7th November, 1951.

PRESENT:

HIS EXCELLENCY THE GOVERNOR

SIR ALEXANDER WILLIAM GEORGE HERDER GRANTHAM, G.C.M.G.

THE HONOURABLE THE COLONIAL SECRETARY

MR. JOHN FEARNS NICOLL, C.M.G.

THE HONOURABLE THE ATTORNEY GENERAL

MR. G. E. STRICKLAND, K.C. *Acting.*

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS

MR. RONALD RUSKIN TODD.

THE HONOURABLE THE FINANCIAL SECRETARY

MR. ARTHUR GRENFELL CLARKE, *Acting.*

THE HONOURABLE THEODORE LOUIS BOWRING, O.B.E.

(*Director of Public Works*).

THE HONOURABLE DOUGLAS JAMES SMYTH CROZIER.

(*Director of Education*).

DR. THE HONOURABLE YEO KOK CHEANG

(*Acting Director of Medical and Health Services*).

THE HONOURABLE KENNETH MYER ARTHUR BARNETT

(*Chairman, Urban Council*).

THE HONOURABLE CHAU TSUN-NIN, C.B.E.

DR. THE HONOURABLE CHAU SIK-NIN, C.B.E.

THE HONOURABLE LEO D'ALMADA E CASTRO, K.C.

THE HONOURABLE MAURICE MURRAY WATSON.

THE HONOURABLE PHILIP STANLEY CASSIDY.

THE HONOURABLE CHARLES EDWARD MICHAEL TERRY.

THE HONOURABLE LO MAN WAI, O.B.E.

THE HONOURABLE NGAN SHING-KWAN

MR. ROBERT WILLIAM PRIMROSE (*Deputy Clerk of Councils*).

ABSENT:

HIS EXCELLENCY THE COMMANDER BRITISH FORCES

LIEUTENANT-GENERAL SIR GEOFFREY CHARLES EVANS, C.B., C.B.E., D.S.O.

MINUTES.

The Minutes of the Meeting of the Council held on 24th October, 1951, were confirmed.

PAPERS.

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid upon the table the following Papers: —

Subject *G.N. No.*

Sessional Papers, 1951: —

No. 24—Annual Report by the Director of Public Works for the year 1950-51.

No. 25—Annual Report by the Chief Officer, Fire Brigade for the year 1950-51.

No. 26—Annual Report by the General Manager, British Section, Kowloon Canton Railway for the year 1950-51.

No. 27—Annual Report by the Director of Marine for the year 1950-51.

No. 28—Annual Report by the District Commissioner, New Territories for the year 1950-51.

Proclamation No. 12 of 1951.

Under sections 7(1) and 11(1) of the Revised Edition of the Laws Ordinance, 1948 ..... A.187

Proclamation No. 13 of 1951.

Ordinances, amendments and repeals to come into force A.188

Proclamation No. 14 of 1951.

Under section 5 of the Public Reclamations Validation and Clauses Ordinance, 1936 ..... A.189

Importation and Exportation Ordinance, 1915.

Fees prescribed by the Governor in Council A.191

Defence Regulations, 1940.

Price Control Order, 1946—Amendments to the Schedule A.192

Jury Ordinance, 1887.

Order under section 7(3) A.193

Defence Regulations, 1940.

Price Control Order, 1946—Amendments to the Schedule A.194

INTERPRETATION (AMENDMENT) BILL, 1951.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance to amend the Interpretation Ordinance, (Cap. 1)." He said: Sir, the Bill introduces two minor amendments to the Interpretation Ordinance which are explained in the Objects and Reasons and I have nothing further to add.

THE COLONIAL SECRETARY seconded, and the Bill was read a First time.

