

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 14th August 1974****The Council met at ten minutes past three o'clock**

[Mr PRESIDENT in the Chair]

PRESENT

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR CRAWFORD MURRAY MACLEHOSE, KCMG, MBE
THE HONOURABLE THE COLONIAL SECRETARY
MR DENYS TUDOR EMIL ROBERTS, CBE, QC, JP
THE HONOURABLE THE FINANCIAL SECRETARY
MR CHARLES PHILIP HADDON-CAVE, CMG, JP
THE HONOURABLE THE ATTORNEY GENERAL
MR JOHN WILLIAM DIXON HOBLEY, QC, JP
THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS
MR DENIS CAMPBELL BRAY, JP
THE HONOURABLE JOHN CANNING, JP
DIRECTOR OF EDUCATION
DR THE HONOURABLE GERALD HUGH CHOA, CBE, JP
DIRECTOR OF MEDICAL AND HEALTH SERVICES
THE HONOURABLE DAVID HAROLD JORDAN, MBE, JP
DIRECTOR OF COMMERCE AND INDUSTRY
THE HONOURABLE LI FOOK-KOW, JP
SECRETARY FOR SOCIAL SERVICES
THE HONOURABLE DAVID AKERS-JONES, JP
SECRETARY FOR THE NEW TERRITORIES
THE HONOURABLE LEWIS MERVYN DAVIES, CMG, OBE, JP
SECRETARY FOR SECURITY
THE HONOURABLE WILLIAM COLLINS BELL, JP
DIRECTOR OF PUBLIC WORKS (*Acting*)
THE HONOURABLE ALAN THOMAS ARMSTRONG-WRIGHT, JP
SECRETARY FOR THE ENVIRONMENT (*Acting*)
DR THE HONOURABLE CHUNG SZE-YUEN, OBE, JP
THE HONOURABLE WILSON WANG TZE-SAM, OBE, JP
THE HONOURABLE LEE QUO-WEI, OBE, JP
THE HONOURABLE OSWALD VICTOR CHEUNG, OBE, QC, JP
THE HONOURABLE ROGERIO HYNDMAN LOBO, OBE, JP
THE HONOURABLE JAMES WU MAN-HON, OBE, JP
THE HONOURABLE HILTON CHEONG-LEEN, OBE, JP
THE HONOURABLE LI FOOK-WO, OBE, JP
THE HONOURABLE JOHN HENRY BREMRIDGE, JP
DR THE HONOURABLE HARRY FANG SIN-YANG, OBE, JP
THE HONOURABLE MRS KWAN KO SIU-WAH, MBE, JP
THE HONOURABLE LO TAK-SHING, JP
THE HONOURABLE FRANCIS YUAN-HAO TIEN, OBE, JP
THE HONOURABLE HUGH MOSS GERALD FORSGATE, OBE, JP

ABSENT

THE HONOURABLE IAN MACDONALD LIGHTBODY, CMG, JP
SECRETARY FOR HOUSING

THE HONOURABLE MRS CATHERINE JOYCE SYMONS, OBE, JP

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL

MR KENNETH HARRY WHEELER

Papers

The following papers were laid pursuant to Standing Order 14(2): —

<i>Subject</i>	<i>LN No</i>
Protected Places (Safety) Ordinance.	
Protected Places Declaration (Amendment) Order 1974	162
Matrimonial Causes Ordinance.	
Matrimonial Causes (Amendment) (No 2) Rules 1974	163
Supreme Court Ordinance.	
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Banking Ordinance.	
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<i>Subject</i>	<i>LN No</i>
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Declaration of Smoke Control Area (Hong Kong and Ap Lei Chau Islands) Notification 1974	168
Emergency Regulations Ordinance.	
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Hong Kong Royal Instructions 1917 to 1972.	
Standing Orders of the Legislative Council of Hong Kong ending of 1973-74 Session	170
Revised Edition of the Laws Ordinance 1965 (No 53 of 1965).	
Revised Edition of the Laws (Correction of Error) (No 2) Order 1974	171
District Court Ordinance.	
District Court Civil Procedure (Costs) (Amendment) Rules 1974	172
Public Health and Urban Services Ordinance.	
Cheung Chau Cemetery, Sandy Ridge Cemetery, Sandy Ridge Urn Cemetery and Wo Hop Shek Cemetery (Removal and Disposal of Human Remains) Order 1974	173
Sessional Papers 1973-74:	
No 69—Annual Report by the Sir Robert Black Trust Fund for the year 1st April 1973 to 31st March 1974 (published on 14.8.74).	
No 70—Annual Report by the Trustee of the Sir David Trench Fund for Recreation for the year 1973-74 (published on 14.8.74).	
No 71—Kadoorie Agricultural Aid Loan Fund Report for the year 1973-74 (published on 14.8.74).	
No 72—J. E. Joseph Trust Fund Report for the year 1973-74 (published on 14.8.74).	
No 73—Hawker Control Force Welfare Fund for the year 1973-74 (published on 14.8.74).	

Papers

Sessional Papers 1973-74:

No 74—Supplementary Provisions for the Quarter ended 31st March 1974 (Final) (published on 14.8.74).

No 75—Report on the Administration of the Fire Services Welfare Fund for the year 1973-74 (published on 14.8.74).

No 76—Report on the Administration of the Immigration Service Welfare Fund for the year 1973-74 (published on 14.8.74).

No 77—Statement of Accounts of the Chinese Recreation Ground and Yau Ma Tei Public Square for year 1973-74 (published on 14.8.74).

Oral answers to questions**Interest tax**

1. MR LOBO: —

Sir, will Government re-consider the abolition of interest tax

THE FINANCIAL SECRETARY: —Yes, Sir, the Government is perfectly willing to re-consider the abolition of interest tax or its partial abolition but, in the absence of fresh argumentation, I am quite sure that our conclusions will not differ from those in this year's budget speech. Perhaps, Sir, I may be permitted to explain why I think so.

The basic fiscal policy question is whether the recipient of income derived in or arising from Hong Kong should be expected to contribute, through tax on that income, towards the cost of financing the public services and our capital works programmes. I believe that he should, and I see no reason why income in the form of interest should be treated more generously than the three other forms of income which are subject to tax under the Inland Revenue Ordinance. Under some fiscal systems, indeed, this form of income is treated as "unearned" and taxed more heavily than income treated as "earned".

But leaving aside this basic question of fiscal policy, one might ask what would abolition of interest tax cost the revenue? Receipts from interest tax amounted to \$75 million in 1973-74 and receipts in 1974-75 are now expected to be in the region of \$100 million. This is rather higher than the budget estimate because the budget estimate

was based on a lower interest rate structure than we are now experiencing. These figures, I should emphasize, relate to the net amounts—that is to say net of rebates under personal assessments—they relate to net amounts collected by withholding the tax at source. They take no account of profits tax arising from the interest earnings of a trade, profession or business. I have no separate figures for these earnings, but the tax collected on them will probably be some \$100 million for this year. If the Government accepted a case for the abolition of interest withholding tax, then it would have to follow, I think, that interest earnings caught up in profits tax assessments would also need to be exempted from profits tax. As I said in the 1973 budget speech the loss would then be aggravated by companies moving increasingly to loan finance, and all sorts of clever schemes would be hatched up to convert various forms of income into, or disguise them as, interest earnings. It is quite inconceivable in my view that revenue losses of this order could be made good by increased profits tax on the borrowing and lending transactions that would be generated by the abolition of interest tax. So the loss of revenue would have to be made good by higher rates of other taxes or by some other levy.

Turning now, Sir, to the monetary aspects: I am well aware of the argument that the withholding of interest tax from payments of interest by banks (and finance houses) has the effect of encouraging companies and individuals resident in Hong Kong to transfer at least part of their excess liquidity abroad, with eroding effects on the Hong Kong dollar deposit base of the licensed banks and thus on their ability to finance Hong Kong's industry and commerce. But I maintain the view that interest tax is no more than a minor factor in decisions by resident depositors where to employ their funds. Apart from questions of convenience, they also have to take the exchange risk, and other risks, into account and they realize that, to the extent that higher interest rates are obtainable abroad, they reflect higher risks. In fact, deposits with the licensed banks in Hong Kong grew at an annual rate of over 20% in the first six months of this year, at a time when the banks were paying rather low interest rates compared with those obtainable abroad. This was a very respectable rate of growth and I expect it will have improved since the banks brought their interest rates more into line with international levels during July. If, indeed, interest withholding tax does influence resident depositors' decisions, it could be argued that the absence of a tax on interest earned abroad by Hong Kong residents is just as important as the tax imposed on interest earned here; and I have not heard so far any suggestion that we should impose a new tax to catch such overseas deposits. And, anyway, it would be quite contrary to the present legal

[THE FINANCIAL SECRETARY] **Oral answers**

interpretation of how our territorial source criterion should be applied to interest earnings.

Quite apart, Sir, from the very doubtful case for the abolition of interest withholding tax, there are at least two arguments against abolition. In the first place, the relief given would effectively wind up with the financial sector and the wealthier groups in our society and this would be inequitable, fiscally speaking. Secondly, the possibility would arise of non-residents switching highly volatile speculative funds into Hong Kong dollars when they decided to take a particular view of relative exchange risks and then switching them out again when that view changed. The consequences for the money supply and the exchange value of the Hong Kong dollar are obvious, and it would be irresponsible to overlook the dampening effect on destabilizing inward flows of the withholding tax.

Several suggestions have been made from time to time for a partial abolition of interest withholding tax, but the difficulties seem to rule each of these out. One of these suggestions is that non-residents should be exempted from payment of the tax, but this would present enormous administrative difficulties both for the banks and for the Inland Revenue Department, which only the existence of exchange control could overcome. In any case, as I have just said, I would not be keen to encourage volatile inflows of speculative overseas funds.

Another suggestion which has been made is that interest withholding tax should be abolished for deposits with the licensed banks. Sir, whatever restrictions should or should not be placed on deposit taking finance houses now operating in Hong Kong, I am entirely opposed to this form of discrimination in view of the damage it would cause to our developing money market.

Yet another suggestion for partial abolition and one which I myself floated in last year's budget speech is the exemption of certain foreign currency deposits. Such exemption would not, of course, solve the problem if there is one, of the conversion of Hong Kong dollar deposits to gain exemption, and the consequent erosion of the local deposit base. It would simply give the business to local banks and finance houses instead of overseas institutions. This of course is a worthy motive. But, as I reported in this year's budget speech, all the indications I have are that the number of banks which would be prepared to pay the price, in the form of profits tax on their "turn", is very small. The majority of banks and finance houses, while eager

for the prestige of a licence for a special department to borrow and lend foreign currencies and be exempt from the obligation to withhold tax on interest paid on deposits, would in practice continue to act simply as intermediaries in the placing of such business in other centres where it attracts neither interest tax nor profits tax. Until I am satisfied that a very substantial flow of income assessable to Hong Kong profits tax would be generated, I do not think that the setting up of the necessary machinery for these special departments would be justified.

Reports in the Chinese press

2. MR WU: —

Sir, does an adequate system exist to ensure that non-Chinese reading top Government officials are well briefed on reports and opinions of topical interest in the Chinese press?

SECRETARY FOR HOME AFFAIRS: —Yes, Sir. The system is quite good and we have improvements in mind.

The Information Services Department circulates a weekly English-language review of Chinese press comment and reports on matters of interest to Government for the information of senior officials. The material for the review is culled from 25 morning and afternoon Chinese papers. Special daily reports on particular issues are also produced as and when necessary. In matters of urgency requiring immediate attention, the departments concerned are first given a verbal report over the telephone and then more detailed written reports. Background information papers on press reports and comments on issues which are likely to become controversial are also compiled for reference by senior Government officials.

The department also brings to the attention of Government departments letters to the editors in both the English and Chinese press which require attention of the departments concerned.

In addition, most Government departments monitor reports and comments in the mass media on matters of departmental interest in order that appropriate action may be taken.

In spite of all this I am conscious that the impact of gestetnered translations and summaries may not be the same as that produced by the daily papers read direct. A proposal to correct this by the production

[SECRETARY FOR HOME AFFAIRS] **Oral answers**

of a daily tabloid comprising translations from the media is being examined. It should be a great improvement if it does not cost too much.

MR WU: —Sir, assuming that the Government officials have been fully briefed, what effective steps can be taken to explain Government's position in controversial matters?

SECRETARY FOR HOME AFFAIRS: —I think this goes way beyond the subject of the question which was do we supply translations. Translations certainly are supplied and the action taken depends on the context of each subject dealt with.

Safeguard of Hong Kong funds

3. MR BREMRIDGE: —

Sir, in view of the criticism of the investment and lending policies of the Crown Agents, will Government take steps adequately to safeguard such Hong Kong funds as are in their hands?

THE FINANCIAL SECRETARY: —Sir, I think my honourable Friend must be referring to the disquiet expressed in some circles in recent years and indeed again in recent weeks about the way in which the Crown Agents have been investing their own funds. I know of no criticisms of the way in which the Crown Agents have managed their principals' funds. Certainly, this Government has always been entirely satisfied with the way in which they have executed their instructions; and their performance in the market (and the quality of their advice) compares favourably with other institutions we use in London and elsewhere.

MR BREMRIDGE: —Sir, if Government is so satisfied—and I am surprised to find the Financial Secretary's reply so reassuring—what is the purpose behind the recent statement of the Minister of Overseas Development in the House of Commons about the future of the Crown Agents?

THE FINANCIAL SECRETARY: —Sir, I am grateful to the honourable Member for this supplementary question because it gives me the

opportunity of circulating a copy of the Minister's statement, and I shall do this as soon as possible. It was in fact a written reply to a question about the role and structure of the Crown Agents but, briefly, the Minister was simply announcing that Her Majesty's Government had decided to replace the Crown Agents with a Board of Crown Agents consisting of a Chairman and up to seven part-time members. This Board, as I understand it, will be responsible to the Minister for Overseas Development for the organization and general administration of the Crown Agents' business. Whilst she intends—the Minister is a lady—whilst she intends to give the Board directions regarding financial operations on their own account, the Minister stressed—and I quote her words "that there will be no change in the relationship between the Board of Crown Agents and its principals". In other words the Minister has no intention of giving directions to the Board which would interfere in any way with the Board's ability to carry out the instructions of its principals.

Lodging complaints at Government hospitals

4. DR FANG: —

Sir, can effective facilities be introduced for lodging complaints at Government hospitals?

DR CHOA: —Sir, facilities for lodging complaints do exist. All hospital wards are visited regularly by members of the medical and nursing staff who are always ready to receive complaints from patients. In each major hospital, suggestion boxes are placed at various points for the use of the public. They are opened by the Hospital Secretary and the contents submitted to the Medical Superintendent. From time to time, complaints are also addressed to me personally or the department's headquarters. Short of inviting patients or their relatives to make complaints, it is difficult to see what further steps can be taken. I may add that at whichever administrative level they are received, all complaints are fully investigated and dealt with accordingly.

Companies (Amendment) Bill 1974

5. MR LEE: —

Sir, in view of the importance of the Companies (Amendment) Bill 1974 will Government draw its provisions to the attention of all companies affected by distributing through

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the Registrar of Companies a circular in both Chinese and English to explain the new requirements?

THE FINANCIAL SECRETARY: —Sir, I can readily agree with my honourable Friend that the provisions of this bill ought to be widely understood, but I doubt whether it is possible to produce a more informative analysis than that already contained in the explanatory memorandum to the bill.

The explanatory memorandum has been published in both English and Chinese. To the extent that the bill is amended during its passage through this Council it will be necessary, of course, to amend the explanatory memorandum. This will be done and immediately, and I suggest my honourable Friend's point about publicity can best be met by my arranging for copies of both the English and Chinese versions of the explanatory memorandum (amended as necessary) to be available on request free of charge at all City District Offices, public enquiry counters and at the Companies Registry.

