

# OFFICIAL REPORT OF PROCEEDINGS

Thursday, 25th March 1976

The Council met at half past two o'clock

## PRESENT

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)  
SIR CRAWFORD MURRAY MacLEHOSE, KCMG, KCVO, MBE  
THE HONOURABLE THE COLONIAL SECRETARY  
SIR DENYS TUDOR EMIL ROBERTS, KBE, QC, JP  
THE HONOURABLE THE FINANCIAL SECRETARY  
MR CHARLES PHILIP HADDON-CAVE, CMG, JP  
THE HONOURABLE THE ATTORNEY GENERAL (*Acting*)  
MR GARTH CECIL THORNTON, QC  
THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS  
MR DENIS CAMPBELL BRAY, CVO, JP  
THE HONOURABLE JAMES JEAVONS ROBSON, CBE, JP  
SECRETARY FOR THE ENVIRONMENT  
DR THE HONOURABLE GERALD HUGH CHOA, CBE, JP  
DIRECTOR OF MEDICAL AND HEALTH SERVICES  
THE HONOURABLE IAN MACDONALD LIGHTBODY, CMG, JP  
SECRETARY FOR HOUSING  
THE HONOURABLE DAVID HAROLD JORDAN, CMG, MBE, JP  
DIRECTOR OF COMMERCE AND INDUSTRY  
THE HONOURABLE LI FOOK-KOW, CMG, 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 DAVID WYLIE MCDONALD, JP  
DIRECTOR OF PUBLIC WORKS  
THE HONOURABLE KENNETH WALLIS JOSEPH TOPLEY, CMG, JP  
DIRECTOR OF EDUCATION  
THE HONOURABLE IAN ROBERT PRICE, TD, JP  
COMMISSIONER FOR LABOUR  
DR THE HONOURABLE CHUNG SZE-YUEN, CBE, JP  
THE HONOURABLE OSWALD VICTOR CHEUNG, OBE, QC, JP  
THE HONOURABLE ROGERIO HYNDMAN LOBO, OBE, JP  
THE HONOURABLE MRS CATHERINE JOYCE SYMONS, OBE, JP  
THE HONOURABLE PETER GORDON WILLIAMS, 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, OBE, JP  
DR THE HONOURABLE HARRY FANG SIN-YANG, OBE, JP  
THE HONOURABLE MRS KWAN KO SIU-WAH, MBE, JP  
THE HONOURABLE LO TAK-SHING, OBE, JP  
THE HONOURABLE FRANCIS YUAN-HAO TIEN, OBE, JP  
THE HONOURABLE ALEX WU SHU-CHIH, OBE, JP

**ABSENT**

THE HONOURABLE LEE QUO-WEI, OBE, JP

**IN ATTENDANCE**

THE CLERK TO THE LEGISLATIVE COUNCIL  
MR KENNETH HARRY WHEELER

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HIS EXCELLENCY THE PRESIDENT:—Council will resume and continue the debate on the Appropriation Bill.

**Second reading of bills****APPROPRIATION BILL 1976****Resumption of debate on second reading (24th March 1976)***Question proposed.*

MR BREMRIDGE:—Your Excellency, this is no Philippic. Indeed immediately after my honourable Friend's budget speech, I tried to turn my other cheek only to find it paralysed after three and a half hours (*laughter*). My intention was good anyway. In common with my colleagues and with most of the community I believe that the budget was basically very sound. But inevitably there are some issues which might perhaps usefully be touched upon.

*Civil Service pay*

Firstly it is a fact of life, however deplorable, that civil servants as a class are rarely popular, and that many people take a perverse pleasure in seeing their pay and privileges cut down. Nevertheless a main principle of Government's pay policy (as confirmed by the Acting Financial Secretary in this Council on 17th December 1975) is that civil servants should be remunerated at levels which they might expect to obtain in comparable employment with reasonably good employers in the private sector. But the major proviso was rightly added that finance must be available. I am thus sure that Government was previously well advised in its refusal in the middle of a major recession

to consider basic increases (as opposed to the usual increments) in civil servants' pay since a general rise was last granted with effect from 1st April 1974. Moreover I am quite aware that in both the British and Chinese tradition many fine men prefer to work for the community as a whole in the Civil Service rather than in commerce, industry, or other similar fields. So money is not all.

But even devoted men with hair shirts tend to have wives and families. A monkish Civil Service would be hard to recruit. And backsliding into matrimony would be a constant temptation. Let us avert our eyes from all the other systems tried elsewhere in earlier years to foster an entirely dedicated all male service: Mamelukes and janizaries, plus I regret to say surgical intervention (*laughter*). My point is clear, we are dealing with our fellow citizens and not with an isolated class.

It is a fact that from April 1974 to end-January 1976 the moving average of both the General Consumer Price Index and the Modified Index has increased by 10%. One expatriate cost-of-living index shows an increase of 10.8% from April 1974 to the end of 1975. In view of these increases since April 1974 I therefore believe that the time has now come for a general, but certainly not retroactive, pay increase for those Civil Service grades who do not get automatic cost-of-living increases, and provided of course that it can be shown that comparable good employers in the private sector have acted similarly. With some knowledge I believe this to be the case. What the exact percentage figures should be is naturally a matter for calculation and negotiation.

I thus welcome and support the honourable Financial Secretary's sensible comments on this point, and hope that the necessary investigations are now well under way. The ideal which we should seek, and of course being an ideal may never find, seems to be encompassed in the first paragraph of the Government's statement of principles and aims in Civil Service remuneration issued in February 1971. This is that conditions of service should be regarded as fair both by civil servants and by the public which they serve. My own personal maxim is that a reasonable man must think and feel that he is being treated reasonably. In this day and age there is no excuse for an employer not behaving responsibly towards those who work for him.

I must add in passing that I seriously doubt whether Government was right or wise in the first place to enshrine the principle of comparability—even though with good reasons somewhat hedged about. This pass has, however, been sold. My point is that it is very difficult

[MR BREMRIDGE] **Appropriation Bill — resumption of debate on second reading(24.3.76)**

indeed to set like against like in such complicated affairs; but I believe anyway that real sacrifices have recently been made in the community interest by civil servants, that certainly at the higher levels there is little, if indeed any, comparability, and that now is the time to ensure that these men and women who work for us are treated at least fairly if not generously. It is appropriate yet again to note that we have a very good Civil Service. By all means let an increase in pay be coupled with an increase in their productivity, which particularly in the lower levels seems *prima facie* much less than in commerce and in industry; while even well-wishers were appalled by the Clerical Grade's exhibition of graffiti in the middle of a "Keep Hong Kong Clean" campaign. But now that we are over the hump financially the aim must surely be to produce quickly a fair settlement acceptable to all concerned.

*Taxation*

I turn now to the vexed issue of taxation. Government have set up a third Inland Revenue Ordinance Review Committee with a clear preamble and sensible terms of reference. The honourable Financial Secretary has commented in his usual pithy if perhaps one-sided fashion on the background to this. For my part I welcome the review itself, and I remain open-minded—provided that, however, philosophy is tempered by commonsense.

It is suggested from time to time that tax reform is always opposed by commercial interests and their supporters. (I avoid the term "vested interests" which sounds like an association of male models (*laughter*.) Though not necessarily true, there is more than a grain of truth in the criticism—especially if reform means higher taxation. But this present issue really is one of basic change, not increase, and in any case Hong Kong's prosperity depends entirely on the commercial success of exporters. So it is essential at least to consider commercial factors before perhaps rejecting them. Moreover some of the honourable Financial Secretary's own ideas might well be acceptable to many of us in Hong Kong, when and if they manage to find out how they might be accomplished. The heavy opposition into which he has run is mainly based on practical considerations, and not sophistry.

Let me be fair. It is incontrovertible that some individuals, interests, and companies resident in Hong Kong contribute absolutely nothing to the community in the form of taxation. If taxes could be levied on them, then to that extent the burden of taxation on the rest

of us could be reduced, and equity would undoubtedly be served. This is certainly one side of the coin.

On the obverse it is generally and wisely accepted that Hong Kong must remain a low-tax area; that taxation must be simple and cheap to collect; that economic growth must not be impeded; and that useful—and I repeat useful overseas investment must not be discouraged. To my mind, moreover, an overwhelming priority is that in our efforts to be more fair and equitable we should not find it necessary to import the whole bag of complicated taxation measures which plague other countries. In a nutshell is absolute fairness worth the trouble? This is a serious pragmatic criterion. Our present system at least works and is easily comprehensible. We should not throw out the baby with the bath water. The rich can always pay for technical advice and legal defence. The poor cannot.

A dividend withholding tax sounds relatively simple, but its implementation seems certain also to involve the introduction of an undistributed profits tax (which will in turn affect the principles of taxation on some capital gains and all overseas earnings paid through Hong Kong companies), restrictions on directors' fees, new rules on companies' residence, appreciable disincentives to overseas investment, and much more. It therefore appears to me that accompanying legislation would be both contentious and complicated. Nor will the legal position necessarily be known until precedents have been established in the courts. Goodness knows that lawyers and accountants anyway should be in favour.

It is, I submit, right to be cautious also in the knowledge of what has happened in other less fortunate places, where seemingly progressive reform has led to fearful and totally unexpected problems. This road to hell is paved with glib pretensions, and you know well who paves it. Taxation's purpose in Hong Kong is to raise revenue simply and cheaply. Nothing else.

