

OFFICIAL REPORT OF PROCEEDINGS.**Meeting of 18th March, 1953.****PRESENT:**

HIS EXCELLENCY THE GOVERNOR

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

THE HONOURABLE THE COLONIAL SECRETARY

MR. ROBERT BROWN BLACK, C.M.G., O.B.E.

THE HONOURABLE THE ATTORNEY GENERAL

MR. ARTHUR RIDEHALGH, Q.C.

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS

MR. RONALD RUSKIN TODD.

THE HONOURABLE THE FINANCIAL SECRETARY

MR. ARTHUR GRENFELL CLARICE.

THE HONOURABLE DOUGLAS JAMES SMYTH CROZIER

(Director of Education).

DR. THE HONOURABLE YEO KOK CHEANG

(Director of Medical and Health Services).

THE HONOURABLE KENNETH MYER ARTHUR BARNETT, E.D.

(Chairman, Urban Council).

THE HONOURABLE ALEXANDER PROVAN WEIR

(Acting Director of Public Works).

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

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

THE HONOURABLE MAURICE MURRAY WATSON.

THE HONOURABLE CHARLES EDWARD MICHAEL TERRY.

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

THE HONOURABLE NGAN SHING-KWAN

THE HONOURABLE HUBERT JOHN COLLAR. C.B.E.

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

HIS EXCELLENCY THE COMMANDER BRITISH FORCES

LIEUTENANT-GENERAL SIR TERENCE AIREY, K.C.M.G., C.B., C.B.E.

THE HONOURABLE LEO D'ALMADA E CASTRO, C.B.E., Q.C.

MINUTES.

The Minutes of the meeting of the Council held on 4th March, 1953, were confirmed.

PAPERS.

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

<i>Subject.</i>	<i>G.N. No.</i>
Hong Kong Annual Report, 1952.	
Sessional Papers, 1953:—	
No. 10—Annual Report by the Director of Education for the year 1951-52.	
No. 11—Annual Report by the Director of Public Works for the year 1951-52.	
The Pensions Ordinance, Chapter 89.	
Former Pensionable Offices Order, 1953	A. 52
The Nurses Registration Ordinance, Chapter 164.	
Nurses Registration (Amendment) Regulations, 1953.....	A. 54
The Emergency (Requisition) Regulations, 1949.	
Emergency (Requisition) (Use of Land by Her Majesty's Military Forces) (Extension of Hours) Order, 1953	A. 56

APPROPRIATION FOR 1953/54 BILL, 1953.

THE FINANCIAL SECRETARY moved the Second reading of a Bill intituled "An Ordinance to apply a sum not exceeding three hundred and twenty seven million seven hundred and twelve thousand three hundred and thirty three dollars to the Public Service of the Financial Year ending 31st March, 1954."

THE COLONIAL SECRETARY seconded.

MR. T. N. CHAU:—Your Excellency: As the Honourable Members of this Council are already familiar with the various items of the draft estimates I shall not dwell upon the detailed figures forming the Budget. Instead I shall confine my remarks to some specific items of particular interest.

I would like to join Your Excellency in paying tribute to the ability of the people and businessmen of Hong Kong and the manner in which they overcome the many difficulties that face them in the present troubled times.

I would also like to stress that their success in so doing is largely due to their confidence in Your Excellency's calm, clear-sighted leadership which we have already seen pilot us safely through nearly five years of frequently stormy weather.

How well-founded that confidence is, my Honourable Friend the Financial Secretary makes once again evident in balancing the biggest Budget the Colony has yet had without recourse to any fresh taxation. I should like to congratulate Mr. Clarke on his outstanding achievement.

In these days of worldwide trade recession and general financial stringency the record figures presented for 1953/54 are evidence of a bold policy both psychologically and economically.

A woman often succeeds in shaking off a fit of depression by going out and buying a becoming new hat or dress without worrying too much whether she can really afford it. But she knows that as a result of her financial fling the sun will at least seem to start shining again, and with the resultant boost to her morale, she will be better able to go about the business of life with renewed vim and vigour!

I feel that this Budget will have the same effect upon the morale of the Colony. Nothing will be more likely to raise the spirits of our merchants, struggling today amid a quagmire of restrictions and frustrations, than the vision of Government going ahead with important projects which reflect a future for Hong Kong even more prosperous than the past.

And the money spent upon such services and works will mean increased employment amongst those of the population who have already felt the impact of the slackening in our commerce due, as Your Excellency has pointed out, to causes beyond our own control.

In this admirable development and expansion, however, I would like to sound a note of warning. Government must at all times exercise the greatest possible economy. If new needs for spending arise, we must find means of counteracting such costs without increasing the burden of taxation.

Already there has been a falling off in the revenue from certain items during the present year which is clear evidence that once taxation reaches too high a figure the law of diminishing returns begins to operate—people simply go without the luxuries they cannot afford.

For many years in my Budget speeches I have counselled frugality in the use of public funds. I am happy to note that my remarks last year regarding prodigal use of stationery seem to have had effect.

I am therefore in wholehearted agreement with Mr. Clarke when he suggests that Department Heads imbued with “empire building” idea in regard to the expansion of their staff should “go seriously into the question of streamlining procedure” instead. When my Honourable friend also adds “that undue formfilling must be avoided” his words will find an echo in the heart of every businessman and taxpayer who has had dealings with any administration anywhere!

The suggested Revenue Equalization Fund appears to me a very good idea. It will introduce an element of stability in our taxation and provide a safeguard against some sudden emergency or unexpected disaster. Much of the phenomenal expansion of this Colony has been due to financial accumulation and consequent extension of business which any increased taxation would seriously hamper.

The increased allocation to Education is most satisfying. Your Excellency has cited impressive figures of the vast strides made in this very important field since 1948. In a brief five years nearly double the number of children are now receiving education. The new school leaving certificates for students of Chinese vernacular schools are a step in the right direction, which I trust will soon be supplemented by an increased emphasis on vernacular higher education. I am glad that this Department is no longer treated as the “Cinderella of the Civil Service.”

Last year I pointed out the need for an improvement in its efficiency and it is gratifying to see that this is now taking place. I desire to congratulate my friend the Honourable Director of Education on his hard work and the splendid results he has achieved in his Department.

The recent revision of the Education Ordinance is outstanding evidence of his keen desire to keep up with the times and raise the living standards of our teachers to a level in keeping with

the honourable profession they follow—in no way less eminent or worthy of respect than the calling of the doctor, the lawyer, the accountant, and other professional men.

It gives me much pleasure to note non-government teachers will now be paid the same amount as government teachers of equal qualifications, but I should still like to see all teachers given assurance of independence at the conclusion of their years of usefulness to the community by the provision of adequate pensions.

The fact that our fine Police Force is soon to move into its newly built Central Headquarters is good news indeed. Of all Government Departments I have always regarded this smartly trained body of alert, honest, and efficient officers and men as the most important. To their brave, courteous, and devoted service is due the peace and order we experience in these difficult days.

It is in no small measure through the outstanding ability and untiring efforts of the Commissioner, Mr. D. W. Macintosh, that today this Colony is, as one of our learned magistrates has said, “an oasis of tranquillity” in the troubled Orient.

Mr. Macintosh is, if I may be permitted to voice both my own and the Colony’s opinion without reflection on his predecessors, the best Commissioner that Hong Kong has ever had in its hundred odd years of history.

He came to us first when our police force was struggling to play its proper part, incompletely organized and sadly understaffed. But within a remarkably short space of time our able and popular Commissioner raised it to a standard of efficiency which evoked the admiration of no less important a personage than Her Royal Highness the Duchess of Kent during her recent visit. We are rightly proud of the finest Police Force in the Far East.

I am interested to learn that negotiations with the military authorities for the transfer of Murray Parade Ground, Murray Barracks, and the Detention Barracks in Garden Road are now in progress, and I hope, may soon succeed.

We fervently hope the Admiralty may also be persuaded to follow the example of the War Office by retiring from the present Dockyard area which creates such a disastrous bottleneck between the city and the northern suburbs.

Hong Kong is extremely short of both business and residential space in its central district and the areas now occupied by both services therein—a carryover from a much earlier day—are badly needed by the community.

Although undoubtedly well-suited to the garrison duties of long-past decades, these areas now find themselves far distant from the Colony's defence perimeter, and it seems that the time is ripe for both the Army and the Navy to transfer their establishments to the many more suitable locations Government can make available.

Once this has been done I envisage an eventual continuation of the fine road along the waterfront which the P. W. D. has just constructed from the Vehicular ferry to Blake Pier, right through to link Connaught Road with Gloucester Road and beyond, providing a splendid civic amenity with its paved railed-off promenade as well as a badly needed main thoroughfare to ease north-south traffic congestion.

In conclusion let me say that, despite the record size of the Budget for 1953/54, one can hardly find fault with what must be regarded as essential expenditure for the public weal, and one can derive considerable satisfaction from its keynote of continued optimism and faith in the Colony's future.

At a time when doubting Thomases voice quavering fears and Jeremiahs moan amongst us of calamities to come, we listened with pride a fortnight ago to Your Excellency's most encouraging remarks. "Deeds rather than words"—that is a slogan we will stand by!

This Budget is proof that we are "getting on with the job"—providing more amenities, building a new dam, winning land from the sea, etc.

But the fact that we march forward, masters of our own destiny, undaunted by impending storms or threatening thunders, is in no small measure due to the resolute, courageous leadership of Your Excellency.