Tipping in Government hospitals

6. MR CHEONG-LEEN: —

Will Government take early steps to investigate reports of "enforced tips" being paid by patients in third-class wards of Government hospitals?

DR CHOA: —Sir, all patients are given a form on admission to hospital which states that no member of the hospital staff is permitted to receive any gratuity or present from a patient and that any such request must be reported to the Medical Superintendent of the hospital or to the Director of Medical and Health Services. Large notices to this effect are also displayed in all the wards.

Any such report of "enforced tips" is always fully investigated and when appropriate, it is referred to the Independent Commission Against Corruption.

MR CHEONG-LEEN: —Sir, approximately how many reports were, for this year, put to ICAC and its predecessor?

DR CHOA: —Sir, since the beginning of this year we have had thirteen letters of complaints, three of which were through the press. Of these, most were anonymous. Regrettably, therefore, I couldn't possibly have had more than one or two referred to the ICAC.

Pedestrian bridge across Lung Chun Road

7. MR CHEUNG: —

Sir, will Government provide funds and give priority to the construction of a pedestrian bridge across Lung Chun Road for the use of residents of the squatter resite area opposite the Wang Tau Hom Resettlement Estate?

MR BELL: —Sir, the need to provide a temporary footbridge across Lung Chun Road linking Wang Tau Hom Resettlement Estate and the squatter/resite area has been recognized, and the construction of this temporary facility is now under way. Completion is expected by the end of this month. A permanent facility integral with the flyover will be provided as part of the Fung Mo Interchange project, the construction work of which is expected to be completed early next year.

Street lighting in industrial areas

8. MR TIEN: —

Sir, is Government aware that some streets in industrial areas such as Kwai Chung have remained without street lighting for up to 2 years? Does Government admit that this causes inconvenience and also increases the risk of burglary?

MR BELL: —Sir, in new development areas including new towns in the New Territories street lighting installations for the industrial areas are generally carried out in phase with building development and high priority is given to these installations in the street lighting programme. In the case of a large developing industrial area such as Kwai Chung Area 29, this usually takes a number of years to complete. It is however anticipated that weather permitting the street lights in this area will be switched on next month.

On the second point, whilst I agree with my honourable Friend that the lack of street lighting causes inconvenience and increases the

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risk of crime, for reasons of expediency the implementation of street lighting schemes must be carried out as part of a phased and continuing programme, having regard to general economies and the resources of the power companies who install and own the equipment. But as I have already stated implementation follows closely behind development as far as possible.

Prevention of triad activity among students

9. MR CHEONG-LEEN: —

What steps are being planned in the coming months to seek the co-operation of all school headmasters and teachers to prevent triad activity from infiltrating among school students?

SECRETARY FOR SECURITY: —Sir, from the outset I should say that from the information available to the Royal Hong Kong Police Force, the Director of Home Affairs and the Director of Education there is no evidence of any measurable penetration by organized triad elements of schools. There are individual triad society members in some schools; this presence while disturbing and undesirable stems in most cases from individual students having joined illegal societies outside schools and school hours.

In the interest of promoting a more balanced awareness of the triad schools problem, police have already initiated a series of discussions with school principals. In Hong Kong Island, in June, a total of 78 school headmasters took part in two separate meetings chaired by divisional police representatives to discuss triads in schools. In the New Territories between May and June two similar meetings were held, attended by 140 headmasters, while in Kowloon, plans are in hand to hold further meetings.

The Superintendent of the Triad Society Bureau, by request, in May 1974, addressed a full meeting of the Hong Kong Private Anglo-Chinese Schools Association on schools and triads.

In a further bid to create a balanced awareness of this potential problem, educational television at primary school level includes within its social studies guidance to students on how to report crime, including violent crime and triad activities.

Again, via the mass media, police, teachers, parents and community leaders took part in a special edition of Radio Hong Kong's programme, "Needle Point" on the subject. These arrangements will continue.

MR CHEONG-LEEN: —Sir, as schools re-open in September, for how long will these programme measures continue operating?

SECRETARY FOR SECURITY: —Sir, it is the intention that this programme of communication between the Triad Bureau of the Police Force and headmasters will be a continuing process which is not maintained only at the beginning of the school year, but throughout the year.

Water supply to resite areas

10. MISS KO: —

Sir, when will Government provide proper water supply to all resite areas which are in lack of this service such as Kowloon Bay resite area?

MR BELL: —Sir, in accordance with the 1964 White Paper on Review of Policies for Squatter Control, Resettlement and Government Low Cost Housing approved by this Council on 30th September 1964, water standpipes are provided in all licensed areas at a ratio of one to every 500 persons, and this has in the past been found sufficient for the residents' needs.

However, it is apparent from the number of illegal pipes installed in these areas that many residents want individual supplies and are prepared to pay for them. The Housing Authority has therefore recommended, and Finance Committee of this Council has recently approved, the provision of funds for the installation of a full reticulation system providing an individual supply to each family. This will be provided in all new licensed areas, and in existing areas where present arrangements are unsatisfactory. Work on the first scheme will start in Kowloon Bay within this month.

MISS KO: —Sir, may I ask when this first scheme will be completed?

MR BELL: —Sir, it should be completed within three months.

Oral answers**Reclamation plans**

11. MR FORSGATE: —

Sir, will Government report progress on plans for reclaiming the seafront west of the Central District?

MR BELL: —Sir, the proposed Western Reclamation, which will provide some 79 acres of reclaimed land along the Connaught Road West water-front, was gazetted under the Public Reclamations and Works Ordinance in July last year. A total of five objections have been received and are now being considered.

Electricity supply to resite areas

12. MR CHEONG-LEEN: —

What further steps can be taken to speed up the installation of electricity supply lines to the residents of all resite areas?

MR BELL: —Sir, in accordance with the 1964 White Paper on Policies for Squatter Control, Resettlement and Government Low Cost Housing, approved by this Council on 30th September 1964 only minimum of essential services were to be provided in licensed areas. This amounted in practice to the provision of street lighting only. No domestic electricity supplies were provided nor was this an unreasonably harsh arrangement in those days. However, in recent years, the demand for electric power for lighting, television, refrigerators *etc.* has led to this being installed illegally in most licensed areas.

Since its formation last year, the Housing Authority has reviewed the 1964 policies and recommended, in April this year, that an individual supply be provided to each household in every licensed area. The necessary funds to start this programme were approved by the Finance Committee of this Council last month.

Details of the first phase of the electrification programme for existing areas, involving the installation of an overhead supply system in six licensed areas are now being finalized, and work will start before the end of this month. Other areas will be tackled thereafter.

Until a proper supply is made available, residents of licensed areas are urged not to tap electricity illegally. This is dangerous and can, and has done recently, lead to tragic accidents.

Meanwhile, all areas are being examined with a view to removal of particularly dangerous wires.

MR CHEONG-LEEN: —Sir, can an assurance be given that all phases of the electrification programme will be completed within the coming 18 to 24 months?

MR BELL: —Sir, the funds provided were in fact for a two year programme and the works included in that will be finished within this two year period.

Electricity for licensed areas

13. MR LO: —

When did the Housing Authority inform the Government of its decision to install proper electricity supplies to licensed areas and when did the Government first seek funds from this Council for that purpose?

MR BELL: —Sir, the answer to the first part of the question is 24th April 1974, and to the second, 17th July 1974.

Government business

Motions

MAGISTRATES ORDINANCE

THE ATTORNEY GENERAL moved the following motion: —

That the Magistrates (Administrative) (Amendment) Rules 1974, made by the Chief Justice on the 11th July 1974, be approved.

He said: —These rules amend the Magistrates (Administrative) Rules so as to simplify the records kept by the magistrates in respect of the cases coming before them.

Question put and agreed to.

**The Further Development of Medical and Health Services in
Hong Kong**

Resumption of debate on motion (17th July 1974)

Question proposed.

MR LOBO: —Your Excellency, as the first of the Unofficial speakers on the White Paper on the Further Development of Medical and Health Services in Hong Kong, tabled in this Council last month by my honourable Friend the Director of Medical and Health Services, I would like to take the opportunity on behalf of my Unofficial colleagues to congratulate him and his staff on the achievements of his department. Bearing in mind the enormous increase in population, and the great demands made on the medical services, and the shortage of doctors, what has been achieved is a tremendous tribute to those dedicated members of the staff who have shouldered the burden. Time does not allow me to go into these achievements at great length but, to mention only two, there has been the near elimination of the major menace of tuberculosis and the high degree of freedom from communicable diseases.

For the record, and short of declaring an interest, I must say that I was, of course, a member of the Committee which produced the original Green Paper known as the Rodrigues Report. It may, therefore, seem somewhat strange that I am now speaking on the White Paper, being also a member of the Medical Development Advisory Committee. However, I am now speaking as a Member of this Council and also as the Convener of a special *ad hoc* Committee which my Unofficial colleagues set up to look afresh at the various priorities and programmes in the light of public comments and of our own deliberations.

Whilst my colleagues will be speaking more specifically on certain aspects on the future development of medical and health services in Hong Kong, I would like to begin by saying that we accept this paper in principle and welcome the major steps forward for which it provides. We welcome too the assurance given to us that it is to be subject to annual review by the MDAC in the light of changing needs and circumstances; and we feel sure that valid comments from the medical profession and from the members of the public will be taken into consideration during such reviews. We have noted that changes have indeed already been made from the Green Paper based on public opinion and expert advice.

We appreciate that the primary factor governing the implementation of this massive programme is the financial implication. We have heard comments such as "too little and too late". But it is impossible to satisfy all our needs at once. One cannot look at the matter simply on the question of the cost of this programme alone—that is to say, the \$690 million capital expenditure and \$800 million recurrent expenditure for Phase I at mid-1974 prices. This programme has to be related to other developments including mass transit, highways, new towns, housing and education. Some would argue that less should be spent on transport, which is to cost \$1,350 million over the next four years, and more on medical. Others may see education as being the top priority. I do not seek during the course of this debate to enter into controversy over relative priorities, but merely to point out that we cannot achieve all our targets in all the fields overnight. But what is said in this White Paper which proposes major advances is that the money must be found for it.

One important feature of this plan is its flexibility which makes it possible for the programme to be altered and priorities adjusted, if necessary, in the light of changing needs and circumstances.

We have noticed that the White Paper lacks information on accident service. We would like to emphasize that ambulance services in particular should be looked into as a matter of priority and the service modernized with up-to-date organization and equipment. We hope too that it will be possible to station at each ambulance paramedical staff with a higher degree of medical knowledge than existing crews and to introduce a system of two-way communication between the ambulances and the regional hospitals so that casualties could be better attended to *en route* under expert instruction. At the same time this will enable the receiving centres to be more aware in advance of the details of incoming cases, so that preparations could be made for reception and for the necessary emergency action.

This is not a criticism of the good work undertaken at present by the crews of our ambulances. However, since there are over 125,000 patients carried each year, or about one every 4 minutes, one must certainly see that there is justification in improving in every way possible the standards of service reached which is vital and which is indeed a matter of life and death.

Sir, with those remarks, I am pleased to support the motion.

MR CHEONG-LEEN: —Sir, I rise to express support for the broad objectives of the 1974 White Paper on Medical and Health Services.

[MR CHEONG-LEEN] **Motions**

There are 13 objectives listed in the White Paper, the first of which is to "build new hospitals and clinics to meet expected population growth".

New Hospitals

This of course is a highly laudable objective since so far our major problem has been to build new hospitals and clinics "to catch up" with current population, let alone plan for further population growth, which keeps on adding at the rate of over 100,000 per year,

In the development programme, it is planned to build another four hospitals with a 4,100 bed capacity, plus the completion of the Princess Margaret Hospital.

The White Paper has projected an increase in hospital beds from 17,387 at the end of 1972 to 27,495 beds at sometime during the 1980's. This represents an increase in the ratio of beds from 4.25 beds per 1,000 population in 1972 to 5.5 beds, as and when the East Kowloon Hospital is built.

However, such planning is based on an assumed population of 4.96 million by 1982 which seems to be rather on the low side, especially since our present population is about 4.3 million. In any event, the development plan will be subject to annual review and annual adjustment where possible.

As an industrial city that is progressive and internationally known, Hong Kong should aim to have hospital facilities and services that are second to none in this part of the world.

Polyclinics and General Clinics

Complementary to the hospital building programme is the expansion of the number of polyclinics and general clinics.

A review has been made of the location of both types of clinics to conform with the guiding principle of providing medical and health services on a regional basis.

Present proposals for the development plan are to build 6 new polyclinics and another 6 general clinics, plus the reprovisioning of 4 existing clinics.

It is quite probable that these proposals will fall short of the mark in providing reasonably adequate clinic facilities, especially if the regional approach is to be adopted and a standard urban clinic is to be established for every 100,000 of urban population.

The only queues which are longer than Jockey Club queues on racing days at Happy Valley are the queues of patients at Government clinics, where queuing time is often longer and pain-enduring.

The building of different types of clinics must proceed with utmost speed, and existing clinic facilities be improved continuously so that they are put to maximum use to reduce queuing congestion and long waiting hours. Furthermore we must not under-estimate the requirements of people who will be living in the new towns and new housing estates.

Doctor Shortage

Naturally, as the number of hospitals and clinics increases, there will have to be a corresponding expansion in the supply of doctors.

Government has now decided to establish a second medical school at the Chinese University and a dental school at the University of Hong Kong.

However, the general public is under the impression that there is still a shortage of doctors in Government service, and that it is a great pity and a serious loss to the community that the services of several hundred non-Commonwealth medical graduates who are banned from practising cannot be put to good use in Hong Kong.

It was reported in the press last week that the ratio of doctors to the population in Hong Kong was one to 1,460 whereas the ratio in Japan was one to 800 and in Taiwan one to 900. If these figures are correct, it would seem desirable that Government should take another long, hard look at the present position and come up with a practical solution to make fuller use of non-Commonwealth doctors who can be tested for acceptable standards of medical training for the purpose of local recognition only.

It does seem to be an anomaly that Government should allow Chinese herbalists and acupuncturists to practice their healing art without any restriction whatsoever, while non-Commonwealth medical graduates with 5 to 7 years' training or more are not permitted to practise in Hong Kong.

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My colleague, the honourable Dr FANG, will be putting forward certain specific suggestions later on during the debate, and I hope that Government will give careful consideration to his suggestions as well as the views of the Hong Kong University and the two medical associations on this matter.

Meantime it would certainly do no harm for the non-Commonwealth doctors to exercise dignity and restraint in seeking a solution to their problem.

Sir, I have pleasure in supporting the White Paper, subject to it being reviewed annually in the light of public need and economic circumstances.

MR F. W. LI: —Sir, I support the motion for the endorsement of the White Paper, "The Further Development of Medical and Health Services in Hong Kong". Like my honourable colleague Mr LOBO, I must also, for the record, declare an interest in my capacity as a member of the Medical Development Advisory Committee; although I now speak as a Member of this Council.

The proposals in this White Paper are far-reaching in the scope of medical service for the people of Hong Kong in the next two decades. Under the present circumstances, I consider its approach reasonable and realistic. The scheme is also flexible, in that it is planning for the basics to be completed by 1984 and leaving the remaining essentials for a later stage.

I welcome the concept of the organization of the medical and health services on a regional basis in order to ensure better availability and access to each population centre, both old and new.

It is disappointing however that the ratio of 5.5 hospital beds per 1,000 population as recommended by the Medical Development Advisory Committee will not be achieved by 1982 and that this figure is accepted by Government only as a desirable one for long-term planning purposes. The White Paper states that this target is to be reached over a longer period, but how long a period is not indicated specifically. It is my fervent hope that this ratio can be achieved sooner, by means of making use of every available bed in Government and Government-assisted hospitals during the interim when the new

hospitals are being built. I note that whilst there is a great deal of overcrowding in Government hospitals, the occupation rates in the majority of Government-assisted hospitals are lower than desirable. What are the reasons for this situation? Is it due to the standard and quality of service? I strongly urge that a study be made with a view to making possible a more even use of beds available.

