

OFFICIAL REPORT OF PROCEEDINGS**Meeting of 13th June 1962**

PRESENT:HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)

SIR ROBERT BROWN BLACK, GCMG, OBE

THE HONOURABLE CLAUDE BRAMALL BURGESS, CMG, OBE

COLONIAL SECRETARY

THE HONOURABLE MAURICE HEENAN, QC

ATTORNEY GENERAL

THE HONOURABLE JOHN CRICHTON McDOUALL

SECRETARY FOR CHINESE AFFAIRS

THE HONOURABLE JOHN JAMES COWPERTHWAITHE, OBE

FINANCIAL SECRETARY

THE HONOURABLE ALLAN INGLIS, CMG

DIRECTOR OF PUBLIC WORKS

DR THE HONOURABLE DAVID JAMES MASTERTON MacKENZIE, CMG, OBE

DIRECTOR OF MEDICAL AND HEALTH SERVICES

THE HONOURABLE KENNETH STRATHMORE KINGHORN

DIRECTOR OF URBAN SERVICES

THE HONOURABLE PETER DONOHUE

DIRECTOR OF EDUCATION

THE HONOURABLE KWOK CHAN, CBE

THE HONOURABLE DHUN JEHANGIR RUTTONJEE, OBE

THE HONOURABLE FUNG PING-FAN, OBE

THE HONOURABLE KWAN CHO-YIU, OBE

THE HONOURABLE KAN YUET-KEUNG, OBE

THE HONOURABLE WILLIAM CHARLES GODDARD KNOWLES

THE HONOURABLE SIDNEY SAMUEL GORDON

MR ANDREW McDONALD CHAPMAN (*Deputy Clerk of Councils*)**ABSENT:**HIS EXCELLENCY LIEUTENANT-GENERAL REGINALD HACKETT HEWETSON, KCB,
CBE, DSO

COMMANDER BRITISH FORCES

THE HONOURABLE RICHARD CHARLES LEE, OBE

MINUTES

The minutes of the meeting of the Council held on 23rd May 1962 were confirmed.

OATHS

MR S. S. GORDON took the Oath of Allegiance and assumed his seat as a Member of the Council.

HIS EXCELLENCY THE GOVERNOR: —On behalf of my colleagues and myself I welcome you to this Council.

MR S. S. GORDON: —Thank you very much, Sir.

ANNOUNCEMENT

THE COLONIAL SECRETARY: —By Your Excellency's direction, I rise to announce the appointment of the Honourable S. S. GORDON to serve on the Standing Law Committee for 1962 in succession to the Honourable H. D. M. BARTON.

PAPERS

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

<i>Subject</i>	<i>GN No</i>
Annual Report of the Hong Kong War Memorial Fund Committee for the year 1961.	
Triennial Survey of the Education Department of the years 1958-61.	
Public Order Ordinance.	
Frontier Closed Area Order, 1962	A 48
Registration of Persons Ordinance, 1960.	
Registration of Persons (Re-registration) (No. 9) Order, 1962	A 49
Emergency Regulations Ordinance.	
Emergency (Deportation and Detention) Regulations, 1962	A 50
Holidays Ordinance.	
General Holidays Order, 1962	A 51

QUESTIONS

MR KWAN CHO-YIU, pursuant to notice, asked the following question: —

In recent weeks Hong Kong's immigration problem has given rise to so many and varied offers of help, particularly from overseas. What is Government's policy in this matter?

THE COLONIAL SECRETARY replied as follows: —

Sir, this question touches on matters of major policy and with Your Excellency's permission I will reply at some length. The honourable Member referred to the problem of immigration. I think that I must first make it clear that, so far as Hong Kong is concerned, this is not a new problem, but a problem which the people of this Colony have been living with for the last twelve years. What is new in the situation (and this is attested by many well-qualified observers who have visited the Colony or written about it in the last few weeks) is that the problem is newly apparent to the conscience of the outside world. The events of the past two months have opened the eyes of the world to Hong Kong's predicament (and to a less extent its achievement) in a way that World Refugee Year, for all its high inspiration and generous response, failed to do.