We count ourselves most fortunate that at this, one of the most critical periods in the history of the Colony, we have been given a Governor whose strong personal interest in our welfare has shown itself in a thousand ways, and whose outstanding ability as an administrator is beyond all shadow of doubt.

It will be a sad day for us when the time comes for Your Excellency to bid the scene of your great accomplishments here in Hong Kong a final farewell, but the works which Your Excellency has caused to be carried out will bear testimony to your labours on behalf of the people of this Colony and ensure your being long and gratefully remembered. (*Applause*).

DR. S. N. CHAU:—Your Excellency: We are grateful to you for your frank and heartening address on the Colony's affairs a fortnight ago. Despite its many problems of the present and a future beset with grave uncertainties we remain undaunted and share the feeling of cautious optimism expressed by Your Excellency.

Sir, your reference to the need for providing more facilities in Higher Education for students whose studies have been through the medium of the Chinese language is a timely reminder of a very serious lack in our existing educational system. The Report of the Committee on Higher Education, to which Your Excellency referred, made it abundantly clear that if Hong Kong is to meet the educational challenge with which it is now presented it must pay full regard to the needs of the hundreds of students who, having passed through our middle schools, are unable to pursue their studies beyond that stage because there is no local institution of university status that caters adequately for them. As the Report itself states: "A situation which compels so many students to seek their higher education either in other countries or in a variety of unsatisfactory institutions, or else to abandon all hope of continuing their full-time studies, is very distressing and is one that no parent or student should be expected to face." Two recommendations of the Keswick Report commend themselves particularly to my sympathy; the first, that the University of Hong Kong should institute degree courses in the medium of Chinese; and the second, that it should establish a Department of Extra-mural Studies. I am convinced from what I hear on all sides, and from what I see for myself, that these are great and urgent necessities, and I hope most earnestly that our University, of which we have every reason to be proud, and which is already shouldering a heavy burden of development and expansion in other directions, will still find it possible to implement speedily these two important recommendations.

We cannot of course expect the University to make bricks without straw. New courses and new departments have to be paid for; and if their cost was left entirely to the students who attend them it would be a prohibitive figure for most parents.

Government has an obligation in this matter. Students who benefit by education are themselves a benefit to the community; and I hope that Government will see the matter in this light should the University find it necessary to ask for additional funds to support what is so obviously needed. Government might well be reminded that if it fails to provide such educational facilities in the Colony there is always present the danger of that unhappy situation arising here as has occurred in Singapore where private Chinese citizens are preparing to establish a Chinese University of their own quite separate and distinct from the University of Malaya; and we certainly would not like to see this happen in our midst.

Your Excellency has furnished some illuminating figures showing the remarkable progress made during the past few years in providing facilities for the education of children in this Colony. As was pointed out by you, Sir, we started almost from scratch on reoccupation and in the comparatively short period of three years the number attending school was no less than at the outbreak of the war in December, 1941. Today the number has increased almost twofold to 200,000. This is one of Government's outstanding post-war achievements in the field of rehabilitation of the Colony, which deserves the gratitude of the community. But there is still much more to be done. This brings me to a dilemma posed by my Honourable Friend the Financial Secretary; the necessity ultimately to decide between continued and increasing public aid to education with a resultant increase in taxation, and the imposition of a financial limit to this aid with a consequent brake on further educational expansion. I cannot say I like this dilemma any more than does my Honourable Friend; but if a choice must be made—and I think it must—then I favour a continuance of our present policy. Provided we have an equitable system of taxation, by which the burden of tax payment is justly distributed, we would be unworthy of our traditions, and failing in our ideals, if we adopted any other.

Of the estimated increase in expenditure on Education during the coming year approximately \$2 million will be spent on salary increases for qualified teachers employed in Subsidized schools. This is a heavy bill to pay; but I cannot quarrel with it since it is both logical and just that qualified teachers in these schools, who are doing similar work to their colleagues in Government and Grant-in-Aid schools, should receive equal remuneration. An adequately paid teacher should not have to regard private coaching as a necessary supplementary source of income, and I hope that these salary increases will do something to curb the racket—for I can call it nothing else—of private coaching.

Many parents have mentioned to me the extra burden they have had to bear in having to pay private coaching fees for their children. Some of them feel that their children would be handicapped without additional tuition when other children are having it. I am sure my Honourable Friend the Director of Education will bear me out when I say that the additional tuition of a child attending school is unnecessary in most cases and is something which should be resorted to only with the knowledge and approval of his headmaster. The headmaster, in his turn, has a right to expect the full co-operation of parents in discouraging coaching which is harmful to the best interests of their children.

The new Medical Act which came into force on 1st January, 1953 requiring compulsory internship of all medical students for a period of 12 months before being allowed to practice has led to certain changes in the General Medical Council's requirements for registration of medical practitioners in Great Britain. The internship is a Home Government requirement and it is essential that this requirement be fulfilled if the Hong Kong medical degree is to continue to be registrable with the General Medical Council of Great Britain. If Hong Kong does not keep step with the Home Government in this matter the Hong Kong University degree would be recognizable in Hong Kong only and nowhere else in the world, and our medical school would be reduced to the level of a Licentiate School of Medicine. In these days when more and more of our medical graduates are going overseas for Post-Graduate training it becomes increasingly necessary for the Hong Kong degree to carry the widest possible recognition.

It does however present difficulties. The prospect of having to provide resident posts for approximately 50 new graduates each year in Hong Kong raises a great many problems, the most urgent of which appears to be that of accommodation. There has been a grave shortage for many years of resident accommodation in the Queen Mary Hospital. At present there are seven rooms set aside for House Officers, rooms which were originally single rooms but which now must always accommodate 2. The number of residents to be appointed to the Queen Mary Hospital in future will be no less than 24 per annum. The time has therefore come for the permanent provision for this additional staff. Temporary measures such as using a portion of the hospital at present being used for other purposes or the renting of outside premises in the near vicinity would be very unsatisfactory and in a few years' time we should have to face the same problem again.

There is the further problem, long talked about, of putting up a University Hostel at the Queen Mary Hospital for the use of students who are on emergency call. A great deal of emergency work takes place in this hospital and valuable teaching opportunities are lost if students are not available to see and to assist in emergency work carried out at night. The training of students in emergency work is, indeed, a required and very important part of the medical curriculum—and if the University fails to provide the necessary facilities for this it is not complying with the present day standards of medical education. I should therefore like to see accommodation provided for the 8 or 10 medical students appointed to do emergency and casualty work in the various departments.

In my view there are two ways of approaching this problem. One would be for Government to erect a special building for 25 resident doctors and 10 senior medical students; another would be for Government to co-operate with the University and add the requisite number of floors to the building which the University is hoping to erect to house the Department of Pathology at the Queen Mary Hospital. I believe that this latter course might prove cheaper and I should like to see Government and the University combine over this project.

The postponement of the erection of the new Kowloon Hospital has aggravated the problem and this question of accommodation for interns is therefore all the more urgent. With the completion of the Kowloon Hospital, Government must give serious consideration to the handing over of the Queen Mary Hospital in its entirety to the University as a teaching hospital. The work of the Medical Faculty, which is by far the biggest and most important of the University Department, is greatly handicapped by the limitations imposed upon it by inadequate hospital teaching facilities. The high requirements of the profession demand that students have not only sound fundamental knowledge but even more important, wide practical experience under the guidance of their teachers. Since the days when I was a student, the Medical Faculty has made tremendous strides forward and it is well that we take pride in the knowledge that it is the best medical school in the Far East and has set and achieved standards as high as any in the world today. We owe it to ourselves therefore to see that it has every opportunity and every facility to maintain and still further improve on those standards and to make its expected contribution in the field of medicine.

Last year while commenting on the problem of Road Traffic in the Colony I urged that it be treated with the importance and priority it required. Since then a point of some importance has been brought to the notice of my Unofficial colleagues and myself by the Hong Kong Automobile Association: it is with regard to the appointment of the Divisional Superintendent of the Traffic Department. During the past year the post has been held by four different officers. In my view, such brief tenures of a responsible office are not likely to serve the best interests of this important department of the Police and the continual changing of control may have detrimental effects on traffic problems in the Colony. I should like to quote an excerpt from the speech by the President of the Hong Kong Automobile Association at its Annual General Meeting held on 27th March, 1952:

“The very serious problem of traffic control in Hong Kong is such as to warrant specialized study and supervision and, while we all appreciate the very good job which the Traffic Department is doing, we feel that consideration should be given to there being more permanency in the senior traffic posts. The employment of officers who will be able to give continuous study to traffic problems seems an essential just as it is in most other large cities of the world”.

The Association strongly advocate the appointment of a permanent official trained in traffic control—a view that I sub-scribe to and endorse.

It is pleasing to note that with a satisfactory staff position in the Inland Revenue Department the work of assessment and collection of arrears of tax has made such good progress during the past year. I understand that it will take at least another two years to wipe off all the arrears. Government should not hesitate to recruit more staff if this becomes necessary so that not only the work of clearing arrears could be pressed on with vigour to an early conclusion but further revenue would be brought in- by reducing tax evasion to the minimum.