The proposal for the new integrated arrangements for third class beds is a very hopeful one indeed. When the recognized hospitals are standardized as to services and charges, the question of subvention will require some changes from the present arrangements. It may well be feasible to subvent all those Government-assisted hospitals of recognized and acceptable standards on the basis of deficiency grants. In this way, all the employees of these hospitals will naturally receive equal pay for equal services rendered and the problem of disparity in the standard and quality of service should become non-existent.

Here, I would like to support Government's proposal of free medical treatment for third class patients, but with a uniform fee for subsistence and a special remission scheme in case of need. With regard to certain traditional charitable hospitals, I agree that some mutually acceptable arrangement must be made in the public interest. It is my opinion that a small fee, however small, adds value to services received and also gives an otherwise charitable patient some pride by removing the stigma of being a free patient. For some unfortunate reason, the staff in Government medical institutions do not always realize that they are members of a dedicated profession, as well as members of the civil service. As such, in place of their rather arrogant and superior attitude towards the patients, who incidentally are taxpayers, they should show courtesy, civility, concern and compassion. I hope, Sir, that continuing education courses to this end will improve this deplorable situation. As to complaints of tips squeezed out of patients for services required, this long standing practice should be thoroughly investigated and remedial steps taken at once. I realize that generalizations are dangerous and there are always many exceptions to the rule. I should like, however, to emphasize how essential it is that qualitative as well as quantitative improvement in medical services and personnel must be aimed at. It is not enough to build more hospitals and clinics alone; it is vital to establish the goodwill and good treatment within these buildings.

On the subject of quantity, the shortage of doctors and nurses is cause for grave concern. In view of the heavy Government subsidy for training of medical students, I feel that it would be quite reasonable

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for Government to make it mandatory for all new graduates to serve in Government hospitals and clinics for a certain number of years before moving into private practice. In some countries, private practitioners and specialists are asked to take time off from their practice to work part-time in Government clinics, at proportionate Government salaries or nominal remuneration. Perhaps, if appealed to, there would even be a greater response to serve the community free of charge. Would this be one possible temporary solution to our immediate problem until such time as the supply of doctors and nurses becomes adequate? I shall leave the issue of making fuller use of non-Commonwealth medical graduates in Hong Kong for my honourable Friend Dr FANG to speak on in detail.

It is indeed gratifying to note Government's substantial participation in family planning, as well as in the treatment of drug addiction. I very much hope that we will see increased Government liaison with the voluntary agencies concerned in both fields for the purpose of mutual benefit and successful achievement.

My honourable Friend, the Director of Medical and Health Services, has emphasized that the development programme will be kept under annual review and that Government will proceed as rapidly as it can in the implementation of all the proposals to ensure a steady improvement in medical facilities. This is extremely reassuring.

Finally, Sir, whilst I fully appreciate that we must tighten our belts and that there are many other competing claims on Government's resources for capital and recurrent expenditure, I feel that this medical scheme should be given the fullest support and top priority. The health and welfare of our people are of the greatest importance.

Miss KO: —Sir, in the White Paper, the importance of maintenance of public health is stressed. It is very clear that the community nursing service can play a very essential part in public health services. Through the community nursing service, patients could be encouraged, with the help of their families, to contribute to their own rehabilitation; relapse of illness could be prevented by providing nursing care and health education to patients within their own homes. At the same time the family could be educated in preventive self-care, thus possibly avoiding the necessity for hospitalization. Through the community nursing service, patients could also be enabled to return home soon after intensive medical treatment, and this would lead to an economy

in the use of hospital beds. Home nursing care could also be provided for patients whose general condition is unsuitable for out-patient attendance, thus relieving overcrowded out-patient departments as well.

According to the experience of some small scale experiments in Hong Kong, it has been found that the community nursing service is not only feasible, but is also welcomed by the service-consumers, especially in caring for babies and the aged.

I understand that there are some problems in expanding this programme colony-wide due to the lack of funds and the lack of qualified nurses, *etc.* Since this programme is a very valuable service, I would suggest that before it is possible to have a comprehensive programme, the Government would consider substantial subsidy to private hospitals or voluntary agencies who are recognized to be capable to start pilot schemes in their districts.

Owing to the increase of medical and health service and hospital beds, there would no doubt be a great demand for more medical social workers. It is hoped that in-service training service for medical social workers could be provided for all those serving in private hospitals in the future.

In addition, population growth has been considered as the greatest danger to social progress and development including medical and health services. I therefore would like to submit that the time has come to give further consideration to a population policy for Hong Kong.

Sir, together with other Unofficial Members, I have pleasure to support the motion.

MR TIEN: —Sir, while the White Paper recognizes the importance of expanding the industrial health service to a full occupational health service, which is at best advisory and educational in the preventive field, it appears to be less precise in regard to the clinical aspect in its measures to improve the casualty and accident service.

Some reference was made to the possible re-organization of the casualty and accident service which in itself will depend on the outcome of detailed investigations which have yet to be launched until the proposed integrated hospital structure has been established.

It would have given us some real consolation if the White Paper could be more positive in its approach to emergency service—from ambulance service to emergency treatment. Acknowledging the fact

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that control of ambulances is in the hands of the Fire Services Department, I suggest that it could be brought within the purview of the White Paper to obtain co-ordinated progress of an enhanced medical service.

There are over 600,000 persons in the local population engaged in the manufacturing industries. The number of occupational and industrial accidents has now reached more than 30,000 a year, of which there must be a substantial proportion that occurred in industries.

With the high cost that we have to meet in order to provide better and more adequate medical and health services, it is thought that the interests of the industrial workers deserve more attention.

We have a workmen's compensation system in force but it is a weak remedy, as no amount of money can recompense the physical sufferings of the recipients. Once an accident happens, the victims are helpless and the hope of surviving or being spared of disablement is pinned on the medical treatment that is given in the precious early moment. It is therefore my firm belief that the provision of an adequate and efficient accident service supported by an adequate and well trained ambulance service, the cost of which could not reach any significant proportion in the overall project, should receive high priority.

With these remarks, Sir, I support the motion.

DR CHUNG: —Your Excellency, in joining my Unofficial colleagues to comment on the White Paper on Medical and Health Services, I wish to raise two points.

The first point concerns the forgotten middle class. At present, Government hospitals have three classes. The third class patients receive completely free medical treatment and pay only a few dollars per day for food. The first and second class patients, unless they are employees of Government, pay not only daily subsistence but also fees for examinations, tests and operations. The gap in charges between the third and the second classes is, in my opinion, already too great and there are rumours that this gap would further be widened. In addition, it is generally known that the provision of second class beds in Government hospitals is very inadequate and, unless one is in the civil service, it is very difficult, if not impossible, to gain admission to second class wards for medical treatment.

With the emergence of an increasing middle class in the community of Hong Kong, there are rising numbers of patients who want a better service than the third class in Government hospitals. If they are fortunate enough to be admitted they have to pay the high charges demanded for the second class wards in Government hospitals, not to mention the rate that would have been required by the private doctors. These middle class people are not only tax-payers but also fast becoming the backbone of our society. Yet regrettably they are the forgotten ones in this White Paper on the Further Development of Medical and Health Services in Hong Kong.

My next point is about the training of an additional 100 qualified doctors per annum in the early 1980s. The University and Polytechnic Grants Committee has advised and the Government has accepted that the new medical school should be sited at the Chinese University. Whilst I support this decision, I wish to draw the attention of Government to a few aspects.

There is no dispute that it would be essential for the Medical School of the Chinese University of Hong Kong to be open to candidates from both Chinese Middle Schools and Anglo-Chinese Schools. However, the proposal on admissions put forward by the UPGC is rather undesirable for a number of reasons. The UPGC proposed that admissions to the medical school should also be chosen from those who had successfully completed the first year at the Chinese University of Hong Kong. As a result, entrants to the medical school would consist partly of students from the Chinese University of Hong Kong first year and partly of students entering from outside the Chinese University of Hong Kong who had passed the appropriate "A" level examinations.

The UPGC has recognized that one of the major problems of such a peculiar admission system is to avoid favouritism being given to the internal candidates and for this reason the appointment of a Medical Admissions Committee was suggested. Even then I, with respect, anticipate difficulties in the work of this committee.

However, an equally important aspect of this mixed admission of internal and external candidates is the extravagant use of public funds. Honourable Members are no doubt aware of the tremendous difference in the cost per student per year between the Chinese University of Hong Kong and the Chinese middle schools. It is \$22,000 versus \$4,000, a ratio of more than 5 to 1. In view of the repeated concern expressed in public recently by the honourable Financial Secretary on the fast and vast increase in Government expenditure, it seems appropriate for

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me, Sir, as a member of the Finance Committee of this Council, to suggest that consideration be given to establishing Upper Form 6 classes (or sometimes known as Form 7) in Chinese middle schools so that admission be confined to only external candidates. Whilst we are still on this subject of "cost-effectiveness", looking on a wider horizon, I believe that it is time for the Chinese University of Hong Kong to reconsider its 4-year system with a view to changing it to the more economical 3-year system as practised in the Hong Kong University.

Since graduates of the Chinese University of Hong Kong Medical School should be and would be recognized by the British General Medical Council as expected, it is presumed that the medical curriculum and the teaching language would be almost identical for both the Chinese University of Hong Kong and the Hong Kong University. It is therefore desirable, for reasons of fairness, effectiveness and efficiency, that there should be common matriculation examinations for both universities in Hong Kong taken at the same time.

With these comments, Sir, I support the motion before Council.

DR FANG: —Sir, my Unofficial colleagues who spoke before me have already touched on various aspects of the White Paper on Development of Medical and Health Services in Hong Kong. As the last speaker among them, I hope I may be permitted to deal with some of these points in greater detail and to draw attention to one or two other allied matters. I will confine my remarks to five major aspects—the supply and training of doctors and nurses, community nursing, provision of rehabilitation facilities and Government's subvention policy towards voluntary organizations.

Supply of Doctors

The White Paper points to a shortage of some 500 doctors by 1982. Government's acceptance of the need to establish a second medical school at the Chinese University of Hong Kong to meet part of this essential requirement is therefore to be welcomed. However, the first batch of students from this school could not be expected to graduate—even if everything goes according to plan—until 1984, which is ten years from now. Sir, we simply cannot afford to wait that long: some stop-gap measures must be adopted in the meantime to meet part of this shortfall. I wish to recommend the adoption of two measures.

Firstly, the second medical school at the Chinese University must be started as a matter of urgency. I suggest that students be taken in at matriculation level—that is after Form VI—instead of after Upper Form VI. This would not only save one year but should reduce Government expenditure as pointed out by my honourable colleague, Dr S. Y. CHUNG. But there is yet another more important step which we can take in this race against time, namely, to secure an alternative to the proposed teaching hospital at Sha Tin. The Princess Margaret Hospital at Lai Chi Kok will be functioning by 1975 but not all its buildings can be brought into use immediately. Part of its facilities could be put to very good use to provide clinical teaching for medical students, until such time as the Sha Tin Teaching Hospital is ready. This would save at least three years of waiting and should ensure graduates from the second medical school well before 1984.

Another source of supply is to make fuller use of the many non-Commonwealth medical graduates who are already in Hong Kong. This is a valuable and readily available source of expertise which can be tapped without too much outlay on Government's part. It will be necessary to establish an acceptable system of registration and I suggest that the University of Hong Kong be given the mandate to hold external examinations leading to a Licentiate in Medicine and Surgery of an equivalent standard to the M.B.B.S. These examinations should be held at regular intervals, in either English or Chinese as the candidate prefers, so as to enable all those who claim to have medical qualifications to become registered for practice in Hong Kong. This would also be one way of attracting young Hong Kong people who have gone abroad and qualified but who cannot at present return to practice here because their qualifications are not recognized locally. In connection with the proposed Licentiate, some of the non-Commonwealth graduates may require refresher courses before sitting for the examination. I suggest that the University of Hong Kong should be asked to run these courses. This arrangement appears to fit in well with a recommendation by the Universities and Polytechnic Grants Committee that the University of Hong Kong should formulate a scheme to train at least a third of the required medical teaching personnel for the second medical school. It would surely be killing two birds with one stone if these teachers could also conduct the necessary refresher courses for the non-Commonwealth graduates who wish to sit for the local licentiate examination.

I appreciate that recognition of the proposed Licentiate by the General Medical Council of the United Kingdom might well be difficult but as this is to be a local registration only, such recognition

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should not be necessary. Such a scheme is already in operation in other South East Asian countries and the advantages of it are manifold. I therefore strongly commend it to Government. In case my honourable Friend the Financial Secretary is worried about the cost, let me assure him that this should be largely self-financing since the expenditure involved can be recovered by way of fees. In any event, it is likely to cost only a fraction of the amount required to put a student through medical school. Whilst on this subject, I suggest that in view of the considerable investment of public money involved in training medical students, it would not be unreasonable to require them to serve a minimum number of years in the public service upon completion of their internship. I understand that this is already been done in Malaysia. A similar undertaking could be considered for those attending refresher courses prior to sitting for the Licentiate examination but this depends on the final arrangements and the method of financing.

Nurses

Passing on to nursing, the White Paper states that when the Princess Margaret Hospital and the New General Hospitals at Sha Tin and Tuen Mun are completed, the additional requirement for general nurses is expected to be 1,700. The paper also estimates a shortfall of some 600 general nurses, even assuming that the two existing general nurses training schools continue to operate at full capacity. It is not clear whether the term "general nurses" includes both registered nurses (with 3 years training) and enrolled nurses (with 2 years training). Government at present operates three training schools for nurses, two for registered nurses at the Queen Mary and the Queen Elizabeth Hospitals, and one for enrolled nurses at the Kowloon Hospital. The last has a capacity of 180 candidates a year for the two year course, but it would appear from the Green Paper that only about half of these places are filled. With the recent revision of salary scales for this group of nurses, one would expect that the recruitment rate would be greatly improved.

I now come to the MDAC proposal to relax the mandatory requirement of two science subjects for registered nurse training. The registered nurse, as she is being trained today, is the first level nurse in Hong Kong and it is from this pool that we must look for Hong Kong's future leaders in the nursing profession. I believe that the

Nursing Board was right in introducing a higher entry standard in 1967. The two science subjects may be any two of the following five subjects: mathematics A or B, general science, chemistry, physics or biology. With the continuing improvement in medical science and technology, the demands upon the nursing profession are considerable. They must understand, for example, the normal biological activities of the body and their effects, the electrolyte and acid base relationships, the significance of changes of gases in the blood, and so on. A science background is a necessary prerequisite if these first level nurses are to work side by side with the doctor to provide comprehensive and efficient medical and nursing services for the people of Hong Kong. I feel a relaxation of the entry requirement could be a retrograde step which should not be taken without the most careful consideration of the consequences, particularly as it is by no means certain that this is an obstacle to recruitment and the fact that a working grade of nurses already exist in the form of the "Enrolled Nurse".

I must also stress that with the proposed new training school for nurses, there must be a corresponding increase in the number of tutors and clinical instructors of which there is already a shortage. One of the reasons for this shortage is the lack of promotion prospects for those who do not choose to become administrators. I believe that the administration of nursing profession should be reviewed to improve promotion prospects for professionals and to ensure a better deployment of trained staff. At present, promotion prospects are limited to administrative posts only. This means that on promotion, the expertise of a specialist nurse, often trained at considerable expense to the public purse, is lost to the community at large. A good specialist nurse does not necessarily make a good administrator, and some may choose to remain in their specialized field. I recommend that Government considers a similar career structure for the nursing profession as for the medical profession, that is to say, two distinct promotion streams, one for the administrators and the other for the specialist nurses.

