

# OFFICIAL REPORT OF PROCEEDINGS

Wednesday, 22nd December 1976

The Council met at half past two o'clock

## PRESENT

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)  
SIR CRAWFORD MURRAY MACLEHOSE, GBE, KCMG, KCVO  
THE HONOURABLE THE CHIEF SECRETARY  
SIR DENYS TUDOR EMIL ROBERTS, KBE, QC, JP  
THE HONOURABLE THE FINANCIAL SECRETARY (*Acting*)  
MR DAVID GREGORY JEAFFRESON, JP  
THE HONOURABLE THE ATTORNEY GENERAL  
MR JOHN WILLIAM DIXON HOBLEY, CMG, QC, JP  
THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS  
MR DENIS CAMPBELL BRAY, CVO, JP  
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, CBE, TD, JP  
COMMISSIONER FOR LABOUR  
THE HONOURABLE ALAN JAMES SCOTT, JP  
SECRETARY FOR THE CIVIL SERVICE  
THE HONOURABLE EDWARD HEWITT NICHOLS, OBE, JP  
DIRECTOR OF AGRICULTURE AND FISHERIES  
THE HONOURABLE THOMAS LEE CHUN-YON, JP  
DIRECTOR OF SOCIAL WELFARE  
THE HONOURABLE DEREK JOHN CLARMONT JONES, JP  
SECRETARY FOR THE ENVIRONMENT  
THE HONOURABLE DAVID RAYMOND BOY, JP  
SOLICITOR GENERAL (*Acting*)  
DR THE HONOURABLE CHUNG SZE-YUEN, CBE, JP  
THE HONOURABLE LEE QUO-WEI, OBE, JP  
THE HONOURABLE OSWALD VICTOR CHEUNG, CBE, QC, JP  
THE HONOURABLE ROGERIO HYNDMAN LCBO, 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, OBE, JP  
 THE HONOURABLE LO TAK-SHING, OBE, JP  
 THE HONOURABLE FRANCIS YUAN-HAO TIEN, OBE, JP  
 THE HONOURABLE ALEX WU SHU-CHIH, OBE, JP  
 THE REV THE HONOURABLE JOYCE MARY BENNETT, JP  
 THE HONOURABLE CHEN SHOU-LUM, JP  
 THE HONOURABLE MISS LYDIA DUNN, JP  
 DR THE HONOURABLE HENRY HU HUNG-LICK, OBE, JP  
 THE HONOURABLE LEUNG TAT-SHING, JP  
 THE REV THE HONOURABLE PATRICK TERENCE MCGOVERN, SJ, JP  
 THE HONOURABLE PETER C. WONG, JP  
 THE HONOURABLE WONG LAM, JP

#### IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL  
 MRS LOLLY TSE CHIU YUEN-CHU

#### Papers

The following papers were laid pursuant to Standing Order No 14(2):—

<i>Subject</i>	<i>LN No</i>
Subsidiary Legislation:	
Public Health and Urban Services Ordinance. Laundries (New Territories) (Amendment) Regulations 1976 .....	300
Miscellaneous Licences Ordinance. Miscellaneous Licences (Amendment) (No 2) Regulations 1976 .....	301
Public Health and Urban Services Ordinance. Places of Amusement (New Territories) Regulations 1976 .....	302
Public Health and Urban Services Ordinance. Public Conveniences (New Territories) (Amendment) Regulations 1976 .....	303

<i>Subject</i>	<i>LN No</i>
Merchant Shipping Ordinance.	
Merchant Shipping (Crew Accommodation) (Amendment) Regulations 1976 .....	304
Pounds Ordinance.	
Pounds Fees (Amendment) Regulations 1976 .....	305
Lands Tribunal Ordinance.	
Lands Tribunal (Fees) Rules 1976 .....	306
Securities Ordinance.	
Securities (Stock Exchange Listing) (Amendment) Rules 1976 .....	307
Road Traffic (Temporary Car Park) Regulations.	
Temporary closure of car park .....	308
Sessional Papers 1976-77:	
No 19—Statement of Accounts of the Chinese Temple Fund for the year ended 31st March 1976 (published on 22.12.76).	
No 20—Statement of Accounts of the General Chinese Charities Fund for the year ended 31st March 1976 (published on 22.12.76).	
No 21—Income and Expenditure Accounts of the Samaritan Fund for the year ended 31st March 1976 (published on 22.12.76).	
No 22—Statement of Accounts of the Grantham Scholarships Fund for the year ended 31st August 1976 (published on 22.12.76).	
No 23—Accounts of the Lotteries Fund for 1975-76 (published on 22.12.76).	
No. 24—Report of the Brewin Trust Fund Committee on the Administration of the Fund for the year ended 30th June 1976 (published on 22.12.76).	
No 25—Annual Report of the Hong Kong Trade Development Council for the year ended 31st March 1976 (published on 22.12.76).	

## Oral answers to questions

### Reassessment of Rateable Values

1. DR CHUNG asked:—

Sir, can the Government make a statement on consequences for ratepayers of the revaluation of properties?

THE FINANCIAL SECRETARY:—Sir, if the burden of rates is to be distributed fairly, the Commissioner of Rating and Valuation must bring rateable values up-to-date from time to time. The object of regular reassessment is to ensure that this form of taxation, whatever its level may have to be, is shared fairly by all: that is, shared in proportion to current open market rentals. The last revaluation by the Commissioner of Rating and Valuation was in 1972. It reflected the low level of rentals in the early 70s. It is undeniable that, with the exception of rent controlled premises, rents have increased very substantially since then.

The 1976 revaluation does reflect today's open market rentals. With the exception of certain pre-war rent controlled premises, there has been no change in the basis of valuation. For these pre-war premises, the Commissioner is now correctly valuing them on the basis of open market rentals, in line with a ruling from the courts since the previous revaluation.

Sir, ratepayers have, of course, a statutory right of objection and appeal against the new rateable values. But the statutory procedure will give them only 21 days to lodge an objection following publication of the valuation lists next March.

So that ratepayers have an additional chance to make representations now about the revised values, the Commissioner has already notified each ratepayer of his revised rateable values for next year. And the "notice of rateable value" issued by him specifically invites ratepayers to call and discuss the revised values with the officers responsible for the revaluations. If a rateable value is wrong the Commissioner will, of course, correct it at this stage.

The intention was to wait until this first consultative process was completed and the full valuation lists were ready for publication. The Financial Secretary would then announce a reduction in the general rate percentage (now at 12% for the urban area) as part of his budget for next year. By that time, also, the Urban Council would have decided whether it wished to ask the Legislative Council to approve a change of its urban rate percentage (now at 6%).

But in view of the natural public concern at the revised values, I should make it clear now that it is the Financial Secretary's intention to propose a reduction in the general rate percentage. The general principle is clear and has been enunciated on several occasions in recent years. The general principle is this: in order to achieve a reasonable increase in the rate yield over time, either the rate percentage itself is changed or the underlying values are updated. As this year the underlying values have been revised upwards substantially, so it clearly follows, as it did in 1973, that the rate percentage itself should be reduced. Precisely what the new rate percentage will be, can be decided only in the context of the economic and budgetary situation as it develops before budget day. But there is no question of the sort of massive increase in the yield which some speculative stories in the press have assumed. There is no intention to increase the yield by anything like as much as 80%.

Nevertheless, we do recognize that there will be individual ratepayers for whom the increase in the general rate demanded will be large, some occupiers of pre-war rent controlled premises for instance; for them we will apply a system of temporary relief, particularly in respect of domestic accommodation. The details of the relief scheme have still to be worked out.

So, to sum up the consequences of the revaluation, the increase in the actual rates paid will be nothing like as severe as has been assumed; it will represent only a small percentage of the total cost of accommodation.

DR CHUNG:—Sir, bearing in mind the fact that the figures published by the Census and Statistics Department showed rental movements increasing in average by 22.6 per cent from 1972 to 1975 for all types of premises whereas the average increase in rateable values is 80 per cent as announced, is it true that the Government has changed its policy or method of assessment in that: in the past the rateable values have always been lower than the market values or the market rents but at present the rateable values are at par with market rents?

THE FINANCIAL SECRETARY:—No, Sir, there has been no change in the basis of revaluation except for pre-war rent controlled properties. My honourable Friend raise the point of the rental index which shows the increase of 23 per cent since 1972. I am afraid this rental index is misleading. It is based on a small sample of mainly rent controlled premises which do not reflect the open market situation and the index does not include the increases in 1976.

**Oral answers****Reassessment of Rateable Values**

2. DR FANG asked:—

Sir, will Government consider arrangements to cushion the effect of any substantial increases in the amounts of rates which may become payable next year on properties occupied by private, non-profit-making, unsubvented organizations such as missionary houses, monasteries, student hostels, schools and the like?

THE FINANCIAL SECRETARY:—Sir, rates are normally refunded in full in respect of private non-subvented organizations which contribute towards the achievement of a defined and approved target, provided that the organizations are non-profit-making and are unable to meet this expenditure from their own resources. Such organizations include private hospitals, agencies providing services in accordance with the Social Welfare Five Year Plan, and certain private primary schools. The remainder will benefit from any overall reduction in the rates percentages.

**Rent Control: Effect of Reassessment of Rateable Values**

3. MR CHEONG-LEEN asked:—

Resulting from the new rating valuations, how many premises will no longer come under section 58 of the Landlord and Tenant (Consolidation) Ordinance which regulates increases in rent for post-war domestic premises by providing that where the rateable value of the premises does not exceed \$30,000 an increase in rent shall not exceed 21%?