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows: —

This Bill amends the Interpretation Ordinance, Cap. 1, in two minor respects—

(*a*) The use of the word "another" in paragraph (*h*) of section 14 suggests that the provision does not apply, *e.g.* where an Ordinance refers to "this Ordinance". This would have an unfortunate result in the construction of provisions regarding appeals contained in, *inter alia*, section 36 of the Immigrants Control Ordinance, Cap. 243, and section 12 of the Public Health (Food) Ordinance, Cap. 140, and preclude modification by the Governor in Council of undesirable provisions of the regulations or by-laws made under those Ordinances. Clause 2 of the Bill seeks to rectify the matter by clarifying that even in such case the expression "this Ordinance" will, in the absence of a contrary intention, include the regulations and by-laws.

(*b*) Subsection (1) of section 40 of the Interpretation Ordinance, 1911, was of general application, that is to say, it was not restricted to the Governor or the Governor in Council. Section 16 of Cap. 1 of the Laws is restricted to the Governor or the Governor in Council, probably because it incorporated also section 44 of the Interpretation Ordinance, 1911, and might

therefore, despite subsection (1) of section 19 of Cap. 1, be deemed to preclude a public officer or other competent authority from revoking an order made by such officer or authority. Further, the section in its present form extends only to orders, proclamations, notifications, registers or lists. Although the word "notification" would presumably include any declaration or other matter, the notification of which is in fact given, cases might conceivably arise in which it would be desirable to rely on section 16 in the case of a declaration or direction which had not been included in a notification. Clause 3 of the Bill seeks therefore to widen the scope of section 16 so that it will apply also to any public officer or body and in the case of instruments, declarations, directions or instructions, as well as to the matters to which it now refers. It is perhaps unnecessary to state that by virtue of section 2 the section will only apply where power has been given by an enactment made by competent authority in the Colony and will not in any event apply if the contrary intention appears.

"STAR" FERRY COMPANY (SERVICE) BILL, 1951.

THE ACTING FINANCIAL SECRETARY moved the First reading of a Bill intituled "An Ordinance to authorize the "Star" Ferry Company, Limited to maintain and operate a ferry service." He said: Sir, although this Bill is being put forward as a Government measure, it embodies an agreement between Government and the Star Ferry Company, Limited. It grants to the Company the exclusive right to maintain the existing ferry service between Ice House Street and Kowloon Point for a period of not less than 15, nor more than 30 years.

Government's original proposal for a franchise, as put to the Company, followed closely the lines of Ordinance No. 11 of 1951, which granted exclusive rights on certain ferry services to the Hong Kong and Yaumati Ferry Company, Limited. It will be remembered that under that Ordinance, royalty payments were based on gross traffic receipts. The Star Ferry Company indicated that this basis for royalty was unacceptable to them, and since then the matter has been the subject of lengthy negotiations between the Company and Government.

The objection of the Company to the proposed royalty basis was grounded on the fact that they operated but one single ferry service for passengers. They pointed out that on the basis of their actual figures for 1950, if they were to pay royalty on gross

receipts as proposed, a fall of 14% in the total number of passengers carried would mean that their operating profit would entirely disappear. They pointed out again that because they operated but one single ferry service there was no possibility of compensating for the reduced traffic by increased traffic on other runs or by reducing the frequency of their service, much less by reducing their fleet of ferry vessels. Finally, they pointed out that the Report of the Harbour Ferry Services Advisory Committee included a recommendation that ferry services should be dispersed and that Government had accepted this recommendation. Thus it was inevitable that there must be a progressive reduction in the total of passengers carried and in such circumstances the system of royalty on gross receipts must break down.

The arguments put forward by the Company undoubtedly had some force and Government has finally agreed that in the peculiar circumstances of this ferry service there is justification for some divergence from the hitherto accepted policy of royalty on gross receipts.

This principle has not been abandoned and the original proposal stands, but it has been provided that where the total payable by way of royalty on gross receipts, together with the proportion of advertising receipts, exceeds 25% of the profits before deduction of these liabilities, the excess shall be refunded by Government. That is to say the Company will pay a maximum of 25% of its profits by way of royalty. It will, of course, pay Profits Tax as well.

