

OFFICIAL REPORT OF PROCEEDINGS**Meeting of 10th August 1966****PRESENT**HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT (*PRESIDENT*)

MR MICHAEL DAVID IRVING GASS, CMG

THE HONOURABLE THE COLONIAL SECRETARY

MR GEOFFREY CADZOW HAMILTON (*Acting*)

THE HONOURABLE THE ATTORNEY GENERAL

MR MAURICE HEENAN, CMG, QC

THE HONOURABLE THE FINANCIAL SECRETARY

MR JOHN JAMES COWPERTHWAITTE, CMG, OBE

DR THE HONOURABLE TENG PIN-HUI, OBE

DIRECTOR OF MEDICAL AND HEALTH SERVICES

THE HONOURABLE DAVID RONALD HOLMES, CBE, MC, ED

DIRECTOR OF COMMERCE AND INDUSTRY

THE HONOURABLE JAMES TINKER WAKEFIELD

COMMISSIONER OF LABOUR

THE HONOURABLE ALASTAIR TODD

DIRECTOR OF SOCIAL WELFARE

THE HONOURABLE IAN MACDONALD LIGHTBODY

DISTRICT COMMISSIONER, NEW TERRITORIES

THE HONOURABLE KENNETH JOHN ATTWELL

ACTING DIRECTOR OF EDUCATION

THE HONOURABLE JAMES JEAVONS ROBSON

ACTING DIRECTOR OF PUBLIC WORKS

THE HONOURABLE DHUN JEHANGIR RUITONJEE, CBE

THE HONOURABLE KAN YUET-KEUNG, OBE

THE HONOURABLE LI FOOK-SHU, OBE

THE HONOURABLE FUNG HON-CHU, OBE

THE HONOURABLE TANG PING-YUAN

THE HONOURABLE TSE YU-CHUEN, OBE

THE HONOURABLE KENNETH ALBERT WATSON, OBE

THE HONOURABLE WOO PAK-CHUEN, OBE

THE HONOURABLE GEORGE RONALD ROSS

THE HONOURABLE WILFRED WONG SIEN-BING

THE HONOURABLE JAMES DICKSON LEACH, OBE

DR THE HONOURABLE CHUNG SZE-YUEN

MR DONALD BARTON (*Deputy Clerk of Councils*)**ABSENT**

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS

MR JOHN CRICHTON McDOUALL, CMG

THE HONOURABLE GEOFFREY MARSH TINGLE

DIRECTOR OF URBAN SERVICES

THE HONOURABLE ELLEN LI SHU-PUI, OBE

MINUTES

The Minutes of the meeting of the Council held on 6th July 1966, were confirmed.

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT: —I would like to welcome Mr ROBSON and Dr CHUNG to this Council.

ANNOUNCEMENT

THE COLONIAL SECRETARY: —Sir, by Your Excellency's direction I rise to announce the appointment of the Honourable Y. K. KAN and the Honourable P. C. WOO to serve on the Standing Law Committee for the remainder of the year 1966 in succession to the Honourable C. Y. KWAN and the Honourable S. S. GORDON.

PAPERS

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

<i>Subject</i>	<i>LN No</i>
Sessional Paper 1966: —	
No 7—Annual Report by the Director of Social Welfare for the year 1965-66.	
No 8—Annual Report by the Community Relief Trust Fund Trustee for the year ending on 31st March, 1966.	
No 9—Fifth Annual Report by the Social Work Training Fund Trustee for the period ending on 31st March, 1966.	
Report of the Board of Management of the Hong Kong Tourist Association 1965-66.	
Money-Lenders Ordinance.	
Order of Exemption	55
University Ordinance 1958.	
Statutes of the University (Amendment) Statutes 1966	56
Immigration Service Ordinance 1961.	
immigration Service (Welfare Fund) Regulations 1966	57
Dangerous Drugs Ordinance.	
Dangerous Drugs (Amendment of First Schedule) Order 1966	58