The present situation, Sir, can be analysed only in relation to the facts and achievements of the last twelve years. As to the facts, these are clearly set out in a concise booklet called "A Problem of People" which was first published in 1957. This was brought up to date in 1960 and it is still the classic account of the nature of the problem and the way in which we met it and are still meeting it. A very large number of copies of this booklet have been sold or issued free, and copies are still readily available. As to our achievements in this sphere, the details of these have been reported to this Council from time to time, and I do not wish to burden honourable Members with a repetition of detailed figures on this occasion.

As I said in this Council nearly two months ago, we expect that in five years' time nearly one-third of our present population will live in houses built from public funds. One-third of our population is about one million people. One million people is the approximate number of our immigrants in the last twelve years. Surely figures of this kind can never have been equalled by any national unit

in the world. But to be more specific—570,000 people now live in houses that this Government has financed directly or indirectly, —the great majority in multi-storey resettlement blocks each capable of housing more than 2,000 people. We have built 200 of these blocks since 1955 and they are now going up at a rate of one multi-storey block every nine days, I repeat, one every nine days. Our pace and record in the educational field is no less dramatic. The Government alone has built or subsidized 180 full-sized schools of all kinds since 1955. Nowadays a new Government school or Government-subsidized school is opened in Hong Kong every ten days. If privately owned schools are included, we get the astonishing figure of one new school every four days.

Over the last decade our annual revenue has averaged \$595 million. During those years our capital expenditure on Government and subsidized housing has been \$475 million; on water supplies \$356 million; on education \$131 million; and on medical and health services \$134 million, and these figures are, I repeat, all capital expenditure. In Hong Kong we reckon that, in any given year, it costs between one-half and one-third of the capital cost to keep any medical, educational or social welfare institution in efficient operation. These costs (all the recurrent costs and all but a very small fraction of the capital costs) have been met from our own resources; and we have been able to do all this, remarkably, without laying any burden of public debt upon our children. The pace is also typically our own, and there is no question but that it is being maintained or improved upon. The job is of course not yet finished; and since we are entirely dependent on external trade for our livelihood, it is not possible for Hong Kong itself to say whether it ever will be finished; but I think both the pace and the achievement hitherto might well be sufficient to deter anyone who felt inclined to criticise Hong Kong for lack of efficient and effective humanitarianism. We have been faced with a certain situation, and I do not think, Sir, that anyone in this Chamber would wish to claim credit for what has been done. Indeed, I give these details only to illustrate the sort of thing that happens when a country takes in one immigrant for every two of its population.

The fundamental point in our policy hitherto is that this Government has never distinguished in any way between the immigrant population and the population which has

its roots here. All have the same rights and the same opportunities. Once an immigrant has been admitted he will take his turn for our resettlement housing if he needs it; and our schools, our clinics, our hospitals are available to him on precisely the same terms as apply to people who were here before he came.

When we decided some seven years ago (I say, “we decided” because it soon became clear that there was no practical solution in emigration and that the problem was ours alone to decide upon) when we decided to integrate every immigrant into our community, we were in effect, making a decision that put the word refugee out of our dictionary. Refugees live in camps; they do not normally earn their own keep; by definition they believe that home is somewhere other than where they are now; their well-being depends on someone else's charity; perhaps they do not expect rice or bread to come to them from the conscience of humanity, but it comes nevertheless; and it brings with it the humiliation of the zoo; —at any rate the bars are there, the food passes through the bars, and somewhere else is home.

Now this we would not have. The new people became our people; and our people stepped aside to give them equal access to all the jobs and houses and schools and clinics that the enterprise of our economy could provide. Indeed every time a Hong-Kong-born man stands in a queue for a clinic, enters his name for a subsidized flat or waits for a school-place, he tacitly endorses that policy. Since, in consequence, the real burden was borne by the man whose roots were here, we have always insisted that he too must share in any gifts that a charitable world bestowed on us. We always made this clear. Money and food and clothing; projects like schools and community centres; technical assistance of various kinds—were offered *for refugees*. In each case, on every occasion, we said that the help was welcome but that the terms were impossible; —not only did we not know who the refugees were, but it was against our policy to distinguish between different elements of the population on such a basis. We had poor and deprived and handicapped people who *could* be identified, but we could not and would not identify refugees in our community.