I should like to touch briefly on the subject of fires in squatter areas which have become so commonplace now that they are accepted almost as inevitable. Conflagrations affecting the lives of thousands no longer stir the imagination of the public and spontaneous contributions towards the relief of the victims are noticeably wanting. The public cannot be blamed altogether for

this apparent callousness — for frequency, all too sadly, does breed indifference. The Social Welfare Officer and the voluntary agencies have done good work and must be commended for the aid rendered to the stricken

To prevent evils rather than to wait for them to manifest themselves, however, is a view too apparent to need enlargement. A dollar spent in preventive measure is worth a hundred or more spent on relief. Last year over a million dollars had to be contributed to the relief of fire victims. While none begrudges succour to the unfortunates in their distress, these are funds which, had there been no need to spend, could have been diverted for their more permanent benefit. Fires in squatter settlements must be prevented and drastic action within the areas taken if necessary. Since a scheme of resettlement is in hand, and since surveys of the existing settlements have been made, it should be no difficult matter to carve out each settlement into small blocks with adequate fire lanes between each block and resettle the uprooted dwellers in the approved resettlement area. This should be the first task of the appropriate authorities.

We have heard a great deal about the resettlement of squatters during the past month or so and of the measures that are being adopted and we could now, I hope, anticipate early acceleration in the progress, and due fulfilment of the plans.

Your Excellency has referred to the resettlement of squatters, whether it be in dwellings of approved types or otherwise, as a temporary palliative only, and this is a view to which I fully subscribe. I am not in favour of perpetuating single storey settlements in the urban areas. Present measures are to meet the contingencies of the times only—the sooner they can be disposed of the happier everyone will be. This implies the sound planning of cheap multi-storey apartments to accommodate the lower-paid, and by lower-paid I mean not only those who dwell in wooden huts, but those also who by force of circumstances have to consider a bed-space as “home”.

Overcrowding is the root of many of the evils that plague us. Tuberculosis is perhaps the greatest of all, and the efforts of official and unofficial bodies against the disease are oftentimes set to naught by the environment of the victim. With decent housing, half the battle against tuberculosis will be won.

Government has done well to earmark \$15,000,000 of the Development Fund to promote cheap housing; this, I hope, is but a very small first step. Whether the flats are erected by private enterprise or by Government through a Housing Authority is of minor consideration; of major moment is the ability to proceed with speed.

I have referred in earlier budget debates to the desirability of providing accommodation for locally-engaged Government servants, and I am gratified to note that Government accepts that it has a moral obligation towards this class. I feel however that \$5,000,000 will not go very far and Government should consider increasing the fund substantially. After all it is to be no free gift on a platter but merely a loan to finance a scheme which should be a Government undertaking—a loan moreover that has to be repaid with interest. A moderate flat costs about \$20,000 which means that no more than 250 flats can be built from the \$5,000,000 earmarked for housing for non-expatriate officers. The number of higher grade pensionable locally-engaged officers alone must run into many hundreds. This would indicate the need for a much larger sum and I strongly urge that serious consideration be given to the enlargement of the fund. Government should look upon the scheme as a sound investment, paying manifold dividends, and as far as I can see, it has nothing to lose and everything to gain by encouraging its own servants to adopt a “self-help” policy. The local employee has proved his loyalty and worth, and in recognition of this Government should have more concern for his welfare.

In my first budget speech in 1946 I mentioned that it would be a happy day indeed for this Colony when Government posts were open to all and remunerated according to personal merits. I am gratified to hear from Your Excellency that another 300 posts in addition to the 200 in 1949, formerly held by expatriate officers have been filled by local candidates. This sound and enlightened policy of Government should continue to be applied to the Service with the utmost earnestness and vigour.

Once again I should like to congratulate my Honourable Friend the Financial Secretary on his able presentation of a realistic budget. We are grateful for the pains he has taken to furnish us with all the figures and the explanations relating to them and for the clarity with which he has placed the facts before us. His proposal to set up a Revenue Equalization Fund is prudent and farsighted and merits the approval of this Council. The community is pleased that it will not have to shoulder the burden of additional taxation in the ensuing financial year.

With these remarks, Sir, I beg to support the motion on the Bill before Council. (*Applause*).

MR. M. M. WATSON:—Your Excellency: May I, in the first place, with respect, thank Your Excellency for the statement you made at our last meeting, which I listened to with great interest and which I have no doubt has since been read with great interest by the public.

I should also like to add my little meed of praise to the Hon. Financial Secretary for the excellent presentation of his Budget, in his speech, a little long perhaps, but I have found it nevertheless most interesting. I was also very pleased to find that he was not afraid to grasp the nettles that lay in his path, and that, I think, is a great achievement for any Financial Secretary. One of those nettles, of course, is the ever increasing cost of Government. This subject, of course, is brought up in every debate, but there is always a very good answer in the Official Members' reply; but I did gather from my Hon. friend that he was not too happy about the matter and as far as he was concerned, he was certainly, sincerely, and vigorously going to prevent any more increase. One of the points about Government expenditure is that there is always a very good reason in any particular Department for another clerk, another typewriter. When you add all these up, they come to a very large figure.

The other point, which my Hon. friend, Mr. Collar, made in one of the meetings we had recently, is that he thinks, and I entirely concur—I would just mention it to support what he will no doubt say better later—I entirely concur with his view that although it is very easy to say “We will have a new hospital, or a new school”, when you are thinking of putting up the money for these things, you have to look through your account of expenditure. The revenue of the colony up to date, once the colony was afloat after the last war, has been excellent, but you cannot count on that, I think, for ever, particularly over the next twelve months or so; and it seems to me, therefore, the more important that when these projects are put forward, you should think: “Well, where is the money coming from to keep them going?”

Apart from that, Sir, I find it very difficult to speak about the financial side of the Budget, inasmuch as the Financial Secretary has produced a Budget with a whopping surplus and no increase of taxation, a combination of defences which I think is impregnable. And long may it continue!

Most of the smaller points will be mentioned by my Hon. colleagues, but there are one or two, Sir, which I should like to mention myself.

One matter is the question of medical registration. This has been already referred to by my Hon. friend, Dr. S. N. Chau. I mention this because for many years before the war I served on the Medical Board and became familiar with the question of the effects of medical registration in this colony; and I do consider it of the utmost importance that degrees of the Hong Kong University should continue to be recognized in England. If that should fail, I can see two things happening, one of which Dr. S. N. Chau has already referred to: that is, post graduate courses for Hong Kong University students would be no longer available; and secondly, another inevitable result would be that the qualification or class of professors that the University would be able to obtain would definitely fall, and as those gentlemen at the present moment act as consultants for the remainder of the colony, the question of keeping the most highly qualified people you can in the University is a matter that seems to me of concern, not only to the students themselves, but also for the population at large.

There is one other matter perhaps I may refer to which I think is a worthy scheme: that is, the Revenue Equalization Fund that the Financial Secretary proposes to establish. I have been in this colony some years now, and I find that it is liable to go up and down very much, and with the rise and fall in tides that you get here in the prosperity of the colony, it seems to me to be all the more important that there should be some sort of buoy which will float up and down and keep on top all the time, and to which, when necessary, the colony can hitch itself when financial trouble arises.

There is one other point I would like to refer to, which I referred to two years ago, Sir. That is the question of some means of dealing with unemployment. As far as I know, very little, if anything, has been done on that subject since I mentioned it, but it was brought up more vividly to my mind during the last few days because a number of mills have had to stop, and unless things improve there is obviously going to be considerable unemployment, and without the natural outlet that we had before the war, that unemployment must become a charge on the colony. I don't myself—I admit it frankly—know what can be done, but what I do feel, Sir, is that the Government should give a lead and that they should appoint a strong committee to go into the

matter and see what can be done, both to prevent, and when it has happened, to ameliorate the lot of these unfortunate people when they are out of work.

I should also like to add another small meed of praise, the last opportunity I shall have, to the excellence of the Police Force, which has, undoubtedly, since the war, become a thoroughly efficient show-piece of the colony. Naturally one man cannot have done it all, but I think we all agree that one man certainly had a lot to do with it.

As Hon. Members know, this will be my last opportunity of addressing this Council, and quite a number of people have said to me the last week or so: "What a chance you've got! You can say just what you like about the Government, go on board, and let them do what they like about it." (*Laughter*).

Unfortunately, Sir, reading anything I might say, but fortunately otherwise, I find it very difficult to voice any real, specific criticism against the Government. We all have our pet foibles in which we think: "They are falling down", but generally I find very little that I can seriously criticise.

One of the things that I have found, Sir, and it is largely due to your influence, is the happy relationship between the Government and the public; and I know, myself, of my own knowledge, that that has very often been far from the case, but I can say, and I am quite sure without fear of contradiction, that at the present time the happiness between the officials and the public has never been exceeded. (*Applause*).

In conclusion, Sir, as this will be the last opportunity that I shall have of addressing this Council, I should like to put on record how much I have appreciated the honour of being a Member of this Council. (*Applause*).

MR. C. E. M. TERRY:—Your Excellency: The clear and precise presentation of the Budget by the Hon. Financial Secretary has deservedly been the subject of compliment both inside and outside this Council. In particular I feel that commendation is due on his continued efforts to place the accountancy of the Colony's finances on a basis intelligible to the ordinary man, and on the further steps he has outlined towards bringing Government's mysterious Accountancy more in line with accepted sound commercial practice. He is to be congratulated also on having once again pulled a rabbit out of the hat in the shape of a substantial surplus, but he has made it abundantly clear that this is almost entirely due to collection of arrears of

Earnings and Profits Tax. It is gratifying to note the justification of the forecast made in the Budget debate last year that this effect would result from greater efficiency of collection, and in the event the amount realized has exceeded in fact my most sanguine expectations. Nevertheless the fact remains that we are, to a certain extent, living on our own fat. The present state of trade in the Colony makes it obvious that assessment under this head for the current year must be expected to decline, and once our arrears 'are collected in full a serious drop in revenue must be expected, unless, in the meantime, as we all hope, there is a revival of trade.