If, however, reform is possible on a basis both more equitable than the present, and which avoids the many pitfalls which I have mentioned, then I personally will welcome it. So will others who have the real interests of Hong Kong at heart. I have not, however, found it possible yet to accept the honourable Financial Secretary's own ideas, and nor, I believe, will the Review Committee (*laughter*).

### *Recreation*

All of us are delighted to see that immediate provision is being made for additional expenditure of HK\$6 million to the development

[MR BREMRIDGE]      **Appropriation Bill—resumption of debate on second reading**  
**(24.3.76)**

of the countryside for recreation. But is anything now being done about making available initially some few of our reservoirs for recreational use? The position elsewhere is very different. Many reservoirs in the United Kingdom are open to boating and I have their names. In Singapore when Seletar reservoir was opened it was thought appropriate to stage a water carnival, including water skiing. It is now widely so used. Why the difference in practice compared with Hong Kong? The same sensible outlook (which is denied to us) prevails in many other countries also. The High Island Scheme will offer 1,700 acres of water. Why cannot it be used as Seletar is? Cannot even the small Wong Nei Chong Gap reservoir be set aside for boating? Are those responsible not just conservative but hidebound? The comment that it is not necessary to use reservoirs for recreation because of the sea all around us must surely invite the retort that if this is indeed logical why are we building any swimming pool complexes? Please can a fresh look be taken at my truly modest suggestions.

*Security Commission*

I welcome the honourable Financial Secretary's comments on close regulation by the Securities Commission of methods of private placement, should we again see a number of companies going public. This must be right. Equally right, I suggest, is also the suggestion that some accountants' facile reports accompanying new issues should be eyed very much more coldly than they were in the last stock exchange boom. The line between fact and fiction was frequently crossed, and this should not happen again. Further strengthening of the Securities Commission may seem wise; and if so I would strongly support it.

*McKinsey Reforms*

I make no apology for expressing my disappointment that yet again no reference was made to the McKinsey recommendations. My particular concern is with the introduction to Government of modern budgetary systems of financial control, and of management by objectives, coupled with the delegation that this involves. To the best of my knowledge in all Government only Queen Elizabeth Hospital has an effective full-scale annual operating plan yet, which is taking to extremes a cautious approach to innovation. It is, in fact, a quill pen syndrome. As one example only I recently made a visit with Unofficial colleagues to the Kowloon-Canton Railway, and I can only

express my personal opinion when I say that the state of affairs there *vis-à-vis* financial control, budgets and delegation would be out-of-date in 1876 for a horse-drawn tram company (*laughter*). The present state of the KCR as compared with what it might have been would in fact make an excellent case study for any business school—except that it might be considered to be unreal. Can we hope for further movement in this important field? It is for instance vital—as Government recognize—to bring on as quickly as possible our excellent younger Chinese civil servants. But quick promotion of high flyers is very dangerous unless within the confines of good budgetary control measures, and accompanying tight job definitions. Many other highly important issues are at stake.

An allied factor is the shortage of qualified accountants in the Civil Service, and the consequent difficulty of discerning true costs in that on-costs (or overheads) are not readily available to managers. To be fair yet again I acknowledge that there are indeed also real problems to be faced, and that no quick outcome is likely; but progress seems desperately slow.

Sir, the dogs bark but the caravan moves on.

My colleagues, both Official and Unofficial, may perhaps share my views that there is a worldwide tendency echoed in Hong Kong for the quality of Government to receive more and disproportionate attention than the quality of life, in which Government is only one of many estates. Hong Kong has after all done pretty well in the last 31 years.

In conclusion, therefore, may I leave the following words of Sidney SMITH before your Excellency and this Council:

"A good Government is an excellent thing; but it is not the first in the order of human wants. The first want is to subsist; and the next to subsist in freedom and comfort; first to live at all, then to live well."

Sir, with these words I support the motion.

DR FANG:—Your Excellency, speaking at the opening of the current session of Legislative Council, I urged Government to consider a long-standing plea by the Unofficial Members for a home-ownership scheme whereby more could be given the opportunity to acquire their own housing. It is most heartening to note that Government has responded to this call and I therefore warmly welcome the proposals outlined in the Financial Secretary's budget speech for the promotion of home ownership.

[DR FANG]     **Appropriation Bill—resumption of debate on second reading (24.3.76)**

I believe that the scheme, if launched on a sufficiently wide and large scale and with the active support of private enterprise, may well provide the solution to our housing problem. I am confident that the private sector can play a positive role towards this end.

For at least two decades now, Government has shouldered the main burden of providing housing for the masses of our people. With the growing aspirations of the community, an increasing strain is being placed on Government to meet other social needs. In my view, the time has come for Government to take a long hard look at its public housing programme under which housing will be provided for another 1.8 million people by 1982. I submit that this target is no longer realistic in terms of timing and financial resources having regard to our present taxation structure. I am doubtful that much more than 40% of the population, that is, 1.8 million or more people, are really in need of public housing at subsidized rentals because many who are at present occupying public housing must have prospered over the years to such an extent that they would no longer qualify if assessed on current income limits. Government's responsibility therefore lies in ensuring that sufficient quantities of low and medium priced flats are available on the market and that loan financing is provided within the reach of blue and white collar workers. Thus, all those who wish to purchase their flats can be given the means to do so, including those who are already accommodated in public housing, those who are still on the waiting list, and those civil servants whose income renders them neither eligible for public housing nor for Government quarters or a housing allowance. In this way, public housing would only have to be provided for those who are in the greatest need, that is, those living in squatter and licensed areas or those who cannot legitimately afford to acquire their own housing.

The success of the home-ownership scheme depends to a very large extent on the active participation of private enterprise. To reiterate what I have said in this Council before, Government must be prepared to make land available at concessionary prices with building restrictions and to agree to guarantee loan financing for prospective home-makers with approved banks over a period of 15 to 20 years.

There is, of course, another alternative. Government could take out an option to dispose of a number of units in approved private housing schemes. No capital outlay would be involved since Government's credit standing would generate confidence in other prospective

buyers and would practically guarantee full sales. In such circumstances, private developers may well consider offering Government a volume discount which would directly benefit buyers.

I therefore urge Government to consider the proposals I have just outlined to stimulate participation by private enterprise in the homeownership scheme. The scheme has far reaching social implications and must, in my view, be implemented without delay. It must not be allowed to become aborted simply because of inadequate financing or the lack of suitable sites.

My second point concerns the staffing of Government hospitals and clinics. This has been a perennial problem which has come to the fore recently over the staffing crisis at Kwong Wah Hospital and the resignation of a number of senior medical officers at Queen Elizabeth Hospital during the recent two months. The situation is grave and calls for concerted Government action. If this particular nettle is not grasped now the Government medical service will be reduced to well below par with the staff overworked, disgruntled and disillusioned. The situation is particularly critical in the middle ranks and something must be done to retain this level of officer who forms the backbone of any efficient medical service. The monetary rewards in private practice normally cannot be matched in the public service here I agree with my honourable Friend Mr BREMRIDGE that money alone is not everything in the eyes of all doctors. The public service can and should offer other attractions, that is, the opportunity for training and research in individual specialities and the freedom and opportunity to pursue one's own academic preference. Yet these features are missing in our medical service. Our doctors are overworked, their working environment is poor and is deteriorating, and there is inadequate opportunity for training and research. All these defects were emphasized in the Hartwell Report published in 1969. It is therefore not surprising that our doctors in Government soon lose all interest and resign to take up private practice.

In such circumstances Government faces two alternatives. It should either improve the working environment, job prospects and the training and research facilities for its doctors; or it should face reality and take a closer look at all other available resources. The first alternative is no doubt the ideal solution but, unfortunately, a limited budget means that many of the improvements cannot be implemented for the time being. This leaves us with the second alternative and in my view a solution could easily be achieved once the principle is accepted. By this I am suggesting that private practitioners should

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be employed on an "assignment basis". There is a number of private practitioners whose practice allows them to take up other assignments. Government could make use of their expertise and efficiency by assigning them specific duties in Government hospitals and clinics in return for a fee. For example, a private practitioner could well be made responsible for looking after, say, ten beds in a medical ward. The welfare and well-being of these ten patients as well as the supervision of the medical residents would be the specific responsibility of the private practitioner. There is thus no question of abrogating responsibility on the grounds of part-time employment. In other words the private practitioner would be a consultant or a visiting surgeon or physician as they are known in many western countries. Such a practice already exists in the legal profession in Hong Kong whereby lawyers in private practice accept certain assignments within the Government in return for a fee. In this manner Government would be making optimum use of available expertise (mostly acquired at the considerable expense to the taxpayers), the public would be better served at very little cost to Government since fringe benefits, such as quarters, study leave, pensions, children's education allowances, *etc.* for full-time staff would be saved. Furthermore the attitude of doctors towards their patients is bound to improve. I realize that such a scheme will immediately give rise to concern that it is capable of abuse, namely, that private practitioners will be using Government facilities to further their own practice. Others will say that it is unlikely to attract good practitioners, since they will be busy with their own practice. In my view neither of these arguments can stand up to close scrutiny since administrative safeguards can be devised and the ultimate sanction lies in terminating the assignment of those who are not rendering satisfactory service. I am satisfied that many of my colleagues in the medical profession would welcome such a scheme since it would enable them to keep abreast of developments in their own field, to give them considerable job satisfaction as well as more opportunity to better serve the community. The accrued savings could then be used to improve the conditions of service of full-time staff as well as to provide better facilities for research and overseas training. If this suggestion commends itself to Government I am sure an acceptable scheme could be devised without too much delay.