Road Traffic Ordinance 1957.	
Road Traffic (Taxis, Public Omnibuses and Public Cars) (Amendment) Regulations 1966	59
Urban Council Ordinance 1955.	
Urban Council Ordinance 1955 (Amendment of Second Schedule) Order 1966	60
Buildings Ordinance 1955.	
Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) (Amendment) Regulations 1966	62
Buildings Ordinance 1955.	
Building (Administration) (Amendment) Regulations 1966	63

QUESTIONS

MR. DHUN J. RUTTONJEE, pursuant to notice, asked the following question: —

Having regard to the large sums of money which are to be expended in ancillary works connected with the Harbour Tunnel project, and in view of the reported increase in the cost of that project, is Government satisfied that the Company's estimates are now realistic and in view of Government's possible participation in the project were sufficient enquiries made by Government into the accuracy or otherwise of the Company's figures at the time the franchise was awarded?

THE FINANCIAL SECRETARY replied as follows: —

I presume that my honourable Friend refers to recent reports, which I believe to be substantially correct, that the Tunnel Company's estimate of the cost of the tunnel has been amended from an earlier figure of \$211 million to \$280 million now.

As to the first part of my honourable Friend's question I would hesitate, as would, I am sure, my honourable Friend the Director of Public Works, to venture an opinion on the accuracy of the new figure. It is, I understand, largely based on the up-to-date advice of the company's consulting engineers and includes a new item of \$20 million for contingencies. Estimating for large schemes of this kind is recognized as being very difficult, the more especially when, as I understand it, final decisions have not been

taken on the method of construction. That is why, when we were considering the grant of the franchise, we did so on the basis of a fairly wide range of possible costs, a range from \$225 million to \$333 million. The company's new estimate falls almost exactly at the mid-point of this range and therefore falls short, by a substantial margin, of the point at which the assumptions on which the franchise was awarded would be invalidated.

The second part of my honourable Friend's question asks, whether, in view of Government's possible participation, sufficient enquiries were made as to the accuracy of the company's estimates at the time of the award of the franchise. I do not think that the question follows from the premise, because Government's interest in close estimating does not arise unless and until we decide to participate and so put public funds at risk. At the time of the award there was no decision on this; there was merely a proposal to require an option. The question of participation is under consideration at the present time and the point which my honourable Friend seeks to make is, I assure him, very much in our minds.

MR K. A. WATSON: — Your Excellency, may ask two supplementary questions?

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT: — Yes, Mr WATSON, may we have the first one first?

MR K. A. WATSON: — Would Government be willing to confirm that, should the sponsors of the cross-harbour tunnel decide not to proceed with it, the Waterfront Road and its connexions and the road improvements so badly needed for ordinary traffic at the junction of Chatham Road and Princess Margaret Road will not be abandoned?

THE FINANCIAL SECRETARY: — Sir, I must on a point of order suggest that this question is out of order and would suggest to Mr WATSON that he ask it at the next meeting of Council.

MR K. A. WATSON: — My second one, Sir: Will Government confirm that the cross-harbour tunnel is a private enterprise undertaking competing for business with other forms of private enterprise and the Government will not give it any special advantage through loans or guarantees which would put it in a more favourable competitive position?

THE FINANCIAL SECRETARY: — Sir, I must again, on a point of order, suggest that this question does not arise out of the original question and again suggest that Mr WATSON might ask this question on another occasion.

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT: —I think, Mr WATSON, that is the case. This does not directly arise out of the question.

MR K. A. WATSON: —I accept your ruling, Sir.

MR K. A. WATSON, then pursuant to notice, asked the following question: —

If it is true that Government has discontinued, or is about to discontinue the testing facilities hitherto available to the public at the Government Chemical Laboratory, what are the reasons for this decision?