The increased efficiency in Rates collection to which the Hon. Financial Secretary referred, together with the extension of rating to Urban Areas in the New Territories, may balance the fall to some extent, but my Honourable friend's warning that progressively increased provision of Social Services and recurrent costs of their maintenance must inevitably result in a corresponding demand for more revenue is both timely and wise. I think it is therefore obviously necessary to take stock of the position in the light of a full knowledge of the costs to which we are committing ourselves, and the means of meeting them. This subject has already been referred to by speakers who have preceded me, and I believe my Hon. friend Mr. Collar proposes to deal with it in some detail, so I will merely express my strong support of the general policy that the most careful consideration must be given to our future programme from this aspect.

Turning to the estimates themselves, I welcome particularly the fact that a start is to be made this year in installing an up-to-date Sewerage System in the Yaumati and Homantin areas, where the residents have for so many years been suffering the inconvenience of the existing antiquated system. The undertaking is of some magnitude, as is evidenced by the fact that provision for the expenditure is spread over three years; I have had the opportunity of discussing the scheme in detail with the Hon. Director of Public Works and his Staff, and as far as my limited technical knowledge permits me to judge, I think the long-suffering residents of those areas will be well served when the work is completed. The forecast by the Hon. Financial Secretary of the establishment of a Treasury Branch in Kowloon is another step in the right direction, and should prove of great convenience to residents on the Mainland.

On the Debit side of the ledger, however, it is most disappointing to find that implementation of plans for the new Kowloon General Hospital is held up pending yet another investigation

of the layout of Kai Tak Airport. Schemes and counter-schemes for this Airport have been discussed almost continuously since 1945, and now that provision of sorely needed additional hospital facilities is involved in the question I sincerely trust that the final decision will be expedited. I add the hope that in the interim, the question of replacement of the present Kowloon Public Mortuary will also be decided.

Under Head 38, Sir, Subventions, I am very pleased to note the provision under Sub-head 11 for support of the work of The Good Shepherd Sisters, and under Sub-head 33 the special provision, to which the Hon. Financial Secretary has referred, towards their proposed new building on the Clear Water Bay Road. This body is a comparatively recent arrival in the Colony and their work in the rehabilitation of Street-walkers is not so well known to the public as it deserves to be. They are already making a valuable contribution to our Social Services in their temporary premises in Hung Horn, and the extension of this work which will be made possible when their permanent Home is completed will undoubtedly be of great benefit to the Community.

Under the same head, Sir, Sub-head 31: the sum of \$75,000.00 is provided on a "dollar for dollar" basis as a subvention to the Port Welfare Committee, and I submit, Sir, that this sum is entirely inadequate. That Committee is charged with the responsibility of supervizing and co-ordinating the work carried on in the Port for the welfare of all visiting Seamen, and in addition is directly responsible for the maintenance and operation of The Merchant Navy Recreation Club at Chatham Road. I estimate, perhaps it would be more correct to call it "guesstimate" that during the course of a year about 50,000 visiting Seamen pass through this Port. The fact that the economy of Hong Kong revolves around the Port is well known and accepted, and it is unnecessary for me to enlarge upon the importance to us of this traffic. In every Port in the World the absolute necessity of making adequate provision for the welfare of those who serve by going down to the sea in ships has been progressively recognized; in particular, Her Majesty's Government has always laid great stress on this aspect.

The three organizations responsible for visiting Seamen's welfare in this Port have done, and continue to do, splendid work in this direction, and all of them are prepared and anxious to extend the facilities now offered if funds are made available. The facilities of the Merchant Navy Club itself still leave room for

improvement, which is only held up for lack of funds, and there is a great need for a Residential Club in Kowloon where seafarers can enjoy a glass of beer and Club amenities in surroundings more salubrious than exist at present.

It may well be asked why the general revenue of the Colony should be charged with the welfare of a particular section, especially a section which is not actually domiciled in the Colony. I do not think I need labour the fact in this Harbour conscious Colony that for that very reason we owe a duty to these men, a duty which, as I have said, is recognized and accepted in varying degree in every Port in the World. Further, I submit that the Revenue of the Colony already includes money which should rightfully be applied for that specific purpose.

On Page 12 of the Estimates of Revenue under Head 5, Subhead 38, the sum of \$220,000.00 is shown as the estimated receipts from "Sunday Working Cargo Permits." It is a fact that over the past few years, the annual receipts under this head have exceeded two lakhs of dollars per annum; in fact, in 1949 I believe the figure was as high as \$319,000.00. I believe it is correct to say that in every other major Port, revenue derived from this source is specifically applied to the welfare of Seamen. It is certainly the fact that both in Chittagong, where these fees were recently reimposed after temporary cessation during the war, and in Port Swettenham, where the fees are being introduced for the first time, they are specifically and directly applied to Seamen's Welfare Funds.

When the Sunday Cargo Ordinance under which these fees are levied was introduced in this Colony in 1891, (I quote from Hansard of that year) His Excellency the Governor of that day said "*there is no desire to raise any Revenue from it*". While it is quite apparent from the reports of the debates that the object of Government was to put a stop to Sunday cargo working and thus "remove an injustice towards a deserving class of men", that object was not achieved, and it never will be achieved by this means in any modern port. I suggest very strongly, therefore, Sir, that there is a moral obligation upon Government to apply the money derived from Sunday cargo working to the welfare of Seamen in the Port. The introduction of that Ordinance had the support of the Chamber of Commerce, and the then Attorney General expressed the hope that their attitude would be taken as "ending that period where sympathy is expressed and nothing done". Fortunately it can be said with truth that much has been done since then, but much more can and should be done, and the money is there to do it. I am of course well

aware that it is contrary to established policy to apply Revenue from any particular source directly to a specific object, but I suggest that the subvention to the Port Welfare Committee should at least approximate to the sum derived from Sunday Cargo Working Fees. I go further, in fact, and suggest there is a case for the amounts already collected under this head in the past, which have not been so disbursed, to be considered as in trust towards major additions to amenities for visiting seamen, such as the establishment of a Residential Club on the Kowloon side of, the Harbour to which I have already referred. In order that there may be no doubts as to my own position in the matter, I should like to make it clear that I am connected in an honorary capacity with one of the bodies responsible for Seamen's Welfare work, and to that extent I declare an interest.

In your Excellency's opening address to this Council you referred to the landing of Japanese Fish, and quite rightly put that question in its proper perspective. I am prepared to go a step further and say that if the landing of this fish in any quantity would reduce the ultimate cost to the consumer, without affecting the livelihood of the local fishermen, which I am convinced can be done, I would welcome it. Goodness knows I have little enough cause to feel amicably disposed towards the Japanese, but I would treat with the Devil himself if by so doing the inflated cost of living in this Colony could be reduced. The Vegetable Marketing Organization has had considerable success in this direction, but I believe it is still true to say that despite the strenuous efforts of the Fisheries Department the price of fish to the consumer is still disproportionately high. It is certainly a curious anomaly that the cost of locally caught fish should in some cases exceed that of imported fish. One possible reason which I have heard advanced is the fact that local vessels are heavily over-crewed. The figure of 20 for local Junks as against 7 or 8 on the Japanese vessels has been quoted, but I cannot vouch for the accuracy of those figures. One other possible reason for the breakdown in control of fish distribution may well be the fact that the fishermen themselves are in the hands of the distributors through being financially indebted to them at exorbitant rates of interest. In this connexion, I note under Head 40 in the Estimates, Sub-Head 15, an item of \$400,000 as "Loans to Fishermen" from the Colonial Development & Welfare Fund, and a footnote to the effect that \$640,000 was applied for but not yet approved. I see from the Memorandum that this amount is in connexion with mechanization of the fleet, and I commend to Government an extension of the policy of low rate interest loans to fishermen to free their catch from

“middle man” control. I do not wish my remarks to be taken as implied criticism of the Agriculture, Fisheries and Forestry Department, on the contrary, I consider that this department has an extremely fine record of progress since the Re-occupation, but I do advocate a more positive policy to destroy what still amounts to a “racket” in the distribution of fish to the public.

There is one other item to which I wish to refer, and I do so because it affects a large number of people who either voluntarily or by direction are serving the Community in their spare time as Members of the various Auxiliary Services. I was surprised to learn recently that any pay or allowance received in respect of such service are subject to Salaries Tax, but on inquiry I am told that as the Inland Revenue Ordinance now stands, no provision exists for exemption of such earnings from this Tax. I believe it is true to say that certain, if not all, of such remuneration in the United Kingdom is free of Tax, but I think I can see an argument against exemption of actual Training Pay in this Colony. I do not therefore press the point in respect of this particular item, although it is a fact that many recipients of that pay have expended and continue to expend their personal money for the benefit of their respective services. As far as Instructional Allowances, however, are concerned I consider it entirely wrong that these should be assessed for taxation. In the initial discussions on the Compulsory Service Ordinance, and at the time of its introduction, it was made quite clear that the Instructional Allowances were intended to reimburse a man for his out-of-pocket expenses incurred in transport and otherwise through attending compulsory instructional parades. On principle, therefore, levying tax on these allowances appears to me to be wrong. The sums themselves are small and the yield must be comparatively negligible, but considerable work in connexion with it falls on the shoulders, not only of the Inland Revenue Department, but of the Officers, both paid and unpaid, of the Services concerned. I feel therefore, in the general interest, that steps should be taken to abolish the necessity for this assessment, and with it the irritation which it engenders amongst members of the various Auxiliary Services.