I venture to think, Sir, that public opinion overseas has found, and still finds, this position very difficult to understand. And we, for our part, have not found it easy to explain.

Sometimes offers are received of generous quantities of surplus foodstuffs of a particular kind, used clothing, or money tied to projects that have more relation, perhaps, to sentiments in the giving countries than to carefully planned programmes in the receiving country. In such circumstances, it is very difficult to explain, not only that charity of this kind in fact does very little to assist us in achieving our specific aim, but that it may, in certain circumstances, actually impede us in our progress towards that aim. Let me hasten to add, Sir, that I have never been one to look a gift horse in the mouth. But I have been deeply touched by the understanding attitude shown by many governments and voluntary agencies during these past weeks, and by their quiet and tactful inquiries as to whether they could help. This Government has never asked for aid, and does not do so now, but if a generous world wishes to help us we have a duty to respond and, from our expert knowledge of our own problems, to give a clear lead and indicate the fields in which we believe benevolence and charity can usefully be deployed in order to bring lasting benefit to our population; —and also to indicate the fields in which we believe it would be misspent, illusory, or merely of ephemeral significance. The question before Council, Sir, gives me the opportunity to do precisely this.

One of the ways in which it has been proposed, though not by us, that our burdens should be lightened, is by emigration. This Government does not believe that in the circumstances of Hong Kong emigration schemes can make any significant contribution towards solving the Colony's basic problem of excess population. The potential is so vast and we do not think it realistic to entertain hopes of a solution along such lines. Moreover in matters of this kind the wishes of the people concerned are paramount. There is clear evidence that the aim of most immigrants is to join their families, clansmen and people of their own race, language and dialect in Hong Kong; and that they do not, in many cases, desire to go further afield. Our experience of emigration schemes shows that they are invariably, in some way or other, selective. Both these considerations imply that in any major emigration scheme there would inevitably be a residue for retention in Hong Kong—a residue which, both in numbers and in kind, Hong Kong could not absorb. That is not to say that this Government is opposed to emigration as such—far from

it. People who want to leave and have anywhere to go, are, of course, free to depart whenever they wish. Ample transport exists, and many individuals would no doubt have joined relations and friends already in other countries, but for the severe restrictions imposed on the entry of Chinese from Hong Kong. We welcome such relaxation as has recently occurred in the United States and Canada, and we acknowledge the generous motives of these Governments. This holds out to some individuals the prospect of a new life elsewhere—in some cases reunited with their families. Emigration of this sort involves no new principle and can be handled through channels and by procedures already in existence; it requires no intervention by this Government. However, let me emphasize that, though we welcome these developments, we welcome them because of the benefit they may bring to individuals, and I repeat, individuals, rather than because we believe that they can contribute anything tangible to the basic problems of Hong Kong. We are sceptical of emigration schemes purporting to offer a prospect of large-scale relief; they do not conform with the realities of the situation, and this Government is not prepared to divert to them financial or administrative resources, nor does it wish to encourage others to do so. We urge that these should be devoted to meeting the problem of population in the only place in which I believe it is realistic to suppose that it will or can be met—in Hong Kong itself.

Another way in which people have shown themselves willing to help is by sending us aid in kind. Now this is natural. In some parts of the world there is a surplus of food and it is quite understandable that those who live there should wish to help the needy in Hong Kong from their abundance. But, thank God, shortage of food or clothing has not been the basic problem in Hong Kong. Food programmes of certain special kinds and related to certain special circumstances have been of great assistance to us; they have helped people in transitional periods, and in the cases of real hardship that do exist; but present programmes, notably that mounted by the United States Government, suffice for these purposes. Generally speaking the burden placed upon us by the immigrant population is not eased by the concept that relief can in any way mitigate the basic needs of active men. "Relief mentality" is insidious and it breeds a special form of economic

servitude. The basic need of every man is economic freedom and viability, and that is precisely what we aim to provide for every member of our large community.

