

OFFICIAL REPORT OF PROCEEDINGS.**Meeting of 24th May, 1961.****PRESENT:**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*),
SIR ROBERT BROWN BLACK, K.C.M.G., O.B.E.
THE HONOURABLE THE COLONIAL SECRETARY,
MR. EDMUND BRINSLEY TEESDALE, M.C. (*Acting*)
THE HONOURABLE THE ATTORNEY GENERAL,
MR. ARTHUR RIDEHALGH, Q.C.
THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS,
MR. JOHN CRICHTON McDouall
THE HONOURABLE THE FINANCIAL SECRETARY,
MR. JOHN JAMES COWPERTHWAITE, O.B.E.
THE HONOURABLE ALLAN INGLIS
(*Director of Public Works*)
DR. THE HONOURABLE DAVID JAMES MASTERTON MACKENZIE, C.M.G., O.B.E.
(*Director of Medical and Health Services*)
THE HONOURABLE KENNETH STRATHMORE KINGHORN
(*Director of Urban Services*)
THE HONOURABLE PETER DONOHUE
(*Director of Education*)
THE HONOURABLE NGAN SHING-KWAN, C.B.E.
THE HONOURABLE KWOK CHAN, O.B.E.
THE HONOURABLE HUGH DAVID MACEWEN BARTON, M.B.E.
THE HONOURABLE DHUN JEHANGIR RUTTONJEE, O.B.E.
THE HONOURABLE RICHARD CHARLES LEE, O.B.E.
THE HONOURABLE KWAN CHO-YIU, O.B.E.
THE HONOURABLE GEORGE MACDONALD GOLDSACK
MR. ANDREW McDONALD CHAPMAN (*Deputy Clerk of Councils*)

ABSENT:

HIS EXCELLENCY THE COMMANDER BRITISH FORCES,
LIEUTENANT-GENERAL SIR RODERICK WILLIAM McLEOD, K.C.B., C.B.E.
THE HONOURABLE FUNG PING-FAN, O.B.E.

MINUTES.

The minutes of the meeting of the Council held on 10th May, 1961, 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>
Report of the Board of Management of the Hong Kong Tourist Association, 1960/61.	
Heung Yee Kuk Ordinance, 1959.	
Resolution of the Heung Yee Kuk	A. 60.
Dangerous Drugs Ordinance.	
Dangerous Drugs (Amendment of Schedule) Order, 1961	A. 61.

**SCHEDULE OF WRITE-OFFS FOR THE FINANCIAL
YEAR 1960/61.**

THE FINANCIAL SECRETARY moved the following resolution: —

Resolved that the Write-offs for the financial year 1960/61, as set out in the Schedule, be approved.

He said: Sir, the Schedule to the resolution comprises those items approved by Finance Committee for write-off during the last financial year which require the covering approval of this Council.

As this Council has delegated to Your Excellency authority to write-off losses of public money where the amount involved does not exceed \$5,000 in any one case, some explanation is required for the items in the schedule which do not indicate any sum lost. These items owe their presence in the schedule to discoveries in the course of audit that certain departmental practices in the collection of prescribed fees and duties have not been strictly in accordance with the law. The question arises of how to deal with fees undercharged in this way to an amount which is not now possible to ascertain. After consultation with the Colonial Office and with the concurrence of Finance Committee, it was decided that the adoption of write-off procedure was appropriate. As it is impossible to say with certainty that less than \$5,000 was lost in any of these cases the formal sanction of this Council for the write-off of all of them is required.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

WELLS AND WATER STORAGE BY-LAWS, 1961.

MR. K. S. KINGHORN moved the following resolution: —

Resolved that the Wells and Water Storage By-laws, 1961, made by the Urban Council on the 2nd day of May, 1961, under section 26 of the Public Health and Urban Services Ordinance, 1960, be approved.