Government's objection to the principle of royalty on net profits is based fundamentally on the fact that where the royalty rate differs from the rate of Profits Tax it is comparatively easy for a wide awake concession holder by quite legitimate means to avoid payment of royalty. It would be possible, to take an extreme example, for the Star Ferry Co. to set up a subsidiary company which would sell to its parent company stores or even ferry vessels at artificially high prices. Such a device would have the effect of reducing the profits of the ferry company for the benefit of the subsidiary and the effect, in a nut shell, would be that the 25% royalty liability would be replaced by a 12½% Profits Tax liability.

The Company realized the difficulties and have therefore conceded that in the assessment of profits due regard shall be had to the expenditure of the Company in order to ensure that the profits are not being artificially deflated. Not only so, but

the Company has welcomed the suggestion that Government shall have the right not only to examine the books of the Company, but in the case of any particular transaction which gives cause for suspicion to follow the transaction through the books of any other party or parties to that particular transaction.

It now appears that the year 1950 must be regarded as an exceptional year in the history of the Company for passenger traffic was a record and operating costs were lower than they are likely to be for some years to come. Accordingly the Company has agreed that their liability for that year shall be fixed at the sum of $600,000 which represents not 25% but approximately 35% of their net profits during that year.

There was one other point on which the Company felt strongly where a compromise has also been reached. It has been provided that where the Company's concession expires by lapse of time or by reason of any fault or default of the Company or any failure of the Company to fulfil its undertakings, then Government may take over the undertaking for its existing value without regard to any consideration of goodwill or earning capacity. But Government has conceded that if it should be decided to terminate the concession during its period of validity and if at the time the Company has not in any way defaulted on its undertaking, then the compensation payable may take into consideration goodwill and earning capacity.

There are one or two other minor points in which there is a divergence from the terms of the franchise granted to the Hong Kong & Yaumati Ferry Co., notably in the undertakings voluntarily given by the Company. For example, all books and accounts will be kept in English, the Company shall be a public company, and the directors have undertaken not to refuse to register share transfers save on certain specific grounds.

In its negotiations with the Hong Kong & Yaumati Ferry Co. which were concluded some time ago, Government undertook that the terms of the franchise granted to the Star Ferry Co. would not be materially more favourable than those granted to the Hong Kong and Yaumati Ferry Company. If the latter company now considers that the terms of the Star Ferry franchise set forth in this Bill are more favourable than those of its own franchise, sympathetic consideration will be given by Government to an application for modifications.

THE COLONIAL SECRETARY seconded.

HON. C. E. M. TERRY: —Sir, I declare an interest in the Bill and shall abstain from voting.

The Bill was read a First time.

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows: —

This Bill embodies an agreement between Government and the "Star" Ferry Company, whereby the Company is granted an exclusive franchise in respect of one cross-harbour ferry service between the Ice House Street pier and the pier at Kowloon Point.

2. As originally drafted, the Bill followed closely the lines of Ordinance No. 11 of 1951, governing the grant of a ferry franchise to the Hong Kong and Yaumati Ferry Company. It is provided in that Ordinance that the latter Company shall pay to Government a royalty based on gross traffic receipts and a further amount representing 80 per cent of the receipts from advertisements displayed on the Government piers used for the services.

3. The "Star" Ferry Company objected to the proposed terms for a number of reasons all fundamentally arising from the fact that in the case of the "Star" Ferry Company there is but one comparatively short ferry service for passengers only. The Company pointed out that on the basis of the 1950 figures, if the royalty on gross receipts were payable a fall in the total of passengers carried of 14 per cent would mean that the Company would cease to show any profit at all, being unable to cut costs by reducing their fleet or the frequency of the service, or to make up for the reduced receipts by an increase in takings on other routes. Moreover in view of Government's decision, following on the Report of the Harbour Ferry Services Advisory Committee, to adopt a policy of dispersion of ferry services, the contingency of a decrease in passengers should in the Company's view be regarded as a possibility, and its occurrence would inevitably cause a complete breakdown of the method of providing for royalty by taking a percentage of gross receipts. The Company accordingly suggested that royalties should be based on net profits.

4. In the circumstances a compromise has been reached. The original proposals stand, but a proviso has been introduced that where the total payable by the Company by way of royalty and advertising receipts exceeds 25 per cent of the net profits, the excess shall be refunded.