Nothing could wreck our plans and our achievements more rapidly or certainly than a further flood of immigrants. I explained the reasons for this in reply to a Question in this Council on the 18th April. We have accepted our heavy burden and we are willing to bear it, but we cannot allow that burden to be intolerably increased, and we must be allowed to pursue our policy of containment in the immigration sphere. If the conscience of the world is stirred by the needs of people who are affected by that policy, then it would seem that the needs of those people can only be met elsewhere than in Hong Kong.

I am afraid, Sir, that much of the foregoing, is negative. We refuse to identify or segregate any element of the population as refugee; our problems are not such as can be solved by emigration; we have at present no additional need for relief in kind; and our policy of containing illegal immigration must continue. On the other hand, perhaps for the first time, the public and Governments of friendly countries are stirred by our problems, and I am glad to take the opportunity of this question to indicate not only where assistance is not needed, but where it is needed.

Not from choice, but from necessity, we are a manufacturing and commercial community. Our only real asset is the industriousness, the efficiency and the strong instinct for survival of our people. Hong Kong's rapid industrialization is the key solution to its Problem of People. Indeed, the prosperity of Hong Kong's industry provides the reason why the world does not have an additional million refugees on its conscience at this moment; and its continuing prosperity provides the best hope, perhaps the only hope, that the needs of our expanding population can be met in a constructive and efficient way. As this Council is well aware, we have recently had to accept certain serious restrictions on our external trade. The grim possibility of still further restrictions lies ahead. The first way in which the outside world can help this Colony with its burdens is to assure reasonable access to overseas markets for the limited range of goods that we can produce efficiently. This Government can see no better way in which effective help, in the form in which it is most needed, can be given to people about whose future

the outside world has shown so much concern. These people's welfare depends upon our trade, and if our trade can be maintained with adequate scope for growth and without artificial restriction, there is every chance that we can complete a task that we first set ourselves twelve years ago. But the stifling of our exports would, sooner rather than later, transform this dynamic community into an international pauper, and would thus create conditions in which massive and wholesale relief would be the only remedy.

Secondly we have limitless need of assistance in our construction programme. Hitherto it has been the Hong Kong taxpayer, with occasional but marginal assistance from friendly Governments or charitable and voluntary agencies, who has borne the cost of all the vast infrastructure that is needed to support new immigrants and our excess population generally, and I refer particularly to water supply, roads, housing, hospitals, clinics, community centres, and primary and secondary schools. A very valuable contribution would be to pay for any item or items on our construction list. If any Governments are interested I invite them to get in touch with us direct through official channels, and this Government will gratefully explain the range of items on which financial assistance would be welcome. An Inter-departmental Committee is being constituted immediately in order to deal with any such offers of assistance received from abroad, and also to give guidance to voluntary agencies already operating here who may seek advice as to the fields in which they can most usefully contribute either service, expertise, or money.

A situation of this kind, Sir, inevitably calls to mind the classic words of Sir Winston CHURCHILL: "Give us the tools and we will finish the job". For us in Hong Kong today the necessary tools are the opportunity to trade freely, a reasonable access to world markets, and a vigorous capital programme. Given these, we too will finish the job.

MR KWAN CHO-YIU: —Thank you.

SCHEDULE OF WRITE-OFFS FOR THE FINANCIAL YEAR 1961/62

THE FINANCIAL SECRETARY moved the following resolution: —

Resolved that the Write-offs for the financial year 1961/62, as set out in the Schedule, be approved.

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

I should perhaps refer to one item which concerns the disposal of first aid badges. These badges were purchased for use in the Police Force but were subsequently found to be unsuitable and, with the approval of Finance Committee, were given to the St. John Ambulance Brigade. This is not strictly a write-off, but under Colonial Regulation 280 the approval of this Council is necessary for the gift and it has been thought convenient to seek approval in the context of the resolution now before Council.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

SUPPLEMENTARY PROVISIONS FOR THE QUARTER ENDED 31ST MARCH 1962

THE FINANCIAL SECRETARY moved the following resolution: —

Resolved that the Supplementary Provisions for the Quarter ended 31st March 1962, as set out in Schedule No 4 of 1961/62, be approved.