SECRETARY FOR HOUSING:—Sir, under clause 3 of the Landlord and Tenant (Consolidation) (Amendment) (No 2) Bill 1976, which is scheduled for second and third readings today, premises which at present enjoy the 21% limit on rent increases will continue to be subject to this limit, despite the reassessment of rateable values.

So the short answer to my honourable Friend's question is "none", provided Council votes affirmatively for this clause of the bill.

## Property Tax

4. MR JAMES WU:—

Sir, (a) does Government agree that property tax is a tax on income deemed to be derived from ownership of property tax; and

(b) if so, why are some landlords charged property tax on the basis of assessable value which amount they do not or cannot receive under present rent-control legislation?

THE FINANCIAL SECRETARY:—Sir, the answer to the first part of my honourable Friend's question is "yes".

As regards the second part of the question, the assessable value of premises controlled under the Landlord and Tenant (Consolidation) Ordinance is the estimated annual rent permitted under Part I or authorized under Part II of that ordinance. It has been found in practice that where assessable values exceed the permitted or authorized rents, this has usually been because taxpayers have failed to provide correct or sufficient information when the assessable values were being prepared. Taxpayers, of course, have the right of objection under section 64 of the Inland Revenue Ordinance; and where they are faced with the situation my honourable Friend described, they should exercise this right.

MR JAMES WU:—Sir, is it possible for the Commissioner of Inland Revenue or the Commissioner of Rating and Valuation to ignore the ruling of the tenancy tribunal in the course of rating and valuation as to whether a premises is post-war or pre-war?

THE FINANCIAL SECRETARY:—Sir, I am afraid I do not know the answer to that question.

MR JAMES WU:—Sir, the question arise as a result of a complaint to the UMELCO Office.

HIS EXCELLENCY THE PRESIDENT:—Is that a question?

MR JAMES WU:—No, Sir. (*laughter*)

**Oral answers****Regulation of Travel Agencies**

5. MR WONG LAM asked:—

Sir, does Government plan to introduce measures to regulate the operations of travel agencies to afford greater protection to the travelling public, in view of the recent complaints voiced against certain agencies?

THE CHIEF SECRETARY:—Sir, the Consumer Council is investigating a number of complaints about the way in which some travel agents have operated package tours originating from Hong Kong.

The Government will be receiving a copy of the Council's report when it is completed. At present the Government does not plan to introduce measures to regulate the operations of travel agents.

**Picnic Spots: Cleanliness**

6. MR LEUNG asked:—

Sir, (a) is Government satisfied that the present control over littering at picnic spots in the New Territories is satisfactory?

(b) if not, what steps is Government taking to improve matters?

SECRETARY FOR THE NEW TERRITORIES:—Sir, the short answer is "No, Sir", because it would be impossible to feel satisfied knowing how covered with litter are some of our most beautiful picnic spots!

But I would like go on to say what the problem is as I see it and what is being done to improve things.

Picnic spots in the New Territories fall into three main categories. Firstly, there are the picnic and barbecue facilities provided by the Agriculture and Fisheries Department as part of the Country Parks Programme. These very heavily used sites are cleaned as soon as possible after each weekend, and I think that honourable Members will agree generally that a good job is being done. As the Country Park Programme proceeds more areas will be covered in this way, particularly in the Sai Kung peninsula, where two management centres, each with a staff of 36, are to be opened in 1977.



Secondly, there are other areas of Crown land not in the country parks, which are the responsibility of the Urban Services Department New Territories Division. There are at present 27 gangs operating in the New Territories, and these give cover to the more accessible picnic spots; but at the moment there is insufficient staff to deploy in places which are not accessible by road. The Director is seeking additional gangs in next year's Estimates to extend this work.

Thirdly, there are large areas of private land, much of it abandoned paddy, which is extensively used for picnicking and camping. Here cleansing staff carry out "litter raids" from time to time on individual black spots.

The legal controls against littering are adequate; the problem is largely one of enforcement, and the organization of litter collection, especially in the more inaccessible areas. The situation will improve as more resources are made available to the Agriculture and Fisheries and the Urban Services Departments.

But, Sir, how much easier the task would be if those visiting the countryside would "put it in the bin" or "take it away" and I am sure the leaders of organized parties, school teachers and many others could do much more to get this message across.

### **Public Housing**

7. DR HU asked:—

Sir, will Government review its policy in the design of public housing estates, with a view to providing a greater number of smaller units so as to better meet its target for housing?

SECRETARY FOR HOUSING:—Sir, the mix of flat sizes which the Housing Authority builds is derived from a number of often conflicting considerations such as the Census Department's forecast of household numbers and sizes, the household characteristics of families coming forward for public housing under various categories, the existing public housing stock of various sizes, the continuing shortage of public housing, generally rising housing aspirations and the economics of building larger, as opposed to smaller, flats.

It is true that in recent years the Housing Authority's new estates have in the main provided flats which under present rules are allocated to families of four persons or more. However, we must remember that over 70% of all self-contained Housing Authority flats are smaller than

[SECRETARY FOR HOUSING] **Oral answers**

25 square metres (or 270 square feet), and over 50% are smaller than 20 square metres (or 215 square feet). Many of these flats are over-crowded with families which are often eager to move to larger flats in new estates. This desire for improvement in living conditions is encouraged by the Housing Authority, particularly as the smaller flats vacated in this way allow it to meet the needs of smaller households of 2 or 3 persons.

A comprehensive study is under way in the Housing Department to determine the most appropriate mix of flat sizes to be built in future, having regard to the various factors I have mentioned. I hope that its findings will reach the Housing Authority in the very near future, and I am sure that the Authority will bear in mind the housing needs of small families.

### **Post Office Boxes**

8. MR LOBO asked:—

Sir, will Government state why the new General Post Office does not give access to hirers of post office boxes at reasonable times throughout public holidays, particularly as this facility was available in the old General Post Office and was widely used and appreciated?

THE FINANCIAL SECRETARY:—Sir, in the old General Post Office building, access to the post office boxes was from a separate entrance. So hirers of the boxes could collect their mail from 7 a.m. to 8 p.m. daily, including Sundays and public holidays, without compromising the security of the building as a whole when the main General Post Office was shut.

Under this arrangement, some hirers apparently complained at the lack of access to the boxes from the main hall of the post office.

So in the new building, the boxes have been made accessible from the main hall. In consequence, for security reasons, hirers of the boxes can collect their mail only when the general post office is open.

The Postmaster General has received a few representations that the boxes in the new building need to be accessible on Sundays and public holidays. He has been consulting the Government Architect to see whether the changes necessary to the building to achieve this without compromising security are practicable.

### Withdrawal of Travel Documents

9. MR LOBO asked:—

Sir, will Government consider taking steps to withdraw travel documents issued by the Immigration Department from holders of such documents who have been convicted abroad of drug or other serious offences, thus bringing into disrepute law-abiding residents of Hong Kong as well as Hong Kong's image overseas?

SECRETARY FOR SECURITY:—I am most grateful, Sir, to my honourable Friend for raising this matter which certainly has much to commend it. The existing policy and procedures provide for the with-drawal or denial of passport facilities in certain circumstances and I am now considering the practical implications of doing so for travel documents issued to the type of person mentioned by my honourable Friend.

### Primary Education: Activity approach to learning

10. MISS KO asked:—

Sir, will Government make a statement on the progress of the activity approach to learning now being conducted in some primary schools?

MR TOPLEY:—Sir, the activity approach was originally a pilot project launched by the Curriculum Development Committee in September 1972 in six primary schools with the intention of bringing about a less formal approach to teaching in local primary schools.

The approach aims at promoting a less passive attitude to learning, and encourages active participation of pupils through learning by doing. As part of the scheme rows of desks are replaced by small groups of tables which the teacher visits instead of standing continuously before the class.

At present 273 classes from 38 Government, subsidized and private primary schools have adopted the approach. At the Primary 1 to Primary 3 level, for which the scheme is primarily intended, about 3% of all children are participating in the scheme.

Early indications have shown that this style of teaching is very suitable for Hong Kong children. Academic standards are maintained, while the children become more outgoing and much more interested in what they are doing in school.

[MR TOPLEY] **Oral answers**

A modest rate of expansion is envisaged at present because it is vital to give systematic in-service training to the teachers adopting the techniques and also to monitor progress carefully in the early stages. This follows the advice of a specialist adviser, sponsored by the British Council, who visited Hong Kong for the purpose last year.

So far no financial assistance has been given to non-government schools and the scheme has had to adapt to the resources available in each particular school. A substantial sum has been requested in the 1977-78 estimates to remedy this and to encourage a steady expansion of the scheme.

The future rate of expansion will largely depend on the enthusiasm of teachers and heads of schools, since this approach makes more strenuous demands on teachers in the early stages.

REV JOYCE BENNETT:—Sir, is it true that some schools are not willing to attend this activity approach in primary schools because they think it will cost more and they do not have sufficient funds?

MR TOPLEY:—Yes, Sir, that is why I am seeking funds in the next year's estimate.

REV JOYCE BENNETT:—Sir, will the Government encourage the scheme in upper primary and secondary school classes as well?

MR TOPLEY:—For upper primary classes we are gradually and cautiously extending; in secondary classes the approach is similar, that is we are encouraging intergrated science and social studies, art and design and technology which emphasize learning by doing.

### **Civil Service: Composition**

11. MR LO asked:—

Sir, how many civil servants in the Master Pay Scale, and in the Directorate, are:

- (a) on the permanent and pensionable establishment;
- (b) on contract; and
- (c) on secondment?