Community Nursing

Complementary to the views expressed by my honourable colleague Miss Ko on the question of community nursing, it is highly regrettable that Government feels unable to introduce such a service within the foreseeable future, ostensibly because of staff shortage. I find this somewhat difficult to accept since there is a ready-made reservoir of expertise available for this purpose. I refer to the large number of qualified and registered nurses who are not practising because the rigidity of the hospital schedules interferes with their family life. With

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community nursing, a flexible working schedule could easily be devised to meet individual needs. Consequently, there should be no dearth of suitable personnel to man the service. Community nursing fits in well with the new concept of regionalization since these nurses would prefer to work within the vicinity of their homes.

The introduction of community nursing would not only relieve much needed hospital beds but should lead to financial savings. The Green Paper estimates the cost of a district nursing scheme at roughly \$12 million a year. However, the MDAC states that such a service would reduce the need for hospital beds by some 430 in 1982. Taking the average cost of a Government bed at a hundred dollars per day as quoted in the White Paper, it will be seen that the net savings per year should amount to some \$3 million. It stands to reason for a community nursing scheme to be accorded a higher priority and should be introduced as a Colony-wide service as soon as possible. The extension of hospital service to the home—which is what community nursing is all about—is both a realistic and practical approach in Hong Kong circumstances. A special committee has spent six years making an exhaustive study of this subject and has produced a report entitled "Bridging the Gaps". I recommend this report to anyone who has doubts about the benefits of community nursing.

Rehabilitation Facilities

My fourth point, Sir, concerns rehabilitation services. I am personally very disappointed to see that the White Paper has given little emphasis to the need to develop rehabilitation services in Hong Kong, whereas in the Green Paper, there was at least a paragraph on this matter. At the very least, this much neglected aspect of medical services should deserve a mention in the statement of objectives as outlined in Chapter 3 of the White Paper. It is hardly necessary in this day and age to stress that medical care does not stop when the wound is healed or the stitches are out, or when a fever has abated. Modern medicine and surgery can do wonders in saving lives. But thereafter patients must be given an opportunity to return to normal life if they are not to become an impossible drain on our social welfare resources. Rehabilitation must be considered an integral part of modern medical services.

I am therefore glad to hear from the honourable Secretary for Social Services in his reply to my question in this Council on the 31st July that Government is preparing a programme plan to identify the manpower and other resources that will be needed to develop a coordinated and comprehensive rehabilitation service, and that this programme plan is expected to be made public early next year. Emphasis should be placed on the need to train more para-medical staff which includes particularly physiotherapists, occupational therapists and speech therapists. Apart from the small physiotherapy school presently attached to the Queen Elizabeth Hospital, which turns out an annual 15 to 18 physiotherapists, there are no training facilities in Hong Kong for these essential staff. All three are in great demand both in Government and in the private sector. It is staggering that with a population of 4.2 million, we have less than 20 occupational therapists and only a handful of speech therapists. There is no doubt that we must urgently increase our supply of such personnel. Overseas recruitment cannot be relied upon since demand is outstripping supply elsewhere. Moreover, it is desirable that the staff should speak the language of the people whom they serve. This is of particular importance in the case of speech therapists. I therefore recommend that top priority be given to the establishment of a training institute, either in the polytechnic or under the wing of the Medical and Health Department. The latter would seem to be preferable as students will require clinical experience.

I now turn to the physically and mentally handicapped. I am personally convinced of the need for two central comprehensive assessment centres—one in Hong Kong and the other in Kowloon—to be established to assess the residual degree of physical and mental abilities in both handicapped children and adults. Such facilities are essential for the purpose of establishing what educational and vocational training is needed for the individual patient, so that optimum use can be made of available resources.

Facilities for the paraplegics are also wanting. At present there is only one such centre at the Kowloon Hospital for people who become paralysed as a result of spinal cord injury or disease. I wish to recommend that plans be made for the establishment of another paraplegic centre to cater for such patients on the Hong Kong Island. At the present moment, these patients are taking up valuable acute beds in the Queen Mary Hospital, whilst the Kowloon paraplegic centre has a very long waiting list. I sincerely hope that the forthcoming rehabilitation programme plan will highlight all these deficiencies and propose appropriate remedial measures.

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Government's subvention policy towards assisted hospitals

My final point, Sir, concerns Government's subvention policy towards assisted hospitals. Much has been said about this subject and I am glad to note from the White Paper of Government's intention to review the manner in which certain assisted hospitals are at present subvented. I strongly recommend that this review be extended to include all assisted hospitals. It is becoming increasingly clear that those hospitals at present subvented on a discretionary basis are finding it virtually impossible to retain their staff in the light of the salary increases given to Government staff. The professional workers in these voluntary institutes have every right to expect similar increases for equal work, and unless they get them, can be expected to leave. The administrators of these hospitals face a critical and very real problem and some may soon be forced to close down or curtail their services to the detriment of the community at large. Whatever the doctrinal arguments against deficiency grants, I strongly urge that an early solution be found so that assisted hospitals can maintain their services. I am sure that these hospitals would be prepared to accept whatever controls go with such a form of subsidy. The prospect of losing up to 2,000 assisted beds is too daunting even to contemplate!

Review Board

Lastly, I would like to touch on the membership of the Review Board which will have the task of reviewing progress on the programme annually in the light of changing needs and circumstances. I recommend that the Board should make full use of available experts from among the professional bodies in Hong Kong. This will ensure that the final recommendations will be in every way comprehensive and acceptable.

The production of this White Paper is an important milestone in the development of medical and health services in Hong Kong. I congratulate the Chairman of the Medical Development Advisory Committee, Sir Albert RODRIGUES, and members of the committee for their painstaking report upon which this White Paper is based. I look forward to participating in their deliberations in reviewing progress on the 10-year medical development plan.

Sir, with the reservations I have just expressed, I join my colleagues in supporting the motion.

DR CHOA: —Sir, by raising many points in their speeches honourable Members have shown both interest and concern in the future development of the medical and health services in Hong Kong, for which I am grateful. I hope they will understand that it is not possible for me to reply to each and every one of their points. I shall discuss some of these, but I assure my honourable Friends that consideration will likewise be given to all others which I have left out for the sake of economy of both time and words.

Before I deal with any specific items I should like to refer to a general question raised in this debate, that is the provision of hospital beds for various sectors of the community. The development plan set out in the White Paper describes the broad lines of progress envisaged and, in these circumstances, the needs of the majority of the population have been a main factor. The question of whether Government should provide specifically beds for the middle class, whatever this term may cover, is one which will clearly have to be considered. I shall be glad to have the views of the Medical Development Advisory Committee on this matter. One must of course not ignore the medical services available in non-Government hospitals.

I will now clarify the position regarding the shortfall of doctors as estimated in the White Paper. This was set out in detail in the Green Paper which stated that a local source of supply to produce by 1982 an additional 100 doctors annually would be needed, 40 to meet the shortfalls of 1973-82, 40 to meet the needs of 1983-92 and 20 for the private sector. In the interval between the commissioning of the entire Princess Margaret Hospital Complex including its Psychiatric Wing, and the completion of new projects proposed in the White Paper, the short-fall of doctors in the Government service is not expected to be substantial barring unforeseen circumstances. In this context, it should be noted that as from 1976, an increased number of up to 150 medical students of the University of Hong Kong will be completing their internship every year. Furthermore, I have previously explained to this Council that to appreciate the true position of vacancies in the medical and health officer rank, the number of leave reserve posts must be borne in mind. It has been contended that the long queues outside the general clinics and the camp beds in the major hospitals reflect a shortage of doctors. I would rather attribute these phenomena to the increase in number of patients over the years and the physical limitations of the existing hospitals and clinics to cope with the increase.

This problem of the supply of doctors has been referred to and carefully considered by the University and Polytechnic Grants Committee

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and, as honourable Members know, they have recommended a second medical school to be sited at the Chinese University of Hong Kong. This school will provide facilities for training 100 additional doctors each year. In their report, the UPGC pointed out that stopgap measures such as using existing hospital facilities and constructing additional buildings were not practical for various reasons including the heavy expenditure involved and the disruption of normal services. Similarly, the UPGC also took into account the different entrance requirements of the two universities when it made its recommendations.

As to the question of making use of non-Commonwealth medical graduates I am glad to have the opportunity today to clarify the issue as well. In 1966, the Medical Clinics Advisory Committee recommended that practitioners, who were permitted to practise in exempted clinics, should be submitted if they so desired to examinations, and on passing be allowed to practise medicine and have the title of Assistant Medical Practitioners. Naturally the recommendation related to practise in Hong Kong only. It would have been for the General Medical Council of the United Kingdom to decide whether or not to extend its recognition to them to practise in other parts of the Commonwealth. This recommendation, however, was opposed by both the Hong Kong Medical Association and the British Medical Association (Hong Kong Branch) and it was also understood that the University of Hong Kong would not wish to conduct either refresher courses or examinations under these circumstances. For these reasons it was not possible for Government to carry out this recommendation which would have helped a considerable number of non-Commonwealth medical graduates at that time and could possibly have been extended for others in later years. However, now that it seems that the Medical Associations and the University of Hong Kong might be willing to take a different stand, Government is prepared to reconsider the problem. You, Sir, have now approved the setting up of a working party to examine all aspects of this problem and to make recommendations.

As regards nurses the term "General Nurse" is used in the White Paper to indicate registered nurses of the general grade as distinguished from the psychiatric grade, and not enrolled nurses. Enrolled nurse training has been undertaken in temporary accommodation in the Kowloon Hospital since 1964. We aimed at an intake of 180 pupil nurses but have not been able to reach this figure. There are no problems

concerning recruitment and it is largely due to lack of tutors, classrooms and living quarters that it is not possible to take in 180 at present. A proper training school building combined with quarters has been planned and is already in Category B of the Public Works Programme. Its expected date of completion is within the 10-year period. When this project is completed and with more tutors, it will be possible to take in the full quota.

Although the MDAC proposed the relaxation of the mandatory requirement for nurse training of two science subjects, they accepted entirely the advantage of an adequate knowledge of basic science in relation to nurse training. What they had in mind was that while it would be preferable for candidates to possess two science subjects the lack of these should not automatically debar a large number of school-leavers from taking up nursing if they wished, since it could not be said that only those with science subjects would make good nurses. It was also rather puzzling to them that since the Nursing Board of Hong Kong had constantly strived to keep the standard of nursing at a level worthy of recognition by the General Nursing Council of England and Wales this body did not itself demand two science subjects for nurse training. The shortage of tutors and clinical instructors for nurse training schools is not confined to Government only. It is not by any means certain that this is due to the lack of promotion prospects. However, in accordance with the regionalization scheme, plans have been drawn up to reorganize the administrative structure of both the medical and health and the nursing services. The reorganization is much more involved in the nursing service and the provision of a better career structure for nursing officers in the clinical, educational and administrative streams has been taken into account. In this latter respect our plans for the educational stream have been supported by a nursing adviser who recently visited Hong Kong. In passing, it is my intention that her report should be circulated to all interested bodies for information and comment.

It should be realised that some changes in the organization of the Medical and Health Department must now be made in order to implement these various proposals and recommendations, but it is not possible at this stage to spell out in detail the measures which the department will have to take.

I have already said in my opening speech that it will not be possible for Government to inaugurate a community nursing service in the near future. Even should there be a reservoir of recruits it must also be remembered that for such a service to be applied to the whole of Hong

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Kong many additional staff would be needed in order to administer it, and also nurse tutors to give the necessary training. The shortage of nurse tutors has already been emphasised. In view of the interest that honourable Members have expressed in community nursing, I propose that the feasibility of subsidising voluntary organizations to provide such a service in individual districts be referred to the MDAC at its first review next year.

Turning to the assessment of the physically and mentally handicapped it is agreed by the Government departments concerned that there is a need for a full-time service for such adults and children.

Developmental screening of children at birth and during their early years for physical and mental defects is carried out at Government maternal and child health centres. Children found to have, or suspected of having such defects are referred to specialist clinics. A plan is under way to establish a full-time assessment clinic in the Arran Street Clinic in Mong Kok by the addition of one floor to the existing building. This centre will contain an assessment clinic for physically and mentally disabled children.

Concerning rehabilitation of the paraplegic two experts have visited Hong Kong in recent years to advise on the problem. They recognized that there was a need for such a service and recommended the Duchess of Kent Children's Orthopaedic Hospital for children and both the Kowloon Hospital and Grantham Hospital for adults. In the West Wing of the Kowloon Hospital there is now a Spinal Injuries Unit of 45 beds and consideration will be given to extending the existing facilities in the Grantham Hospital which is regarded as particularly suitable for cases of spinal tuberculosis. The need for more paraplegic units in future will depend on the incidence of spinal diseases and injuries, particularly the latter. The advice of the experts that they should be situated in a general hospital complex, where all supporting services are available, is accepted. This matter will be kept under review by the MDAC.

As my honourable Friend, the Secretary for Social Services has already mentioned in this Council, a programme plan is already in hand to cover the whole field of rehabilitation services. There will be full consultation with representatives of all interested bodies at the appropriate stage.

As far as the accident service is concerned, there is in my view sufficient stress in the White Paper on the importance of both the preventive as well as the clinical aspects of accident cases. It is hoped that with the creation of a health education unit and an expanded occupational and industrial health unit the prevention of accidents at home, on the road and in the factories will be better achieved. Meanwhile every effort is being made to improve the facilities of existing casualty departments. As previously stated a two-tier accident service will be introduced by using the regional hospitals and the district hospitals as designated accident centres and accident centres respectively. It would not take long or much preparation to implement 'this system once regionalization is completed. The detailed investigation mentioned in the White Paper actually referred to an exercise to work out administrative arrangements in co-ordinating the accident and ambulance services. At the same time, I understand, that measures to increase the amount of training and medical understanding of ambulance crews are in hand.

I am also glad to report that a programme plan has now been started on the Ambulance Service and this will enable us to ensure that the development of the Accident and Ambulance Services will go forward together.

In conclusion, Sir, may I take this opportunity to thank the staff of the Medical and Health Department and our colleagues in the Social Services and Finance Branches for producing the White Paper, and McKinsey and Company for giving us much advice and help in preparing the basic material. The MDAC is indeed fortunate to have Sir Albert RODRIGUES as Chairman, and in thanking him for producing the report on which the White Paper is based, I wish to acknowledge the contributions of all other members of the committee. May I also express my gratitude for the assistance which the Government has received from the professional bodies and individual members of the public.

Question put and agreed to.

LABOUR TRIBUNAL ORDINANCE

SECRETARY FOR SOCIAL SERVICES moved the following motion: —

- (1) That the schedule to the ordinance be amended by adding thereto the following new item—

"4. Any question as to—

[SECRETARY FOR SOCIAL SERVICES] **Motions**

- (a) the right of an employee to a severance payment under part VA of the Employment Ordinance; or
 - (b) the amount of such payment.";
- (2) that the amendment to the said Schedule set out in this resolution shall come into operation on the day appointed by the Governor for the purposes of section 31B(1) of the Employment Ordinance.

He said: —Sir, the Employment (Amendment) (No 3) Bill 1974 amends the Employment Ordinance to provide for the making of severance payments by employers to employees who, in specified circumstances, are dismissed by reason of redundancy or are laid off.

The bill also envisages that any questions, either as to the right of an employee to a severance payment or the amount of such payment, may be referred to the Labour Tribunal for determination.

The amendment to the Schedule to the Labour Tribunal Ordinance, effected by this resolution, gives the necessary jurisdiction to the Labour Tribunal to determine these questions.

Question put and agreed to.

Motion (in Committee)

**Supplementary provisions for the quarter ended
31st March 1974 (Final)**

Council went into Committee, *pursuant to Standing Order 58(2)*, to consider the motion standing in the name of the FINANCIAL SECRETARY.