I wish also to comment on the serious lack of dental facilities for the population at large. According to available statistics there are only 440 qualified registered dentists in Hong Kong, that is, one in

every 9,000 of the population. This compares unfavourably with standards elsewhere. For example, prior to 1971, the United Kingdom had one dentist to every 3,730 of the population; Japan, one to 2,820 and Singapore, one to 5,150. It should also be remembered that the figure of 440 includes a number of dentists nearing retirement and that the average number of new dentists coming from overseas is only about eight a year which hardly covers normal wastage. Quite obviously, the situation is getting from bad to worse. Dental care is an integral part of the overall health and well-being of a person and Government has included a dental school in its White Paper on the Development of Medical and Health Services in Hong Kong published in 1974. I welcomed this proposal when it was first mooted but I am disappointed to note that there has been no progress since then. If mention of it was not inadvertently omitted from the Financial Secretary's budget speech I can only assume that Government does not intend to proceed with this project in the foreseeable future. If this is the case I must deplore the lack of action by Government in this respect. I believe that the provision of a dental school should have priority over the second medical school since we are already producing 150 qualified doctors a year. This supply will be further supplemented by the scheme to make use of unregistrable doctors, so the situation so far as the medical profession is concerned is at least tolerable though not ideal. I would welcome a statement from Government regarding its timetable for establishing the proposed dental school.

For years now Government has been urged to consider the introduction of a community nursing scheme to complement hospital care. So far this scheme has not been implemented within Government service. I remain convinced that such a scheme is both viable and practical in that it will relieve the strain on our hospital facilities and extend nursing care to the home. May I reiterate that there is no shortage of qualified nursing staff for this type of work since many, whilst not prepared to take up full-time employment, would be more than willing to participate in this scheme in their own districts and in their own time. Indeed, the scheme has proved to be more than worthwhile as evidenced by the fact that five voluntary agencies are already engaged in this field. Last year the agencies concerned provided home nursing care for 9,674 patients and carried out over 26,000 home visits. I am sure that this data could well provide the basis for introducing community nursing on a Colony-wide basis. But, where a voluntary agency undertakes this work, it is essential that a realistic subvention be provided. At the present time, funds are not

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allocated to voluntary agencies at all which provide this service. I hope this state of affairs will be rectified in the budget under debate.

On the question of subventions in general I wish only to state that it is important to retain an incentive for voluntary agencies to maintain and improve their existing services and to explore new needs of the people. The voluntary sector has a valuable role to play in meeting the social welfare needs of the community. It has greater flexibility and scope to manoeuvre and introduce innovations and can normally provide a more acceptable service to a lesser cost than Government. The amount of \$52 million in total for social welfare services in the voluntary sector cannot be said to be extravagant when one considers that Government spent no less than \$22 million alone last year in subsidizing student bus fares.

Finally, as regards education facilities for handicapped children, Government's declared plan as far back as 1972 was to provide a total of 18,400 places by the end of 1976-77. I note that there is provision next year for a total of 12,127 places in both Government and aided schools. This leaves a shortfall of almost 7,000 places and I should like to know how Government proposes to meet this shortfall by the end of 1976-77. I should also like to know when the 3,930 places anticipated to become available in Government schools this year as mentioned in the draft Estimates of expenditure will, in fact, be ready for allocation.

With these observations, Sir, I have pleasure in supporting the motion before council.

MISS KO:—Your Excellency, the Appropriation Bill for the coming year has been generally well received by the public. We are all aware of the multitude of complex problems that need to be considered when preparing a budget to implement Government's plans for the coming year. I wish to compliment the honourable Financial Secretary on his presentation of the proposals. The Budget shows that the Government's major aims and policies, first outlined by Your Excellency on 18th October 1972, remain unchanged and Government will continue to work towards a better quality of life for the people of Hong Kong.

I noted with particular interest the budget expenditure in the social services field, education, medical and health, housing, labour

and social welfare. The total budget for social services next year amounts to \$3,330.8 million which is an increase of 11% over the previous year and represents 40% of the entire estimated expenditure for the year. Social services are therefore to consume a large proportion of the total provision for 1976-77.

The proposed budget for education for the coming year is \$1,376 million which is 19.1% of the total budget. This amount represents an increase of 6.3% over this year's revised budget. I am sure everyone will welcome the good news about the increased provision for education for the coming year—the aim of the White Paper to expand the number of secondary school places to allow all children to attend Form I (and subsequently Forms II and III) will be achieved by 1978, that is to say one year ahead of the original target date.

In the meantime, however, voluntary agencies should be encouraged to provide more youth services in the area of recreational and group activities, youth guidance programmes and programmes to provide some trade orientation for children from 12 to 14 years of age who have no opportunity to go on to secondary school.

I am very glad that the honourable Financial Secretary has now announced that the Child Care Centres Ordinance will come into operation on 1st June this year. With adequate provision for its implementation, I have every confidence that standards in child care centres and nurseries will improve within the foreseeable future.

Regarding social welfare, the draft estimates for 1976-77 is \$425.4 million, an increase of \$45.6 million over the revised estimate for 1975-76. The percentage increase for the coming year over the current year is 14% which is quite close to the overall average increase of 16% in the previous year. However, some \$300 million is set aside for social security, that is, compensation for victims of crimes of violence, disability and infirmity allowances, emergencies and public assistance. This is a very substantial and proportionately increasing amount of the Social Welfare Department's vote, and the much smaller balance has to cover all the other social welfare services of the department such as rehabilitation, family service, probation work, and community and youth work. This other provision has risen more moderately from \$4.5 million in respect of "other charges" in 1972, to the 1976-77 estimate of \$6.4 million which represents a decrease of \$0.4 million from the \$6.8 million incurred during 1975-76. And even when the subvention vote of \$52 million for social welfare is added, the total for all services run by the voluntary agencies and

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the Social Welfare Department apart from the social security schemes is only \$56.5 million which is about 13.8% of the total budget for social welfare services compared with the 73% share for public assistance and disability and infirmity allowances.

I must point out, at this stage, that the Five Year Plan for social welfare development is already at least two years behind schedule. Although the total expenditure estimate for 1976-77 is larger than that shown in the plan, public assistance and the disability and infirmity allowances have taken the lion's share. If one takes into consideration that dollar for dollar one can buy less than in 1973, the remaining sums allocated for the other welfare services are far from adequate. I would also remind the honourable Financial Secretary that the plan is subject to annual review, and would suggest therefore that one should not use the unmodified figures in the original plan for the purpose of comparison. This is particularly important after the virtual standstill of the Five Year Plan during the past two years.

One more word on the public assistance scheme. I understand that some figures given by the honourable Financial Secretary in his speech are misleading. It is true that the 1972 projection of expenditure on public assistance, according to the Social Welfare Five Year Plan, showed that by 1976-77 only \$38 million would be involved whereas the estimate for the coming 1976-77 financial year in respect of public assistance is \$207.1 million. But it should be remembered that since April 1972, the public assistance scale has been raised by 62% (11% in 1973, 21% in 1974, and a further 30% from 1st June 1974) simply to maintain the original purchasing power. It has also to be borne in mind that the public assistance caseload was 14,000 in April 1972 but had risen to 55,000 by November 1975. Even allowing for signs of a marked improvement in the economy, the caseload may well continue to rise, albeit more slowly than in recent times, as more people who are elderly, sick or disabled come to accept that they have every right to look to Government for help.

The honourable Financial Secretary has said: and I quote "I would suggest that a lot of hard rethinking is necessary to establish where the need for continuing to expand social services, apart from cash payments, truly lies." In relation to this, I would like to express some of my views:

*The Needs for Social Welfare Services Other Than Cash Payments*

It is, of course, essential for any community to ensure that the underprivileged and others less able to look after themselves are provided with basic necessities. This is normally the work of a responsible Government. At present, the public assistance scheme and the disability and infirmity allowances to which Government is fully committed are good examples of the way in which society directly helps the individual in need. But this kind of service alone is not enough to meet the rapidly changing human needs and aspirations of the people in our increasingly sophisticated community.

Man does not live by bread alone. There can be no doubt in the public mind that Government is working to improve the quality of life. But what is necessary to improve this quality of life changes from time to time, as society itself changes. Therefore while public assistance and disability and infirmity allowances should remain as fundamental services, other services need to be developed to enable the people to cope with personal and family difficulties, for example, services for problem children and youth, school drop-outs, working mothers, broken families, homeless old people, the disabled, *etc.* And so there is also a great need for other services mainly preventive, some curative, such as family service, community and youth service, rehabilitation service, probation and corrective service, to help build a stable and happy community, which is one of the important factors in economic development. Even if more and more people are now qualifying for cash handouts from the Social Welfare Department, the need for other services will not be reduced—indeed it may be increased.

While cash payments may assist families to pay essential nursery fees, obviously an increase in the number able to pay these fees will create a greater demand for nursery facilities, and while cash payments to the elderly may enable the recipients to purchase food, this in itself is useless if they are bedridden or house bound. What these people may also need is home help or institutional care in a home for the aged. In the field of rehabilitation, the contribution of the educational and vocational training centres and the homes providing institutional care are well recognized. There is also a pressing need for a multi-disciplinary assessment service to identify the different needs of the disabled, including those who are socially and psychologically handicapped. All these are social welfare services other than cash payments.