He said: Sir, these by-laws are designed to provide for the proper cleaning of wells, water storage tanks and cisterns. They also re-enact a provision in the repealed Public Health (Sanitation) Ordinance, 1935, which limited the use of well water to cooling and flushing systems, except with the permission of the Urban Council and the Building Authority.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

COMPULSORY SERVICE (AMENDMENT) BILL, 1961.

THE COLONIAL SECRETARY moved the First reading of a Bill intituled "An Ordinance to amend the Compulsory Service Ordinance, 1951."

He said: Sir, this measure provides the legislative authority for the suspension of the Compulsory Service Ordinance, 1951, and is in furtherance of the announcement on this important matter which Your Excellency made in Legislative Council earlier this year. The Bill itself needs no explanation; but its implementation raises a number of questions on which I would like to touch.

The procedure under which we propose to return to a system of voluntary service can be outlined very briefly. By now all persons who are serving in the auxiliary defence services will have been asked whether they wish to apply for discharge or to continue to serve as volunteers. When lists of persons have been compiled, the Director of Manpower will give his formal consent, under existing provisions in the Compulsory Service Ordinance, to those who wish to take their discharge. I hope that it may be possible to complete all discharge procedures by the end of June this year. Thereafter, subject to the enactment of this Bill, Your Excellency will be able to suspend the Compulsory Service Ordinance by proclamation.

This proclamation will also confer the status of volunteers upon all those who continue to serve in the various auxiliary defence services. I might add that they will also be able to count all their previous service as voluntary service for the purpose, for instance, of long service standards.

For the present no change is being made in existing regulations governing terms of service in the units of the Royal Hong Kong Defence Force, the Auxiliary Police and the various branches of the Essential Services Corps including the Civil Aid Services, the Auxiliary Medical Service and the Auxiliary Fire Service. These regulations were drafted originally with voluntary service in mind and have been the basis upon which large numbers of volunteers joined their various units. However, the regulations are due for review and will be brought up-to-date and, where possible, simplified. They will, however, continue to include provisions covering compulsory service, should it ever be necessary to bring the Compulsory Service Ordinance into operation again.

I should like to take this opportunity, Sir, to mention three points in connexion with Your Excellency's announcement on the abandonment of compulsory service.

First, the terms of reference and membership of a Working Party to examine the pay and allowances of the auxiliary defence services have now been determined and this committee should begin its work early next month. It will be one of the objects of this Working Party to simplify pay regulations, and to reduce the difference of pay for married and single volunteers without reducing the general level of pay and allowances.

Secondly, the reduction of training commitments is likely to prove a difficult problem, because, naturally, all services wish to train their members to high standards of efficiency. It is not possible, therefore, to announce now any overall, general reductions. I can, however, say that the Auxiliary Police Camp this year will be reduced from eleven to seven days, and that this will be made up in single training days during the remainder of the year. The Hong Kong Regiment also plans to reduce the period of its camp, although again more use will be made of training days throughout the year. There is a wide variety of training in the various units, and for this reason it would not be possible, without loss of efficiency, to make any arbitrary cuts; and it will be necessary to consider the year ahead as something of a period of experiment. However, I can assure Honourable Members that all those concerned are conscious of the need to compromise to some extent between the demands of maximum efficiency on the one hand and the limitations, on the other, of the time which volunteers and employers alike can afford to give.

As to the third point, it would hardly be appropriate for me to attempt to strengthen Your Excellency's appeal to employers in the Colony to give their full support to the return to voluntary service. We have, however, received some reports—and I am glad to say they are very few—of employers advising their staff that with the end of compulsory service there was now no necessity to continue to volunteer.

A little reflection should enable one to see that this is a short-sighted view. The volunteer system, if it is to continue with success, must be effective and must produce sufficient support for the auxiliary defence services in times of emergency. Surely this is an obligation falling on all who live and find their livelihood here. There is, however, another consideration. Most of the auxiliary defence services afford their members an opportunity of learning an entirely fresh skill in company with a wide cross-section of the Colony's population. They encourage and train men and women in initiative, leadership, and in the training of others. This training can be of positive value to employers. In their own interests, therefore, as well as in the wider interests of Hong Kong, volunteering should receive their support and encouragement. I am sure the majority of responsible citizens will see it in this way.