ERRATUM

Official Report of the Legislative Council sitting held on  
22nd December 1976

Page 308	4th paragraph
2nd Line	Delete "attend" Substitute "attempt"
Page 369	1st paragraph
Second last line	Delete "abherrent" Substitute "abhorrent"

SECRETARY FOR THE CIVIL SERVICE:—Sir, may I define the categories of officer before setting out the figures requested by my honourable Friend.

First, permanent and pensionable officers. These are appointed on a period of probation and if confirmed, gain security of tenure; and when they retire, receive a pension.

Second, contract officers (or agreement officers, as they are sometimes called). These officers serve for the period specified in their contracts, and at the end of that period, if their service is satisfactory, receive a gratuity calculated on salary drawn during the period. They are not pensionable.

Third, seconded officers. These are lent by their parent government or authority for a specified period to serve this government. They thereafter return to the service of their parent employer. Their terms of service are either the same as for contract officers; or they serve on terms prescribed by their parent employer, with the agreement of this government. I shall refer to these as "parent employer" terms.

It is, Sir, important to note that the appointments of both contract officers and seconded officers are for specified limited periods.

Now for the figures, on the 1st April 1976, in the Master Pay Scale there were 39,852 permanent and pensionable officers; 1,298 contract officers; and 78 on secondment from other governments or authorities.

In the Directorate, on the same date, there were 410 permanent and pensionable officers; 67 contract officers; and 13 on secondment.

One final statistic, Sir. Of the total of 91 seconded officers, 61 were on contract terms and 30 were on parent employer terms.

### **Civil Service: permanent and pensionable terms**

12. MR LO asked:—

Sir, does Government consider it important to retain a substantial percentage of civil servants on the permanent and pensionable establishment in the Master Pay Scale and the Directorate respectively?

SECRETARY FOR THE CIVIL SERVICE:—Yes, Sir. On the 1st April 1976, the percentage of permanent and pensionable officers in the Directorate was  $83\frac{1}{2}\%$ , and in the Master Pay Scale  $96\frac{1}{2}\%$ .

**Oral answers**

MR LO:—Sir, is  $83\frac{1}{2}$  per cent a record low for the Directorate level and will Government try to improve on it?

SECRETARY FOR THE CIVIL SERVICE:—I am afraid, Sir, I cannot say whether this is a record low or high. I can say on the second part of the question that we will continue to regard it as important that there should be a substantial proportion of permanent and pensionable officers in the Directorate. I would add if I may that I do not think we can ever manage a 100% for reasons which I will specify in detail to my honourable Friend in writing.

MR LO:—Sir, I am sorry. The second part of my supplementary question, deals with whether Government will try to improve on it and I would be grateful for an answer to that.

SECRETARY FOR THE CIVIL SERVICE:—I will, if I may, Sir, give some detail. I do not think within a large and up-to-date organization such as the Civil Service, it would be possible to say that we will have entirely permanent and pensionable career officers in the Directorate or in the Master Pay Scale. There are certain areas where it is advantageous to have new blood, people who come in from other organizations or outside Hong Kong with other experience. Therefore, if I may repeat, it is our policy, first of all to have permanent and pensionable officers, but I do not think I can commit us to improving on a specified figure.

**Civil Service: Seconded officers**

13. MR LO asked:—

Sir, does Government consider it unsatisfactory for the Civil Service to be manned by seconded officers where alternative sources are available?

SECRETARY FOR THE CIVIL SERVICE:—Sir, if my honourable Friend is asking whether Government employs seconded officers in the knowledge that better candidates are otherwise available, the answer is "No, Sir".

Government certainly prefers when possible to appoint short-term officers on contract rather than on parent employer terms, because the former terms are more easily administered.

MR LO:—Sir, it is necessary for me to clarify my question. I was asking whether Government employs seconded officer only after it has exhausted all other possible sources for adequate candidates particularly for those who are prepared to make Hong Kong Government service a long-term career and take on permanent and pensionable terms?

SECRETARY FOR THE CIVIL SERVICE:—Sir, I regret that I did not fully understand my honourable Friend's question. I confirm the substance of his second question. We do prefer and we aim first to employ people on permanent and pensionable terms, where possible and subject to there being suitable candidates.

### Country Parks

14. MR TIEN asked:—

Sir, could Government indicate what progress has been made in furthering the establishment of Country Parks and what are the outlines for the immediate future?

MR NICHOLS:—Sir, I am indeed indebted to my honourable Friend for affording me the opportunity of first addressing this Council on a subject which has long been a matter of personal concern and interest; and which I consider to be of vital importance to the health and well-being of our community, namely, the provision of natural oases of high quality environment far removed from the pressures and turmoil of everyday living.

The Country Parks Ordinance, which came into force in August 1976, gave formal and legal recognition to the aspirations and work of several individuals and a succession of advisory committees. I would like therefore to place on record our acknowledgement and thanks to all those who have helped in the past.

Fortunately for the Country Parks Authority it has not been a question of starting from scratch. There is a considerable inheritance from the past activities of several departments of Government although the major contribution has been made by the former Conservation and Forestry Division of my own Department. Thus there are already 15 Management Centres responsible for the conservation and recreational development of some 80 square miles of countryside including more than 4,000 hectares of woodland. Within these areas there are more than 250 kilometres of footpath, 45 kilometres of management roads, almost 200 picnic and barbecue areas—varying individually from a few



**[MR NICHOLS] Oral answers**

hundred square metres to more than a hectare, 13 adventure playgrounds, 13 rain shelters, and prototype camping sites and toilet facilities.

Whilst the areas referred to above are on Crown land and can be developed as such, an immediate need has been for the Authority to define and designate present managed areas as Country Parks to afford them the necessary additional legal protection. Such action is in hand and the first three Country Parks, Shing Mun, Kam Shan, and Lion Rock, totalling some 2,300 hectares, have been recently gazetted. It is anticipated that the first Special Area, Taipo Kau, will be gazetted in the near future. It is hoped to gazette two more Country Parks on Hong Kong Island early in 1977; others will follow as soon as planning and boundary definition permits.

It is also important that the necessary Country Parks Regulations be brought into law as soon as possible. I understand that drafting instructions have been agreed and that drafting itself should be completed sometime around February 1977.

The Authority is advised by the Country Parks Board which also has certain Appeal Board functions. The first meeting of the Board was held in mid-August 1976; on which occasion you, Sir, were gracious enough to address the Members. During subsequent months the Board has made several field visits to acquaint itself with work and problems on the ground, and has met formally on two other occasions.

To expedite its work and to make the best possible use of the expertise available, the Board has decided to delegate many of its activities to four Committees, namely, Legal and Boundary matters, Development and Management problems, Public Relations, and Finance and Estimates. Although primarily a consultative body, Board Members are encouraged to take an active interest and involvement in the planning, development and management of the Country Parks so that their advice and assistance can be both timely and fully informed.

Honourable Members will appreciate that in all Country Parks at least two and often three different "Authorities" have specific responsibilities. These are the Land Authority, the Water Authority and the Country Parks Authority. To provide for integrated and efficient executive action on the ground an informal working group has been established representative of the three Authorities plus the Royal Hong Kong Police Force and Fire Services. Representatives from other departments will be co-opted as called for.

In order for the Country Parks Authority to more effectively discharge his duties and responsibilities a certain amount of re-organization of the Department of Agriculture and Fisheries is called for. The first stage of this re-organization has been effected. I have asked for an expert evaluation of various second stage options open to us and anticipate receiving a report on this next month. Inevitably there is need to strengthen departmental staff resources and this will be an on-going exercise as the Country Park concept is extended into new areas. I am pleased to say that agreement in principle has been reached regarding the initial strengthening of the planning, construction, management and protection staff and I hope that these proposals will receive Finance Committee approval this month. Within the resources currently available, the Authority is giving top priority to the introduction of protection and management services and facilities in the Sai Kung peninsula. A temporary Management Centre has been established pending completion of the first permanent Centre which should be completed in the next few months. There are plans for two more Management Centres in this region in 1977-78. Continued Park development within the Sai Kung peninsula is envisaged over the next few years in anticipation of the increasingly heavy recreational commitment as the High Island Water Scheme nears completion. As additional staff become available attention will be given to the recreational potential of Lantau Island and the scenic countryside to the north of Tolo Harbour, there are limited facilities and services in both these areas but there is a real need for further development.

I would like to reassure honourable Members that Government attaches considerable importance to the development of the Country Park concept. One may anticipate therefore a steady and hopefully an increasing provision of recreational facilities within designated Country Parks and potential Country park areas administered and managed as such in advance of designation.

MR CHEUNG:—Sir, would my honourable Friend care to tell us what is the order of expenditure on country park this year and as its size for next year?

MR NICHOLS:—Sir, the consolidated figure of funds available this year amounts to slightly more than \$9.5 million. The anticipated expenditure will amount to slightly more than \$7  $\frac{1}{2}$  million, largely due to constructional problem. This money will be reverted into next year's expenditure. We are seeking provision in the order of \$12 million for the coming year.

**Oral answers****Kowloon Tong: Motels**

15. MR CHEONG-LEEN asked:—

Sir, what steps are being taken to stop the proliferation of motels in the residential area of Kowloon Tong?

SECRETARY FOR THE ENVIRONMENT:—Sir, where the owners of the houses used for these so-called motels make alterations to the buildings which are contrary to the building law, or to their leases, the Government can seek to have the alterations rectified or removed. But the lease conditions in the Kowloon Tong estate are notoriously imprecise in respect of use and this means that effective action can only seldom be taken. So, as my predecessor pointed out in answering a similar question in this Council on 23rd June 1976, conversions of premises into motels do not necessarily bring an owner into conflict either with the Buildings Ordinance or with the lease conditions.