An overlap between public assistance and disability and infirmity allowances and other services may occur. But constantly reviewing and planning the programmes, in a joint effort by Government and

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voluntary agencies, will help to keep the problems to a minimum and in perspective.

I agree that during any period of economic recession, Government's resources should be mainly geared to meeting the basic needs of the people. However, with the improvement in the economic situation, more attention should be paid to preventive and general developmental services which are, in fact, measures dealing with human investment and the prevention of social problems. I therefore hope that if there is improvement in the economic situation during the coming year, the Government will consider allocating a larger percentage of funds to this group of services.

*Subvention for Social Welfare Agencies*

For social welfare subvention to voluntary agencies the estimate of \$52 million, approximately .72% of the total budget, is an increase of 9.59% over this year's revised budget. However, quite a large part of the subvention allocated is used to meet rents and rates, often payable to Government itself for premises in its public housing estates.

I would further point out that overseas contributions, which previously formed a major source of income for many of the voluntary agencies, were only \$1.6 million in 1974-75. In this financial year it is estimated that these contributions will drop to \$1.1 million and in the coming year we anticipate the total will be below \$1 million. The projection is that two years from now this particular source of income will have completely dried up.

I wonder therefore whether these agencies will receive sufficient funds even to maintain their present standard of service, quite apart from meeting the increasing demands made upon them, or starting new projects. Some agencies may suffer a greater lack of funds than others, and this needs to be examined to avoid unnecessary setbacks in particular areas.

Most of the social welfare services other than cash in kind are provided by voluntary agencies, and some essential services are provided solely by them. Those services mainly run by voluntary agencies include nurseries, old people's homes, youth and recreational services, rehabilitation services, family counselling, *etc.* just to name a few.

In the history of social welfare services in Hong Kong, the voluntary agencies have been and are still playing a very important role including the pioneering of new services as well as co-operating closely with Government in their endeavours. Voluntary social welfare agencies have strong incentives to play their part and are eager to experiment with innovative approaches and methods in their work. It is also true that they are more flexible and are better able to test pilot programmes planned and designed to meet changing needs. It is desirable that more encouragement, financial and otherwise, be given to the voluntary social welfare agencies. Of course, close co-operation and consultation are needed between voluntary agencies and Government.

For all the reasons mentioned above, I hope Government will review the situation of the subvented agencies during the year, and if necessary consider supplementary subvention especially for those agencies in difficulties.

Again, it would be desirable to review the criteria for the allocation of Government subvention as well as the relationship between Government subvention and the Community Chest allocation from time to time.

Some voluntary agencies might regard evaluation exercises as a tactic by which Government or the Social Welfare Advisory Committee may attempt to justify reductions in the amount of subvention granted for a particular type of service. May we be assured that as long as there is a real need for a particular type of welfare service, and an agency endeavours to play its part effectively in the provision of such a service, allocation of funds will be carefully and favourably considered by Government.

#### *Evaluation Programmes*

A lot of hard thinking should be geared to evaluation practice in order to develop sound and better social welfare services and to use public funds properly in the interests of the people.

I was very pleased indeed to note that at an evaluation seminar recently sponsored by the Social Welfare Advisory Committee the discussion groups considered evaluation to be necessary to ensure both value for money, and that agency services develop in response to changing community needs. I think we should ensure however that money is not the main criterion for evaluating services, but the real needs of the Hong Kong community should be identified and

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emphasized in the evaluation programmes. Priorities would also be set through evaluation exercises.

Evaluation in the social welfare area should be integrated with the reviewing process, including the review of the Five Year Plan, to provide more reliable basic data for assessment of the current needs of the community and for future planning. It should result in a more appropriate distribution of resources and effort where the need is greatest. Evaluation should also look at each particular area of service as a whole and an integrated approach to each area of service is desirable to avoid unhealthy competition. The individual welfare agencies should conduct self-study continuously thus helping the overall evaluation programme. With the evaluation programmes, it is also hoped that a broad range of acceptable and realistic standards will be established, and these will themselves facilitate more objective evaluation.

Talking about quality and quantity of services, I think quantity is important when the need for service is very great, but quality should be improved gradually to make the service more effective. At different stages of development, guidelines or minimum standards for each service should be set through the evaluation exercise to help raise the quality of that service. At the same time, these guidelines and minimum standards will make the continuing evaluation programmes more effective. I hope that Government and the voluntary agencies will continue to work in setting guidelines or minimum standards for various services and desirably in a joint effort.

*Planning and Testing New Approaches to Meet Identified Needs*

With effective evaluation and planning programmes, the services considered and proved out-dated or undesirable should be abolished and it is important to plan and test new approaches to meet the identified needs of our community more efficiently.

In fact there have been many changes in the social welfare field in Hong Kong and I should like to give an example from the field of youth work.

In the late '40s and '50s in Hong Kong, youth services were subsidiary to the other social services in our city working towards recovery from war. Literacy classes for those who did not obtain a

place in the limited number of schools were run by youth organizations. Clubs were run for children "to keep them occupied", "to protect them from the influences of unscrupulous adults", or to instruct them in a simple trade.

In the mid '60s, young people needed outlets beyond mere striving for survival. Youth organizations attempted to answer some of these needs by shifting their early emphasis to a leisure-focussed programme with a recreation bent.

During the period from the mid '60s to the early '70s, two important events changed the pattern and programmes of youth services: the first was Government's decision to provide a primary school place for every child of school age; and the second the civil disturbances and riots in 1966 and 1967. Both had far-reaching implications for the youth organizations and their services. As a result, youth services were directed towards developing a sense of social responsibility and social consciousness in young people. Leadership training and development were emphasized; self-programming groups and youth councils were encouraged; and service to the community was given wide publicity. Youth programmes were more "people-oriented" rather than "building-centred". Youth organizations found themselves experimenting with innovative methods.

Since then there has been experimentation with various new approaches such as detached work, out-reach, youth guidance and so on. Increasing attention is now being given to those who need youth services but do not benefit from those already offered. Increasing emphasis is being put on the emotional and behavioral problems that plague so many young people. Now emphasis is beginning to be placed on the preventive and developmental concept of youth service.

The Pilot Youth Guidance Project which is sponsored by the Social Welfare Department enables four youth organizations to experiment in four different areas, reaching out and giving guidance to young people between 11 and 15 years of age who are school drop-outs or potential school drop-outs, or have behavioral problems or a delinquent tendency. This project is out-reaching in approach and mainly preventive, but partly curative in nature: it is geared to preventing social illness and building a healthier society. Such preventive work could hopefully in the long run see a decrease in the prison population and a healthier society. If the final report of this pilot project indicates that the programme is effective, then resources must be made available for expansion and further development.

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The above indicates how, with proper awareness of the changes occurring in the community, the direction and emphasis of the services must change. But it is wasteful to allow individual services to just "grow like Topsy" and an overall picture must be obtained. With proper reviews and joint planning, we can ensure that we get our priorities right and obtain an efficient end-result.

The honourable Financial Secretary's suggestion that, in view of the very large sums involved, the voluntary agencies should account for the public funds spent by them. I certainly agree that public funds should be used to the best possible advantage of the community. I also agree that the audited accounts, and details of the expenditure of the voluntary social welfare agencies receiving a discretionary grant from Government, should be presented to the Government for scrutiny, and this has been practised for some time. Perhaps Government and voluntary agencies will pay more attention to this matter in the future.

Finally I welcome the establishment of the third Inland Revenue Ordinance Review Committee. I hope the committee will take note of the need to provide protection for families in the low income bracket. There are certain areas where an increase in taxation would not place an undue burden on those concerned; for instance, a levy on luxury goods and further increases in betting tax.

Sir, with these remarks, I support the motion.

MR LO:—Your Excellency, alas, I can offer no wisdom from Sidney SMITH, but I shall offer brevity—comparatively speaking.

The realities in Hong Kong are obvious enough—we have no natural products, no oil off our coast. To survive—or to subsist—we must manufacture and trade. To do either we must retain the factors which make us competitive with our neighbours. Whilst some of these factors are outside our control, most are within—such as labour costs, land cost and costs of the infrastructure. The level and type of taxation is merely one part of the whole equation and, stripped of its methodology, all that my honourable friend the Financial Secretary has said in his budget speech is that whilst the Government is mindful of its duty to forge ahead with its stated social programmes it cannot exceed the natural limits of Hong Kong's fiscal potential: it cannot go outside our natural equation.

This is obviously right and, this being the case, it is clearly vital for us to ensure that the resources which we do have at our disposal are put to best use.

Your Excellency may recall in last year's budget debate I urged my honourable friend the Financial Secretary to take a total view in financial management. I pointed out to him that over 22% of our total planned expenditure was to be spent by bodies outside Government's control. I tried to point out to him that without a high-powered and full time central body it would be impossible to measure relative priorities. I urged the Government then to accept its twin responsibility of ensuring that all money spent is well spent both in the sense of the right priority having been given to each area of activity and also in the sense that in spending it, proper economic principles are observed.

I note from his budget speech this year that my honourable Friend has now discovered for himself the fact that a fifth of total public expenditure is disbursed by subvented organizations. I also note that he now considers that all subvented organizations should be subject to the same degree of public accountability as that which applies to Government departments and that the Director of Audit will be paying a greater degree of attention to the manner in which they will spend public funds. I am considerably encouraged by all this. However, I note with some regret that he has not yet considered the establishment of a full time committee to examine priorities properly. I also regret that the Director of Audit has not yet committed himself to examining the accounts of Government-owned statutory bodies.