5. Following on this concession it was necessary to provide a safeguard against possible steps, in themselves perfectly legitimate, which might be taken by the Company to reduce net profits assessable to royalty at 25 per cent. If for example subsidiary companies were formed which sold goods at inflated prices to the "Star" Ferry Company the net profits of the latter would drop and the profits of the subsidiary companies would only be liable to profits tax at normal rates. The Company has agreed therefore that although the figure for net profits shall be ascertained by reference to the profit assessable to tax under the Inland Revenue Ordinance, there shall be additional provisions as set forth in paragraph 5 of the Schedule to meet any such contingency. As a further safeguard clause 7 of the Bill provides that Government shall have the right to examine not only the books of the Company, but also those of the other party or parties to transactions with the Company.

6. Paragraph 5(1) of the Schedule provides that in respect of the year 1950, the Company's total liability in respect of royalty and advertising receipts shall be fixed at $600,000, a sum representing approximately 35 per cent of the net profit for that year.

7. It has been provided that where the concession expires through efflux of time or by reason of any fault or default of the Company or any failure by the Company to fulfil its undertakings, then Government may take over the undertaking for its existing value, without regard to any considerations of goodwill or earning capacity. —See paragraph 17 of the Schedule. This is in contrast with paragraph 17 of the Schedule to the Hong Kong and Yaumati Ferry Company (Services) Ordinance, 1951 under which the power of compulsory purchase can be exercised during the subsistence of the concession.

8. There are several other divergences from the franchise granted to the Hong Kong and Yaumati Ferry Company, notably in the undertakings given by the Company. For example, all books shall be kept in English; the Company shall be a public Company; and the Directors shall not refuse to register share transfers save on the grounds specified in Appendix III to the Schedule. —See paragraph 16 of the Schedule.

MOTOR VEHICLES INSURANCE (THIRD PARTY RISKS) BILL, 1951.

THE ACTING ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to make provision for the protection of third parties against risks arising out of the use of motor vehicles."

HON. C. E. M. TERRY: —Sir, this Bill has received what I believe is known in theatrical circles as "a mixed Press", Editorial comment having been fairly equally divided pro and con. I personally am pro, and am supported in that view by the fact that legislation on these lines has been advocated for some years by two representative bodies in the Colony, the Hong Kong Automobile Association and the Kowloon Residents' Association.

The principal points of criticism appear to be firstly the fear that it will add to the irresponsibility of drivers, and secondly that it places Insurance Companies virtually in the magisterial position of revoking licences through failure or refusal to issue insurance cover.

These two criticisms appear to me to be contradictory. I think the very impressive traffic figures quoted by the Honourable Attorney General at the last meeting of this Council show the absolute necessity for restricting in every possible way and by every possible means the irresponsible driver. If then a driver is so accident prone as to constitute an actuarial "bad risk", surely the public must be protected against that risk by the withdrawal of his licence, and that I think is most expeditiously and agreeably done through automatic disqualification through failure to obtain insurance cover.

Although I agree with the general principles of the Bill, Sir, there are three points on which I wish to comment; if my Honourable Friend can clarify them I shall be grateful.

Section 4 sub-section (2) as I understand it, makes it automatic that a person convicted of using a motor vehicle on a road without Third Party cover shall be disqualified from holding a licence to drive for 12 months, unless the Magistrate for special reasons thinks fit to order otherwise. The Honourable Attorney General, in his introductory remarks, made it clear that "special reasons" relate to the facts which constitute the offence and not matters which are special to the offender. The effect of this section, then is that the Magistrate is debarred from exercising his discretion even though, in his considered opinion, the punishment of withdrawal

or cancellation of a licence may deprive a man of his living or otherwise react in some manner harsh and not justified by the circumstances. I feel that the Magistrate should not be deprived of this discretionary power unless there are reasons more urgent and stronger than outlined by the Honourable Attorney General.