My predecessor also stated that legislation was being considered to give the Government the powers it lacked to control this sort of situation. The drafting of this legislation is not proving to be simple, but we are proceeding with its preparation as quickly as possible.

MR CHEONG-LEEN:—Sir, I do have a supplementary, but before doing so may I recognize the more precise language which my honourable Friend has given to these places. They are so-called motels in that they provide more services and facilities than normally found in motels. My question, Sir, is Government aware or has it come to Government's attention that a large majority of the residents in Kowloon Tong are opposed to a proliferation of motels in Kowloon Tong, particularly since they are a cause of visual pollution resulting from the neon signs used which do not blend well with the residential environment and character of Kowloon Tong.

SECRETARY FOR THE ENVIRONMENT:—Yes, Sir. (*laughter*)

MR CHEONG-LEEN:—My second supplementary is, Sir, can my honourable Friend give an indication as to when such legislation which he has referred to can be introduced into this Council?

SECRETARY FOR THE ENVIRONMENT:—Sir, I anticipate it would take a few months but I hope to have that legislation before this Council during this session.

### Forest Roads and Jeep Tracks

16. MR TIEN asked:—

Sir, what plans has Government to extend the present network of forest roads and jeep tracks to facilitate forestry operations and earlier suppression of hill fires?

MR NICHOLS:—Sir, in addition to public roads and access roads built and maintained by the Water Authority, as I said a little earlier the Agriculture and Fisheries Department presently maintains some 45 kilometres of management roads and jeep tracks. The Department also constructs approximately one kilometre of new roads each year using a small construction and maintenance unit.

New road construction is aimed at providing a coherent network of roads principally within Country Parks; and concentrating primarily on those areas where the risk of fire is known to be particularly high, and on areas deficient in access. Plans for the immediate future include \$2 million of new construction in 1977-78, to provide a management road into the areas north of the Pat Sin Leng and an improved network within the Tai Tam catchment on Hong Kong Island.

Provisionally longer term planning envisages the use of the High Island Water Scheme access roads for fire fighting and management purposes; plus a notional construction programme for approximately 4 kilometres of new roads per annum for the next 10 years together with continuing improvement and maintenance of the existing network.

The Road Construction Unit of the Department is one of those areas for strengthening to which I have previously referred. It is anticipated therefore that there will be early recruitment of a Roads Engineer together with appropriate technical support staff. An urgent task for this officer will be a review of the projected road construction programme.

In the interim the construction capacity of the Unit is being improved by the purchase of additional plant and equipment. Experience has demonstrated the need to retain a certain amount of direct construction capacity to allow for flexibility in implementation. Direct construction also is generally cheaper and more practical especially in rough terrain. It reduces, although does not obviate, contracting problems especially when the construction industry is heavily committed elsewhere to major construction projects such as the Mass Transit Railway, new highways and comparable schemes. Ultimately it is

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expected that future management roads will be constructed by a blend of contractual and direct effort depending upon individual circumstances.

Honourable Members will no doubt have noted that I have referred throughout to "management" rather than "fire fighting" roads. This is deliberate. At a certain time of year and under special conditions these roads are primarily of importance for providing fire fighting access. At all times, however, they serve wider management functions and provide "pedestrian" roads for members of the public utilizing Country Park facilities. Their public value therefore is manifold.

MR CHEUNG:—Sir, will my honourable Friend take note that it strikes at least one Member that his proposal to spend only \$2 million next year on these roads is blushingly modest?

MR NICHOLS:—Sir, I take note of this, Sir.

**Civil Service: training of clerical staff**

17. REV JOYCE BENNETT asked:—

Sir, will Government provide appropriate in-service training for all clerical staff in the Social Welfare Department and the Medical and Health Department, whose duties bring them into direct contact with the illiterate, poor and needy members of the community, to encourage them to give more thorough and helpful advice to the public?

SECRETARY FOR THE CIVIL SERVICE:—Sir, for some years an induction course has been provided for all clerical staff on joining the Civil Service. The syllabus of the course includes sessions on courtesy to the public, human relations and telephone manners. Among the documents given to clerical staff in connection with the course, is a booklet "How to be a more Civil Servant". I apologize for the title. I have supplied a copy of this to my honourable Friend.

From the 1st April 1976, we introduced follow-up training for clerical staff during the early part of their careers by way of a series of four separate courses, each of 2 days in length, which include sessions on interviewing callers, completion of forms for the public, record searching and counter work. The duty of all civil servants to be courteous and helpful is emphasised throughout these training courses.

As regards the Social Welfare Department, clerical staff do not deal directly with members of the public. Reception, assistance and counselling services are provided by Social Welfare Officers and Assistants trained for these duties.

In the Medical and Health Department, some 400 clerical staff are in daily direct contact with the public. In addition to the training arrangements I have already mentioned, an Information Officer is shortly to be posted to the Department, for duties including advising the Department how to provide an even more thorough and helpful advice and service to the public.

## Government business

### Motions

#### AMENDMENTS TO STANDING ORDERS

THE ATTORNEY GENERAL moved the following motion:—

That the Standing Orders of the Legislative Council of Hong Kong, made by the said Council on the 9th October 1968, be amended in accordance with the Schedule to this Resolution.

#### SCHEDULE

<i>Standing Order No.</i>	<i>Amendment</i>	<i>Reason for amendment</i>
4(2)	Leave out the existing paragraph.	In view of S.O. 4(6), it is unnecessary for the minutes to be submitted to the President for signature or for copies to be distributed to Members before the next sitting.
9(6)	In the third line, leave out the word "four" and insert in lieu the word "seven".	This amendment will require 7 instead of 4 clear days' notice to be given of any public matter within the Government's responsibility which a Member wishes to raise on an adjournment debate.
13(6)	In the fifth line, leave out the words "ten Members" and insert in lieu the words "fifteen Members".	S.O. 13(6) requires that before a petition stands referred to a select committee, not less than 10 Members should support a request to this effect. To reflect the recent expansion of the Council Membership from 30 to 42, this amendment raises to 15 the minimum number of members required.

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<i>Standing Order No.</i>	<i>Amendment</i>	<i>Reason for amendment</i>
19(3)	In the fifth line, leave out the words "by reference to its number on the Order Paper".	This amendment is made to conform with current practice in accordance with which questions are read out in full with no further clarification.
24(1)	Leave out the existing paragraph and insert in lieu the following— <p style="margin-left: 40px;">"(1) A Member called upon by the President or Chairman to move a motion shall rise in his place and in moving the motion shall make such remarks as he may wish."</p>	S.O. 24(1) requires a Member when moving a motion to read it out. S.O. 24(2) requires the President to do likewise when proposing the question. This is seldom done. In any event some motions are very lengthy, particularly when relating to financial matters. These amendments, accordingly, will remove the requirement.
24(2)	In the third line, leave out the words "in the same terms as the motion".	
39(2)	In the fourth line, leave out the words "Colonial Secretary" and insert in lieu the words "Chief Secretary".	
46(1)	In the third and fourth lines, leave out the comma and words ", singly or in groups of clauses".	This will eliminate the need for the Chairman to repeat in committee the words "and we shall take the clauses singly (or in group)". This will give the Clerk the discretion to decide how to call the clauses as is done in practice when the "script" is prepared taking into consideration committee stage amendments if any.
55(3)	In the fourth line, leave out the words "singly or in groups".	For similar reasons to those regarding S.O. 46(1).
55(7)	In the second and third lines, leave out the words "the Member in charge of the bill" and insert in lieu the words "a Member".	To conform with current practice.
60(1)	In the third line, leave out the words "Colonial Secretary" and insert in lieu the words "Chief Secretary".	

<i>Standing Order No.</i>	<i>Amendment</i>	<i>Reason for amendment</i>
60(2)	In the first line, leave out the words "Colonial Secretary" and insert in lieu the words "Chief Secretary".	
60(4)	In the first line, leave out the word "six" and insert in lieu the word "eight".	Consequential to the expansion of the Finance Committee, this amendment will increase the necessary quorum by two.

He said:—Sir, it proposes a number of minor amendments to the Council's Standing Orders. Some of the amendments are intended to simplify procedures. Others follow the expansion of the Council's membership and one will require 7 days' notice for an adjournment debate instead of the existing 4 days. The amendments, Sir, are fully explained in the Schedule to the Resolution and there is nothing that I can usefully add.

*Question put and agreed to.*

## **FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE**

### **Resumption of debate on motion (8th December 1976)**

MR JAMES WU:—Sir, when my honourable Friend, the Commissioner for Labour, moved the motion before Council on the 8th September 1976, there were a number of questionable assumptions in his remarks. Knowing, as I do, current conditions in industry and labour in Hong Kong, I deem it my duty to bring out the true facts as follows:—

- (1) Young people in Hong Kong today enjoy complete freedom in regard to choice of work, overtime, studies, sports and other interests, and no employer today intends or can effectively seek to deny them their aspirations, or to require them to perform irregular and intermittent overtime work.
- (2) Young people are realizing that the rewards and prospects in industry are better, and more and more of them are changing over to blue-collar work. The latter's improved conditions are due not so much to legislation as to sheer natural market forces of supply and demand, whereby factories consider it expedient to offer better conditions and pay on recruitment.