I should like to spend the next few minutes outlining another practical suggestion to improve the efficiency in the use of our resources. It relates to Government subsidies both direct and indirect, for I consider that these ought to be properly focussed on those who really need subsidy. To do this requires a proper system of checking the means of the recipients of subsidy.

It is true that even today we have various forms of means tests. For example, one formula is used for legal aid, another for obtaining housing, a third for school places, a fourth for hospital services, a fifth for the Social Welfare Department. I fully appreciate that Government's use of such a wide variety of methods to test means was due to no mistaken grand design but to its efforts to meet special problems which have arisen over the years. However, the time has clearly come for Government to grasp the nettle and architect a grand design to test means. To delay, I believe, would be both socially unjust

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and politically unwise. At present a large slice of the subsidy cake is going to the rich. For example, although university as well as secondary and primary education is heavily subsidized by Government the rich are paying no more for their children's education than say my chauffeur for his. Is this social justice? The failure properly to focus subsidy must necessarily slow down Government's social programmes. For example, the rents in housing estates do not cover costs, are too high for the poor and too low for those who have become better off—hence we can never really catch up with our housing programmes. Is this politically wise?

I would therefore be grateful if Government would do a feasibility study on the possibility and cost of a centralized and graded subsidy entitlement registration system, to coin a phrase (*laughter*). Naturally it would take too long to detail the proposed system and all its advantages today but in broad terms the idea is simple. The first step would be for the Government to establish the areas of activities that it wishes to subsidize, and then it should decide the level of fees it wishes to charge for each service it provides within such area to a person needing no subsidy. This level would naturally depend not only on costs but also on a number of other factors, political as well as social.

The third step would be for those of us who feel in need of subsidy to apply to the Registrar of Subsidy Entitlement giving details of our income and capital, expenditures and dependants. After the veracity of his application had been checked, each successful applicant would be entitled thereafter to claim a permitted percentage reduction of Government fees and charges within the subsidized services, the level of reduction to be graded according to individual means. This entitlement would be endorsed on a person's ID card and could be brought up-to-date periodically or on his application that it be done because of changed circumstances. The subsidy entitlement would be used to establish, *inter alia*, what he has to pay for his children's school fees, his rent in housing estates, medical fees and the price of medicine he may get from Government clinics and so forth.

To those awed by the challenge of this apparently enormous task, might I just point out that the Registration of Persons Department only costs us \$5 million *per annum* and it has succeeded in providing adult identity cards for everyone of us. As with that department, the

initial cost of the exercise might be quite high, but I believe that its annual running cost would be comparatively low.

And now, lest my honourable the Financial Secretary is left with the thought that I can only think of ways of spending his money, I have a suggestion which ought to net him about \$85 million without anyone shedding any tears at all. It concerns our hire cars. These are a class or category of commercially licensed vehicles which, except for the few used by hotels for their customers, have over the years done their best to ply for business as taxis. They now look like taxis, they have electronic meters which serve the same purpose as taxi meters, they pick customers off the streets like taxis and, indeed, for all practical intents and purposes they are taxis. The only difference is that what they are doing is illegal. I suggest they be given a chance to turn legal in the Hong Kong tradition (*laughter*). I suggest that they be offered taxi licences at say \$66,000 each (subject of course to their bringing their vehicles up to the proper standard). There are over 1,300 hire cars today and I make that roughly \$85 million. This would not affect the taxi trade detrimentally in the least because whatever competition they would then be getting they are already getting today. Further, I believe, this proposal would be welcomed by hire car owners because they would then be in no further danger of police prosecution for operating like a taxi and one has only to realize that taxi licences are changing hands unofficially at \$158,000, net of the cost of the vehicle, to see that the hire car owner would hardly object to the conversion fee. In this connection, I understand the Government is deliberating once again on its taxi policy. For what it is worth I would like to say that I do not believe that in practice any increase in the number of taxis on the road would drive them to serve outlying districts. On the contrary, only the continued ownership of a reasonably valuable monopoly would provide the basis for the sanctions necessary to control the trade.

I support the motion.

MR TIEN:—Sir, the upturn in Hong Kong's economy, as reflected in the surge in exports in the last five months or so, is indeed one of the most encouraging things we have seen so far in this year of the Dragon. The improvement is not unexpected, since we have been gearing ourselves, with belts tightened all round, in preparation for, and in anticipation of, the increase in demand in our overseas markets. We are, as a result, well placed in taking advantage of the opportunities that have presented themselves to us.

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We understand from various sources that the improvements in Europe are likely to be sustained. Similarly, the situation in the US gives much ground for optimism. As long as the markets in these two areas are in a healthy state, there is reason to believe that the recovery in Hong Kong's own economy, and even further improvement of it, can be sustained.

One of the key points in my honourable Friend the Financial Secretary's speech was his forecast of a growth of 9% in the GDP in real terms in 1976. I think this estimate is somewhat conservative taking into consideration the encouraging economic indicators that I have just outlined, and the fact that we have had no real growth in the last two years. But I agree that as revenue forecast is based on the forecast of developments in the economy, it is better to be prudent in forecasting the growth of the GDP.

One point that will need to be watched carefully in 1976, however, is the load on the construction industry. We are now beginning to pass out of the period in which plenty of capacity was available in the building industry, into a stage where a steep increase in the demands made on it by this sector, including the mass transit railway, is likely to coincide with a revival of private investment. The last thing we want is to go back to a situation of spiralling costs, prices and wages in the building sector which will have similar undesirable ramifications in other sectors of our economy. I hope therefore that the situation of the building industry will be monitored regularly so that steps can be taken, if necessary, to reduce the demands made on it if the industry should show signs of getting into an over-heated condition.

Another thing that will need to be watched is the acute shortage of labour in manufacturing industries, particularly in the garment sector. In this regard, I note that the number of hawkers increased considerably during the recession, and this was encouraged by the authorities concerned at that time in order to ease unemployment. The reverse may be needed before long, and the incentives to increase hawking should then be removed so that essential manpower can be diverted back to the more productive sectors of the economy.

As regards technical education, what we lack in Hong Kong is a sufficient number of trained skilled workers to meet the needs of the more sophisticated industrial processes we are now attempting to introduce.

I would, Sir, therefore support all the measures which have been announced by the honourable the Financial Secretary to expand secondary education and especially technical education, including the polytechnic. I would urge that the maximum possible be done to expand the technical and trade education even further. We also need much more training of skilled craftsmen on the job and in sandwich courses, and the clothing and construction industries training schemes will need to be expanded to other industries.

I am glad also to see my honourable Friend the Financial Secretary putting due emphasis on economic as well as social projects. The development of the basic infrastructure, such as roads, water supplies, airport facilities, port works and so on is vital to the development of our whole economy. In the very crowded conditions of Hong Kong, the provision of adequate transport facilities is of vital importance to all our industries and to the work force. I understand that the comprehensive transport study, which looks forward to 1991, is now almost finished. Its conclusions will be of wide interest and I hope that the opportunity will be provided for them to be considered in this Council.

Lastly, but not the least, I should like to make a brief reference to textile quotas. One of the important questions which is now under consideration by my honourable Friend, the Director of Commerce and Industry, is the system of textile quota control. In this regard, I am pleased to note that my honourable Friend has already given the assurance, in answer to my earlier question, that whatever changes the department may make, these will not be introduced until the trade has been given ample notice so that no-one's future position is prejudiced by action that he took under the existing system. The guiding principle, which has always been followed, is to ensure that Hong Kong can make the maximum use of the export opportunities available to it in our overseas markets by selling as much as possible to the full restraint limits imposed on Hong Kong. And the system for transferring quotas from one company to another is designed to make this easier to achieve. Of course, anything which is scarce in relation to the demand for it commands a price and the greater the demand for a particular product in a particular market, the higher the price paid by the buyer of the product. I think it is wrong to talk in terms of the price of quotas, or as it is more commonly known, "quota premium". If importing countries choose to limit supply to a level lower than that of demand, they must expect to pay more. This increase in price is caused by the scarcity of the goods in question, by the restraint limits themselves, not by the quota system, which is merely a method of distribution but cannot increase the quantity available. The only remedy

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is to increase the supply. If the importers wish to see prices reduced, the best way they can do this is to persuade their own governments to increase the size of the quotas Hong Kong is permitted to export, or even better to remove them altogether. The Textiles Advisory Board, of which I have the honour to be a member, will soon be looking into the whole question of the textile quota system which, like most things in this imperfect world, has its own imperfections. I am sure improvements can be made. But any changes will need to bear in mind the cardinal point I have mentioned earlier: that is, the maximum use being made of quotas to the benefit of Hong Kong as a whole. The medicine we prescribe for the patient must be of the kind and of a dosage sufficient to cure the disease but not to kill the patient.

Sir, I support the motion before the Council.

3.58 p.m.

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

4.20 p.m.

HIS EXCELLENCY THE PRESIDENT: Council will resume.

MR ALEX WU:—Your Excellency, I intend to concentrate my observations principally on those aspects of the budget which relate to education, industrial manpower, and cultural activities.