Secondly, Sir, I refer to section 4 sub-section (4)(*a*) which exempts all vehicles owned by the Government and other vehicles used by any person in the service of the Government exclusively in such service. What, however, is the position where a Government owned vehicle is allotted permanently to a Government Servant, and is and may be used other than in specific Government service? For instance, the driver might well be driving home from his club, or some such similar circumstance. Does Government then become in effect the insurer and accept liability for claims for any accident that may occur under those circumstances though, as may well be, the individual is not able to meet a claim for heavy damages?

Finally, Sir, I refer to section 8 wherein under sub-section (1) the amount payable for hospital expenses is limited to $400 for an in-patient and $80 for an out-patient, and under sub-section (2) these expenses include maintenance in hospital.

This section further limits the definition of "hospital" to an institution not carried on for profit, and therefore debars large numbers of private hospitals and similar institutions whose fees are, generally speaking, in excess of those charged in Government hospitals. In the event of a serious accident occurring in the immediate vicinity of such an institution, where the logical course would be immediate admission to that hospital, it would appear that no provision exists for the recovery of their fees, and this might well lead to refusal to admit an obviously indigent accident victim. I cannot therefore see justification for limiting the scope of emergency medical treatment, such as obviously must arise in accident cases, nor for the fixing of maximum hospital charges at the amount stated.

As I have said, Sir, I would welcome clarification on those points.

THE ACTING ATTORNEY GENERAL: —Your Excellency, I am obliged to the Honourable Member.

I take the hospital question first. I think the Honourable Member is under some misapprehension as to the effect of class 8. As I understand it, the effect is to create a liability in the insurer to pay certain expenses direct to the hospital. The clause applies only where payment of compensation is made in respect of death or bodily injury, that is to say, in cases in which although legal liability may not be expressly admitted it is considered advisable to pay compensation. In this class of case therefore the injured person would normally have the right to recover expenses incurred by him in hospital and the hospital could make the charge and the insurer therefore would ultimately be called upon to pay such expenses. In the case, however, of non-profit making hospitals the injured person might not incur liability to pay because the hospital might not, in fact, charge him any fee except for out-of-pocket expenses or may charge reduced fees. The effect of this clause is to enable the hospital to recover notwithstanding that fact up to the limit stated by the clause.

The same principal does not apply to profit-making hospitals which can, I submit, be left to pursue their ordinary remedies. I doubt myself very much whether their exclusion from the concession granted would induce such hospitals to turn away an accident casualty in the circumstances evisaged by the Honourable Member, but I would in any case point out that the formal procedure is to summon an ambulance. With regard to the maximum it may be that the amounts are not sufficiently generous. If so, we may have to amend. I am reluctant, however, to advise amendment now because this Bill which already imposes new liabilities on insurance companies has, after considerable discussion, received their agreement and I would prefer to let the limits stand as they are.

To pass to the question of disqualification for special reasons, at first glance it seems not unreasonable, as the Honourable Member has suggested, that complete discretion should be given to Magistrates. There are, however, three important considerations why I submit that it is desirable to accept the clause as it stands. In the first place, compulsory insurance against third party risks has been in force in England for 20 years and considerable experience has been gained of its operation. I would be hesitant therefore to suggest that we should legislate in a different manner here unless the grounds of differentiation could be justified by some peculiarity in local conditions. That is not suggested by the Honourable Member. He has, in fact,

challenged the wisdom of the rule as a whole. Secondly, Justices in England originally did construe a similar provision there as enabling them to refrain from disqualification for reasons connected with the offender and not with the offence. The result was that a number of flimsy excuses were accepted by Justices. The matter was finally put right by the Court of Criminal Appeal and the Lord Chief Justices did not mince his words in condemning the practice which had been current.

This brings me to the third reason. The reason why Parliament in England desired to make disqualification automatic except for special reasons connected with the offence is that it really is the only effective deterrent against failure to insure. The moral conscience is justifiably shocked when, for example, the negligence of a motorist results in a family being deprived of its bread winner or in that bread winner being seriously incapacitated and there is no practical way of obtaining proper compensation. If, on some occasions, automatic disqualification appears over severe, let us weigh against that the necessity of compelling persons to insure against the risks in question so as to avoid far worse injustice to persons who might be quite blameless. Indeed, I think this aspect of the matter has been recognized by the Honourable Member when he agrees that it is desirable that the incompetent motorist should be driven from the road.

