at \$10 million and that was not in line with the \$29.3 billion mentioned in the latest economic report of the Government. I am baffled to see this because with the advanced IT wisdom of Mr SIN, he

should have distinguished these two sets of totally different data. The data on the direct contributions made by the tourist industry in added value quoted by him are about the added value brought in by the tourist industry as a whole and not its total expenditure. What he cited was precisely the data from the abyss during the SARS outbreak of 2003. But the \$100 billion of the Government is the result of using international standards adopted by the World Tourism Organization in the calculation of total expenditure related to inbound tourism, that is, items like the transport fees of the inbound tourists, the hotel expenses, all the shopping expenses and payment for services in Hong Kong, and so on. All these will be counted as expenses of inbound travellers in Hong Kong and this is the method used to work out figures that are eventually published. So the relevant figure is absolutely correct and it is the figure for 2005.

Mr Fred LI queried the use of \$9.5 million to update the homepage of HKTB, saying that it was too extravagant. Actually, the sum is also expenditure for two years, not for one year, as Mr LI had said. The money would be used on developing the homepage of HKTB which has 18 versions in 12 languages and more than 5 000 pages. The money also includes nine information terminals placed in the waterfront promenade in Tsim Sha Tsui and contents of the interactive audio-visual station that is going to be developed. With such an amount of money for so much work, I do not think any work done will be in any sense extravagant at all.

President, I am in total agreement of the right of every person to make criticisms, but I also think that using inaccurate data as the basis and grounds to label other people is both unprofessional and dishonourable. I hope this practice can be rectified.

President, I have heard quite a number of Honourable colleagues talk about the importance of helping the poor and eradicating poverty. The Liberal Party is in complete agreement with all these and there is no question about it. We have also joined the Subcommittee of this Council on the elimination of poverty and, like other Honourable Members, we hope to help the low-income families stay in employment. In this advanced society of ours and Asia's world city, they should lead a decent life. Therefore, we agree completely that they should be given some support by society and the Liberal Party will conduct in-depth studies on recommendations about many areas and we will put forward our views in a few months' time.

But in recent years, I am more and more convinced that the people who are most neglected are not the poor people. While almost every one of us has talked about assisting the poor and helping the disadvantaged groups, in Hong Kong, the ones most neglected are a group of small enterprises with owners and staff working so hard but gaining little recognition. Despite the greater frequency in the use of the term SMEs — small and medium enterprises — than before, but as we deliberate on controversial issues like centralized slaughtering, a total ban on smoking, "user pays" principle, minimum wage, sales tax, have we thought about the affordability of the SMEs? Have we shown any care and concern for their survival and demise? Or do we simply allow the relentless tides of economic prosperity and development sweep these SMEs into a dead end? Is the Government creating room for monopolization by the giant consortia knowingly or unknowingly?

President, I so submit.

**MR WONG TING-KWONG** (in Cantonese): Madam President, even though the most difficult period of our economy is over and the economy is slowly moving out of the doldrums, a direction for future development has yet to be identified, and a new point of economic growth has yet to be created. The SAR Government should change its currently upheld so-called "policy of non-intervention". Strategies enabling the market to lead and the Government to take the helm and play the enabler role should be adopted. There should be support in terms of administration and policy. Efforts should be made to draw in foreign and mainland enterprises to make investments. Local commercial and industrial sectors' incentive to re-invest should be encouraged. Stimulus should be given to our pioneers of business ventures so that they can have the courage to start businesses.

This year's Budget has not taken into consideration the various types of land and infrastructure projects required by different industries for the revigoration and enhancement of local industrial development. In order that there can be more effective planning to provide new industrial lots and deal with existing factory buildings, the top priority is to have appropriate land policies. The fact is that as most processes of manufacturing and production have moved to the north, more and more local factory buildings are being left vacant year after year. Calculating at the per sq ft market cost, it is estimated that the value