DR TENG PIN-HUI replied as follows: —

I welcome this opportunity to assure my honourable Friend Mr WATSON that Government has not discontinued nor is it about to discontinue the testing facilities available to the public at the Government Chemist's Laboratory. Unfortunately, however, these facilities have had to be reduced this year owing to the increasing pressure of essential Government work—for which the Laboratory was primarily intended—and to difficulty in recruiting and retaining suitably qualified staff.

There has been a very considerable increase in demands for essential examinations and analyses to be carried out by the Government Chemist which are statutorily required and therefore must be given priority over private commercial work.

The essential Government work I have mentioned is concerned with a wide range of legislation involving Public Health, Dangerous Drugs, Pharmacy and Poisons, Dutiable Commodities and Dangerous Goods.

In 1965, 26,843 tests and reports were made in connexion with these matters alone and almost half of these concerned samples to be tested under the Dangerous Drugs Ordinance and which were required by the Police as a matter of urgency, always on short notice, in order to expedite prosecutions for drug offences. The total number of analyses carried out in 1965 was 33,541. The difference between this figure and the total given under the Ordinances mentioned above is made up of procedures carried out for many Government Departments for example the testing of material purchased by Government Stores, the analysis of paints and plastics samples from various factories for lead content as part of an intensive survey

conducted by the Department of Commerce and Industry, and 451 miscellaneous private commercial samples. Apart from the actual number of tests, the complexity of testing techniques has become more intricate and time consuming; the laboratory has always endeavoured to assist the general public and commercial undertakings in particular, but in view of its primary tasks, detailed above, such assistance has of necessity been subject to the time and staff available and while there has been some obvious curtailment, this assistance has never been refused when legal involvement such as infringement of trade marks or patent rights has been involved.

It might be pertinent to mention that the Federation of Hong Kong Industries commenced this work three years ago and has in the past concentrated its efforts on providing a testing and certification service to internationally accepted standards for natural and man made fibres as the textile industry accounts for 50% of total domestic exports, employing half the total labour force. This service is now in the process of expansion in order to provide a wider range of chemical tests to enable manufacturers and exporters to certify conformity of their products to specific standards—initially these related to lead and other metal contents in paints and plastics, especially in toys. The Federation's testing service will also be expanded to include physical tests such as colour finish and light fastness tests on metals, corrosion tests, tests on electro-plating and other protective coatings, abrasive tests and some mechanical movements for precision products such as watches and electronic manufactures and tests of rubber products amongst others. The Government Chemist Laboratory's assistance to the Federation of Industries testing service lies mainly in the field of training the involved technical personnel, and to render expert advice and to provide special facilities as and when required. I feel that the Government Chemist Laboratory should continue to devote its resources to government statutory commitments and leave the commercial testing and certification to the Federation of Hong Kong Industries, and to the commercial laboratories competent to undertake this work.

I need hardly add that I shall keep in close touch with my honourable Friend, the Director of Commerce and Industry in our efforts toward export trade promotion and in maintaining a good name for Hong Kong products.

**SUPPLEMENTARY PROVISIONS FOR THE QUARTERS
ENDED 31ST DECEMBER 1965 AND 31ST MARCH 1966**

THE FINANCIAL SECRETARY moved the following resolution: —

Resolved that the Supplementary Provisions for the Quarter ended 31st December 1965 as set out in Schedule No 3 of 1965-66 and the Quarter ended 31st March 1966 as set out in Schedule No 4 of 1965-66, be approved.

He said: —The two Schedules to this Resolution contain the lists of Supplementary Provision for the third and fourth quarters of the financial year 1965-66.

I must apologize for the delay in presenting that for the third quarter; it would normally have been presented to Council at an earlier date. For the third quarter the total Supplementary Provision was \$43.5 million of which over \$32.6 million relates to Public Works Non-recurrent. There is included in this latter figure the sum of \$8.5 million spent on final settlement of a claim by the contractors for the Shek Pik dam which relates to work carried out in previous years.