THE FINANCIAL SECRETARY moved the following motion: —

That this Council approves the proposals set out in Paper No 74.

He said: —Sir, the final schedule of supplementary provisions for the year 1973-74 covers a total of \$252.6 million. Of this sum, \$4.3 million is for new Public Works Non-Recurrent projects and \$193.8 million is for the two salary adjustments in 1973 for the public service and for subvented organizations and the temporary increase in pensions.

Other items worth mentioning include \$11.3 million for meeting increased payments for public assistance and infirmity and disability allowances arising from the revised scales of assistance and from an increase in the number of applicants; \$8.5 million for writing off an irrecoverable advance; \$8 million for meeting increased prices and additional requirements for stores from Government departments; and \$2.2 million for meeting additional expenditure on pay and allowances for an increased number of auxiliary police officers.

This schedule, Sir, brings the total supplementary provision in respect of the financial year 1973-74 to \$1,465.6 million. The total actual expenditure brought to account for the same financial year amounted to \$5,169.2 million compared with the original estimate of \$4,408.5 million.

Finance Committee has approved all the items in the schedule and the purpose of this motion is to seek the covering approval of this Council.

Question put and agreed to.

Council then resumed.

THE FINANCIAL SECRETARY reported that the motion had been agreed to in committee without amendment.

Question agreed by the whole Council pursuant to Standing Order 58(4).

4.20 p.m.

HIS EXCELLENCY THE PRESIDENT: —I think perhaps at this point Members might like a short break. Council will resume in fifteen minutes.

4.35 p.m.

HIS EXCELLENCY THE PRESIDENT: —Council will resume.

Second reading of bills

BIRTHS AND DEATHS REGISTRATION (AMENDMENT)

BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

BANKRUPTCY (AMENDMENT) BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

COMPANIES (AMENDMENT) (NO 2) BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

HONG KONG TOURIST ASSOCIATION (AMENDMENT) BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

COMPANIES (AMENDMENT) (NO 3) BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

MAGISTRATES (AMENDMENT) (NO 2) BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

TOWN PLANNING (AMENDMENT AND VALIDATION) BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

MR WU: —Sir, although I am not speaking to oppose this bill, it may be appropriate for me to declare here some remote interest. Whilst we have been convinced as laymen that there is no alternative but to pass this validating legislation it is a matter of great concern to the community that no provision is provided for an appeal beyond

[MR WU] **Town Planning (Amendment and Validation) Bill—
resumption of debate on second reading (31.7.74)**

the Town Planning Board itself, and for compensation as in the case of similar legislation in the United Kingdom. Another point is that the Town Planning Ordinance makes no provision for compensation for frozen properties—that is to say, those properties which because of outline zoning plans cannot be developed. Following the publication of the Wan Chai and Yau Ma Tei Outline Zoning Plans, UMELCO received several complaints from persons whose properties had been affected in this way. Their objections were dismissed by the Town Planning Board. They then offered to sell their properties to the Crown but they were informed by the Director of Lands and Survey that he had not been authorized to enter into negotiations for purchase. Consequently, the persons concerned could neither redevelop their properties nor sell them, resulting in substantial financial loss. Since this situation is clearly most inequitable UMELCO took up with Government the question of acquisition by the Crown and payment of compensation to the persons concerned, suggesting that it should be compulsory in such circumstances, should the property owner so wish, for the Crown to purchase the property without waiting until it became necessary to resume the land in order to implement the particular project affecting the property. The point of principle was accepted by Government and UMELCO were informed funds would be provided for the purchase of such properties. An assurance was given that owners of such properties could approach the Director of Lands and Survey to offer their property for sale at any time.

Government seems to procrastinate on this undertaking. On 16th March 1974 the owner of a property in Sai Yuen Lane affected by the Western District Urban Renewal Scheme accepted an offer made by the Crown Lands and Survey Office for purchase of the property. Over 3 months later on 18th June she was advised that although formalities including Secretariat approval had been completed there were no funds left to pay for the purchase of the property. This is a particularly bad example since an offer had already been made by the Crown and accepted by the person affected by this development scheme. Therefore I would have thought that as a matter of good faith Government is bound to make payment at the earliest possible date.

Since then UMELCO have received many similar complaints about injurious affection of properties by development schemes and of failure by the Crown to provide compensation.

It is a matter of great urgency that this inequitable situation should be put right. The community will support re-development schemes planned for slum clearance, or the Mass Transit Railway or for recreational purposes. These are essential and should go ahead. But there is a corollary to this. If during the process of development the rights of property owners are affected clearly they must receive adequate compensation.

I raise this matter now because it is a most important matter of principle and one which appears to have been overlooked in formulating development schemes in the past.

I strongly urge that legislation to correct this state of affairs should be enacted at the earliest possible date.

Sir, earlier in today's meeting, I asked a question for fear that the hardships and difficulties of the people had not been brought to the full notice of our policy makers who do not read Chinese. A case in point would be the very very high rental for business and domestic premises particularly on the Island and Government is getting the blame. Rentals for office space have now reached HK\$10 per square foot per month in the Central area, higher than even in Tokyo and New York, and justifying the re-development of a high-rise block less than 20 years' old. New domestic premises are costing a minimum of \$250-\$300 per square foot to purchase, or \$2.50 to \$3.50 per square foot per month to rent so that a family of four or five living in a flat of 350-400 square feet would have to pay about \$1,000 a month, a rate the family can hardly afford if the income is below \$3,000 per month. What proportion of the community earn this salary?

Yet in the face of such prohibitive rentals resulting from acute shortage there have been bureaucratic delays in approving plans: such delays are particularly costly in these days of high interest rates. Furthermore through building restrictions we have made inaccessible or have temporarily frozen huge areas of land which would otherwise be available for development to help ease such acute shortage, for example, the Pok Fu Lam and Mid-levels area restrictions. Yet again, there have been examples of over-idealistic town planning such as the draft town plan of the Peak area permitting development to a plot ratio of only 0.5, and for only about 7,000 privileged residents to live in the area and the reservation of the 100 acre Wan Chai Reclamation to mainly Government and institutional use. Such planning can only aggravate the situation, inasmuch as people would still like to live near their work to avoid inadequate and difficult traffic conditions. This by itself greatly lessens the load on the transport system, and renders

[MR WU] **Town Planning (Amendment and Validation) Bill—
resumption of debate on second reading (31.7.74)**

the situation self-regulating, as I mentioned in the last Council meeting. I have often wondered if the impossible traffic conditions in Bangkok and Tokyo were not due to the lack of high-rise buildings necessitating the spreading out, as contrasted to the development of our compact new towns such as Kwun Tong where the very high density of over half a million people within a few square miles contributes no apparent traffic problems within the area.

Sir, another serious inhibition to private development is the unreasonable requirement of car parks. In the lots of Zone II (Suburban Area) Crown Land put out for auction within the past 8 months, there is a provision in the conditions of sale to provide car parking at the rate of 1.5 car-parks per flat. Each car parking space would require an average of 300 square feet, including ramps circulation spaces and staircases. In order to provide for smaller flats, more car parks are needed to comply with the sales conditions and these car parks must go multi-storey. But the multi-storey car park coverage above ground floor in the development will be subjected to the same coverage limitation of 25% of the site as the domestic floors. Therefore, any multi-storey car park must go underground. But the costs would then be so prohibitive that smaller flats, from 750 square feet or smaller, will be virtually eliminated because of these requirements, since every flat must be accompanied by an additional 450 square feet of car park, as these conditions are applied not only in our more exclusive residential districts but also in the working class or low income areas of Chai Wan as well. (As an example I would cite the conditions of sale for Chai Wan Inland Lot 74 dated 22nd February 1974).

With the energy crisis, and the effective measures to discourage car ownership, do we really need all these car parks in the working class or lower income area? The general public need small flats because these are what they can afford, but the conditions of sale are such as to make this impossible.

Sir, in our 1971 population census and housing census, the basic tables tell of the pressing need of the people. Of the 846,670 households in Hong Kong, only 395,804 households or 46.7% live in whole house, self-contained flat or old tenement floor. But 420,066 households, or 49.6% live in rooms, cubicles, bed-spaces, verandahs, cocklofts, basements, corridors, roof shacks, temporary structures and on boats. From the 1974 Property Review, there are 329,400 housing

units in the private sector and 369,400 units in public housing. The average annual production in housing is only 17,375 flats from the private sector, and 39,064 flats from the public sector with a steep reduction anticipated for 25,630 in 1974 and 25,660 in 1975. Government has very boldly launched a 10-year housing programme to alleviate this problem. Why not let the private sector help to speed up the development and in the process generate more revenue in land sales, rates, property tax etc. as they have tremendous resources in finance and capability, and at a time when a lot of their facilities and manpower are laying idle? Yet our private housing industry cannot be contributing unless the industry has land to build on, and be permitted to build on. We would therefore be greatly mistaken to brush aside the appeals of the real estate developers as being only of self interest. Government would do well to reply to their grievances and to assure this Council that our town planning schemes are realistic and serve the basic pressing needs of the community.

MR LO: —Sir, my honourable Friend Mr James Wu in his speech just now and members of the public on various occasions have voiced considerable criticism of this bill and as the convenor of the *ad hoc* group which discussed the bill with Government officials I should like to deal with this criticism in general terms.

Most of what has been said against the bill is perfectly valid as against the main ordinance rather than against the actual bill. I share the disappointment of its critics that the present state of our town planning laws is not improved by means of this bill but, although the introduction of this bill may provide an excellent opportunity for general criticism to be levied against our existing town planning laws, I am bound to say that such criticism is simply not germane to this bill. The purpose of the bill is merely to validate existing town plans. Without this bill, in the face of the Supreme Court decision, our town plans today would all be invalid *ab initio*. I know that some of my honourable Friends here today might say: "so much the better". However, the fact remains that, whatever may be wrong with our town plans or our town planning policy today, it would clearly be wrong to eliminate them summarily and it is also clearly not feasible to have any adequate discussion of improvements in the short time available. It is fair to say that Government officials are today working on a new Town Planning Ordinance which I understand is expected to be laid before honourable Members within twelve to eighteen months. May we reserve our big guns for that moment.

[MR LO] **Town Planning (Amendment and Validation) Bill—
resumption of debate on second reading (31.7.74)**

As regards the bill itself, it is true that lawyers in particular have an instinctive dislike for retrospective legislation if only for the simple reason that people will never know where they stand in law if the legislature makes a habit of it. Despite this reluctance the *ad hoc* group felt that there is really no other practical way to try to preserve what town planning we do have and we hope that the bill will succeed in doing this. In our discussions with Government officials we did manage to come to an agreement on the following points:

- (1) That there shall be a right of appeal from the Town Planning Board to a higher tribunal. My honourable Friend Mr Oswald CHEUNG will be moving an amendment to this effect in committee.
- (2) That the diagrams, illustrations, notes or descriptive matters on plans which are intended to be validated by this bill are limited to those which were originally approved by the Town Planning Board. My honourable Friend the Attorney General will be moving an amendment to this effect in committee.
- (3) That the bill will have no effect on the rights of any person whose plans have already been approved.

Subject to these remarks, Sir, I support the motion.

THE ATTORNEY GENERAL: —May I reply very briefly, Sir. As I said when moving the second reading of this bill, it is an urgent measure. Honourable Unofficial Members have recognized this and I am grateful for their support of the bill.

My honourable Friends Mr WU and Mr LO have touched on much wider issues affecting the town planning legislation and the policies which are pursued in relation to town planning. It is correct, as my honourable Friend Mr LO has suggested, that the Government is conducting a substantial review of the town planning law. Many issues will no doubt be well and truly thrashed out in that context amidst, it appears, the firing of cannon.

Sir, it is not appropriate, in the context of the debate on this bill, to deal with the various matters raised by my honourable Friend Mr WU. Despite the earnest invitation which he extended to me, in the circumstances, I shall refrain from comment.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

ROAD TRAFFIC (AMENDMENT) BILL 1974

Resumption of debate on second reading (30th January 1974)

Question proposed.

DR CHUNG: —Your Excellency, the Unofficial Members have had considerable doubts about the introduction of the offence of failing to carry a driving licence introduced by clause 3 of this bill. Certainly the current type of driving licence is not suitable for constant carriage on a person, particularly during the hot and humid summer in Hong Kong, as it is likely to get broken, defaced or spoilt by the effect of weather and perspiration. Secondly, there will no doubt be much more frequent losses of driving licences if every driver is required to carry with him a valuable document which he can at present (and I am sure many people do) keep safely at home or in the office.

However, it has been represented to us that this new provision is essential if the police are to be able to take more effective measures against drivers who contravene the traffic legislation. After careful deliberations, the Unofficial Members are prepared to support the proposal on two conditions. The first is that the new offence should not be brought into operation until such time as all existing driving licences have been replaced by the new laminated type of driving licence. In speaking on the Road Traffic (Amendment) (No 2) Bill in this Council on 31st July this year, the Acting Secretary for the Environment gave the impression that the conversion process would take only about seven months. However, this is contrary to the previous Government statement that it would be impracticable to effect change over in such a short period of time. I would be grateful for further information as to the programme of replacement which is intended and for an assurance from Government that the clause 3 will not be brought into effect until such time as the conversion process has been fully completed.

The second condition concerns the replacement of lost licences. Again, I would ask Government for an assurance that in practice a driver can have his lost or stolen driving licence replaced by a simple

[DR CHUNG] **Road Traffic (Amendment) Bill—resumption of debate on second reading (30.1.74)**

procedure and in no longer than ten days. Whilst the Acting Secretary for the Environment touched on this question in his speech on 31st July, it is not clear to me at least from the wording which he used whether he was giving an undertaking or merely expressing a fervent hope.

Providing that Government accepts these two conditions, Sir, I support the bill before Council.

THE ATTORNEY GENERAL: —Sir, when this bill is in committee, I shall move an amendment which will postpone to a day to be appointed by the Governor the commencement of the new provision requiring drivers to carry their driving licences when they are driving.

Sir, I am reluctant to give the assurance—the precise assurance—for which my honourable Friend Dr CHUNG has asked—namely, that the new provision will not be brought into effect until everyone who is entitled to hold a driving licence has one of the new laminated licences. The Government does, however, assure honourable Members that a day will not be appointed for the commencement of the new provision without further consultation with them. At the same time, Sir, I would express the Government's hope that it will be possible to convince honourable Members that it is not necessary to postpone the new provision for so long a time as may be required if their views were to be met completely.

My honourable Friend also asks for information about the programme for the replacement of existing licences with laminated licences. At the meeting of this Council on 31st July, my honourable Friend the Secretary for the Environment said that the Commissioner for Transport had put forward proposals for an accelerated programme for the issue of the laminated licences and that the financial implications of this are being considered. That is still the position and there is nothing further that I can usefully add at this stage.

The other matter raised by my honourable Friend concerns the replacement of lost licences. It would obviously be unwise to undertake that a replacement licence will invariably be issued within 10 days. Nevertheless, the Secretary for the Environment has told me that he considers that the cases where replacement will take more than 10 days will be very much the exception.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS) BILL 1974

Resumption of debate on second reading (17th July 1974)

Question proposed.

MR CHEONG-LEEN: —Sir, I rise to speak briefly on this bill which seeks to enact statutory powers needed for the building and operating of the mass transit railway, including the power to resume land and create easements, and to provide for compensation for loss or damage arising therefrom.

Stages 1 to 4 of the system will comprise of 4 stages, with about 20 stations and a route length of 12.6 miles, from Kwun Tong to Mong Kok, from Lai Chi Kok to Mong Kok and from Mong Kok down Nathan Road and across the harbour to Western Market. Providing work commences immediately, these 4 stages could be completed by 1982. Stages 5 to 9 of the system should carry on well into the 1980's with the addition of another 20.1 miles for both Hong Kong Island and Kowloon.