He said: Sir, the Schedule before Council is the fourth list of supplementary provisions on the 1961/62 account. The total supplementary vote required is \$31¼ million, against which savings of rather over \$420,000 are quoted in the Schedule.

Of the total, \$25 million is in respect of the Public Works Non-Recurrent head, principally due to work on certain projects having proceeded faster than expected. This has not meant that expenditure on Public Works as a whole has exceeded the total shown in the Estimates since expenditure on other works was smaller than expected. The total of such expenditure in 1961/62 was \$281 million, as against the original estimate of \$353 million.

Other items include supplementary provision of \$1.3 million in respect of the recurrent subvention to the University. The 2nd schedule for 1961/62 which was approved by this Council at its meeting on 29th November last year included supplementary provision of \$2,000,000 to meet the cost of the revision of salaries at the University. The full cost of this revision for the period 1st July 1960 to 31st November 1961 was in fact \$3.3 million and the supplementary provision included in the present schedule was required to meet the balance.

Supplementary provision in a number of subheads under the Medical and Health Department has also been required, the largest amount being an additional \$1.2 million for drugs and dressings. This is a reflection partly of increased costs and partly of the increase in the number of admissions to and attendances at Government institutions.

All the items in the Schedule have been approved by Finance Committee and the covering approval of this Council is now sought.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

COMMUNITY RELIEF TRUST FUND BILL, 1962

THE COLONIAL SECRETARY moved the Second reading of a Bill intituled "An Ordinance to make provision for the establishment of a trust fund to be known as the Community Relief Trust Fund and for the due administration thereof and for purposes connected with the matters aforesaid.

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 11, and the Preamble were agreed to.

Council then resumed.

THE COLONIAL SECRETARY reported that the Community Relief Trust Fund Bill, 1962 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.

HONG KONG ROYAL NAVAL RESERVE (GENERAL SERVICE) (AMENDMENT) BILL, 1962

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Hong Kong Royal Naval Reserve (General Service) Ordinance, 1951."

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 to 3 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Hong Kong Royal Naval Reserve (General Service) (Amendment) Bill, 1962, 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.

BANKING (AMENDMENT) BILL, 1962

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Banking Ordinance, Chapter 155.

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 Banking (Amendment) Bill, 1962, 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.

**THE COUNCIL OF ST. PAUL'S CO-EDUCATIONAL COLLEGE
INCORPORATION BILL, 1962**

MR KWOK CHAN moved the First reading of a Bill intituled "An Ordinance to provide for the incorporation of The Council of St. Paul's Co-educational College.

He said: Sir, this Bill follows the usual Bill of Incorporation and its purpose is clearly set out in the statement of Objects and Reasons to which there is nothing I can usefully add.

MR FUNG PING-FAN 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 object of this Bill is to incorporate The Council of St. Paul's Co-educational College.

2. St. Paul's Co-educational College has been in existence since the year 1916. The object of the College is to offer to Chinese boys and girls a sound general education conducted upon Christian principles.

3. It is the desire of The Church Body of The Chinese Anglican Church in Hong Kong and of the College Council that the properties be held in the College's own name. Since the College is not a corporate body and cannot, therefore, hold any property in its own name, it is thought desirable that it should become a corporate body, in order to enable it to own property in its own name and otherwise to carry out its aims and objects more effectively. Not being a corporate body it is also handicapped in other ways in the carrying out of its functions.

4. The leasehold properties now occupied by the College as its premises are the College's own properties, but have to be registered in the name of The Church Body of The Chinese Anglican Church in Hong Kong, because neither the College nor its Council is a corporate body.

ADJOURNMENT

HIS EXCELLENCY THE GOVERNOR: — Well, gentlemen, that concludes the business for to-day. When is it your pleasure that we should meet again?

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

HIS EXCELLENCY THE GOVERNOR: — Council stands adjourned until this day two weeks.