My Honourable friend, Dr. S. N. Chau, has referred to the question of frequent changes in the supervision of the Traffic Branch of the Police, and I agree with his views on this point. As the Hon. the Senior Unofficial Member has said, we in Hong Kong to-day are rightly proud of our Police Force; not only is it the finest in the Far East, but in my opinion it will bear comparison with any other force in the World for efficiency,

smartness, and courage. Despite this fact, or possibly even because of it, criticism should not be stifled so long as it is directed towards further improvement, and I am sure the remarks of my Honourable friend were so directed. Traffic Control in all major cities in the World to-day has become and continues more and more to develop as a specialist job, and I think it is obvious that no Superintendent can be expected to acquire the requisite specialist knowledge of this very complicated problem in a couple of months. I feel certain that frequent changes in the post of Traffic Superintendent must react adversely on the general efficiency of that branch, and I commend to my friend the Commissioner a policy of recognizing this post as that of a "Specialist", permanently filled by an officer specially trained in those duties.

In conclusion, Sir, I revert to the Inland Revenue Department and congratulate them on the efficiency with which this part of our Revenue is now being collected. I suggest that the Commissioner of Inland Revenue and the Public Relations Officer might well give thought to ensuring that greater publicity is given to cases of tax evasion. (*Applause*).

MR. LO MAN WAI:—Your Excellency: The people of this Colony do not await the Budget Day with that intense interest and anxiety which the people of the United Kingdom show in regard to their Budget. But I am sure Your Excellency's address on the occasion of the introduction of the Hong Kong Budget and the Honourable Financial Secretary's Budget speech claimed the attention of all Hong Kong citizens. As things turn out, it was unfortunate that the broadcast of Your Excellency's address by the Hong Kong Radio was fixed at 7.10 in the evening because it so happened that the news of Stalin's fatal illness was on the air at the same time. But I have no doubt that the listeners-in did not allow that world shaking news to distract their mind from absorbing your comprehensive review of the trading conditions and outline of policy.

For the citizen who is daily engrossed in making both ends meet, the immediate reaction must have been a sigh of relief to find that the Honourable Financial Secretary was able to produce a record Budget exceeding \$300,000,000.00 without recourse to new taxation.

For the businessmen of Hong Kong, it must have been gratifying to them to feel Your Excellency's confidence in their ability and capacity to overcome trading difficulties. It has often

been remarked that Hong Kong Harbour is the blood stream of the Colony. I am not sure whether the same cannot be said of the businessmen of the Colony. Without their enterprise and their risk capital, I do not see how the money can be found to finance the Educational projects, Welfare schemes and other developments to which we are rightly committed.

I should like to stress two points arising out of the Honourable Financial Secretary's speech and to refer to one item in the Estimates.

Firstly, it is indeed gratifying to note the remarkable results achieved by the Inland Revenue Department as a consequence of the increase in staff. The revised estimate for 1952-1953 in respect of the earnings and profits tax constitutes a large portion of the total Revenue. Whatever misgivings one had when this tax was first introduced, there is no doubt that it has become a main pillar of our revenue. It was only right and proper that in the first few years the Inland Revenue Department should not be too drastic in making assessments. But now that this Department has been reinforced and with the experience gained in the last few years and with the information gathered as a result of the Business Regulation Ordinance, the Department should be in a better position to make contact with persons liable to be assessed. It will be recalled that when this tax was first imposed, objection was raised against it on the ground of facilities for evasions and difficulties of ensuring that no persons liable to tax should be let off. But I observe in the Annual Departmental Report issued by the Commissioner of Inland Revenue for 1951-2, only seven summonses were taken out during the year in respect of various offences under the Inland Revenue Ordinance and in 41 further cases, offences under the Ordinance were compounded for penalties totalling \$7,975.00.

What conclusion should one draw from this? Is it that apart from these cases there were no evasions and that every person liable had paid his tax. I fear that this is too good to be true. I think the fair conclusion is that there are evasions which still go on undetected. In arriving at this conclusion, I do not wish to imply that the fault lies with the Inland Revenue Department. On the contrary, I feel sure that they are doing their best. In this connexion, I wish to pay a tribute to the Estate Duty Commissioner and his deputies, who from my personal knowledge have in recent years, become increasingly aware of this evil and in consequence have collected a greater volume of estate duties than in the past. What I am anxious to stress is that efforts

should be concentrated in collecting revenue from those who are now liable, before resorting to the easy and simple method of increasing the rate of duty.

Secondly, I was most gratified to hear the Honourable Financial Secretary's remarks as regards "the accumulation of what is popularly known as red tape, which has tended to clog the administrative machinery", and if I may say so, he himself in all departments in which he has worked has been and is the best example of how this red tape can be judiciously cut. Whilst it is happily true that the wearisome delays in obtaining an answer from Government departments is now a matter of the past, I cannot help thinking that there is still something which can be done to simplify the routine and to streamline procedure. May I suggest that encouragement might be given to high executives to take the initiative and to make decisions on his own responsibility. Sometimes the ponderous motion of the official machine is mysterious. Let me, as examples, take the reports of two Committees. One, the report of the Committee on Chinese Law and Customs which was signed on 8th December, 1950, and presumably sent into Government about that time; the other Mr. McNeill's Committee on Landlord and Tenant which I understand was in the hands of Government in November or December last year. So far, even the contents of these reports have not been brought before this Council. Perhaps it can be said that the first report is not a matter of pressing importance and leisurely consideration is desirable. But surely this cannot be said of the other Committee report and it is a mystery to me why there should have been this delay in laying this report before this Council.

The item in the Estimates to which I would like to refer relates to a substantial increase in the Police Force. I know that the Unofficial Members of this Council have never grudged and do not grudge any necessary expenditure for the maintenance of an efficient Police Force on which law and order so much depend. Much has been said, with pride and satisfaction, in this Council, and elsewhere, as to the ever-increasing efficiency of our Police Force. That there are still a few who fall to corruption is of course regrettable, especially as members of the public are reluctant to give evidence when such a case occurs. But there is absolutely no doubt that the whole tone and morale of the Force is of a very high standard indeed under the efficient and inspiring leadership of the Commissioner, and I would like to say how much we rejoice in the recovery of Detective/Constable Leung

Yiu-tong whose courageous devotion to duty at the risk of his life is such a shining example of the fine morale and devotion to duty on the part of the Police.

There is one matter which is perhaps not within the limits of a Budget Debate but on which I should like to say a few words, because it affects the daily life of the citizens of this city. I refer to the parking problem.

This problem is closely connected with the problem of transportation which in a congested city such as ours presents immense difficulties. Honourable Members are of course aware that the organization responsible for Traffic affairs is the Traffic Branch of the Police Department. This Department is doing a fine piece of work under the existing conditions. I realize that there is not much room for improvement without the resumption of the Military and Naval lands in the heart of the City for the creation of new roads and parking spaces. But I venture to say that we impose too great a burden on the Traffic Department by leaving all questions of parking in its hands. Take, for instance, the recent experiment of Ladies' Car Park, which was abandoned after a fortnight's trial. This experiment provoked a spate of correspondence in the Press which shows the extent of the public's interest in this problem. Now this is not the time or place for me to express my personal views on the merits or otherwise of this experiment. But I do feel that even in this comparatively small matter, there are so many conflicting points of view that it is hard on the Traffic Branch to make a decision which is acceptable to all persons unless the views of all sections of car owners have been canvassed and ascertained. The need of the owner driver for parking space in the heart of the city is obvious. So is the limited area available. We have at the present time a parking place in Pedder Street which I understand is used by residents in the city for parking 24 hours of the day. There is another place which is reserved for all residents of a particular street. We have cars parked in such an important road as Robinson Road which is used for all practicable purposes as garage space.

I do not profess to express my opinion whether all these modes of parking are justifiable or not, because I feel I am not in possession of all the factors which should be taken into consideration.

In these circumstances I suggest that a small committee, representative of public opinion, be set up, to go into this question of parking; to review, within the limits of the available parking spaces; how these can be best utilized for the convenience of car

owners and to make recommendations to Government. It is obvious that no decision could give satisfaction to everybody concerned. But I feel that any decision by the Traffic Branch based on such recommendations would at least pacify the feelings so strongly expressed in the Press by a “mere” man and a “mere” woman.

In making this suggestion, I have not overlooked the existence of the Traffic Advisory Committee which has and is performing a useful function but its work is mostly of a technical character.

Sir, in conclusion, may I end on a personal note. Last summer, I spent a few months visiting the United Kingdom and several continental countries. I returned to Hong Kong with the deep impression that after all, Hong Kong is quite a decent place to live and work on. And I dare predict that, given peaceful conditions, on the completion of all the projects for which provisions have been in this Budget, our City will be a model in this part of the world. (*Applause*).

MR. NGAN SHING-KWAN:—Your Excellency: As I sat here a fortnight ago and listened to your address and to that of our Honourable Financial Secretary, I could not help but reflect on the great responsibility carried by heads of Departments who every year are required to dispose of phenomenal sums of money from the public purse. And as I listened to our Honourable Friend running through the estimates for the various departments, I realized more than ever how under your wise and inspiring leadership this Colony has moved from strength to strength, and how you have built up such a magnificent team of administrators. There is no weakness in your team, and it is the knowledge that all are working one hundred per cent for Hong Kong that makes it so much harder for Unofficial Members to find fault with the budget. However, none of us regard it as our sole duty to find fault, but rather to make suggestions for improvement, and to offer encouragement on matters which have our full support.