Some members of the public have recently stated that it is better to defer the building of the mass transit system and use the money to build more public housing. This suggestion is superficially attractive but would not be long-term in the interests of Hong Kong. We do already have a massive public housing programme, in fact it is the largest of its kind in Asia, and both Government and the community are committed to go full speed ahead in creating new townships and new housing estates all over the New Territories. At the same time, an adequate public transport system to meet our industrial, commercial and rising population needs is of equal importance if Hong Kong is to remain a viable and progressive international city.

Sir, I support the bill subject to the amendments that will be moved at the committee stage and urge that work on the mass transit railway commence without further delay.

**Mass Transit Railway (Land Resumption and Related Provisions)
Bill—resumption of debate on second reading (17.7.74)**

MR LO: —Sir, to borrow the opening remarks of the United Kingdom White Paper on public developments and compensation, our Government is committed to enhancing the quality of everyday life in Hong Kong. In doing so, a balance must be constantly struck between the overriding duty of the state to ensure that essential developments are undertaken for the benefit of the whole community and the equally compelling need to compensate those whose rights may be injured in the process. As population increases and living standards rise, conflicts between these two needs will increase in number and in intensity. The balance must, however, be maintained.

The Mass Transit Railway (Land Resumption and Related Provisions) Bill 1974 was a bill where this balance was not maintained. It provided for no compensation to a land owner whose plans for development were refused outright. It gave almost unlimited powers to the Building Authority to require amendments to plans or to impose conditions on development without compensation. It imposed no time limit for the Government to pay such compensation that the bill did provide for, and the rate of interest for unpaid compensation was to be entirely within the discretion of my honourable Friend the Financial Secretary. The bill also allowed the Director of Public Works to delegate his authority to exercise any one of the very drastic powers provided in the bill to any official, however junior or inexperienced. When a structure had to be removed for building the railway, no compensation was to be paid for its reinstatement. Where an existing building was damaged, there was to be no compensation where its market value was reduced because of the repairs. In answer to all this, Government officials said in effect that all this simply reflected the present state of our laws. Indeed, when my honourable Friend the Attorney General introduced the bill, he said and I quote him "no change of principle is suggested with respect to the basis on which compensation is paid for resumed land or other affected property rights." Sir, this simply highlights how grossly unfair and haphazard is the present basis for compensation.

I am therefore extremely pleased to report that to a large measure the faults of the bill which I described earlier have now been cured as a result of a series of urgent meetings of the *ad hoc* group itself, Unofficial Members themselves as a whole and with the official side headed by my honourable Friend, the Attorney General, to whom I

would like now with respect, if I may, to pay tribute not only to his patience but also to his fair-mindedness. I shall not describe in detail the amendments which I shall move in committee. Suffice it to say that they relate to the points that I have made and amendments consequential thereto. I should perhaps add here that certain of the compensation provisions in my proposed amendments will relate only to the first four stages of the railway, but my honourable Friend the Attorney General will, I understand, confirm in reply that compensation with regard to stages V to IX of the railway will be looked into and discussed with Unofficials in the course of the next year.

Subject to these remarks, Sir, I support the bill.

THE ATTORNEY GENERAL: —Sir, as my honourable Friend Mr Lo has said, discussion of this bill with honourable Unofficial Members will result in a number of changes when the bill is in committee—some of them, Sir, relate to compensation. I do not think I shall occasion any surprise by emphasising that the changes which the Government will support in this respect are seen by the Government solely in the context of the mass transit railway. So far as they concern compensation where development proposals must be rejected, for example, the amendments which will be agreed do no more than reflect the practice which has been pursued in relation to land affected by the railway since 1968, when its construction first became a possibility. It must not be assumed that the Government's agreement to change in this respect is setting a precedent for the future in relation to other public works or projects for the benefit of the community as a whole. Nonetheless, Sir, as I have just said during the resumed debate on the Town Planning (Amendment and Validation) Bill, the town planning legislation is under substantial review.

Returning, Sir, to the limited context of the mass transit railway, I confirm that the Government has agreed that the position with respect to compensation where development proposals are rejected on account of the requirements of stages 5 to 9 of the railway will be further considered during 1975. This further examination will also extend to the position with respect to compensation where other powers conferred by clause 15 of the bill are exercised.

I also confirm, Sir, as I have been asked to, that the Government believes that the exercise of the powers conferred by clause 15, items (c) and (d) which relate to the amendment of plans or the imposition of conditions will not result in any significant reduction in the usable areas of a building.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

URBAN COUNCIL (AMENDMENT) (NO 2) BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

MR CHEONG-LEEN: —Sir, I am happy to support the amendment as contained in this bill which removes all reference to language qualifications for members of the Urban Council.

Having been a practitioner in the art of speaking half-dialects within and outside the Urban Council for many years, I must admit that in the light of my own experience I was at first somewhat dubious that Cantonese and English would not be specifically stated in the bill as being the only languages to be spoken in the Urban Council. Of course by Cantonese I mean the Cantonese dialect of the Chinese language.

However, I am now satisfied that no undue risk is taken so long as the Urban Council exercises its power under the ordinance to make Standing Orders requiring the use only of those languages which are practical for Council business, and which at present are Cantonese and English.

Some Urban Councillors are in favour of introducing the use of the Mandarin dialect at an early date. In principle, I am in favour but I feel that the Urban Council in this respect has to go about it in a careful, systematic and empirical manner.

The immediate problem in the Urban Council is to give the interpreters much more experience in understanding and accurately interpreting the colourful variety of Cantonese spoken, which includes Hong Kong Cantonese, Shanghai Cantonese, Westerners' Cantonese, Overseas Chinese Cantonese, and even Shameen Cantonese. After all, Cantonese is still the most universally spoken dialect in Hong Kong.

The amendment represents one further step by Government to put the Chinese language on an equal basis with the English language.

It is therefore to be hoped that such amendment will further encourage more persons who are not proficient in the English language to come forward and offer themselves for service to the community by way of the Urban Council.

Sir, I support the motion.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT)

BILL 1974

Resumption of debate on second reading (31st July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

Committee stage of bills

Council went into Committee.

BIRTHS AND DEATHS REGISTRATION (AMENDMENT)

BILL 1974

Clauses 1 to 3 were agreed to.

BANKRUPTCY (AMENDMENT) BILL 1974

Clause 1

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that clause I be amended as set out in the paper before honourable Members.

The renumbering is consequent upon the revision of the Employment Ordinance in the context of the 1973 Annual Review of the Laws which came into effect on 21st June 1974.

*Proposed Amendment**Clause*

- 1 That clause 1 be amended by deleting "section 20C(1)" and substituting the following—

"section 31B(1)".

The amendment was agreed to.

Clause 1, as amended, was agreed to.

Clause 2 was agreed to.

COMPANIES (AMENDMENT) (NO 2) BILL 1974

Clause 1

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that clause I be amended, as set out in the paper before honourable Members, for two reasons.

Firstly this bill if enacted will be the first amendment to the Companies Ordinance made in 1974; and secondly, sections of the Employment Ordinance have been renumbered in the 1973 Annual Review of the Laws which came into effect on 21st June this year.

*Proposed Amendments**Clause*

- 1 That clause 1 be amended—

(a) by deleting "(No 2)"; and

(b) by deleting "section 20C(1)" and substituting the following—

"section 31B(1)".

The amendments were agreed to.

Clause 1, as amended, was agreed to.

Clause 2 was agreed to.

**HONG KONG TOURIST ASSOCIATION (AMENDMENT)
BILL 1974**

Clauses 1 to 8 were agreed to.

COMPANIES (AMENDMENT) (NO 3) BILL 1974

Clause 1

THE FINANCIAL SECRETARY: —Sir, I move that clause 1 be amended as set out in the paper before honourable Members.

Sir, this is an important but hardly complex amendment and I hope honourable Members including the Senior Unofficial Member can support it (*laughter*).

Proposed Amendment

Clause

1 That clause 1 be amended by deleting "(No 3)" and substituting the following—

"(No 2)".

The amendment was agreed to.

Clause 1, as amended, was agreed to.

Clause 2 was agreed to.

MAGISTRATES (AMENDMENT) (NO 2) BILL 1974

Clauses 1 to 3 were agreed to.

**TOWN PLANNING (AMENDMENT AND VALIDATION)
BILL 1974**

Clauses 1 and 2 were agreed to.

Clause 3

MR CHEUNG: —Sir, I move that clause 3 be amended as set out in the paper before honourable Members.

This amendment is to delete the existing subsection (7) to renew section 17 which provided that the position of the Town Planning Board should be final on any application to it under this new procedure and to replace it by the provision that a person aggrieved by the decision of the Town Planning Board might appeal to the Governor in Council whose decision on the appeal should be final.

Sir, I beg to move.

Proposed Amendment

Clause

3 That clause 3 be amended in new section 17 by deleting subsection (7) and substituting the following—

"(7) Any person aggrieved by the decision of the Board on a review under this section may appeal to the Governor in Council whose decision on such appeal shall be final."

The amendment was agreed to.

Clause 3, as amended, was agreed to.

Clause 4

THE ATTORNEY GENERAL: —Sir, I move that this clause be amended as set out in the paper.

It has been suggested that subclause (1) is perhaps wider than it need be in that it would validate diagrams, illustrations and notes of any kind which happen to appear on a town plan. This, of course, is not the intention, Sir. The amendment will limit the validation to those diagrams, illustrations and notes which have been authorized by the Town Planning Board.

*Proposed Amendment**Clause*

- 4 That clause 4(1) be amended by inserting, after "diagrams, illustrations, notes or descriptive matter," in the first place where it appears, the following—

"being diagrams, illustrations, notes or descriptive matter authorized by the Town Planning Board,".

The amendment was agreed to.

Clause 4, as amended, was agreed to.

FIXED PENALTY (CRIMINAL PROCEEDINGS) BILL 1974

Clauses 1 and 2 were agreed to.

Clause 3

MR CHEONG-LEEN: —Sir, I move that clause 3 be amended as set out in the paper before honourable Members.

The purpose of the amendment is not to enable Government to collect fines quicker from drivers, as erroneously reported in the press. Under the amendment, in every case where the driver's identity is immediately established, the police will not be empowered to issue a notice demanding payment of a fixed penalty once a period of one month is exceeded. Very few drivers can recall exactly what has happened a month after an offence is alleged to have been committed. This amendment therefore is very much for the protection of drivers and not for the convenience of Government in the collection of traffic fines.

*Proposed Amendment**Clause*

- 3 That clause 3(4) be deleted and there be substituted the following—

"(4) A notice under subsection (3) shall be served within 1 month of the commission of the offence:

Provided that where the identity or address of the person to be served is not ascertained within 7 days

Fixed Penalty (Criminal Proceedings) Bill—committee stage

after the commission of the offence, the notice may be served not more than 6 months after the commission of the offence."

The amendment was agreed to.

Clause 3, as amended, was agreed to.

Clauses 4 to 12 were agreed to.

ROAD TRAFFIC (AMENDMENT) BILL 1974

Long title

THE ATTORNEY GENERAL: —Sir, I move that the long title be amended as proposed in the paper.

It will delete words which should never have been there.

Proposed Amendment

Long title That the long title be amended by deleting "and other related enactments";

The amendment was agreed to.

Long title, as amended, was agreed to.

Clause 1

THE ATTORNEY GENERAL: —Sir, I move that clause 1 be amended as proposed in the paper.

The purpose is to introduce the provision about which I have spoken earlier which will postpone to a day to be appointed by the Governor the commencement of the provisions as to the carrying of driving licences.

MR CHEUNG: —Sir, I wonder if I may speak on the proposed amendment? Some of my Unofficial colleagues and I are a little disappointed with the exact wording of the undertakings which my

honourable Friend the Attorney General gave as regards the coming into operation of this ordinance in so far as it makes the non-carrying of a licence an offence. We take his point that it may unduly delay the coming into operation of this ordinance if we waited until all driving licences were converted into laminated driving licences. My Friend in private conversation with me pointed out that some people could delay the application for conversion. It would be reasonable in our view to say when Government is ready to convert these licences into laminated licences, when the machine is really ready to deal with it in bulk and thereafter for Government to say we will set a limit of six months, or whatever it is, in which people who have not applied for conversion should apply and after that date the ordinance should come into operation. Now if my Friend will give an assurance that the ordinance will not be brought into operation until that procedure has been followed, we will be satisfied with such an undertaking.

As regards the undertaking which he gave on behalf of the Acting Secretary for the Environment, I think the words my Friend used were that cases where a licence lost or stolen would not be replaced within ten days would be exceptional. Does my Friend mean, and I ask him to clarify, that licences will be replaced within ten days unless it is due to the fault of the licence owner in following some faulty procedure in his application? Could my learned Friend clarify those two assurances? Otherwise my honourable Friend Dr CHUNG may be forced to move that the third reading of the bill be adjourned.

THE ATTORNEY GENERAL: —Sir, I readily give the assurance on the first point. It is indeed as much as I could have hoped for. There was at one stage a suggestion that it might be necessary to postpone the legislation even further. I would prefer to do no more than to say that the earliest date that would be appointed would be the date—the sort of date—to which my honourable Friend has referred. I readily give that assurance.

I think as to the second point, the only reason why any reservation, and I am certain I am right, Sir, in saying this, was put in on the ten day period was simply to ensure that having said an exact ten days if anything were to go wrong from a purely mechanical point of view, as far as the Government is concerned we should not be held to have given a misleading undertaking.

Road Traffic (Amendment) Bill—committee stage*Proposed Amendments**Clause*

- 1 That clause I be deleted and there be substituted the following new clause—

"Short title and commencement. **1.** (1) This Ordinance may be cited as the Road Traffic (Amendment) (No 3) Ordinance 1974.

(2) Sections 2, 3(b) and 4 shall come into operation on the day appointed for the commencement of the Fixed Penalty (Criminal Proceedings) Ordinance 1974.

(3) Section 3(a) shall come into operation on a day to be appointed by the Governor by notice in the *Gazette*." ;

The amendments were agreed to.

Clause 1, as amended, was agreed to.

Clause 2 was agreed to.

Clause 3

THE ATTORNEY GENERAL: —Sir, I move that clause 3 be amended as set out in the paper before honourable Members.

The amendments are consequential on the provision for the postponement of the requirement as to the carrying of driving licences.

*Proposed Amendments**Clause*

- 3 That clause 3 be deleted and there be substituted the following new clause—

"Amendment of section 5. **3.** Section 5 of the principal Ordinance is amended—

- (a) by inserting, after subsection (4), the following new subsections—

"(4A) Except as otherwise provided by this Ordinance or by regulations made there-under, no person shall drive a vehicle on a road unless he has his driving licence with him at the time he is driving.

(4B) Any person who without lawful authority or reasonable excuse contravenes subsection (4A) shall be guilty of an offence and shall be liable on summary conviction, in the case of a first conviction to a fine of \$1,000 and to imprisonment for 3 months, and in the case of a second or subsequent conviction to a fine of \$2,000 and to imprisonment for 6 months." ; and

(b) by inserting, after subsection (6), the following new subsection—

"(7) In any proceedings under any Ordinance, a certificate purporting to be signed by or on behalf of the Commissioner or the Commissioner of Police and stating any particulars in the record of driving licences kept by the Commissioner in accordance with regulations made under this Ordinance shall be admitted in evidence on its production without further proof and—

(a) until the contrary is proved, it shall be presumed that the certificate is so signed; and

(b) the certificate shall be *prima facie* evidence of the facts stated therein."

The amendments were agreed to.

Clause 3, as amended, was agreed to.

Clause 4

THE ATTORNEY GENERAL: —Sir, I move that clause 4 be amended as proposed in the paper.

Proposed Amendment

Clause

4 That clause 4(b) be amended by deleting "section 14 or".

The amendment was agreed to.

Clause 4, as amended, was agreed to.

MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS) BILL 1974

Clause 1 was agreed to.