The Honourable Member has also asked for clarification in the case of Government vehicles. I am authorized to say that although in Hong Kong the Crown could not be sued for damages caused by the negligence of its servants, Government does not, so far as concerns liability for accidents on the road caused by persons authorized to drive Government vehicles, propose to take advantage of this immunity. It is Government's intention to acknowledge liability in every case in which an employer, a private employer, would be liable. Moreover, Government proposes that where it has authorized the use of Government vehicles for what might perhaps be termed the personal convenience of Government Servants, such as cars hired to Government servants for recreational purposes, arrangements will be made whereby Government will either carry the insurance itself, making a suitable charge to the Government servant concerned, or will negotiate special insurance for such occasions. The final decision as to which of these courses should be taken has not yet been decided, but Honourable Members may rest assured that it will be taken before sub-clause (1) of clause 4 is brought into operation, and that there will be appropriate cover. Government cannot, however, be expected to carry the insurance where a wholly

unauthorized use is made of a Government vehicle as, for example, where a joy-rider removes a Government vehicle from a car park and causes an accident in the course of his joy-ride. That would only be possible if an agreement covering unauthorized user generally were negotiated with the insurance companies as it has been in the United Kingdom.

I believe, Sir, I am correct in saying that the same attitude will be adopted by His Majesty's Forces with regard to Service vehicles, but I must not be taken as giving any undertaking so far as concerns the Forces. In the circumstances, Sir, the paragraph to which the Honourable Member has invited your attention, namely paragraph (*a*) of sub-clause (4) of clause 4, is a little misleading in two respects. In the first place, Sir, the words following the word "or", although disjunctive tend to suggest that there is no exemption unless a vehicle is used exclusively in Government service, and secondly it is arguable that a person who makes unauthorized use of a Government vehicle does not commit an offence against sub-clause (1) of clause 4. As I have said, this is not the intention and I propose to move an amendment in committee.

I am indeeed obliged, Sir, to the Honourable Member for the opportunity he has afforded to clarify certain aspects of the Bill.

THE COLONIAL SECRETARY seconded, and the Bill was read a Second time.

Council then went into Committee to consider the Bill clause by clause.

Clause 4.

THE ACTING ATTORNEY GENERAL: —Sir, I have an amendment to propose to clause 4 which has been tabled and I formally move the amendment which is paragraph (*a*) of sub-clause (4) of clause 4 be amended by the deletion of the words "or to any person in the service of His Majesty, or of the Government, using, or causing or permitting to be used, any such motor vehicle exclusively in the service of His Majesty or the Government" and the substitution therefor of the words "upon any occasion on which such vehicle is being used by a person authorized by His Majesty or the Government to use the same on such occasion".

I have already explained the reasons for the amendment.

Schedule.

THE ACTING ATTORNEY GENERAL: —I have an amendment to the Schedule which has already been tabled and I formally move that amendment.

The amendments were agreed to.

Council then resumed.

THE ACTING ATTORNEY GENERAL: —Does Your Excellency consider the amendments material?

H. E. THE GOVERNOR: —No.

THE ACTING ATTORNEY GENERAL reported that the Motor Vehicles Insurance (Third Party Risks) Bill, 1951 had passed through Committee without material amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded, and the Bill was read a Third time and passed into law.

THIRD PARTIES (RIGHTS AGAINST INSURERS) BILL, 1951.

THE ACTING ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to confer on third parties rights against insurers of third party risks in the event of the insured becoming insolvent, and in certain other events".

THE COLONIAL SECRETARY seconded, and the Bill was read a Second time.

Council then went into Committee to consider the Bill clause by clause.

Council then resumed.