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- (3) Contrary to the Commissioner's belief, factories which offer more overtime work opportunities do attract more workers.
- (4) According to a survey conducted by the Federation of Hong Kong Industries, 97.6% of the workers in the 16-17 age group consulted felt that overtime for them should not be abolished. Another independent industry-wide survey just completed by the Hong Kong Productivity Centre indicates that 46% of this group voted for the right to work overtime, with 36% being indifferent. Only 17% agreed with the proposed legislation. It is also significant to note that of the 46%, 16% actually complained of having too much leisure, 4% had no plans to study, and 79% wanted to earn more.
- (5) Notwithstanding the opinion of the Labour Advisory Board and the Commissioner's mention of the insignificant amount of overtime now worked by 16 and 17-years old it has been made known to the Commissioner that all the trade and industry Associations objected to the proposed legislation as one that restricts their flexibility in utilizing Hong Kong's sole and limited resource of labour, when they have to face severe competition from our lower-cost neighbours with numerous resources and much larger labour pools. They feel that although overtime is expensive and therefore not resorted to unnecessarily, especially for this group, as the Commissioner's statement testified, it can so often mean the difference between meeting a shipment dead-line, and the expiry of a letter of credit and cancellation of order with subsequent heavy losses. They pointed out the special needs of our export market's seasonal demands, and the effect of our workers' movement from one factory to another even for regular work despite the high bonus paid for good attendance.
- (6) Hong Kong industrialists and managers are as progressive as any elsewhere, and they value the precious limited labour pool they have. It would be wrong and most unfair to suggest that they make abusive and wasteful use of labour. They have always supported legislation on safety and comfort in work-places, and those which promote education and training for workers to increase their earning capacity. On their own initiative, many industrialists have provided good working conditions, amenities and welfare schemes for their employees

as far as circumstances and their capacity permit. They certainly do not have to be told that these benefits contribute to improved productivity in the work-force, and in turn have resulted in Hong Kong's spectacular and continued growth in industry despite increasing difficulties and restrictions, and without any foreign aid or co-operation.

Sir, in view of the facts enumerated above, and the emotional remarks of the Commissioner when he unfortunately used the words "wear and tear" of young bodies as if they actually occurred in Hong Kong in this day and age, one can only lament the ignorance and attitudes rooted in the poverty and inequality of the past, which evils Hong Kong has largely eliminated ironically by the sheer diligence and entrepreneurship of its industrious people in creating an affluent society. Admittedly, there are some who still fail to recognize that full employment will create an upward pressure on wages and improved working conditions, and this can only be made possible by our ability to make and sell our products competitively overseas. In this latter manner we have vastly improved living standards and greatly increased the well-being of all those at the bottom of the income scale, though through our ability to finance housing, education, medical and other social projects with the wealth and revenue generated. Inequality is gradually fainting as an issue and is not getting worse. It is therefore vital that we maintain a high level of production and exports, which are so indispensable for economic security and, in Hong Kong's case, social stability as well. Yet, so often in Hong Kong, blame and recrimination are wrongly directed against our industrialists, who are already over-burdened with difficulties and who certainly are not helped by restricted markets, exorbitant rents, high overheads and wages, and the malicious attacks and pressure from outside which have the unmistakable aim of undermining our competitiveness and goodwill. I therefore submit that Hong Kong industrialists and their conscientious and co-operative workers need instead every encouragement and assistance to counter such formidable adverse factors in their joint purpose and mutual endeavours to create the wealth to support the many welfare and social projects for this community—a task for which they have been primarily responsible since the post-war years. This, Sir, is in line with current thinking in Political Economy, and supported by the Prime Minister as people are finding that although the welfare state preserve social justice in the short term it is an economic absurdity destined to impoverishment and ruins.

In view of the aforementioned circumstances, Sir, I regret I cannot support the motion before Council.

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MR CHEONG-LEEN:—Your Excellency, at the last sitting of this Council my honourable Friend, the Commissioner for Labour quoted me as having said on 18th December 1974 that:

"From the point of view of enlightened social policy overtime for young persons should be abolished at the earliest practicable date."

I was naturally prompted to review the context in which the statement had been made. I must say that within or out of context, this statement is equally valid today as it was two years ago.

I also said at that time that:

"... it is important that Government should provide for these young people more facilities for recreation and sport, otherwise they could be led astray into illegal activities such as robberies and hold-ups with the use of knives and other dangerous instruments."

During the past two years, there has been admittedly gathering momentum in the work of the Urban Council and the Council for Recreation and Sport in providing more recreation and sports for young people.

Government has furthermore made the policy decision to have by 1980 universal subsidized secondary education for up to three years available for all students in Hong Kong. Regrettably, there will still be insufficient subsidized education after Form 3 for all secondary school students by 1980. The existing adult education services need therefore to be reviewed with a view to having a co-ordinated approach to expanding such services, especially for young people in the 14-17 age bracket.

Earlier this month, the British Prime Minister stated in the House of Commons that:

"... the target is to achieve a level of legislation in social, labour and allied fields at least broadly equivalent to the best in neighbouring countries within the next five years."

As a Hong Kong legislator, I would endorse such enlightened approach, provided firstly that there is proper co-ordination within Government in the fulfilment of this target, and secondly that the accumulative result will be higher productivity, faster economic growth, and the preservation of Hong Kong's competitive edge in industry and trade in the world markets.

It is my belief that as a whole this Council has an enlightened and progressive attitude towards social reform, and expects that changes in such direction ought to be consistent, measured and pragmatic. We will move as fast as economic and political circumstances allow, but we must not be propelled into any premature or precipitate action which will damage Hong Kong's economic viability and lower our productivity in the long run.

It is of the utmost importance that there should be even more co-ordination by Government in its overall planning of services for youth. I spoke on this subject during the last legislative session, and I again emphasise the need for more co-ordination, especially since young persons aged 16 and 17 will by 1980 be unable by law to work overtime in registered factories.

For young people in this particular age group, there has to be a thorough assessment of the numbers to be catered for, and what general or specific plans have to be made for them by way of recreation, sport, adult education, and job placement.

In the latest issue of "Newsweek" Magazine there is an intriguing article entitled "The Amazing Swiss". An amazing people they are in that in a national referendum held several weeks ago, 78% of them voted against shortening the present 44 to 55-hour work week to 40 hours.

Hong Kong people are no different from the Swiss: they believe in self-reliance and in hard work, and that it is not the role of the Government to interfere in their willingness and capacity to work hard to better themselves.

As to overtime hours for women in industry, I can do no better than to refer my honourable Friend the Commissioner for Labour to what I said in this Council on 18th December 1974. Legislation on overtime for women will have to conform to changing standards in the industrialized countries.

To preserve the right of adult women over 18 to work overtime, I will not support any move in the near future aimed at a reduction of the existing overtime limit of 200 hours in any year or two hours in any day. Hong Kong women workers need not work overtime if they do not wish to, but they must have the right to work overtime within the limits prescribed if they want to do so.

Sir, I support the motion.

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DR HU:—Sir, I rise to support the adoption of the Factories and Industrial Undertakings (Amendment) (No 3) Regulations 1976. Our industry and economy depend a great deal on harmonious labour relationships, which can be achieved by improving the conditions of work for our labour force. Such improvement could be brought about by labour legislation or by a strong labour movement. As I said in my maiden speech in this Council, it would be wiser to introduce labour and social reforms through legislation than to encourage a strong labour movement. The amending regulations now under debate represent a much needed improvement to the conditions of work for young persons aged 16 and 17 in our labour force without, in my view, hampering our economic viability. Furthermore, the regulations preserve the existing arrangements regarding overtime for adult women, for whom adequate protection should always be provided.

With these remarks, Sir, I support the motion.

MR LEUNG:—Sir, I rise to speak in support of the amending regulations before Council which seek to gradually reduce and eventually abolish the maximum permissible overtime for young persons aged 16 and 17 in industrial undertakings. The maximum shall be reduced by 50 hours each year until 1980 when no young person shall be employed to work overtime in all industrial undertakings.

Overtime work after a normal daily shift of 8 hours strenuous work by young persons shall not, and should not, be encouraged or permitted. Human labour, unlike machinery, should not be exploited, particularly with the use of money as bait. If the argument is that young workers need the extra money by working overtime, then, clearly they are NOT adequately paid for their substantive employment to satisfy their domestic needs.

Intermittent overtime work for young persons is disruptive to their evening studies, and may retard their mental and physical development owing to lack of rest, which is vital for young persons in their formative years. Some may argue that not every young worker will attend evening school. True it is. However, it is equally true that there are many young workers who are more highly motivated and seek to better themselves by evening studies or training. Employers will have no one but themselves to blame if in the final analysis they find they cannot attract better quality youths into their factories.

Others may argue that local conditions differ from those overseas. But there can be no real difference as far as the well-being and the desire for betterment of the youths are concerned. Our government and our community should aim at a more enlightened society in which the care for our youths is not sacrificed to industrial production.

Sir, with these remarks, I support the motion.

REV P. T. MCGOVERN:—Sir, once upon a time there was a renowned labour leader in the United States about whom they tell a brief story. There was a dispute on the West Coast in his Union jurisdiction. On his way to solve the problem he was approached by the press and asked what all this labour trouble was about. His answer was ready and pointed: "Labour Trouble?" he said. "There is no labour trouble. The workers in that plant are just having a little bit of management trouble. (*laughter*)

If I were asked by an outsider what is happening now in Hong Kong—what is all this fuss about labour legislation—letters to the papers, orchestrated statements from lists of associations, surveys of workers conducted by supervisors and so on, I think I could give the same answer. My honourable Friend the Commissioner for Labour has introduced a motion giving some small protection to one small section of our workforce. He has declared his intention of introducing some further protection for some other sections. The result is that we are having a little bit of management trouble. (*laughter*)

This of course is to be expected. It follows the worldwide pattern of what happened in other countries during and after their industrial revolutions. Hong Kong is not at all unique in one respect, namely, the behaviour pattern of our employers. It is entirely predictable. With a little research it should be possible to anticipate, almost verbatim, what might be said. Much of it could be found in Hansard about a hundred years ago in England, or in the business magazines of the United States around the time of the New Deal. I have not time to amuse myself with such research, but would venture one bet (if allowed in this Chamber by the Gambling Ordinance) that any minute now someone is sure to drag in the so-called "right to work" laws which were very popular with employers in the States about 1903 and long since laughed out of court. As an aside, of my mention I am deliberately using illustrations from the United States because I am afraid someone might accuse me of being under pressure from the British Trade Unions or Labour Government. I decided it might be

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more acceptable in Hong Kong if my illustrations came from our larger trading partner and the home of the multinationals, excluding of course Lockheed.