The first comment I would like to make is in the nature of a word of support to our Honourable Friend the Financial Secretary on a matter which is giving him cause for concern, namely, the ever increasing cost of maintaining our steadily expanding educational and health services. He has very rightly warned us all that the continued expansion of these services will mean extra taxation. I am sure, however, that in his heart he would be very loath to inform Members at the Budget Debate a year or two hence that a limit had been reached, and that plans for such and such a school or clinic must be shelved—not because

of a recession—but because the present rate of revenue was insufficient to support further development in those fields. There remains so much to be done that I would feel not only disappointment, but also a sense of shame at such an announcement, and I am confident that ways and means will be found for us to continue Your Excellency's policy of proceeding boldly but not recklessly, and cautiously but not timidly.

Education.

For years we unjustifiably regarded Education as the Cinderella of our administration, and scant attention was given to its claims on our annual Budget. I am therefore happy to see that not only have we elevated Education to its rightful place in our scheme of things by providing a seat in this Council for its Director, but we have shown our tangible interest by making due provision for its manifold requirements. It seems to me that the best insurance for the future well-being of the Colony is the sound training given to its young citizens on whom will one day fall the mantle of leadership. Many of their parents may have come from across the border, but their children were born here and are the future genuine citizens of Hong Kong for whose education due provision must be made. A country of uneducated or even poorly educated people is indeed a backward and benighted country, unworthy to play its part in the life of the world. It is therefore of paramount importance that we should offer the best possible education to our youth, and see that they are fit to carry on the burden we are now shouldering for them.

I am very glad to note that teachers in Subsidized schools are to receive the same scale of remuneration as that received by teachers holding similar qualifications in Government schools. This will be instrumental in removing the anomaly whereby a graduate from one of the teacher training colleges who secured a post in a Government or Grant-in-Aid School received a higher rate of pay than a fellow-graduate who became a teacher in a Subsidized school. At present, in order to augment their meagre income, many non-government school teachers engage in spare-time tuition, thus working for abnormally long hours, and undermining their health and efficiency. The profession of teaching is an honourable one and should be so regarded, and the teacher should receive his just due. We who have received the benefit of a sound education owe much to our painstaking teachers who upheld the high prestige of their calling, and regarded as their well earned reward the knowledge that their charges were launched out successfully in life. The profession

today is still as honourable as in the past, and it is up to the present generation of teachers to maintain and keep untarnished that high reputation which their predecessors so jealously guarded.

Kai Tak.

Your Excellency, I think I can say without fear of contradiction that there is considerable concern in the Colony over the future of Kai Tak, and I touched briefly on the subject last year when it became evident that the Comet would have to by-pass the Colony. Your lengthy remarks a fortnight ago have left us in no doubt that the matter is receiving both urgent and expert attention, but I cannot help but express a note of regret, which I am certain is shared by Government, that plans for an airport of international standards have not yet been finalized. I use the word international with purpose, for there is a very real danger that the majority of air traffic from the Colony will soon be in the nature of local or feeder services, and such a condition has in fact already arisen in the case of passengers who desire to travel by Comet to the United Kingdom, or by Stratocruiser to the United States. For years Kai Tak has been a major air traffic centre, and we must exert every effort to see to it that our airport maintains this position and ranks equally with those of our sister cities in the Far East. Air traffic, both passenger and freight, is on the increase, and the ability of our air-port to handle the latest types of planes is bound to affect our future position as a trading centre. We are firmly established as an international port on the sea routes of the world, and it is my belief that Hong Kong expects no less a position in the field of air transport.

Police Force.

The cost of maintaining law and order is rising steadily, and the Police Force estimates call for a recurrent expenditure of 33.8 millions, to which must be added 5½ millions being the cost of erecting Police buildings. All will agree, however, that this money is well spent, and that under the splendid leadership of our Commissioner we now have a highly efficient Force of which we have every justification to be proud.

Roads & Traffic.

The year has seen the construction of several major roads, which are a credit to the department concerned, for they really have made an excellent job of them. Is it, however, asking too much for an assurance that never again will the public have to

be put to such inconvenience as they experienced during the repairs to Queen's Road East? The Dockyard is here to stay—of that I have little doubt—but is it quite impossible for some arrangement to be reached between Government and the Naval authorities whereby it is agreed in principle that there should be a reserve road for emergency use through the Dockyard and the other Naval and Military establishments? Any such agreement reached now would be borne in mind in the planning of new structures within the Dockyard, and while we may not witness the completion of such a road for many years to come, it would be to the credit of the present holders of office that they had taken the initial step in solving a problem which has plagued this Colony for several decades.

Twelve months ago at the Budget Debate our Honourable Director of Public Works informed members that plans were in hand for the erection of traffic lights both in Kowloon and on the Island, and that an indent had already been made for lights at certain intersections along Nathan Road. It is disappointing to learn that these lights have still not been received, and I trust that we may expect delivery in the very near future. Whilst on the subject of traffic control at important junctions, I would like to urge that greater use should be made of traffic islands and roundabouts on the Island. We have seen how a few strategically placed islands have practically eliminated accidents at the Queen's Road/Stubbs Road junction, and dispensed for ever with the necessity for either Policeman or lights. It is not necessary for me to give examples of other junctions which lend themselves to this form of control, for I'm sure the Traffic Branch are reminded only too frequently of their location when the accident reports are received. I hope that the Roads and Traffic departments will get together on this, and that funds can be made available for them to improve things.

Some improvement in street lighting has been observed, but progress still seems to be on the slow side, and I was pleased to note that Government is about to embark on an expanded programme. I must say that I do not favour the policy adopted in one road of placing a lamp standard at each main junction, and leaving the remainder of the street in darkness. I presume that shortage of funds is the reason behind it, and trust that it will be found possible to complete the work this year.

The opinion has been expressed in certain quarters and referred to by my Hon. Friends Dr. S. N. Chau and Mr. C. E. M. Terry that traffic problems in our congested thoroughfares warrant

the appointment of an official who has had specialist training in traffic control. I do not consider such an appointment to be entirely necessary but I would commend for the consideration of the Commissioner of Police a suggestion that the tour of duty of Traffic Superintendents should be lengthened. There has been a tendency in the past for the post to change hands several times in the course of a year, with the result that the holder has just familiarized himself with the peculiar problems of his office when he is transferred, and the process begins all over again. The new Superintendent does not always see eye to eye with his predecessor, with the result that ideas vary.

Quarry Nuisance.

There remains one other point which I must take up with my Honourable Friend the Director of Public Works, and that is the nuisance created by the clouds of dust which emanate from the quarry at North Point. Since the establishment of this quarry, the North Point area has developed beyond all expectations, with the result that dust from the quarry has for the past two or three years been the cause of considerable dissatisfaction amongst the residents, who find that they have only to open their windows for a short while for their rooms and furniture to be covered with a layer of fine powder. They either have to keep their windows closed and breathe foul air, or open them and inhale the dust into their lungs. I understand that as a result of representations made on their behalf, a dust extraction plant was erected around the stone crushing machine, but this has resulted in little improvement, and it is admitted that the only solution is to re-establish the quarry elsewhere. I would therefore like to inquire when Government expects to be in a position to close down the North Point quarry.

Our five-year development plan is gaining momentum, and it is highly pleasing to observe the progress which is being achieved with the reclamations, Central Government Offices, and other major public works. I cannot recall a period when there were so many projects in hand at the same time, and the Honourable Director of Public Works and his staff are to be congratulated on the marked ability with which they are tackling so much work of such a wide and varied nature.

Sir, in conclusion, I desire to associate myself with the numerous expressions of appreciation to our Honourable Friend the Financial Secretary who is indeed popular when he is able to estimate that revenue for the coming financial year will be

sufficient to permit us to appropriate the colossal sum of over three hundred millions for the public service without further taxation. Our Budget is well known for breaking its own record year after year, and it will be news indeed—and I fear not very pleasant news—when our estimates fall below those of the preceding year. (*Applause*).

MR. H. J. COLLAR:—Your Excellency: The lot of the junior Unofficial Member on the occasion of the Budget Debate is most unenviable. Not only has he probably to cope with the ordeal of making his maiden speech before this assembly, but he has also to sit in apprehension whilst his thunders are being stolen one by one by his seniors, who, by right, precede him. In spite, therefore, of his best efforts to make appropriate adjustments, it is inevitable that he should duplicate, to some extent, points that have already been made. Whilst I will do my best to avoid this, there is one subject on which I must reserve my right to express my views, despite the fact that I am following other speakers.

With all due deference and diffidence, Sir, I wish to add my congratulations to those of my predecessors on your address on the state of the Colony, and also on the spirit with which you have led us during the past and previous years. It is the quality of this leadership that contributes in very large measure to making possible the presentation of a budget such as that which the Honourable Financial Secretary has so ably put before us. We are indeed fortunate to have at the head of affairs one whose first thought, in dealing with problems large and small, is for the effect that they will have on the trade of the Colony, and consequently, on the welfare of its people.

Controls.