Before turning to these I would like to join my colleagues in congratulating my honourable Friend the Financial Secretary for his budget proposals. Most people have found them encouraging and inspiring. It is no small achievement that Hong Kong has come through an unfavourable economic period with the resources to maintain and to expand many essential services. The magnitude of this achievement is reflected in his prognostication that two years from now our accounts will once again show an overall balance, 1977-78 being the last year in which we shall, as the Financial Secretary put it, have to "top up" our capital account by loan financing. Whether loan financing is in itself a bad thing is another question, but as a measure of good management of public finances it is admirable in bad times.

I am particularly pleased to see from the Estimates that we are really getting down to business in the development of the New Territories. It is a concrete sign of our own confidence that next year more than 26% of Public Works expenditure will be on projects in the New Territories.

What is equally important is that over \$500 million of that expenditure is to be devoted to works in connection with the three new towns, and this figure excludes any expenditure by the Housing Authority. For Hong Kong this is a tremendous opportunity.

Unfortunately the completion of so much of our housing programme, carried out under pressure, is marred by totally inadequate social amenities in the massive urban housing estates. Now we have the opportunity not merely to remedy such inadequacies. We must learn from our past mistakes and build fully integrated communities right from the start.

As I see it the budget reassures us that if we have had to pause, and if we still cannot do everything we want to do all at once, we are soon going to be able to resume steady progress in community services —provided always that outside economic pressures do not intervene and that our exports will increase by 8% over 1975, as forecast by the Financial Secretary.

It is with reference to this last point that I must express some misgivings about the provision made for meeting the essential requirements of a more adequate skilled industrial work force for our manufacturing industry.

As our economy develops, there will be increasing competition for skilled and trained manpower, which could easily lead to an unhealthy inflation of wages—unhealthy because it is not related to any increased productivity but only to a shortage of manpower. That shortage is the direct consequence of neglect. Such neglect conflicts strangely with the efforts we are making to attract industrial investment from outside. What is the use of the effort spent to bring joint ventures here if our partners find that their operation is frustrated by a lack of skilled manpower?

I hope that we will not have any more false starts in technical education and industrial training. We have had too many. Doubt has now been cast upon the role of the prevocational schools. The 1974 White Paper, Secondary Education in Hong Kong over the Next Decade, said ominously: I quote "The prevocational concept by which

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a three-year technical course is given after a basic six-year primary course is not necessarily the most appropriate answer to the needs of a community as developed as Hong Kong is rapidly becoming, or with the extensive facilities for post-secondary technical education and vocational training that are being built in Hong Kong". That would have been all very well if the nine year programme had been introduced in 1974, instead of its first stage being introduced in 1976, and if the "extensive facilities for post-secondary technical and vocational training" were already in existence.

I cannot help feeling that we are once again going to sacrifice a practical working programme for a purely doctrinaire policy and an unrealistic alternative. We cannot afford to do this.

Government may have little faith in the prevocational schools, but the enormous demand for places in such schools cannot be denied. By using techniques which the Education Department itself recommended for secondary schools—flotation and the extended day—all such schools can demonstrate in practical terms how existing resources can be exploited. For example, a prevocational school with 16 classrooms, 9 workshops, 3 technical drawing rooms and 2 science laboratories, capable of accommodating 25 classes, can easily be extended to 30 classes by using the extended day system. This 20% increase, if applied to all seven existing prevocational schools, could provide immediately 1,000 additional places and eventually more than 2,000 additional places when the other five new prevocational schools are completed. Undoubtedly, the extended day system will require additional funds. But when one considers that each prevocational school takes seven million dollars to build, no one should quarrel with the idea of making 20% additional use of "plant and equipment" as we say in industry. That is the kind of arithmetic Hong Kong appreciates.

I hope that the Education Department, will not only encourage such initiative and see that the prevocational schools get the help they need, but that more will be built. We certainly need them badly.

Some may think that the prevocational school is not the ideal answer to our educational requirements. It may not even be what the majority of parents want for their children. I only ask that until it is clear beyond any doubt that we have, in being, a better alternative which is doing the job better, we should encourage those prevocational

schools which *are* working. So much of what is now planned will not make any impression on the manpower situation for several years at least. It therefore seems good sense to allow those prevocational schools which *are* working well to continue their contribution to our industrial needs. If eventually they are replaced by something demonstrably better it will be a natural and acceptable process.

By dwelling upon the problem of our shortage of skilled manpower I am not suggesting that the emphasis of our educational system should be on educating the majority of people only to the level at which they can become more productive factory hands. After all, it must be remembered that those who successfully complete a three year course in a prevocational school can still have the choice of higher learning, particularly in the technical institutes or even in the Polytechnic.

On paper the budget provision for technical education under the Education Department (Head 34) is impressive. The figures, however, call for some examination and explanation because the 57% increase in the financial provision for staff increases is not reflected in the actual establishment for the branch which is, in fact, reduced by 37.

I am more concerned with what the increased expenditure is buying in terms of places from our prevocational schools and technical institutes, and consequently in the eventual output of young people anxious to seek a career in industry, some of whom will become a new generation of skilled craftsmen and form the nucleus of our future industrial strength.

The Financial Secretary has forecast an enrolment of the equivalent of 3,300 full-time students in the three technical institutes which will be in operation in September 1976. Nevertheless this figure, and an estimated capacity of 5,840 places in prevocational schools, must be measured in relation to our practical needs.

I am not disregarding the very large expenditure of \$292 million proposed for the universities and the Polytechnic. Nor am I unaware of the need for advance at all levels of education, both for technologists and technicians as well as for technically skilled industrial workers. What I *am* anxious about is the balance of our educational planning and its relevance to our future economy.

Any improvement of educational standards of the industrial work force and technical skills in the workshops and factories must be set against the total size of our working population. The Financial Secretary's own estimate, in a paper he read last October to a business

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conference, was I quote "about 1.74 million", and the potential output from our prevocational schools and technical institutes must be measured against this.

Today we face a greater challenge in world markets than ever before. We may have weathered the worst of the recession but we have nothing to be complacent about.

Have we now—and shall we have in the future—the necessary resources to maintain our economic position, let alone advance, and *are* we creating those resources?

This, I suggest, is an area where we have been complacent for far too long. On countless occasions over more than twenty years we have congratulated ourselves on a diligent, adaptable and dextrous work force, allied to a policy of free enterprise and initiative.

This constant reference to the natural diligence of our work force is becoming a dangerous platitude.

We must be careful that we are not mesmerized by our own rhetoric or by pride in an economic achievement based upon only one natural resource, and that is people. The plain fact is that without industrial training and technical education we shall never have adequate resources to meet the continuing challenge we shall have to face.

Today our industrial work force of one and three quarter million is composed almost entirely of people who have had nothing but a primary education and who have been driven by personal financial circumstances, and by the lack of any alternative, into unskilled employment. Our past successes have indeed been due to their ability to learn on the job, but the demands of the immediate future call for a far more constructive approach.

The facts stare at us from our own statistics.

When he moved the second reading of the Apprenticeship Bill just over two months ago my honourable Friend the Commissioner for Labour stressed the need for the legislation by comparing the number of apprentices in approved schemes with those "not receiving proper training". Only 2,500 craft apprentices and 500 technician apprentices were undergoing "adequate training" compared with 15,000 apprentices or trainees at craft level and 2,000 at technician level who were not.

His figures were sufficient to justify the bill. They are even more impressive as an argument for industrial training and technical education. But, as the Commissioner pointed out, "There is still a long way to go to meet industry's needs for adequately and properly trained apprentices." And to meet those needs, the Training Council was asked to recommend specific trades to be designated. The Training Boards nominated no less than 36. But the Training Council was informed by the Commissioner for Labour that the decision on the trades to be designated could not be taken until he knew what staff he would get under the Estimates for 1976-77.

I note from the Estimates of Revenue and Expenditure for 1975-76 that the Factory Inspectorate consisted of 96 Factory Inspectors and the Labour Inspectorate of no less than 129 Labour Inspectors. However, the type of inspection and service to be provided by inspectors under the Apprenticeship Ordinance would be more complex than and the area of coverage just as great as that covered by the Factory and Labour Inspectorates. Therefore, I would have thought that the size of the Inspectorate for the Apprenticeship Ordinance should be at least of a similar size, if not larger.

Now that Government has an active Apprenticeship Ordinance, is Government really serious about administering it? I note from the Estimates for 1976-77 (Head 45) that \$251,000 have been allocated for the enforcement of the Apprenticeship Ordinance. If Government is serious, why has the Commissioner asked for such a small vote?

We know only too well that without a realistic and practical expansion of the apprenticeship scheme covering a larger number of designated trades, we shall not have sufficient trained apprentices to add to industry.

In fact, I believe that in order to ensure an adequate supply of trained industrial manpower, we should go a step further by giving statutory powers to the Training Council, but I shall deal with this matter in greater detail on a future occasion.

Thus, while I welcome the positive steps which are being taken to meet our educational needs generally I have grave misgivings about their adequacy for the present manpower crisis, and I believe the situation deserves that term.

I would like to raise one final point on education. It is heartening to see that a handsome amount of \$1,376 million has been allocated for education. And I note that my honourable Friend, the Financial

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Secretary, intends to make available sufficient subsidized Form 1 places for all primary 6 leavers a year earlier than envisaged in the White Paper. This will result in more teachers being required by 1977 in order to meet the increased enrolment. I am as much concerned with the quantity of these teachers as I am with the quality.