THE ATTORNEY GENERAL 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: —

The effect of this measure is to enable the operation of the Compulsory Service Ordinance, 1951, to be suspended from time to time as may appear expedient. The effect will be to enable any person who has been conscripted into the Royal Hong Kong Defence Force, the Hong Kong Auxiliary Police Force or the Essential Services Corps (which for the purposes of this legislation includes the Civil Aid Services, the Auxiliary Medical Services and the Auxiliary Fire Service) to resign therefrom at will in the same manner as a volunteer may resign, while those persons who do not wish to resign may remain in the Force or Corps, as the case may be, in which event the whole of their service therein will count as voluntary service.

DANGEROUS GOODS (AMENDMENT) BILL, 1961.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance to amend the Dangerous Goods Ordinance, 1956."

He said: Sir, this short Bill contains two amendments to the Dangerous Goods Ordinance, the first of which is, I think, fully explained in the statement of Objects and Reasons. In relation to the second amendment I think I should say it provides that where an offence is committed by a company, every director and every officer concerned in the management of that company shall be guilty of the offence unless he proves that he was not party to its commission.

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: —

The purpose of this Bill is to seek to make the breach of terms and conditions endorsed upon dangerous goods licences under section 7 of the principal Ordinance an offence carrying a minor penalty. The reason for this measure arises from the fact that at present there is no means of enforcing compliance with the terms and conditions of such a licence except by cancellation of the licence which is not always considered appropriate.

2. Opportunity has also been taken by clause 3 of the Bill to insert a provision to fix liability for offences committed under this Ordinance in cases where the offender is a company.

**THE HONGKONG AND SHANGHAI BANKING CORPORATION
(AMENDMENT) BILL, 1961.**

THE FINANCIAL SECRETARY moved the First reading of a Bill intituled "An Ordinance to amend The Hongkong and Shanghai Banking Corporation Ordinance, Chapter 70."

He said: Sir, The purpose of this Bill is fully explained in the statement of Objects and Reasons attached to it and I do not think I need add anything thereto.

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 7(1) of The Hongkong and Shanghai Banking Corporation Ordinance makes provision for the capital of the bank and its division into shares. Subsection (2) enables the capital to be increased by ordinary resolution and paragraph (b) of section 8 enables shares to be sub-divided by ordinary resolution. The capital of the Bank was increased from fifty million dollars to one hundred million dollars by

an ordinary resolution of the shareholders on February 18, 1959 as announced in the *Hong Kong Government Gazette* of Friday, March 6, 1959. By a further ordinary resolution of the shareholders on March 10, 1961 the capital was subdivided into shares of twenty-five dollars each. The amendment proposed by this Bill will bring the statement of capital in subsection (1) of section 7 of the Ordinance into accord with the said resolutions.

REGISTRATION OF PERSONS (AMENDMENT) BILL, 1961.

THE COLONIAL SECRETARY moved the Second reading of a Bill intituled "An Ordinance to amend the Registration of Persons Ordinance, 1960."

THE ATTORNEY GENERAL seconded.

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 3 were agreed.

Council then resumed.

THE COLONIAL SECRETARY reported that the Registration of Persons (Amendment) Bill, 1961, had passed through Committee without amendment and moved the Third reading.

THE ATTORNEY GENERAL seconded.

The question was put and agreed to.

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

GAMBLING (AMENDMENT) BILL, 1961.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Gambling Ordinance, Chapter 148."

THE COLONIAL SECRETARY seconded.

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 and 2 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Gambling (Amendment) Bill, 1961, 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.

ADJOURNMENT.

H. E. THE GOVERNOR: —Well, gentlemen, that concludes the business for today. When is it your pleasure that we should meet again?

THE ATTORNEY GENERAL: —May I suggest this day two weeks, Sir?

H. E. THE GOVERNOR: —Council stands adjourned until this day two weeks.