I am glad that emphasis has been laid on the desire of Government to keep controls to a minimum. The mercantile community is aware of the strong stand that has been taken to resist the imposition of any measure which detracts from our freedom to trade and to manage our own affairs, and it is indeed grateful for all that has been done to this end. You have quite rightly pointed out that Hong Kong cannot stand alone, and in fact we should not wish to do so, and that accordingly certain restrictions have to be accepted. This we fully recognize, but it is an unfortunate fact that the imposition of any type of regulation designed to serve a particular control almost always involves an examination and a consequent slowing of related but legitimate activities. The mechanism of control must therefore

always be very carefully regulated to ensure that it inflicts the least possible disturbance on legitimate trade. The happy mean must always be sought between the effort to achieve perfection and what is reasonable and practicable. This applies not only to controls in respect of trade and finance, but also to such measures as the Dangerous Goods Ordinance, which, in spite of the care taken in its preparation, appears likely to prove too restrictive in some of its clauses. The setting up of the Trade Advisory Committee, which provides for consultation between Government and the mercantile community on problems of trade control, has proved extremely valuable and has contributed much to the smooth co-operation between Government and Traders. I think that its function could be usefully extended to cover all questions of policy affecting trade as well as the implementation of measures already decided on at other levels.

Forward Estimates.

I think, Sir, that your confidence in the future of this Colony is fully justified, and that it is accordingly prudent to proceed with our development projects on a planned basis, being ready to modify our tempo if and when it should appear desirable to do so.

But good government, as with good business management, is always somewhat of a tug-of-war. There must on the one hand be those who think and plan for the future, constantly urging us forward on the path of progress, and on the other those who hold up the restraining hand and remind us that there is always the matter of cost and payment to be considered.

I am a little dismayed to find that of the Hon. Members who have already spoken, Mr. Terry and Mr. Watson appear to have placed on me the mantle of putting- that view in rather more detail than they have done.

Our present programme of capital expenditure for major items calls for the spending this year of about \$38 million, and adding in the minor items brings the figure up to \$47 millions. Our forward programme envisages the spending of comparable amounts-over the next five years. That is a great deal of money, representing some 15% of our Budget. The tempo of this programme of construction can be varied to quite a substantial degree to suit changes in the financial outlook, particularly if we aim at the rapid completion of individual projects rather than the spreading of our activities over a very wide number. The position is, however, quite different once these projects have been completed and put into use. Some of them will call for little more than the

annual cost of maintenance in the way of recurrent expenditure: a few are actual direct producers of revenue, but many of them involve very heavy costs for their operation. This is perhaps best exemplified in the programme for the building of schools and hospitals. Once the staff for these institutions have been engaged and the flow of the pupils and patients has begun, there are a hundred and one related commitments and a major slowing of the tempo of expenditure is not a practical possibility.

I am not suggesting that these substantial projects are being embarked on lightly or without consideration of the eventual cost of maintenance and operation. My criticism is rather that each of them is considered individually, and not as part of a complete picture. If the forward planning of our public works programme is agreed to be desirable, and if in asking us to prepare it the Honourable Financial Secretary tells us how much he is prepared for us to spend over the next five years, then how much more desirable is it that there should also be forward estimates of our recurrent expenditure. The Hon. Financial Secretary has already warned us, when speaking of the costs of Education, of Health, and of Social Services, of the steady growth of our rate of spending, and foreshadows that rates of taxation may well have to be increased in order to keep pace. This warning in general terms is very necessary, but I think that he should call for figures from his Departments which will enable him to be more specific.

It is a general defect of Government financial planning, not only here but everywhere in the world, that it does not look further ahead than the balancing of the Budget, or if so, it does not take the public into its confidence. It is not the practice to create reserves for future obligations, unless it is for some absolutely specific and accurately calculable purpose such as the redemption of a loan. I understand that the method of accounting which is laid down by the Colonial Office does not give discretionary authority for the setting up of reserves, but this does not mean to say that we cannot do some unofficial forecasting and earmarking on our own account. I consider that it is essential that we should know as accurately as possible what our future financial position is to be for as far ahead as is practicable. There should be a careful estimation of our revenue based on existing rates and sources of income calculated annually for say, the next five years, and correspondingly, annual estimates of expenditure. We can then see what we are committing ourselves to in authorizing additional capital projects or extension of social facilities.

The Hon. Financial Secretary says that he would be a very rash man who would now attempt to forecast what might happen after the end of the next financial year. I would like to put that differently and to suggest that it is even more rash not to try and do so. I would readily admit, having had quite a bit of experience in my time, that such estimates are not easy to make. They never are, but it is infinitely preferable to have something of the kind to refer to rather than to have to trust to one's instinct. One can support a programme of forward planning with much greater confidence when our estimates show what effect it will have on our long term finances.

I am extremely pleased to see that a move in the right direction has been made in the setting up of the Revenue Equalization Fund, and also that we are building up a further reserve by the transfer of ten millions from revenue surplus to the Development Fund, now that contributions in the shape of profits from the Department of Supplies & Industry can no longer be relied upon; and I note that it is proposed to try to build this Revenue Equalization Fund up to the equivalent of one year's requirements. This is very praiseworthy, and a year is a nice round figure, but it is really a shot in the dark unless we can estimate what our future needs are actually likely to be.

These remarks on accounts and finance arose from Your Excellency's urging that we should go forward with our plans for major expenditure on developments, and also from the Hon. Financial Secretary's words of admonition. But I should like to add now that even if forward estimates, when prepared, and I hope I may say 'when' and not 'if', should cast doubts on our ability to afford our very heavy expenditure programme, I should be very loath indeed to see any contraction of the Colony's constructional activities at the present time. By far the greater part of our expenditures go in wages to labour, and the present programme is providing a very valuable and practical contribution to our refugee problem and towards the unemployment problem to which my Hon. friend has already referred. But if the need for economy should ever be forced on us, then we should concentrate on those projects which involve the greatest present utilization of labour and the smallest recurrent costs on completion.

Taxation.

I remember reading recently a remark about budget preparation. It said that the current trend of budget making was to decide how much money was needed by the various Departments

and Services, and then to seek for means of raising the appropriate revenue, whereas the procedure ought rather to be to decide how much money the country can afford to pay, and then allocate it as equitably as possible. This is particularly true of Hong Kong. It is of lesser importance in a closed economy where, colloquially speaking, a major part of one's living can be earned by taking in each other's washing. Hong Kong is not so situated. We are very largely dependent for our living on the cheap and efficient handling of goods by our port, and on our relatively low cost of manufacture. We have no local raw materials, and apart from our geographical position almost the only other advantage that we have over competitors is our relatively low cost of financing and our low taxes. A rise in taxation, direct or indirect, will inevitably raise our costs and render us correspondingly less competitive. We must therefore know, not how much revenue we need to meet expenses, but what we can afford to pay in this very competitive world. The estimates which I have recommended would have great value in showing what is likely to be the relationship between revenue and expenditure during the next few years, and how carefully our cloth must be cut.

Squatters and Housing.

Your report, Sir, on the squatter problem is of great interest to everyone and I am particularly interested in your suggestion that the root cause, the shortage of housing, be dealt with by the provision of multi-storey buildings. This would go far towards meeting two vital factors in our problem, which is the shortage of land suitable for building and the importance of housing workers near to their place of employment. I believe that many landlords would be only too eager to help, if in connexion with this problem, a scheme were evolved which would permit of the demolition of the present disgraceful tenements and their replacement by modern sanitary structures, and I hope, Sir, that your reference to proposals that have already been made foreshadows a favourable reception. . I have no need to stress how welcome this would be to our Health Authorities, and what a contribution it would make to the control of disease, and in particular tuberculosis, which thrive in conditions of poverty and over-crowding.

I trust that in all this, the needs of the white collar worker, the backbone of any commercial community, will not be overlooked. The average employer is too small to undertake building

projects for his staff on his own account, and perhaps the projected Housing Authority will be able to devise proposals for assisting groups of employers to undertake joint building.

Whilst on this subject, Sir, I should like to draw attention to the need for revision of the Landlord and Tenant Ordinance, which frequently operates to prevent an increase in housing accommodation. At present it far too often protects the few at the expense of the many. I should also add that landlords are likely to be somewhat diffident about embarking on extensive projects until they have been made aware of the contents of the McNeil Report, which has, I think, been in the hands of Government now for some months.

Subventions.

I should like to support my Honourable friend Mr. Terry in his plea for a more generous subvention to the Port Welfare Committee. It has been suggested that there is no good reason why the seamen who pass through this port should be regarded as being in a special category. With this I cannot agree. On purely sentimental grounds we must recognize the difference in their problem, which arises from the fact that on shore they are homeless, and it is this feature in particular which should be amply catered for. Disregarding sentiment, it is as important to our reputation as a port that we should provide adequate facilities for seamen as that we should give a quick turn round to ships. I hope, therefore, that the Honourable Mr. Terry's proposal will prove acceptable.

I should like, Sir, if I may to conclude on a personal note. I have not been long in Hong Kong as time goes in the East, and I have been a member of this Council for a bare year. It is with a feeling of very real regret that I shall be leaving the Colony and this Council just as I am beginning to understand the workings of Government, the extreme peculiarities of Government accounting, and how all these varied and complex factors fit in with the pattern of life in Hong Kong. To the general public, the proceedings at these meetings must appear at times a very routine formality. It is perhaps a pity that they do not attend the meetings of the Finance Committee which follow, where we get some very lively debates and at times almost a parish pump atmosphere. I fear that I have in my ignorance asked far more than my fair share of questions, and I wish here to pay tribute

to the unfailing courtesy with which these requests have been received, and to the trouble to which the officials concerned have gone to provide the answers.