Where will the essential supply of these teachers come from when there seems to be no provision for enlarging the teacher training programme? I hope to hear from my honourable Friend, the Director of Education, later in the debate how he proposes to staff this massive programme of expansion in secondary education.

The quality of teachers is what determines the quality of education, and should be related at this juncture to the elimination of the Secondary School Entrance Examination. While we want to see our children freed from the tyranny of examinations, we might feel easier in our minds, if we could be more confident about the quality of the teachers who will be the arbiters of the fate of so many. Their new responsibility will call for qualities of judgment, a depth of educational insight and an aptitude for teaching. I shall look forward to hearing the observations of my honourable Friend, the Director of Education, on this matter.

Having dealt with education and industrial manpower, I can now turn to the third aspect of my observations.

What I want to see is the development of cultural opportunities for all, irrespective of the level of their formal education. Last October in the annual policy debate I spoke on this subject. I made a rough calculation that, taking the most generous view, the Government was spending some \$77 million on cultural activities. I think that I was too generous. Leaving aside the expenditure by the Urban Council I can only find a handful of projects by which Government's involvement in cultural promotion can be measured. There is Radio Hong Kong's contribution to the Hong Kong Philharmonic Society of \$200,000 by way of broadcasting fees. There are three subventions: \$150,000 to the Schools Music and Speech Association, \$500,000 to the Arts Festival, and \$400 to the Royal Asiatic Society. Significantly, the budget avoids even attributing this expenditure to "Cultural Activities".

The present situation seems to be that the Urban Council is to bear the whole burden for the consistent support of the arts as a regular

public service. The expenditure next year for three Urban Council committees—City Hall & Entertainments, Libraries, and Museums—amounts to more than \$9 million for "special" and "other" charges, not including staff or capital costs.

What is the extent of Government's contribution to any of these activities in the New Territories to which the Urban Council's responsibility does not extend? As far as I can see from the Estimates for next year it begins and ends with an expenditure of \$53,000 to buy books and periodicals for the only public library in the New Territories, and that amount is the unspent half of this year's estimate (*laughter*). If Government were to match the Urban Council's expenditure, dollar for dollar, it would result in a metamorphosis of the cultural scene.

The development of an appreciation of cultural activities is not a frivolous luxury. It is something to which mankind is entitled. Indeed I believe that the enjoyment of the arts should be regarded as man's heritage, and if it is denied, both man and society suffer.

I know that Government is reluctant to embark on administrative or executive action in such areas. It took long enough to set up a Council on Recreation and Sport and to staff it with civil servants. Yet it is now performing a valuable function in co-ordinating our resources in this important field. I do not think it unreasonable to suggest that the co-ordination and deployment of our resources for the encouragement and promotion of cultural activities is important enough to be made the direct responsibility of a branch of the Government. I would like to think that Government will take the initiative in this direction.

In conclusion, I reiterate my satisfaction with the budget as a whole and I congratulate my honourable Friend, the Financial Secretary and his team for the good management which has brought us to a position where we can expect to be free of the need for loan financing on our capital account in another two years. I would like to say that I regard his dexterity as a remarkable measure of fiscal achievement. But I cannot persuade myself that it is necessarily the best policy for Hong Kong *not* to borrow when it is in our interests to do so. In fact I would like to see Hong Kong making more use of its credit-worthiness in world markets. In this way Government could provide guarantees in order to accelerate the completion of projects that are waiting to be upgraded because of the lack of ready cash.

With these remarks, Sir, I support the motion.

[MR CHEUNG] **Appropriation Bill—resumption of debate on second reading**  
**(24.3.76)**

MR CHEUNG:—Sir, I think I ought to make it clear that when I undertook to wind up this debate for Unofficial Members, I did not undertake to sum up their views: to sum up might involve subjective selection on my part, and, worse, a nutshell of my Friends' arguments would scarcely do justice to the thought, research and effort that has gone into the making of their speeches.

Nevertheless, three broad streams of thought can be discerned from what my honourable Friends have said in the past two days.

And first is that all of us are concerned with the state of law and order. It is right and healthy that people should be encouraged to help themselves, and the provision of resources both in terms of manpower and cash to sustain and develop the mutual aid committees have our support; and to provide for the young and the deprived must surely, in the long term, make for stability of the social order. Turning now to another aspect of law and order, I think it's a matter for congratulation that in the coming year the Police Force will come up to establishment; we will now, I hope, reap some harvest from the policy initiated by Your Excellency some three years ago to revise the rates of pay in the Police and to encourage the founding of the Police Cadet School. Few things gave me so much pleasure as to find, during a recent passing out parade at the Police Training School in Aberdeen, that I had met a large number of those on parade that day at the Police Cadet School in Fanling the previous year and I do note that the Force is getting a higher grade in recruits if perhaps their physique is a little light. Two achievements of the Police Force this past year have given general public satisfaction. First their success in breaking up drug syndicates must in the end help to contain this dreadful traffic. I have sometimes wondered whether we make sufficient provision in the budget for reward money to informers on drug trafficking: I have twice been assured in Finance Committee that enough provision is made, but nevertheless this is one sub-head of expenditure on which, speaking for myself, I would be prepared to go further, for I do believe that more money would attract more information. Secondly, members of the public, still being mugged and threatened with dangerous weapons, may find consolation in the fact that the incidence of violent crime—of reported violent crime—has levelled off. They will certainly find it gratifying that in the coming year the police on beat patrol will be supplied with a personal radio to summon help or respond to a call for support when a violence erupts.

My Friends Mr LOBO and Mr WILLIAMS have once more drawn attention to the menacing behaviour of motor cyclists. I fully agree with their views, and would ask, now that the police strength will come up to establishment, that a long and hard look will be given by the police to stricter enforcement of the laws, towards not only motor cyclists, but other classes of violators against the traffic regulations. Taxis and public vehicles have been mentioned. I would add drivers of enfranchised buses and public light buses. I had only to drive along a short stretch of Connaught Road Central and back yesterday to see two bus drivers charge through red traffic lights. It is not the only occasion on which I have seen that done. Moreover, I am informed by a reliable source that they create havoc during the morning and evening rush hours on King's Road, especially on that stretch between the Hong Kong Funeral Parlour and Fortress Hill. School children waiting for the green signal to cross the road on foot find huge double deckers bearing down upon them, in wholesale disregard of the red light, and worse, the bus drivers are now being emulated by the drivers of public light buses. It may be that their conduct, unfortunately for them, is made conspicuous by the fact that they drive easily recognizable classes of vehicles. But our children and our pedestrians have a right to expect that such flagrantly dangerous driving should be brought to book. Not only that, I think it is bad for the community that any large class of persons should be seen breaking the law with a large measure of impunity.

Mr Friend Mr T. S. LO has advocated the conversion of public vehicles into taxis. I would strongly urge that his proposals be sympathetically considered together with the other recommendation to increase the number of taxi licences. I know there is a need and a place for hire cars with red licence plates: hotels, tour operators and at least one large and well known company keep to the rules of the game, but too many licences have got into the hands of the wrong people. I seem to remember that on at least one occasion many years ago public vehicles were converted into taxis, and I would ask that any study of the problem take account of previous experience, and examine why the medicine did not effect a cure.

And last, on this subject of law and order, I would strongly support Mr WILLIAMS' proposals to put to useful and profitable labour the large and growing prison population and to provide business expertise to further such schemes. The second theme on which my Friends have spoken is what I may call the underpinning of the economy.

[MR CHEUNG] **Appropriation Bill—resumption of debate on second reading**  
**(24.3.76)**

They all welcome the expansion of secondary school places this year. Mrs SYMONS has stressed the importance of maintaining the quality of our matriculants so that they can take full advantage of the widening opportunities given to them. Both Mr James WU and Mr Alex WU have stressed the need to train skilled workers for industry: by our bootstraps we must pull ourselves up. Dr the honourable Harry FANG has called for the establishment of the right working environment for doctors in Government service, and has advocated that the shortage of doctors be relieved by the appointment of doctors in private practice on an assignment and part-time basis. For a couple of years I have been—perhaps against my view—I have been concerned in the UPGC with the establishment of a medical school at the Chinese University and of a dental school at Hong Kong University. Members, I am sure, will join me in congratulating my honourable Friend Dr Gerald CHOA on his appointment as Dean Designate of the new medical school at the Chinese University. To few men are given such a privilege: equally, few men will be able to bring to such task his gifts, and when he leaves us on his new mission, he will do so with all the good wishes that we can command. I think that the project of the new medical school is not too badly behind the schedule that was contemplated when the UPGC made this recommendation two years ago.

I wish I could say the same about the new dental school. It is tied in with a new dental clinic, which is an item in the Public Works programme, but which only carries a priority of B II in the programme. It seems to me that at the next meeting of the Public Works Sub-Committee, of which so many of us are members, it would be desirable to examine the priority already given to it, to see if that can be upgraded so that at an early date its design and contract drawings for it may be finalized.

On the development of other medical services, it would seem to me right to entrust the Polytechnic with the training of radiographers, physiotherapists and other medical auxiliaries and I hope that before the year is out this Council may hear of firm proposals.

Turning to another direction in which the economy is to be underpinned, Mr Francis TIEN has drawn attention once more to the importance of providing the infrastructure for industrial and commercial development. I think we all look forward to a detailed review of

what is to be done this year from my Friends Mr ROBSON and Mr McDONALD.