Clause 2

MR LO: —Sir, I move that clause 2 be amended as set out in the paper before honourable Members. The purpose of the amendment is to enable certain provisions of the bill to be applied only to the first four stages of the railway.

Proposed Amendment

Clause

- 2 That clause 2 of the bill be amended by inserting after the definition of "railway area" the following—

"Stages 1 to 4 of the railway" means that part of the railway between Tung Loi Lane in the Western District of the Island of Hong Kong and Lai Chi Kok Bay or the junction of King Yip Street and Kwun Tong Road;"

The amendment was agreed to.

Clause 2, as amended, was agreed to.

Clause 3

MR LO: —Sir, I move that clause 3 be amended as set out in the paper before honourable Members. The purpose of the amendment is to make the standard required under the particular clause objective rather than subjective.

*Proposed Amendment**Clause*

3 That clause 3(1) of the bill be amended by deleting ", in his opinion,".

The amendment was agreed to.

Clause 3, as amended, was agreed to.

Clauses 4 to 8 were agreed to.

Clause 9

MR LO: —Sir, I move that clause 9 be amended as set out in the paper before honourable Members. The purpose of the amendment is to enable the Director to delegate his authority to persons outside the Government.

*Proposed Amendment**Clause*

9 That clause 9 of the bill be amended by inserting after "the Director" the following—

", or any person acting under his authority,".

The amendment was agreed to.

Clause 9, as amended, was agreed to.

Clause 10

MR LO: —Sir, I move that clause 10 be amended as set out in the paper before honourable Members for reasons which I think are self-evident.

*Proposed Amendment**Clause*

10 That clause 10(2) of the bill be amended by inserting after "the Director" the following—

"of Public Works".

The amendment was agreed to.

Clause 10, as amended, was agreed to.

Clause 11 was agreed to.

Clause 12

MR LO: —Sir, I move that clause 12 be amended as set out in the paper before honourable Members for reasons which I again think are evident.

Proposed Amendments

Clause

12 That clause 12 of the bill be amended—

(a) in subclause (1)

(i) by inserting after "The Director" the following—

", or any person acting under his authority,";

(ii) by deleting "he" ;

(b) by deleting subclause (6) and substituting the following—

"(6) The Director, or any person acting under his authority, may as occasion may require enter and resurvey any land or building in respect of which any of the powers contained in subsection (1) have been exercised and may in relation to that land or building exercise such powers as often as occasion may require." .

The amendments were agreed to.

Clause 12, as amended, was agreed to.

Clause 13 was agreed to.

Clause 14

MR LO: —Sir, I move that clause 14 be amended as set out in the paper before honourable Members. The purpose of this amendment is to restrict the power of the Director to no more than what will be strictly necessary.

Proposed Amendments

Clause

14 That clause 14 of the bill be amended—

(a) in subclause (1) by deleting ", operation, maintenance or improvement";

(b) by deleting subclause (6) and substituting the following—

"(6) In this section "owner" means the person holding the land direct from the Crown under a Crown lease." .

The amendments were agreed to.

Clause 14, as amended, was agreed to.

Clause 15

MR LO: —Sir, I move that clause 15 be amended as set out in the paper before honourable Members. I have already, Sir, in my speech earlier given detailed reasons for this amendment.

Proposed Amendments

Clause

15 That clause 15 of the bill be amended—

(a) in subclause (1) by deleting paragraphs (c) and (d) and substituting the following—

"(c) in the case of piling works, excavation works or foundation works—

(i) require the amendment of any plan showing such works; or

(ii) impose conditions on the giving of approval of plans showing such works or consent to commence such works.";

Mass Transit Railway (Land Resumption and Related Provisions) Bill—committee stage

(b) by inserting after subclause (2) the following new subclauses—

"(3) Where the Building Authority refuses under subsection 1(a) to give his approval to any plan because he is of the opinion that the building works shown thereon would be incompatible with works or proposed or likely works for the construction of stages 1 to 4 of the railway, the owner of the land on which such building works were to be carried out may, by notice in writing to the Director, require that the land be resumed under this Ordinance.

(4) Where notice is given under subsection (3) the Governor shall, unless the notice is withdrawn, make an order under section 4(1) in respect of the land not more than 1 month after receipt of the notice by the Director, and the period of notice specified in the order shall be 1 month.

(5) In subsection (3) "owner" means the person holding the land direct from the Crown under a Crown lease." .

The amendments were agreed to.

Clause 15, as amended, was agreed to.

Clauses 16 to 25 were agreed to.

Clause 26

MR CHEUNG: —Sir, I move that clause 26 be amended as set out in the paper before honourable Members. When I spoke on the 2nd reading of the Crown Lands Resumption (Amendment) Bill I raised the point that the rate of interest payable on compensation owed by Government should be determined otherwise than by the Financial Secretary. The same point arises on this bill. Since then, he and Unofficial Members have been able to agree that the rate should be that which is paid from time to time by member banks of the Exchange

Banks' Association on money deposited on 7 days' call. There is at present in fact one such rate common to all banks, as a result of agreement among themselves. My honourable Friend Mr Q. W. LEE has reminded me and so has the Financial Secretary that at the present rate of interest paid on 7 days' call, the recipient would have to pay tax on the interest which he receives.

In the amendment proposed, provision is made for alteration of the rate by resolution of this Council.

The basis of the agreement between the Financial Secretary and ourselves is that compensation due from Government will be outstanding for a period that is uncertain, although it is limited to 3 months at most. He pointed out that interest rates for fixed periods would therefore be inappropriate, and probably would work unfairly against Government. We have accepted this solution as being the fairest to all concerned.

Proposed Amendment

Clause

26 That clause 26 of the bill be amended by deleting "such rate as the Financial Secretary may direct by notice in the *Gazette*." and substituting the following—

"the rate paid from time to time by members of the Exchange Banks' Association on deposits at 7 days' call or at such other rate as may be determined by resolution of the Legislative Council." .

The amendment was agreed to.

Clause 26, as amended, was agreed to.

Clause 27

MR LO: —Sir, I move the amendment of this clause as set out in the paper before honourable Members. The purpose of it is to impose a limit of time on the Government to pay compensation. My personal view is really that one month ought to be adequate, but it has been agreed that 3 months might be necessary to allow the due process of Government machinery to be completed.

**Mass Transit Railway (Land Resumption and Related Provisions) Bill—
committee stage**

Proposed Amendment

Clause

27 That clause 27 of the bill be amended by deleting the full stop at the end of the clause and inserting after "Colony" the following—

"within 3 months of the agreement or award, unless there is a dispute as to the person entitled to such compensation." .

The amendment was agreed to.

Clause 27, as amended, was agreed to.

Clause 28 was agreed to.

Clause 29

MR LO: —Sir, I move that this clause be amended as set out in the paper before honourable Members and I have already referred to the purpose of this amendment in my earlier speech.

Proposed Amendments

Clause

29 That clause 29 of the bill be amended—

(a) by renumbering the clause as subclause (1);

(b) by deleting "The" and substituting the following—

"Subject to subsection (2), the ";

(c) by inserting after subclause (1) the following new subclause—

Second
Schedule. "(2) For the purposes of any provision of this Ordinance appearing in the first column of the Second Schedule, the Director of Public Works shall not under subsection (1) authorize a public officer below the rank specified opposite thereto in the second column." .

The amendments were agreed to.

Clause 29, as amended, was agreed to.

Clauses 30 to 34 were agreed to.

Schedule

MR LO: —Sir, I move that the Schedule be amended as set out in the paper before honourable Members. I have referred to the reasons for this in my earlier speech.

Proposed Amendments

Schedule That the Schedule to the bill be amended

(a) in the heading by inserting before "SCHEDULE" the following—

"FIRST";

(b) in Part I—

(i) in item 6, by renumbering the second column as (a)(i) and inserting in that column the following—

"(ii) The amount by which the open market value of the land is, or would be, reduced as a result of the manner in which it is necessary to repair the damage." ;

(ii) in item 7, by renumbering the second column as (a)(i) and inserting in that column the following—

"(ii) The amount by which the open market value of the land is, or would be, reduced as a result of the manner in which it is necessary to repair the damage." ;

(iii) in item 9, by deleting "building" in item (a) in the second column and substituting the following—

"land";

(iv) in item 9, by renumbering item (c) as item (d) and amending the first column thereof by deleting the full stop and inserting after "Ordinance" the following—

"and is not to be reinstated or replaced with a similar object or structure at the expense of the Crown under item (c) above." ;

Mass Transit Railway (Land Resumption and Related Provisions) Bill—committee stage

(v) in item 9, by inserting, after item (b) the following new item—

"(c) The cost of reinstating an object or structure described in item (a) above or of replacing the same with a similar object or structure.	(c) The cost incurred in so doing.	(c) Any person who incurs the cost.	(c) Before the expiration of 1 year from the date of reinstatement or replacement";
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(vi) by inserting after item 10 the following new items—

- | | | | |
|---|---|--|---|
| "11. The loss sustained on account of the refusal by the Building Authority under section 15(1) (a) to consent to the commencement of building works, because the Building Authority is of the opinion that the building works would be incompatible with works or proposed or likely works for the construction of stages 1 to 4 of the railway. | The amount by which the open market value of the land is reduced on account of the refusal. | The owner of the land . | Before the expiration of 1 year from the date of the refusal. |
| 12. The cost of complying with a plan amended, or a condition imposed, under section 15(1)(c), in a case where the Plan shows piling works, excavation works or foundation works, to avoid incompatibility of such works with works or proposed or likely works for the construction of stages 1 to 4 of the railway. | Any additional cost incurred in carrying out building works which is attributable solely to compliance with the amendment required, or condition, imposed under section 15(1)(c). | The owner of the land on which the building works are carried out. | Before the expiration of 1 year from the completion of the building. "; |

(c) in Part II —

(i) in paragraph (a) of the definition of "compensatable interest" by inserting after "terminable" the following—

"(whether by virtue of an Ordinance or otherwise)";

(ii) in paragraph 8 by deleting "9 or 10" and substituting the following—

"6, 7, 9, 10 or 11 of Part I of this Schedule";

(iii) by inserting after paragraph 10 the following new paragraphs—

"(11) Compensation shall be payable under item 12 of Part I of this Schedule only to the extent that the carrying out of building works in accordance with a plan amended, or condition imposed, under section 15(1)(c) does not increase the open market value of the land on which the building works are carried out.

(12) Where land is resumed following a notice given by the owner under section 15(3), no account shall be taken, in the assessment of compensation therefor, of the refusal of approval of a plan which led to the giving of such notice.

The amendments were agreed to.

Schedule, as amended, was agreed to.

New Second Schedule

Schedule read the first time and ordered to be set down for second reading pursuant to Standing Order 46(7).

MR LO: —Sir, I move that the bill be amended by the insertion of the new Schedule for the reasons I have already given.

Question put and agreed to.

Schedule read the second time.

MR LO: —I now move that the new Second Schedule be added to the bill.

**Mass Transit Railway (Land Resumption and Related Provisions) Bill—
committee stage**

Proposed Addition

New That the bill be amended by inserting after the First Schedule the following new Schedule—

"SECOND SCHEDULE [s.29]

AUTHORIZATION OF PUBLIC OFFICERS

<i>Section</i>	<i>Public officer</i>
6(5)	
12(2)	
12(5)	} Chief Building Surveyor.
12(6)	
13(1)	
14(1)	} Government Mass Transit Engineer.
14(4)	
14(5)	} Chief Building Surveyor.
21(3)	
21(4)	
21(5)	} Chief Estate Surveyor.
21(6)	
21(7)	
28	} Chief Estate Surveyor or an Assistant Registrar General."

The addition of the new clause was agreed to.

URBAN COUNCIL (AMENDMENT) (NO 2) BILL 1974

Clauses 1 to 4 were agreed to.

EMPLOYMENT (AMENDMENT) (NO 2) BILL 1974

Clause 1

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that clause 1 be amended as set out in the paper before honourable Members. There have already been two amendments to the Employment Ordinance enacted during 1974. The second of this was introduced in this Council after the present bill, but it was enacted at the last meeting on 31st July. The present bill should therefore become the Employment (Amendment) (No 3) Bill 1974.

*Proposed Amendment**Clause*

- 1 That clause 1 be amended by deleting "(No 2)" and substituting the following—

“(No 3)”.

The amendment was agreed to.

Clause 1, as amended, was agreed to.

Clause 2

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that clause 2 be amended as set out in the paper before honourable Members. Renumbering this section is consequent upon the revision of the Employment Ordinance in the context of the 1973 annual revision of the laws which came into effect on 21st June this year.

*Proposed Amendments**Clause*

- 2 That clause 2 be amended—

(a) by deleting "Section 3(2)(a)" and substituting the following—

"Section 4(2)(a)"; and

(b) by deleting "section 20H" and substituting the following—

"section 31G".

The amendments were agreed to.

Clause 2, as amended, was agreed to.

Clause 3

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that clause 3 be amended as set out in the paper before honourable Members.

The majority of these amendments merely involve renumbering of sections for the reasons I have already given in respect of amendments to clause 2.

[SECRETARY FOR SOCIAL SERVICES] **Employment (Amendment) (No 2)**
Bill—committee stage

As regards the remaining amendments I should like to mention at this point that a great number of comments have been made on the bill and have been given the most careful consideration. It has not been possible to accept all of them since the bill represents to some extent our compromise between directly opposing views. However, it does give every qualified worker a legal right to claim severance pay when he is dismissed by reason of redundancy. The social advantages of establishing this principle have been judged of sufficient importance to outweigh the risk of creating difficulties for a very limited number of smaller employers. This can only be regarded as a considerable advance in the field of social legislation and one on which we should aim to build in the future.

Sir, I would now like to deal with these amendments section by section and for ease of reference I shall refer to the old section numbers.

Section 20C(2)—this is for the removal of doubts as to how far it would be reasonable to expect an employee to change his place of employment without the right to claim severance payment.

Sections 20F(1) and 20F(3)—these amendments are to give the definition of lay off an element of flexibility more appropriate to working conditions in Hong Kong.

Section 20G(d)—this is to ensure that a Hong Kong citizen even though in the employ of a foreign Government in Hong Kong should still be eligible to benefit from the provisions of the bill.

Section 20H(1)—this is to resolve difficulties of definition relating to the different ways in which employees' earnings are calculated and to ensure as far as possible that such different methods of calculations do not work against any particular class of employee in the calculation of severance pay.

Section 20H(2)—this is to try to bring the bill into line with the main ordinance which does not apply to a person employed otherwise than by way of manual labour whose wages exceed \$2,000 per month.

Section 20J—since by virtue of section 20G subsection (c) civil servants as a class of employee are excluded from the right to severance payment because of their entitlement under the Pensions Ordinance. It is considered that a similar principle should be applied in the private sector whereby entitlement to gratuity or the employers contribution to a provident fund should be offset against entitlement to severance pay.

Section 20P(3)—this is to give recognition to the fact that it may not be possible in all circumstances of a particular case to comply with the provision of subsections (1) and (2) of section 20P. It should therefore be left to the court to decide what could reasonably have been expected in any particular case.