The Schedule for the fourth quarter covers Supplementary Provision to a total of \$108 million, including \$62½ million for Public Works Non-recurrent. Of this latter figure \$39 million was to meet expenditure on projects which had progressed faster than expected; of this \$20 million was for the Plover Cove scheme. Arrears of interim salary awards required an additional \$13.4 million for Government servants and \$12.7 million for aided schools.

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.

RESETTLEMENT (AMENDMENT) BILL 1966

THE COLONIAL SECRETARY moved the first reading of a Bill intituled “An Ordinance further to amend the Resettlement Ordinance 1958.”

He said: —The main purpose of this Bill is to provide the legal basis for a scheme designed to permit individual tenants of resettlement factory blocks to increase the electrical loading of their premises without endangering the electricity supply of the whole block.

For some years resettlement factory blocks have suffered from frequent electrical breakdowns. The principal reason for these breakdowns

has been the introduction by individual tenants, as their businesses prosper, of new and more powerful machinery with a consequent increase in their electrical loading. In some blocks, any overloading in one tenant's premises leads to a general breakdown in the electricity supply to the whole block. This causes inconvenience and financial loss to all the tenants in the block and also creates a serious maintenance problem.

The installation of bigger and better machines is of course desirable, provided that the problem of overloading can be satisfactorily and economically overcome. The solution adopted by the Resettlement Department is the provision of additional rising mains and electrical supply to factory blocks which require them, and the installation, on the premises of each tenant, of circuit breakers designed to cut off the electrical supply automatically when the electrical loading reaches a level chosen in advance by the tenant himself. In this way, adequate supply would be assured and general breakdowns affecting whole blocks would be avoided. Each tenant will pay a fee calculated in accordance with his own estimate of his electrical loading, and designed to cover the cost of the circuit breaker itself together with a proportion of the cost of the electrical installation of the block. Tenants wishing to increase their electrical loading by installing new machinery will be able to do so, but will first have to obtain a circuit breaker of correspondingly greater capacity and pay a proportionately increased fee. I would add that in all these varying cases Government will be making no profit.

When the scheme was first introduced it was thought that all tenants would welcome it because of the serious inconvenience caused by past breakdowns, and would voluntarily pay the fee proposed. However it has been found in practice that while most tenants welcome the scheme, a minority do not. It is an essential factor of the scheme that all tenants should have circuit breakers so that their electrical loading may be known and all alike may share in the cost of additional wiring in proportion to their electrical loading. Any exceptions would mean the break-down of the whole scheme. The Bill now before Council therefore provides for the compulsory installation of circuit breakers in all resettlement factory premises and the recovery of the corresponding fees.

The Bill also proposes two other minor amendments to the Resettlement Ordinance.

Sections 24 and 37 of the Resettlement Ordinance provide for plans of lands set aside as resettlement estates and cottage resettlement areas in the New Territories to be signed by the District Commissioner rather than by the Director of Public Works. Clause 4 of the Bill now before Council seeks to bring section 52 in line by providing

that amended plans of estates and areas in the New Territories should also be signed by the District Commissioner rather than by the Director of Public Works.

Clause 5 of the Bill is a general provision enabling a Competent Authority to enter into contracts with resettlement tenants for the provision of services at agreed charges.

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 widespread overloading of the electricity supply to individual resettlement factory premises has led to frequent breakdowns in the electricity supply to entire resettlement factory blocks. It has, therefore, become necessary, in order to prevent general breakdowns of electricity supplies to whole factory blocks, to install moulded circuit breakers in individual factory premises for the purposes of localizing breakdowns to the individual factory premises concerned. It would be inequitable to include the charges of installing the circuit breaker in the prescribed rent since the size of the circuit breaker required to be installed in each case depends upon the individual tenant's requirement and because the replacement of circuit breakers already installed may become necessary from time to time upon the installation in individual factories of machinery using more electricity.