The fact that I am winding up this debate does not preclude me from speaking on one or two subjects which have been of particular concern to me over the years although I well understand a desire on the part of some of my colleagues that I should not launch upon fresh topics at this hour of the day: and if I do not launch into the subject of the greater metropolis it is only because I have a keen regard for members' time and patience: nevertheless I hope to hear from the Secretary for the New Territories, in some detail, as to what he proposes to do this year with the resources which have been provided to him. I am not aware that I live my weekends in a cultural desert, but my Friend will doubtless show that this is not so. I was glad to see the formation this year of a steering group for the Kowloon-Canton Railway; and while these may be early days, I hope to hear from Government about some of the ideas that have been engendered for the railway, for I do believe that with the greatly increasing freight from China, the development of the container port and the quite quick build-up of population in the new towns, it would seem to me that some brisk planning will be required.

I have had some difficulty fitting into a correct place in this speech the subject of home ownership of flats to be built by the Housing Authority but perhaps it is not out of place here, particularly as I wish to make only two observations: (a) that I am gratified that a concept advocated by Unofficial Members for some time has found acceptance in principle by the Government, and (b) that, from what I have heard in the past two days, it appears that there are more ways than one of skinning a cat. Pray let us proceed cautiously.

And that brings me to the third and final movement, if I may say so without commitment. It would appear that a good case can be made out for a revision of Civil Service salaries, and that there may well be the wherewithal to meet it. I would couple with that remarks made by my Friend, Mr F. W. LI made, in regard to higher productivity and the elimination of waste. Dr the honourable S. Y. CHUNG has painstakingly analysed the rates of growth of revenue and expenditure since 1965. On a previous occasion I observed that the compound rate of growth of both revenue and expenditure was of the order of 14% *per annum*, on average roughly a doubling every five years. I took, of course, a span of years more than twice as long as Dr CHUNG took: that is I took the years 1948 to 1976, and I have to confess that my method of calculation using concentric spheres of diminishing confusion (*laughter*) is probably not as sophisticated as his method of least

**[MR CHEUNG] Appropriation Bill—resumption of debate on second reading (24.3.76)**

squares: but I am gratified to learn that our figures are in agreement, and can be reconciled by the phenomenon of higher rates of inflation in the years after 1965.

I have every hope that with mild adjustments to rates of taxes, both direct and indirect, of the order and kind that has been made since 1947, our economy will be such that our revenues will, on average, double every five years, and I share with him and with Mr F. W. LI the view that our revenues will turn out to be rather more than the Financial Secretary has estimated, for what is a mere \$500 million between friends? (*laughter*) Sir, there is a charming and colourful Chinese custom of hanging auspicious spring writings round the portals of one's homes to greet the Chinese New Year, and the centrepiece of these decorations is more often than not a portrait of the God of Fortune, on a background of brilliant vermilion, for in our city he is held in some affection. My Friend, the Financial Secretary, will be touched to learn so well has his budget been received by the man in the street that printers are looking for a portrait of him (*laughter*) *sans pipe* to engrave on next year's edition. Sir, with those remarks I support the motion.

*Motion made. That the debate on the second reading of the bill be adjourned*—THE COLONIAL SECRETARY.

*Question put and agreed to.*

**MOTOR VEHICLES (FIRST REGISTRATION TAX)  
(AMENDMENT) BILL 1976**

THE FINANCIAL SECRETARY moved the second reading of:—"A bill to amend the Motor Vehicles (First Registration Tax) Ordinance."

He said:—Sir, in a statement to this Council on 3rd December 1975, I proposed that all motor vehicles of whatever origin should pay first registration tax at the effective rates then applicable to vehicles of non-Commonwealth origin, partly to remove the Commonwealth preference margins and partly to raise additional revenue. The yield was estimated at \$3 million in 1975-76 and \$9 million in 1976-77. As a result of an order made by Your Excellency under the Public Revenue Protection Ordinance, the new rates of first registration tax have been effective since the date of my statement. The purpose of the bill now before Council is simply to give legislative effect to this Order.

*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).*

**OFFENCES AGAINST THE PERSON (AMENDMENT)  
BILL 1976**

**Resumption of debate on second reading (10th March 1976)**

*Question proposed.*

MR LOBO:—Sir, like my honourable Friend, Dr Harry FANG, I too would like to ask this Council to seriously reconsider its intention to make section 47A of the Offences against the Person Ordinance a permanent feature of our law.

My honourable Friend has drawn attention to certain loopholes in section 47A which I feel ought to be plugged before we opt for permanency. In my view it would be contrary to the public interest to so proceed, knowing as we do that there are loopholes in the law as it stands now I would therefore urge this Council to proceed with caution and, rather than to make section 47A a permanent part of our law at this point in time, to extend its provisions for a further trial period of, say, two years. This would then give us time to thoroughly examine the whole question of abortion in the context of Hong Kong. In the course of this examination we would and, indeed, should take a very close look at the extent to which social problems have given rise to the call for legal abortion, with a view to seeking more effective ways to solve these problems.

In short, Sir, I am opposed to the motion and I will vote accordingly when the time comes.

MR CHEONG-LEEN:—Sir, in speaking to this bill, it is realized that some controversy has been generated in recent weeks. After being on the statute book in temporary form for four years, it is now proposed to make the provisions of the ordinance permanent, subject of course to any changes which may be made by this Council at a future date. Therefore it is necessary to vote on this bill today otherwise its provisions will completely lapse.

[MR CHEONG-LEEN] **Offences Against the Persons (Amendment) Bill —  
resumption of debate on second reading (10.3.76)**

At the last meeting of Legislative Council, the honourable Attorney General stated that Government intended to review later on the provisions in the bill, and would be prepared to carefully consider further representations advocating modifications to the bill.

I expect that such representations will cover a wide spectrum of public opinion, ranging from a demand for more liberalization to more rigid control of the abortion provisions. A wide variety of opinions exist, on religious, ethical, and social grounds. And even within the medical profession itself, there is a conflict of views.

The honourable Dr FANG has spoken at length on this bill at the last sitting of Council, and his views deserve consideration by Government. I anticipate therefore that in the light of the representations which have been put forward, Government will review the bill to ensure that the provisions will not be abused or misused, or misinterpreted, but will in actual practice be reasonable and humane, and in accordance with the needs and wants of an enlightened, civilized and socially responsible community of Hong Kong citizens.

Sir, I support the motion.

THE ATTORNEY GENERAL:—Sir, therapeutic termination of pregnancy is an issue on which many people, in Hong Kong and else-where, hold strong and definite views and their concern is very deep and sincere. I have no doubt that the views expressed in this debate by my honourable Friends fall within that description.

Nevertheless I must disagree with my honourable Friend Dr FANG when he argues that section 47A of the Offences Against the Person Ordinance "legalizes abortion generally". It is a long step from the present provisions of our law to that position. My honourable Friend Mr LOBO has referred to loop-holes in the law, a word I would not have chosen. It may be that the section is capable of improvement and the matters referred to by my honourable Friend Dr FANG, in particular the question of the enactment in Hong Kong of the provisions of the Infant Life (Preservation) Act will be given early consideration in the course of the review which is to be undertaken.

I can assure my honourable Friends that all representations which may be made concerning this deeply felt and important issue will be

carefully considered. However, the Government believes that in seeking to make section 47A of the Offences Against the Person Ordinance part of our permanent law it is doing what is necessary at the present time and also acting in accordance with the wishes of the majority of the community.

*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

#### **MOTOR VEHICLES (FIRST REGISTRATION TAX) (AMENDMENT) BILL 1976**

Clauses 1 and 2 were agreed to.

#### **OFFENCES AGAINST THE PERSON (AMENDMENT) BILL 1976**

Clause 1 was agreed to.

Clause 2

DR FANG:—Your Excellency, I have already expressed my opposition to the Offences against the Person (Amendment) Bill 1976 and it would serve no useful purpose to repeat again this afternoon what I said in this Council two weeks ago. We are now considering clause 2 of the bill which has the effect of making section 47A of the Offences against the Person Ordinance a permanent part of the law. In my view section 47A should not be a part of the Offences against the Person Ordinance since it affords little or no protection to the conscientious objector and no protection whatsoever to the unborn child. If, therefore, it is to become a permanent part of the law, should this Council not call a spade a spade and incorporate its provisions in a completely separate abortion bill? To put it crudely Government should not be seen to be selling dog's meat under the guise of selling a sheep's carcass as the popular Chinese saying goes (掛羊頭，賣狗肉) .

**Offences Against the Persons (Amendment) Bill—committee stage**

THE ATTORNEY GENERAL:—Sir, I cannot accept my honourable Friend's argument that section 47A is misplaced in the Offences Against the Person Ordinance. Sections 46 and 47 of that ordinance are concerned with unlawful abortion and these are surely properly classified as offences against the person. Section 47A is essentially a statement of what does not fall within these sections.

As I said earlier, the section is subject to further review and should this review result in legislative proposals, then what my honourable Friend has just said will be taken into account.

Clause 2 was agreed to.

Council then resumed.

**Third reading of bills**

THE ATTORNEY GENERAL reported that the  
Motor Vehicles (First Registration Tax) (Amendment) Bill  
Offences against the Person (Amendment) Bill

had passed through committee without 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.

**Adjournment and next sitting**

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on Wednesday the 7th of April.

*Adjourned accordingly at ten minutes past five o'clock.*

**Price: \$29.00**

Code No.: G410676

59509—5K—7/76