Proposed Amendments

Clause

- 3 That clause 3 be amended—
- (a) by deleting "Part III" and substituting the following—
"Part V";
 - (b) by deleting the heading "PART III A" and substituting the following—
"PART V A";
 - (c) in the proposed new section 20B—
 - (i) by renumbering that section as section 31A;
 - (ii) in the definition of "relevant date"—
 - (A) in paragraph (a) by deleting "section 5" and substituting the following—
"section 6";
 - (B) in paragraph (b) by deleting "section 6" and substituting the following—
"section 7"; and
 - (C) in paragraph (d) by deleting "section 9" and substituting the following—
"section 10"; and
 - (iii) in the definition of "severance payment" by deleting "subsection (1) of section 20C" and substituting the following—
"section 31B(1)";
 - (d) in the proposed new section 20C—
 - (i) by renumbering that section as section 31B;
 - (ii) in subsection (1)—
 - (A) by deleting "section 20F" and substituting the following—
"section 31E"; and

Employment (Amendment) (No 2) Bill—committee stage

(B) by deleting "section 20H" and substituting the following—

"section 31G"; and

(iii) by deleting subsection (2) and substituting the following—

"(2) For the purposes of this Part an employee who is dismissed shall be taken to be dismissed by reason of redundancy if the dismissal is attributable wholly or mainly to the fact that—

(a) his employer has ceased, or intends to cease, to carry on the business for the purposes of which the employee was employed by him;

(b) his employer has moved, or intends to move, the place in which the employee was or is so employed—

(i) from the island of Hong Kong to Kowloon or the New Territories; or

(ii) from Kowloon or the New Territories to the island of Hong Kong; or

(c) the requirements of that business for employees to carry out work of a particular kind in the place where the employee was so employed have ceased or diminished or are expected to cease or diminish." ;

(iv) in subsection (3) by deleting "section 20K" and substituting the following—

"section 31J";

(e) in the proposed new section 20D—

(i) by renumbering that section as section 31C;

(ii) in subsection (1)—

- (A) by deleting "section 20 I " and substituting the following—
 - "section 31H"; and
- (B) by deleting "section 8" and substituting the following—
 - "section 9"; and
- (iii) in subsection (5)—
 - (A) by deleting "section 5" and substituting the following—
 - "section 6"; and
 - (B) by deleting "section 6" and substituting the following—
 - "section 7";
- (f) in the proposed new section 20E—
 - (i) by renumbering that section as section 31D; and
 - (ii) in subsection (1)
 - (A) by deleting "section 8" and substituting the following—
 - "section 9", and
 - (B) by deleting "section 9" and substituting the following—
 - "section 10";
- (g) in the proposed new section 20F—
 - (i) by renumbering that section as section 31E;
 - (ii) in subsection (1)—
 - (A) by deleting "subsection (1) of section 20C" and substituting the following—
 - "section 31B(1)"; and
 - (B) by deleting "three normal working days in any one week" and substituting the following—
 - "a total of twelve normal working days in any period of four consecutive weeks"; and

Employment (Amendment) (No 2) Bill—committee stage

(iii) in subsection (3) by deleting "immediately prior to which his employer has failed to provide him with work on at least three normal working days in any one week" and substituting the following—

"on which the period of four consecutive weeks referred to in subsection (1) has expired";

(h) in the proposed new section 20G—

(i) by renumbering that section as section 3F;

(ii) by deleting "Section 20C" and substituting the following—

"Section 3B"; and

(iii) by deleting paragraph (d) and substituting the following—

"(d) to any person, employed by a government other than the Hong Kong Government, who is a subject or citizen of the state under whose government he is employed; or";

(i) in the proposed new section 20H—

(i) by renumbering that section as section 31G;

(ii) in subsection (1)—

(A) by deleting "section" and substituting the following—

"Part";

(B) by deleting paragraphs (a) and (b) and substituting the following—

"(a) in the case of a monthly rated employee, one-third of his last full month's wages;

(b) in any other case, ten days' wages based on any ten full working days

chosen by the employee and occurring during his last month of employment, " ; and

(C) by deleting the proviso thereto and substituting the following—

"Provided that the employee may elect to have his wages averaged over the period of twelve months immediately preceding the relevant date." ;

(iii) in subsection (2)—

(A) by deleting "of less than" and substituting the following—

"not exceeding"; and

(B) by deleting "were less than" and substituting the following—

"did not exceed"; and

(iv) in subsection (3) by deleting "subsection (1) of section 20C" and substituting the following—

"section 31B(1)";

(j) in the proposed new section 20I—

(i) by renumbering that section as section 31 H; and

(ii) by deleting " subsection (1) of section 20D" and substituting the following—

"section 31C(1)";

(k) by deleting the proposed new section 20J and substituting the following—

"Set-off of gratuity or provident fund payment against severance payment.

31I. (1) Subject to subsection (2), where an employee is entitled—

(a) by virtue of this Part, to a severance payment; and

(b) by virtue of—

(i) the terms of his contract of employment, to a gratuity based upon length of service; or

**Employment (Amendment) (No 2)
Bill—committee stage**

(ii) a provident fund scheme or arrangement, to a payment there-under, the severance payment shall be reduced by the amount of the gratuity or provident fund payment (as the case may be) paid to that employee.

(2) For the purposes of subsection (1), a provident fund payment shall not include that part (if any) of the payment which represents a return of an employee's own contributions, including any sum payable in respect of interest thereon." ;

(l) in the proposed new section 20K—

(i) by renumbering that section as section 31J;

(ii) in subsection (1) by deleting "section 5 or 6" and substituting the following—

"section 6 or 7";

(iii) in subsection (2) by deleting "subsection (2) of section 20E" and substituting the following—

"section 31D(2)";

(iv) in subsection (3) by deleting "section 20D" and substituting the following—

"section 31C"; and

(v) in subsection (4) by deleting "section 2013" and substituting the following—

"section 31C";

(m) in the proposed new section 20L—

(i) by renumbering that section as section 31K;

(ii) in subsection (2) by deleting "section 20K" and substituting the following—

"section 31J; and

(iii) in subsection (3) by deleting paragraph (a) and substituting the following—

" (a) none of the conditions specified in section 31B(2) is fulfilled; " :

- (n) in the proposed new section 20M—
- (i) by renumbering that section as section 31L;
 - (ii) in subsection (2)—
 - (A) by deleting "subsection (2) of section 20E", in both places where it appears and substituting in each place the following—
"section 31D(2)"; and
 - (B) by deleting "paragraph (a) or (b) of subsection (2) of section 20C" and substituting the following—
"section 31B(2)";
 - (iii) in subsection (3) by deleting "subsection (2) of section 20C" and substituting the following—
"section 31B(2)"; and
 - (iv) in subsection (4)—
 - (A) by deleting "subsection (2) of section 20E and substituting the following—
"section 31D(2)";
 - (B) by deleting "that section" and substituting the following—
"section 31D(2)"; and
 - (C) by deleting "subsection (2) of section 20K" and substituting the following—
"section 31J(2)";
- (o) in the proposed new section 20N, by renumbering that section as section 31M;
- (p) in the proposed new section 20O" by renumbering that section as section 31N;
- (q) in the proposed new section 20P—
- (i) by renumbering that section as section 31O; and
 - (ii) in subsection (1) by deleting "section 20O" in both places where it appears and substituting in each place the following—
"section 31N"; and

Employment (Amendment) (No 2) Bill—committee stage

(iii) in subsection (3) by inserting after "who" the following—

"without reasonable excuse";

(r) in the proposed new section 20Q, by renumbering that section as section 31P; and

(s) in the proposed new section 20R, by renumbering that section as section 31Q.

The amendments were agreed to,

Clause 3, as amended, was agreed to.

Clause 4

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that clause 4 be amended as set out in the paper before honourable Members.

These amendments involve only the renumbering for the same reasons as I have already given in respect of the amendments to clause 2.

*Proposed Amendments**Clause*

4 That clause 4 be amended in the proposed new Third Schedule—

(a) by deleting "Section 20K" in paragraph 2 and substituting the following—

"Section 31J";

(b) by deleting "subsection (1) of section 20M" where it appears in paragraphs 3 and 6 and substituting in each place the following—

"section 31L(1)";

(c) by deleting "Part 111A" wherever it appears and substituting in each place the following—

"Part VA";

- (d) by deleting "subsection (2) of section 20E" in paragraph 6 and substituting the following—
"section 31D(2)";
- (e) by deleting "subsection (1) of section 20C" wherever it appears in paragraph 7 and substituting in each place the following—
"section 31B(1)";
- (f) by deleting "subsection (3) of section 20C" in paragraph 8 and substituting the following—
"section 31B(3)";
- (g) by deleting "section 20D" in paragraph 12 and substituting the following—
"section 31C"; and
- (h) in paragraph 13—
(i) by deleting "section 20O" and substituting the following—
"section 31N"; and
(ii) by deleting "three months" and substituting the following—
"six months".

The amendments were agreed to.

Clause 4, as amended, was agreed to.

New clause 2A "Amendment of section 11".

Clause read the first time and ordered to be set down for second reading pursuant to Standing Order 46(6).

SECRETARY FOR SOCIAL SERVICES: —Sir, in accordance with Standing Order 46(6), I move that the new clause 2A as set out in the paper before honourable Members be read the second time.

The reason for this additional clause is to cover the point I have already given in respect of the amendments to subsections (1) and (3) of section 20F in clause 3 of the bill.

Question put and agreed to.

Clause read the second time.

Employment (Amendment) (No 2) Bill—committee stage

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that new clause 2A be added to the bill.

*Proposed Addition**Clause*

2A "Amendment of section 11. Section 11 (3) of the principal Ordinance is amended by deleting the proviso and substituting the following—

"Provided that the period of lay-off shall in no case exceed a total of twelve normal working days in any period of four consecutive weeks." .

The addition of the new clause was agreed to.

New clause 2B "Amendment of section 25".

Clause read the first time and ordered to be set down for second reading pursuant to Standing Order 46(6).

SECRETARY FOR SOCIAL SERVICES: —Sir, in accordance with Standing Order 46(6), I move that the new clause 2B as set out in the paper before honourable Members be read the second time.

It is not intended that the provision in the main ordinance to require payment within seven days of any sum due to a terminated employee should override the provision in the amending bill that severance payment must be made within two months.

Question put and agreed to.

Clause read the second time.

SECRETARY FOR SOCIAL SERVICES: —Sir, I move that new clause 2B be added to the bill.

*Proposed Addition**Clause*

2B "Amendment of section 25. Section 25(1) of the principal Ordinance is amended by deleting "Where" and substituting the following—

"Subject to section 31O, where ". "

The addition of the new clause was agreed to.

**PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT)
BILL 1974**

Clauses 1 to 11 were agreed to.

Clause 12

SECRETARY FOR THE ENVIRONMENT (ACTING): —Sir, I move that clause 12 be deleted as proposed in the paper before honourable Members.

*Proposed Amendment**Clause*

12 That clause 12 be deleted.

The deletion was agreed to.

Clauses 13 to 16 were agreed to.

LANDS TRIBUNAL BILL 1974

Clauses 1 to 6 were agreed to.

Clause 7

SECRETARY FOR THE ENVIRONMENT (ACTING): —Sir, I move that clause 7 be amended as set out in the paper before honourable Members.

The purpose of this amendment is to make it clear that the tribunal will not be just another arm of the Government.

Lands Tribunal Bill—committee stage*Proposed Amendment**Clause*

7 That clause 7 be amended by deleting "persons whom" and substituting the following—

"persons other than public officers whom".

The amendment was agreed to.

MR CHEUNG: —Sir, I move that clause 7 be further amended as set out in the paper before honourable Members.

The purpose of the amendment is to remove any doubt that a member of a panel who is appointed to sit with the tribunal will be an actual member of it.

*Proposed Amendment**Clause*

7 That clause 7 be amended by deleting "assist" and substituting the following—

"be additional members of".

The further amendment was agreed to.

Clause 7, as amended, was agreed to.

Clause 8 was agreed to.

Clause 9

MR CHEUNG: —Sir, I move that clause 9 be amended as set out in the paper before honourable Members for the same reason which I gave when moving the further amendment to clause 7.

*Proposed Amendment**Clause*

9 That clause 9 be amended in subclause (3) by deleting "assist the Tribunal as an additional member" and substituting the following—

"be an additional member of the Tribunal".

The amendment was agreed to.

Clause 9, as amended, was agreed to.

Clause 10

SECRETARY FOR THE ENVIRONMENT (ACTING): —Sir, I move that clause 10 be amended as set out in the paper before honourable Members.

Proposed Amendment

Clause

10 That clause 10 be amended in subclause (1) by deleting paragraph (f) and substituting the following—

"(f) the entering and viewing of any premises or place,
and, so far as circumstances permit, shall follow the practice and procedure of the Supreme Court in the exercise of its civil jurisdiction."

The amendment was agreed to.

Clause 10, as amended, was agreed to.

Clauses 11 to 16 and the First and Second Schedules were agreed to.

CROWN LANDS RESUMPTION (AMENDMENT) BILL 1974

Clauses 1 to 12 were agreed to.

Clause 13

MR CHEUNG: —Sir, I move that clause 13 be amended as set out in the paper before honourable Members.

The honourable Financial Secretary has agreed that interest be paid on compensation due at the same rate that member banks of the Exchange Banks Association pay on seven days' call deposits.

Proposed Amendments

Clause

13 That clause 13(b) of the bill be amended by deleting the proposed subsection (3) and substituting the following—

Crown Lands Resumption (Amendment) Bill—committee stage

"(3) Any sum of money determined as compensation by the Lands Tribunal shall bear interest from the date of resumption of the land until the expiration of the time specified in the notice referred to in subsection (2). No interest shall be payable on any costs or remuneration.

(4) The rate of interest for the purposes of subsection (3) shall be that paid from time to time by members of the Exchange Banks Association on deposits at 7 days' call or such other rate as may be determined by resolution of the Legislative Council."

The amendments were agreed to.

Clause 13, as amended, was agreed to.

Clause 14 was agreed to.

Council then resumed.

Third reading of bills

THE ATTORNEY GENERAL reported that the

Births and Deaths Registration (Amendment) Bill

Hong Kong Tourist Association (Amendment) Bill

Magistrates (Amendment) (No 2) Bill

Urban Council (Amendment) (No 2) Bill

had passed through Committee without amendment and that the

Bankruptcy (Amendment) Bill

Companies (Amendment) Bill

Companies (Amendment) (No 2) Bill

Town Planning (Amendment and Validation) Bill

Fixed Penalty (Criminal Proceedings) Bill

Road Traffic (Amendment) (No 3) Bill

Mass Transit Railway (Land Resumption and Related Provisions) Bill

Employment (Amendment) (No 3) Bill

Public Health and Urban Services (Amendment) Bill

Lands Tribunal Bill

Crown Lands Resumption (Amendment) Bill

had passed through Committee with amendment and moved the third reading of each of the bills.

Question put on each bill and agreed to.

Bills read the third time and passed.

Valedictories

HIS EXCELLENCY THE PRESIDENT: —Honourable Members, when we meet again, we will do so without two Members who have been with us for several years—Mr CANNING and Mr ALEXANDER. Both have made very distinctive and considerable contributions to this Council and indeed to the Government of Hong Kong.

I think that Mr CANNING's name will be associated with the very rapid expansion of educational facilities that has taken place during his directorship and Mr ALEXANDER's name will be associated, I am sure, both with the reconstitution of the Urban Council and with the "Keep Hong Kong Clean" campaign, both of which made history in Hong Kong in their ways.

Mr CANNING will be leaving Hong Kong on retirement very soon; Mr ALEXANDER will be doing so early next year. I am sure that all Members will join me in wishing them both all success and happiness in their retirement.

DR CHUNG: —Sir, on behalf of my Unofficial colleagues, I rise to associate myself with the remarks which you, Sir, have made on the retirement of my two honourable Friends, Mr J. CANNING and Mr D. R. W. ALEXANDER, after their long and distinguished services in Hong Kong. I also extend our best wishes to them for their continued success, good health and happiness for many many years to come. Thank you, Sir.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT: —Before this Council adjourns, I would like to say that this has been an extremely busy session and we have much legislation to show for it. I'd like to thank honourable

Members for the immense amount of work they put in both in this Council and outside it. Hong Kong has every reason to be grateful to them. I do hope that in the legislative holiday that now takes place, they will have some time for relaxation.

I now adjourn this Council. The next sitting will be held on Wednesday the 2nd of October when the new session of the Council will start.

Adjourned accordingly at ten minutes to six o'clock