When the debate on this motion was postponed, my first reaction was disappointment. But on reflection I was pleased because it gave an opportunity to some of the more extreme *laissez-faire* school to say in public what they really thought. I anticipated that given enough rope they would publicly tie themselves up in knots. I was not disappointed. Their efforts exceeded my expectations. And the efforts, from their point of view, were almost entirely counterproductive, not only to the public in general, but also in the eyes of that considerable number of the business community who have a growing awareness of their social responsibilities as businessmen. I can only presume that just as there is a silent majority in the labour force, there is also a silent majority among our employers. Certainly some that I have met were highly embarrassed by what was being said, supposedly on their behalf. It may be that, as is so often the case, a minority is more vociferous than a majority.

As to the content of the motion itself there is no need to go into any profound argument. The reasons for it are obvious and have already been well stated on 8th December in this Council. Young people under 18 are not yet fully grown physically or mentally. There is need more time for recreation and exercise if they are to remain healthy. Some also need time for further study in night school. Not only study of an academic sort for the many who had to leave school early and go to work because their fathers were underpaid, but also study of technical subjects useful for their job and their promotion prospects. Perhaps even a bigger consideration is the question of their family life. Their crowded homes may not be the most attractive place in the world, but in our culture their family is a most vital stabilizing factor in their lives. It is to my mind a greater miracle than our economic progress that traditional family virtues have held together so well in spite of the attacks of rapid urbanization, crowded housing, and exposure to constant pressure towards moral disintegration. Nothing could be more important than any measure which helps to hold the family together. And for young people I do not mean only their own parents' home. I mean also that they should have time to cultivate the social graces which come from meeting friends and which will help them in their own development into mature stable men and women fit to be in a few years responsible mothers and fathers of families.

Among the arguments put forward against this motion there is one which might have the appearance of some validity. It is that young people ought to have the right to choose to do overtime if they wish. One part of the argument is that they need the money. That is easily answered by stating that if they were better paid for their regular days work they would not be in such need. The other part of the argument is that they would prefer to have freedom of choice and do overtime if they felt like it or refuse overtime if they did not want it. Apart altogether from this new motion on overtime, the present position is that in theory and in law they have such a choice. It is a nice theory on paper. The actual situation on the factory floor is quite different. While no doubt there may be some better employers who will readily release workers from overtime, there are far too many who do not. In too many cases there is in fact no freedom of choice. I could illustrate my statement with numerous examples of complaints that have been made to me personally by young people who wanted not to do overtime so that they could attend night school. They could not in fact get that freedom. These are not isolated cases in small badly managed firms, some were in our bigger and better managed factories. But I do not ask you to take my word for it. I refer you to Table 8 in the current Labour Department Annual Report. We get there some idea of the respect that some employers have for the law and for the legal rights of their employees. In that year 1975 there was a total of just under 4,900 prosecutions under all headings of labour law. Of that number 4,900, by far the biggest number of prosecutions—over 4,100—were for offences against women and young persons. It can safely be said that this is only the tip of an iceberg because there was only a strength of less than 100 labour inspectors to keep track of that area in over 20,000 establishments. My conclusion from these figures is that there are now a sufficient number of employers who flout the rights of young people and who could thus not be relied upon in future to give a free choice if such were included in the present motion.

But there is to my mind much more at stake. I have always had a strong personal conviction that Hong Kong should not and need not make the mistakes that were made by the western developed countries. There, years, even centuries of oppression and exploitation led to a tradition of antagonism between Capital and Labour which lasts in some places to the present day. That has not yet happened in Hong Kong. We have a hardworking, loyal and very patient workforce. Furthermore, confrontation, antagonism, class-warfare are concepts alien to our cultural background. Our workers would prefer harmony, co-operation and pleasant relationships with their employers. If employers



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would only come quarter way to meet the real grievances of our workforce, if they would take positive steps towards improving working conditions instead of the negative attitude which was reflected in the past few weeks in particular in the Chinese Press, then I am convinced that Hong Kong would not have to go through the errors of the west but could have a standard of industrial relations that would be the envy of many western countries.

One last point. There would appear to be some confusion between the reasons for this motion and the target set for achievement. The target set by Your Excellency was that of conditions at least broadly equivalent to the best of our neighbouring countries. My honourable Friend the Commissioner for Labour in giving the more detailed outline of proposed legislation specified the target more precisely, in saying that "... we should not rest until we are satisfied that Hong Kong is second to no comparable community in Asia ..." That is the target or standard to be aimed at. But the target is not the motive. We do not say that because Singapore does something we must do the same, or that because Korea does not do something we should not do it. The motive or reason for this motion and others to follow is not that we must imitate our neighbours or that we are being pushed around by them or by London or anyone else, the reason is and will remain the reason, given by Your Excellency on October the 6th namely that it is "timely, right for our society, and but common justice." It is for that reason I support the motion.

Miss Ko:—Sir, I wish to say a few words on the Factories and Industrial Undertakings (Amendment) (No 3) Regulations 1976. It is of course very fair and just that young workers aged 16 and 17 should be adequately protected and given more leisure for their physical and personal development. It is evident that youth is a great asset to our economy and their healthy growth and development will determine the supply of skilled and responsible workers available to carry on the enterprises of commerce and industry in the future.

The relationship between economic and social development is inseparable and while we are proposing the abolition of overtime for young persons in industry, we must carefully consider the social development programmes to cope with these changes. The giving of more leisure to young people will not necessarily do all of them a lot of good. Many of our facilities for educational programmes, recreation and other meaningful pursuits are still insufficient or need to be improved, and the family life of many of these young workers is often

beset with problems. For many young people therefore the extra leisure time will only be boringly idle and trouble may result.

It is essential that young workers of 16 and 17 who are at an important stage of their physical, mental and social development are given the opportunity to use their increased leisure time productively. Facilities for educational programmes, especially evening schools, youth programmes, counselling service, sports and other recreational activities should be improved and expanded.

However, we must beware that we do not blindly follow the whole of the labour legislation of other countries whose type and level of economic development varies from ours or whose social conditions and opportunities for the use of leisure are more developed than or different from those in Hong Kong.

Sir, with these few words, I support the motion.

MR LO:—Sir, I do not have very strong views on the resolution before Council if it is taken as an isolated measure because, on the one hand, it is clearly right that young persons ought to be stopped from working too much to the detriment of their personal development and, on the other, the young persons affected by the present resolution are the sixteen and seventeen year-olds. In many countries seventeen year-olds are considered old enough to drive cars and to go to war. If they have not quite arrived at the age of discretion they have reached that of consent. Should then their right to work overtime be taken away? The answer I fear lies in that zone so frequently referred to by some of my honourable Friends as "the grey area".

However, as Government has clearly stated what its policy is on labour legislation, the present resolution must be looked at not only as an isolated measure but also as part of that policy. The stated Government policy is attractive because it sounds quite noble to say, as my honourable Friend the Commissioner for Labour has said, "We should not rest until we are satisfied that Hong Kong is second to no comparable community in Asia in the provision of decent working standards".

When I asked in effect at our last sitting what those standards were, my honourable Friend replied that they were shown in a very detailed document sent to UMELCO. There are a number of points I would like to make on this document.

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First, in self defence and not in criticism of anyone, I would like to put on record that I was not made aware by the UMELCO Office of the existence of this document until after our last meeting.

Secondly, although Members of Council are now permitted to quote from the document, they are not permitted to release it to the public. I consider it important that the information contained in this document, such as it is, be made public.

Thirdly, although the document is long and detailed, it suffers from being superficial. It does not attempt to disclose what the working standards really are in the countries examined; it merely tries to set out their laws on paper. Even here the document is deficient. For example, this is what it has to say on the legislative position in Singapore regarding maximum overtime permitted for children (aged 12-13) and young persons (aged 14-15):

"No available information"

This comment appears in different forms in a number of places in the document.

With these deficiencies I cannot visualize how the document can sensibly be used as the basis for the formulation of a policy on labour which directly affects over 750,000 people and indirectly affects all of us to whom Hong Kong is a home. But if this document did not form the basis of Government's stated policy, what did? Government policies are said to be established through a consultative process. I am not aware of any such process in the present case. Indeed, when I asked a supplementary question at our last sitting whether the policy had even been approved by the Executive Council, my honourable Friend the Commissioner for Labour said that as he was not privy to any discussion there he could not answer that question from personal knowledge.

Now, in the first place, it would obviously be untrue to say that only Members of the Executive Council are aware of Council decisions. But, quite apart from that, my question was addressed to the Government and if I prefixed it with a polite reference to my honourable Friend the Commissioner for Labour he should not have taken it personally. Indeed, under Standing Order 15 it is clear that Members of Council are only permitted to ask questions of the Government. They are not permitted to ask personal questions.