THE ACTING ATTORNEY GENERAL reported that the Third Parties (Rights against Insurers) Bill, 1951 had passed through Committee without amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded, and the Bill was read a Third time and passed into law.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (FORMATION OF SUBSIDIARY BRANCH).

HON. CHAU TSUN-NIN, C.B.E. moved the following Resolution: —

WHEREAS Clause IV(*e*) of the Constitution of the Commonwealth Parliamentary Association provides that a legislature of any part of the Commonwealth with a Majority of Unofficial Members may form an Affiliated Branch of the Association with the concurrence of the Executive Committee of the Main Branch of the nation concerned, and with the concurrence of the General Council; and such Affiliated Branch shall be affiliated both to the Main Branch and to the Association through the General Council of the Association and that in cases where a legislature has not reached a stage which, in the view of the Executive Committee of the Main Branch of the nation concerned, would justify affiliation to the Association through the General Council, such legislature may affiliate with the appropriate Main Branch, with its consent, for the purpose of friendly intercourse and thereupon such legislature shall be a Subsidiary Branch of the Main Branch and the Main Branch shall be its Parent Branch.

AND WHEREAS it is considered that the Legislative Council should form such Subsidiary Branch.

NOW, THEREFORE it is hereby Resolved that the Executive Committee of the United Kingdom Branch of the Commonwealth Parliamentary Association be asked for authority for the Legislative Council to form a Subsidiary Branch of the United Kingdom Branch of the aforesaid Association.

He said: Sir, the Commonwealth Parliamentary Association (or the Empire Parliamentary Association as it was originally called) was founded in 1911. It arose from a proposal that "His Majesty's faithful Commons from each part of the Empire should, by delegations of their Members, be present at the Coronation" of King George V. The delegations duly came and the idea of a permanent association of parliamentarians of all parties in the legislatures of the Empire was conceived.

Its objects, as declared in its Constitution, were to facilitate the exchange of information, closer understanding and more frequent intercourse between parliamentary representatives in the various parts of the Empire. These purposes it was to fulfil, and has fulfilled in all the years of its existence, by the provision

of travel facilities, by the extension of hospitality to visiting members, by the supply of information both individually to members requiring it on some special subject and collectively through the issue of periodical publications, by the organization of visits overseas, and by conferences.

The Association since its inception has expanded and is today composed of Branches in the Parliaments of the United Kingdom and the Dominions and Affiliated Branches in the individual parliaments and legislatures of the States of Australia, the Provinces of Canada and various other legislatures ranging from those with responsible Government to those which merely have unofficial majorities. Each Branch or Affiliated Branch is autonomous, reflecting in this fashion the structure of the Commonwealth.

On 24th April, 1951 an amendment to the Constitution of the Association came into force whereby colonial legislatures, which have not yet a majority of Unofficial Members and which are, therefore, not eligible for admission as Affiliated Branches, may become Subsidiary Branches affiliated to their appropriate Main Branch. It is therefore proposed that this Honourable Council should seek authority to form a Subsidiary Branch of the United Kingdom Branch of the Commonwealth Parliamentary Association.

Should this Resolution be passed and the necessary authority be obtained, this Council would be represented at General Conferences and in the General Council by the United Kingdom Branch. Members of this Council, when visiting the United Kingdom would be entitled to all the privileges of full membership. Amongst other privileges, including travel concessions and introductions, a Member would be given a House of Commons and a House of Lords Parliamentary Card which allows the holder certain special facilities when visiting Westminister. He would for example have access to the Domonions Gallery, the Members Lobby, the Strangers' Dining and Smoking Rooms, the Library and Terrace of the House of Commons and could attend debates in the House of Lords. Various publications on parliamentary matters would in addition be received by this Council on payment of a subscription. No entry fees or other subscriptions are involved.

It appears to me desirable, Sir, that Hong Kong should join this Association as a Subsidiary Branch and I therefore formally move the Resolution standing in my name.

HON. LEO D'ALMADA E CASTRO, K.C., seconded and the Motion was carried.

ADJOURNMENT.

H.E. THE GOVERNOR: —That concludes the business, Gentlemen. Council will adjourn to this day four weeks.