2. Clause 2 of this Bill therefore seeks to amend the Resettlement Ordinance 1958 (hereinafter referred to as the principal Ordinance) by the addition thereto of section 35C to provide for the installation and replacement of moulded circuit breakers on or in factory premises. Subsection (1) of section 35C will enable a competent authority to install, whether by way of replacement or otherwise, such moulded circuit breakers as he considers necessary on or in factory premises. Subsection (2) of section 35C shall provide that where a moulded circuit breaker has been installed in premises under subsection (1) there shall be payable to the Government in respect of the installation thereof and of such rising mains and other electrical fitments as the competent authority considers necessary the charge prescribed by regulations made under section 51.

3. In some cases moulded circuit breakers have already been installed in factory premises. It is considered that provision should be made for the recovery of the cost of such installations by Government. Clause 2, therefore, seeks to include in section 35C a provision for the recovery of the cost in respect of such installations.

4. Clause 3 of the Bill seeks to amend section 51 of the principal Ordinance so as to provide that the Governor in Council may by regulation prescribe or provide for the charge to be paid under section 35C for the installation of moulded circuit breakers.

5. Clause 4 seeks to amend section 52 so that the District Commissioner, New Territories may sign amended New Territory plans, instead of the Director of Public Works.

6. The purpose of clause 5 is to make it quite clear that the competent authority has power to enter into any contract and to collect or pay out any sum or charge due thereunder. Thus, if it is desired to enter into an agreement with tenants to provide any service not covered by the Ordinance (for instance the installation of more electrical equipment), the competent authority can do so and can recover the cost.

TELECOMMUNICATION (AMENDMENT) BILL 1966

THE COLONIAL SECRETARY moved the First reading of a Bill intituled "An Ordinance to amend the Telecommunication Ordinance 1962."

He said: —The purpose of this Bill, Sir, is to enable more effective control to be exercised over electrical interference with radio communications and television.

This is a complex technical subject, but I shall try to explain the objectives in non-technical language.

There are four main sources of interference.

A common source is the ignition system of a motor car engine, which, for example, can interfere with the picture on the screen of a wireless television set. This disturbance can be satisfactorily suppressed in a simple manner by fitting suppressor units to the engine. It is estimated that about half the motor car engines in Hong Kong have already been fitted with suppressor units by the manufacturers. The remainder can readily be fitted by local garages. The units cost from \$3 to \$20 depending on the size and type of engine, so that there should be no severe financial hardship. The Motor Traders' Association and the Hong Kong Automobile Association share the official view that suppression of interference from this source would be in the public interest.

Another source of interference is the operation of electrical appliances, such as electric motors, motor starters, thermostatically controlled electric circuits, and electric lighting equipment such as fluorescent lighting. Such interference is most severe in the vicinity of the

appliance, but may also be transmitted over the public electricity supply system. Many manufacturers fit their products with suppressors, and various types of suppressor units are available commercially. Suppressor units for fluorescent lighting, for example, costs from 50 cents to about \$8.00.

A third source of interference is industrial equipment, such as plastic welders and electric arc welders. There are, I am advised, in effect radio transmitters of a valve or a spark type. Frequencies have been reserved in international frequency plans for the operation of industrial electronic equipment, but such equipment can nevertheless cause severe interference if it is not adjusted and installed carefully. I understand that suppressors costing about \$25 and proper earthing arrangements will reduce interference to within tolerable limits.

Finally there is the interference caused by radio and television receivers. Most countries which manufacture receivers have appropriate regulations minimizing the effect of this interference, and it is proposed that similar limitations be adopted here.

These then are the main sources of interference, and the number of appliances which cause such interference is increasing steadily in our expanding economy, with the result that essential telecommunications systems are experiencing serious difficulties. Such systems include the services operated by the Armed Forces, the Civil Aviation Department, the Marine Department, the Police and other Government departments, the systems operated by shipping and other private concerns, and the sound broadcasting services.

There can, I think, be no quarrel with the proposition that additional control is essential.

I now turn to the means whereby such control would be exercised.