I do not wish to dwell too long on this point. Suffice it to say that the stated Government policy on labour legislation does not appear to be the result either of careful research or of normal consultation, when it clearly ought to have been both.

Accordingly, I urge the Government forthwith to start putting its proposed labour policy through the normal consultative process and to conduct adequate research into and make public the actual working standards of our comparable Asian competitors. I consider that the Government should do this before introducing further legislative measures on labour.

As regards the present resolution I have, as I have said, no strong views and so I am quite prepared to accept the unanimous advice given to the Commission for Labour by the Labour Advisory Board and support it. In so doing, however, I wish to make it quite clear that I am taking it in isolation and not as part of any stated policy. For one thing, I would point out that according to the Government comparative document I referred to earlier in none of our comparable neighbouring competitors, *i.e.* Indonesia, Korea, Malaysia, Philippines, Singapore and Taiwan—in none of these countries—is there any prohibition against overtime work by 16-17 year olds. And so, among these countries, Hong Kong law will in this respect be unique.

MR TIEN:—Sir, I too feel obliged to take issue with my honourable Friend, the Commissioner for Labour on the question of abolition of overtime for young persons of 16 and 17 years of age.

There are several grounds on which I feel I cannot support the Commissioner, and I shall endeavour to deal with them as briefly as possible.

The health aspect raised by the Commissioner is, in my view, something which might fall within the category of red herrings, although I feel sure that my honourable Friend had not intended it that way. Does he seriously suggest that less than 0.6 hours, or 33 minutes of overtime a day, on average, would harm the health of young persons at the prime of their physical condition? I cannot believe, nor I feel would the public at large, that an average of 33 minutes' overtime a day would, or could, cause undue "wear and tear". I think my honourable Friend has grossly overstated his case, which appears to be an over-reaction to what could at least be described as misguided views. (*laughter*)

Young persons who work this very limited amount of overtime do so as a matter of choice. There is no evidence to suggest, nor has it

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been suggested, that these young persons are being forced, or driven to working overtime. Unless and until convincing evidence is adduced that there is a case for making changes, I feel strongly that this Council should not allow itself to be used to legislate away the freedom of choice which any sector of the community does, and can reasonably expect to continue to enjoy.

As far as I know, abolition of overtime for the 16 and 17-year age group is not something that is being forced upon us by conditions which exist in our neighbouring countries. We often compare ourselves with Singapore, with which we have a large measure of affinity, in terms of both ethnic composition and economic development. No such limitation on overtime is in force in Singapore. While I would not for a moment suggest that the absence of legislation in Singapore automatically renders it inappropriate for Hong Kong, nevertheless, we would want to be quite sure that we are not introducing measures which unnecessarily blunt our competitive edge in the international market; measures which are not in force in the territories of our competitors, and which cannot otherwise be justified on logical grounds.

Although my honourable Friend has confirmed that the proposed measure has no application to adult women of 18 and over in industrial employment, and any possible misunderstanding that may have arisen on this aspect has now been resolved, I personally cannot understand nor appreciate the necessity of restricting adult women to 200 hours of overtime in a year. I strongly urge this Council to consider the abolition of this restriction on the employment of adult women and to equate them with those at present pertaining to adult males upon whom there are no such restrictions.

There is considerable concern on the part of the enlightened public that the Government does not consult fully before it makes proposals in their final and definitive form. The Hong Kong Government prides itself as one which governs by consensus. In this case, I am sorry to say, that consensus is, sadly, conspicuous by its absence. The advice of the Labour Advisory Board cannot be said to represent the views of all interested parties in this matter, and the Board does not provide a sufficiently large and representative forum from which a consensus on a matter of this sort can be drawn.

For the reasons which I have just stated, Sir, I have to say, with regret, that I cannot support the motion before Council, and I will vote against it.

MR CHEN:—Sir, when moving the motion for the approval of Factories and Industrial Undertakings (Amendment) (No 3) Regulations 1976 on the 8th December, my honourable Friend Mr PRICE stated: "The Government's intention to abolish overtime for young persons is based not on economic but on social considerations which are held to be overriding in this case ... Workers aged 16 and 17 should be permitted adequate leisure to develop their personalities by further studies, sports, recreations and other interests."

Have we really reached a stage where economic considerations are no longer of prime importance on a major issue such as this? If so, we would certainly find ourselves in a more difficult position to claim developing country status. As an exporting country, this surely is against our own interest.

As to the need of adequate leisure, let me point out the fact that in our existing employment system and practice, no person, I repeat no person can be denied the freedom of choice for leisure. In other words, overtime working is not compulsory and is simply a matter of voluntary agreement between the worker and the employer. Therefore, a worker can choose leisure or working overtime depending on his desire and need. This flexibility, I would have thought, suits Hong Kong's industrial situation admirably.

We must have flexibility and freedom of choice. To deny a person of 17 years of age this freedom is to be patronizing in the extreme. In the United Kingdom, the age of majority is 18. A person of this age has the right to make decisions on all matters affecting his personal interest, even to elect the government of his choice. And yet here in Hong Kong our 17-year olds are in effect, if the motion before Council is to be adopted, considered as incapable of thinking and deciding for themselves even to work a couple of hours overtime if he wants to. Anyone who thinks this way is surely not doing the 17-year olds justice and must be quite out of touch with reality.

In my honourable Friend Mr PRICE's speech, it was stated that from a survey conducted by the Labour Department, the figures for 1975 show that the total number of hours of overtime worked by young persons in that year amounted to only 0.16% of all industrial man-hours worked and that this percentage would in future probably remain minimal. On the basis of this statistic and using the figures published in Labour Department's Report where it showed young persons of 16 and 17 years of age working in industry represented 11.46% of the industrial labour force, a simple calculation would show that for an average young person who normally works about 200 hours

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per month, the overtime worked by him or her would be approximately 34 hours per year. Therefore, are we not in fact seeking to legislate against something which is insignificant? Moreover, the low overtime utilization clearly shows that our young persons are not being unscrupulously exploited as some would like to suggest. On the contrary, this figure evidently suggests that our young persons may in fact be exercising their freedom of choice and opting for leisure. This being the case, there appears to be little need for disturbing a system which is apparently working to everyone's satisfaction.

However, I am given to understand that the Labour Advisory Board fully endorsed the principle of the abolition of overtime for young persons, but have we really gauged the feelings of the young persons concerned and found out their reactions to the proposal. If not, I would suggest that we do before a decision is taken on this important issue. I believe what we need is a law which forbids any employer to compel a worker who is a young person to work overtime against his will, but the same should not deny him the freedom of choice for working overtime if he wants to do so.

At this point, I would like to take the opportunity to comment also on the existing regulations governing overtime working for female workers. According to the regulations, a female worker is not allowed to work overtime for more than 200 hours per year, and not more than two hours in any day. These regulations do not apply to male workers. Bearing in mind that female workers represent 50-60% of the total work force in Hong Kong, and that this percentage is even higher in our major industries such as electronics, garment, plastic and toy, I am beginning to doubt whether in fact these regulations might not be working against our own interest and the interest of the female workers. These regulations might have been appropriate when they were first introduced under quite a different industrial situation, that is when there was an abundance of female workers. In any case, in this day and age when there is every effort made to bring about equality of sex in employment, it looks a little odd that the law should appear to discriminate against female workers.

From my limited experience in legislation work, it appears to me that so far we have been dealing with the matter of labour legislation in a piecemeal fashion. Since the matter is of such vital importance to the future economic well-being of Hong Kong, I earnestly urge the Government to shed more light on the subject by giving us a definite programme of labour legislation for the next five years, so that at least

we would not have the feeling that we are wandering in the dark or that we are at the mercy of the whims of outside influence. I would suggest that a special committee of this Council be set up to examine the intended programme carefully and comprehensively, and to recommend the necessary legislations in the best interest of Hong Kong.

My view on the motion before Council is that if the law is to protect a young person's right for leisure, why must it deny him the right to work?

Sir, with much regret I cannot support the motion.

DR CHUNG:—Your Excellency, on 6th October this year when addressing the opening session of this Council you, Sir, said:

"It is the tradition of this Council that each Member speaks for no particular group or section but in the interest of all Hong Kong as it appears in his or her personal judgment. ... It is important that significant differences between members or between them and the Government on matters of policy should be brought out in public at this Council, so I hope for lively debate."

Today we have heard a really very lively debate on an important issue of principle in which there are significant differences of opinion between the Unofficial Members. Let me try to sum up the contrary views of my Unofficial Colleagues.

In that particular Address you, Sir, also said:

"It is important that in the field of labour legislation ... we should set ourselves the target of achieving a level of legislation governing safety, health and conditions of employment at least broadly equivalent to the best in our neighbouring countries whose stage of economic development and social and cultural background are similar to our own, which in effect means our principal Asian competitors excluding Japan."

I do not think any one can dispute this Government policy. However, like the honourable Miss Ko Siu-wah, I, too, would like to sound a note of warning: it is that we in Hong Kong should not follow the mistakes made by our principal Asian competitors in labour legislation. I shall come back to this point later.

This Government policy together with the motion tabled in the House of Commons on 8th December 1976 by 74 Labour Members of Parliament have unfortunately led some people to believe that we in Hong Kong are lagging behind our Asian neighbours in ratifying ILO



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Conventions. First, let me point out that it is a fallacy that every country in the world should observe all the International Labour Conventions without considering the local conditions. For example, the US Government has not ratified the ILO Convention prohibiting night work for women. This is because in the US the per capita investment in industry is very high and it would not be economical to shut down their expensive production facilities for one-third of the time.