In conclusion, Sir, I wish to support the motion before the Council. (*Applause*).

THE FINANCIAL SECRETARY:—Your Excellency : A number of fairly important points which will need a little research have been made by Members and I therefore move that the debate on the Second reading of the Bill be adjourned and that the Bill together with the draft estimates of revenue and expenditure be referred to a Select Committee composed of the Colonial Secretary as Chairman, the Financial Secretary, and all the Unofficial Members as members.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

URBAN COUNCIL (AMENDMENT) BILL, 1953.

MR. K. M. A. BARNETT moved the Second reading of a Bill intituled “An Ordinance to amend the Urban Council Ordinance, Chapter 101.”

MR. NGAN SHING-KWAN:—Your Excellency: I rise to support the motion to amend the Urban Council Ordinance.

I shall not detain Honourable Members with a long address, for with the Budget uppermost in our minds, this is hardly an opportune moment, and furthermore at our last meeting my Honourable Friend the Chairman of the Urban Council gave us a full explanation of the reasons behind the proposed amendments.

On the 4th September last, following several meetings, the Unofficial Members of the Urban Council submitted a letter to their Chairman in which they made certain recommendations for the amendment of the existing Ordinance with particular reference to the desirability of increasing the number of Elected Members to four, lengthening the term of Appointed and Elected Members to two years and enlarging the electorate by the inclusion of certain categories of persons at present precluded from voting.

As a member of the Urban Council I think I may say that the Unofficial Members went into the matter quite thoroughly and whilst it is gratifying to note that many of our suggestions have

been embodied in the Bill now before this Council it is to be regretted that Government has not seen fit to accept all our recommendations for increasing the electorate.

It is, however, heartening to learn that the remainder of our recommendations have not been rejected, and I would urge Government to give speedy consideration to those other categories of persons, such as salaries and personal tax payers and teachers of all schools registered with the Director of Education, who were proposed by us for inclusion on the electoral roll, but who are still without a vote. It is earnestly hoped that Government will iron out any difficulties at an early date so that the people concerned may receive the privilege that is their due.

The question was put and agreed to.

The Bill was read a Second time.

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

Clauses 1 to 5 were agreed to.

Council then resumed.

MR. K. M. A. BARNETT reported that the Urban Council (Amendment) Bill, 1953 had passed through Committee without amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Third time and passed into law.

BANKRUPTCY (AMENDMENT) BILL, 1953.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance to amend the Bankruptcy Ordinance, Chapter 6."

He said: The purpose of the proposed amendment is, I think, sufficiently explained in the statement of objects and reasons and there is nothing that I can usefully add thereto at this stage.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a First time.

Objects and Reasons.

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

Section 38 of the Bankruptcy Ordinance provides that upon a bankruptcy, certain debts shall be paid in priority to others. Included amongst the preferential creditors are clerks, servants, labourers and workmen employed by the bankrupt, who are granted preferential treatment in respect of wages and salary earned. The law, however, limits the wages and salary which rank for preferential treatment to sums earned over a period of four months, not exceeding \$300 in the case of a clerk or servant of the bankrupt and \$100 in the case of a labourer or workman. It is considered that these sums no longer correspond with the earnings of employees over a four month period. There is a similar provision in the Companies Ordinance, and the preferential sums of \$300 and \$100 were both increased to a sum of \$3,000 by Ordinance No. 23 of 1952. It is desirable that section 38 of the Bankruptcy Ordinance should be amended to correspond and this is effected by clause 2 of the Bill.

MEDICAL REGISTRATION (AMENDMENT) BILL, 1953.

DR. YEO KOK CHEANG moved the First reading of a Bill intituled “An Ordinance to amend the Medical Registration Ordinance, Chapter 161.”

He said: I have nothing to add to the “Objects and Reasons”, which state the position clearly. I therefore formally move the First reading of the Bill.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a First time.

Objects and Reasons.

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

Applicants for admission to foreign countries are not infrequently required to undergo a medical examination with a view to ascertaining their fitness for admission, and the purpose of the

proposed amendment is to exempt such examinations from the provisions of the Medical Registration Ordinance, subject to suitable safeguards. The proposed new section 17A will allow a foreign doctor employed by the local representative of his Government to conduct such examinations provided he has obtained the Governor's consent. That consent may be granted subject to such conditions as the Governor may think fit to impose, and may be revoked at any time at the Governor's discretion.

ADDRESS BY THE GOVERNOR.

MR. M. M. WATSON.

H.E. THE GOVERNOR:—Honourable Members: As you are aware, this is the last occasion on which Mr. Watson will be with us, because he is departing on retirement in two days' time. Mr. Watson has lived in Hong Kong for over thirty years. He is therefore very much a Hong Kong man, having identified himself with all our activities of one kind and another. He will be very much missed.

He has served on this Council since 1946 and has been a most useful Member, and in particular I should like to thank him for his work whenever a complex and difficult matter has been under our consideration, because with his clear mind and legal brain he has straightened things out when sometimes we had tended to go a little bit wrong.

On your behalf, gentlemen, I should like to thank him for his services to the community during his thirty years here, and to wish him and his wife every happiness in the future. (*Applause*).

MR. M. M. WATSON:—Your Excellency: On behalf of my wife and myself, I should like to thank you very, very much indeed for the very kind remarks you have made about us and for your good wishes about our future. (*Applause*).

ADJOURNMENT.

H.E. THE GOVERNOR:—Council will adjourn to this day week.

OFFICIAL REPORT OF PROCEEDINGS.**Meeting of 25th March, 1953.**

PRESENT:

HIS EXCELLENCY THE GOVERNOR

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

HIS EXCELLENCY THE COMMANDER BRITISH FORCES

LIEUTENANT-GENERAL SIR TERENCE AIREY, K.C.M.G., C.B., C.B.E.

THE HONOURABLE THE COLONIAL SECRETARY

MR. ROBERT BROWN BLACK, C.M.G., O.B.E.

THE HONOURABLE THE ATTORNEY GENERAL

MR. ARTHUR RIDEHALGH, Q.C.

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS

MR. RONALD RUSKIN TODD.

THE HONOURABLE THE FINANCIAL SECRETARY

MR. ARTHUR GRENFELL CLARKE.

THE HONOURABLE DOUGLAS JAMES SMYTH CROZIER

{Director of Education}.

DR. THE HONOURABLE YEO KOK CHEANG

(Director of Medical and Health Services).

THE HONOURABLE KENNETH MYER ARTHUR BARNETT, E.D.

(Chairman, Urban Council).

THE HONOURABLE ALEXANDER PROVAN WEIR

(Acting Director of Public Works).

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

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

THE HONOURABLE LEO D'ALMADA E CASTRO, C.B.E., Q.C.

THE HONOURABLE CHARLES EDWARD MICHAEL TERRY.

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

THE HONOURABLE NGAN SHING-KWAN.

THE HONOURABLE HUBERT JOHN COLLAR. C.B.E.

THE HONOURABLE DHUN JEHANGIR RUTTONJEE.

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

VISITORS.

The Honourable Brain Charles Keith Hawkins, C.M.G., O.B.E., the Honourable Sir Man-Kam Lo, C.B.E., the Honourable John Keswick, C.M.G., and the Honourable Cedric Blaker, M.C., E.D., (Members of the Executive Council) were present at the invitation of His Excellency the Governor.

MINUTES.

The Minutes of the meeting of the Council held on 8th March, 1953, were confirmed.

AFFIRMATION.

The Honourable Dhun Jehangir Ruttonjee made and subscribed the Affirmation of Allegiance and assumed his seat as a Member of the Council.

DEATH OF QUEEN MARY.

H.E. THE GOVERNOR: Honourable Members, it is with the profoundest sorrow that we meet to-day to mourn the death of Her Majesty Queen Mary. Of her it may truly be said that she had won a unique place in the hearts of all the peoples of the British Commonwealth. As consort of our beloved sovereign, His late Majesty King George V, she had shared with her peoples the sorrows and tribulations of the first World War. With them she had shared the job of victory hardly won. Again with her peoples she had shared the happiness of the jubilee of her husband's reign in 1935, a happiness that was turned to sorrow when only a few months later he died. She was indeed one with us in all things and at all times. With her passing we have lost not only a Queen but a very dear and loved friend. I therefore move the following resolution:—

THAT the Members of this Legislative Council have learnt with the deepest sorrow of the death of Her late Majesty Queen Mary, and desire with their humble duty to submit to Her Majesty the Queen on behalf of the people of the Colony of Hong Kong this heartfelt expression of their grief and their profound sympathy with Her Majesty and all Members of the Royal Family in their loss.

THE HON. CHAU TSUN-NIN: Your Excellency, The Colony is stunned by the sudden and sad news of the passing of Her Majesty Queen Mary.

As the senior Unofficial Member of this Council and in the name of all the Unofficials of this Council and of the public of Hong Kong, I beg most respectfully to associate myself with every word Your Excellency has just said on this sad occasion, and to second the resolution you have just proposed.

Her Majesty has died in the plenitude of years, and by her lifelong devotion as Queen and her incessant care for the welfare of her people, she has enshrined herself in the hearts and affection of all the peoples of all races in the vast British Commonwealth. The memory of Her Majesty will endure.

H.E. THE GOVERNOR: Honourable Members, I now ask you to signify your assent to this Resolution by rising and standing with me in silence.

Members stood in silence.

ADJOURNMENT.

Council adjourned *sine die*.