The existing section 31(1)(c) of the Telecommunication Ordinance 1962 empowers the Governor in Council to make regulations to prohibit and control electrical and radio interference in respect of telecommunication systems. But two steps are necessary to achieve such prohibition and control. Limits of acceptable interference must be laid down, and provision must be made to ensure that interference from any apparatus is kept within these limits.

The determination of these matters is highly technical and requires specialized knowledge. Accordingly, clause 3 of the Bill would empower the Governor in Council to entrust the task of determining tolerable limits of interference, and the operation of control measures, to the Telecommunications Authority, who is Government's specialist in this field.

The clause would also empower the Governor in Council to make regulations for the entry on and search of premises, and the examination and testing of apparatus, under a Magistrate's warrant, if necessary.

There has been extensive consultation on this matter, and the measures now proposed are acceptable to the Communications Board, which includes representatives of all major users of telecommunication equipment, and to the two electricity companies.

This then is the object of the Bill before Council: to enable the Governor in Council to make appropriate regulations. But it would, I think, be desirable for me to say something about the proposed regulations, which would be submitted to the Governor in Council if this Bill is enacted. These would establish control over the manufacture, assembly, importation and use of prescribed electrical apparatus, and contain specifications which, although perhaps a mystery to many of us, will be clear to those who work in this field.

Since these regulations cannot of course become effective overnight, various periods of grace are proposed. For example, a period of 6 months is proposed before the regulations become effective in relation to selling, hiring out or installing insufficiently suppressed equipment; and a period of 12 months is proposed in respect of motor vehicle engines. Full particulars will of course be published if the regulations are made by Your Excellency in Council.

I hope, Sir, this explanation makes reasonably clear, in lay language, the purpose of the Bill now before Council. Account has been taken of the legislation in force in other countries which have experienced similar problems, and we have had the benefit of their experience in this difficult field.

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: —

Section 37(1)(c) of the Telecommunication Ordinance 1962 enables regulations to be made prohibiting and controlling electrical or radiated interference with the working of apparatus for telecommunication. Two steps are necessary to achieve such prohibition and control. Limits of interference must first be laid down and, secondly, provision must be made ensuring that interference from any apparatus when in use is kept within those limits.

2. With regard to the first step, that of laying down appropriate limits, interference may be caused in different ways. One type of apparatus may cause one kind of interference, another type may cause a second kind of interference, and yet a third type may cause more than one kind of interference. Furthermore, an apparatus which is prone towards interfering may only cause such interference, or such interference to a degree that requires control, when used within particular radio-frequency ranges and, in such a case, the tolerable limits may vary from one frequency range to another. The determination of limits of interference, therefore, is an extremely technical matter requiring a very specialized knowledge. In view of this, clause 3 of this Bill seeks to empower the Governor in Council, in making regulations prohibiting and controlling interference, to leave it to the Telecommunications Authority, who is Government's specialist in this field, to fix the actual limits of interference and the frequency ranges concerned.

3. The second necessary step is no less technical and complicated. To ensure that interference is kept within the appropriate limit (if any) necessarily involves the testing of equipment to determine whether or not it exceeds the limit. The measuring apparatus and settings to be used in such tests, the methods and conditions for making tests and the manner of computing the amount of interference depend on the type of equipment tested, its frequency range during use, the kind of interference emanating from it and its locality. For the same reason, therefore, clause 3 seeks to empower the Governor in Council, in making regulations prohibiting and controlling interference, to leave it to the Telecommunications Authority also to determine these various matters, and to constitute the Telecommunications Authority as the sole authority for the making of these tests and measurements. At the same time authority is given to the Governor in Council by this clause to make regulations for the entry on and search of premises and the examination and testing of apparatus under a magistrate's warrant, if necessary.

4. Clause 2 will ensure that the general powers of delegation in section 6 of the principal Ordinance will not enable the Telecommunications Authority to delegate to anyone the power to fix the limits of interference and appropriate frequency ranges, if such power is conferred upon him by the Governor in Council.

NEXT MEETING

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT: —That concludes the business for today. The next meeting of Council will be held on 24th August.