I believe at present a total of 32 ILO Conventions are applied in Hong Kong either with or without modifications. Out of some 130 member countries of the International Labour Organization, only about 50 countries have more ratifications than Hong Kong. In comparison with our principal Asian competitors Hong Kong is fairly advanced. We are equal, or almost equal, to Japan but, like industrial wages, we are very much ahead of Indonesia, Malaysia, the Philippines, Singapore and Thailand. Both Taiwan and South Korea the two major competitors of Hong Kong are not members of the ILO and therefore need not ratify any ILO Convention at all. I wonder how many of our critics are aware of this advance position we have achieved vis-a-vis our Asian competitors.

The Research and Planning Unit of the Labour Department in July 1976 compiled a brochure showing a comparison of the overall wages, conditions of employment and legislative provisions between Hong Kong and certain South-East Asian countries. In studying this brochure, certain Unofficial Members like the honourable Mr T. S. LO have serious doubts as to its completeness and accuracy. For example, there is no information on overtime for young persons in Singapore, in Indonesia, in Malaysia and in the Philippines.

According to the survey contained in the brochure, all countries except Japan and Korea define young persons as those aged 15 and under. The definition of young persons in those aged 13 to 16 and in Japan 15 to 17. In Hong Kong young persons aged 14 and 15 are already not permitted to work overtime. The motion now before Council is to introduce a phased programme to abolish overtime for the older young persons aged 16 and 17. It is for this reason and for the absence of a uniform definition of young persons in this region that some of my Unofficial Colleagues feel that we are perhaps going too far beyond our Asian competitors.

Some Unofficial Members disagree with the Commissioner for Labour on the effect of this motion on industrial production. My

honourable Friend, the Commissioner for Labour, said that the total number of hours of overtime worked by young persons in 1975 was only 0.16% of all industrial man-hours worked and that despite the present economic recovery the amount of overtime worked by young persons as a percentage of total man-hours worked in industry would remain minimal.

The fact is that as pointed out by the honourable Mr S. L. CHEN, at the end of 1975 the number of young persons aged 16 and 17 working in industry were about 72,000 which, when compared to about 626,000 persons employed in industry, represented approximately 11.5% of the total labour force. In those manufacturing industries such as garments, electronics and toys where the employment of young persons is prominent, the adverse effect on production as a result of abolition of overtime for young persons will not be insignificant.

Some of my Unofficial Colleagues such as my honourable Friends Mr James WU, Mr Francis TIEN and Mr S. L. CHEN put forward two major arguments against the eventual abolition of overtime for young persons of 16 and 17 years. First, the amount of 200 hours overtime in a year cannot be considered to be arduous for persons of that age group which in many other countries is not classified as young persons. Secondly, employees are already protected by their legal right to accept or refuse overtime work of their own free choice without jeopardizing their employment position. They therefore argue that on the one hand the motion before this Council does not offer any more protection to the young persons of that age group but on the other, will very much adversely affect the industrial production of some major industries in particular.

However, some other Unofficial Members like the honourable Father MCGOVERN and the honourable Mr LEUNG Tat-shing, have quite a contrary opinion. They feel that it is socially desirable to abolish overtime work for persons under 18 years of age. They also believe many unscrupulous employers never give their young employees any free choice to accept or refuse overtime work. They therefore consider it is a small and worthwhile price to pay for this social progress.

In 1968 I presented a paper title "Production and Productivity" at the Indo-Pacific Conference of the International Council for Scientific Management. I pointed out that the total annual per capita production of material wealth of a country was the product of three factors. First, it is the ratio of working population to total population. The second factor is labour productivity and the third is the average total number of hours worked per worker in the year. Therefore, higher

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labour productivity or a larger ratio of working to total population or longer working hours will naturally produce greater per capita material wealth. Assuming that both the advanced and the developing countries have full employment and the developing countries are forced to work the same number of hours as the advanced countries, the people of the developing nations will never be able to catch up on their standards of living because the advanced countries have much higher labour productivity due to sophisticated technology and full mechanization.

Many developing countries are unfortunately misled by wellintentioned social reformers in such a manner that they try to run before they can walk. Their governments legislate labour laws which are far more advanced than their societies can afford. As a result, their economies are ruined and many of them have to live on international loans and aids. It is therefore important for us, as legislators, to realize that social and economic progress can be jeopardized rather than helped if labour legislation is introduced without giving careful consideration to its effect on the long-term national economy.

Sir, the present case of eventual abolition of overtime for young persons aged 16 and 17 years in industry is a marginal one and has become a controversy among the Unofficial Members. On balance, I, like the majority of Unofficial Members, will support the motion. However, it is imperative that the Government will not make any further reduction on permissible overtime for adult women of 18 years and over.

MR PRICE:—Sir, this has indeed been an unique and lengthy debate on a set of regulations made by a Commissioner for Labour under the Factories and Industrial Undertakings Ordinance. But no one has successfully challenged Government's view that social considerations are overriding in regard to the eventual abolition of overtime for young people because they require special protection.

Many more arguments put forward by critics of the regulations have already been countered by my honourable Friends, Mr CHEONG-LEEN, Dr HU, Mr LEUNG Tat-shing, Father MCGOVERN, Miss KO Siu-wah and Dr CHUNG, and I take this opportunity of thanking those honourable Members, and the majority of Unofficial Members, for their support. However, there are a few points on which I feel I should comment briefly, notwithstanding the most able summing up by my honourable Friend Dr CHUNG.

Parts of the speech of my honourable Friend Mr CHEN leave me confused. He first refers to "a major issue such as this", but subsequently spoke of legislating "against something which is insignificant". My honourable Friend really cannot have it both ways!

With regards to his calculations based on the figure of young persons comprising 11.46% of the total labour force I should point out that it is estimated only about one quarter of the total number of employed of young people actually worked overtime. The remarks of my honourable Friends Mr James WU, Mr TIEN and Mr CHEN about the so-called "right to work and freedom to do overtime" have been ably answered by my honourable Friend Father MCGOVERN. To this I would add that from 1st January to 15th December this year, 343 complaints were received by the Women and Young Persons Unit of the Labour Department and these relate to excessive working hours, excessive overtime, compulsory overtime, and overtime on unsatisfactory rates of pay.

My honourable Friend Mr TIEN draws a comparison with Singapore which does not prohibit overtime for those aged 16 and 17. He is correct—as far as he has gone—but he has, if I may say so, fallen into the trap of comparing one single aspect of overtime without taking into account all the surrounding circumstances. At the risk of boring honourable Members I should like to repeat, in part, what I said in this Council on 18th December 1974:\*

"In Singapore work for all employees, male and female, is limited to 8 hours a day and 44 hours a week with payment for ordinary overtime for both men and women fixed by law at no less than  $1\frac{1}{2}$  times the hourly rate of pay irrespective of the basis on which the rate of pay is fixed. This includes piece rates ... Thus in Singapore overtime work is more widely controlled by its high cost to employers."

My honourable Friend Mr TIEN has implied that Government has not consulted fully on these regulations. This is incorrect. In addition to the deliberations of the Labour Advisory Board which I mentioned in this Council on 8th December, I consulted by letter all the four major employers' associations on 28th June, subsequently exchanged correspondence with them, and on 11th November met some of their representatives.

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\* Hansard 74-75 page 295.

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I must however point out that consultation should be a two-way process. I have not been informed of the details of the two surveys mentioned by the honourable Mr James WU. It therefore follows that I have no knowledge of their methodology, coverage and the way in which the questions were phrased and put to the workers. Therefore, I cannot draw any valid conclusions from the figures quoted but I do note that the two surveys produced rather different results. I doubt if either of these surveys of workers' opinion was conducted by or under supervision a qualified industrial sociologist.

My honourable Friend Mr James WU has spoken of the progressiveness of Hong Kong's industrialists and managers. I should like to mention to their ingenuity and adaptability to meet changing circumstances, and to state my firm belief that by 1980 they will easily have accommodated themselves to the new conditions which will then prevail, if these regulations are approved.

In connection with International Labour Conventions I must counsel against making too close a comparison between sovereign states and Hong Kong. It must not be overlooked that sovereign states do not have the option of partial application but such a course of action is open to Hong Kong which has applied 21 conventions in full and 12 only partially. Therefore Hong Kong's position should be set against Japan's complete ratification of 34 conventions.

Finally, Sir, my honourable Friend Dr CHUNG and Mr LO have referred to a document prepared by our Research and Planning Unit. I accept that this has imperfections but this is so because it has not always been possible to obtain by correspondence accurate information on all working condition in certain countries. For these reasons it is hoped to send two officers on a tour to South East Asia countries to obtain more details so that the document can be updated and generally improved.

Sir, I reiterate that Government has no current plans to make any further reduction in the permissible overtime for adult women of 18 years and above.

*Motion made. That the debate on the mention be adjourned— MR PRICE.*

*Question put and agreed to.*

**HONG KONG AND YAUMATI FERRY COMPANY  
(SERVICES) ORDINANCE**

SECRETARY FOR THE ENVIRONMENT moved the following motion:—

With the consent of the Company, that the Schedule to the ordinance be amended—

- (1) In Appendix II by deleting that part entitled "2. OTHER SERVICES" and substituting the following—

"2. OTHER SERVICES

A. SERVICES BETWEEN HONG KONG ISLAND AND OUTLYING DISTRICTS

		<i>Ordinary Class</i>						
		<i>(i)</i>			<i>(ii)</i>			
		<i>Sundays &amp; public holidays</i>			<i>Weekdays</i>			
	<i>Hoverferry Service</i>	<i>Deluxe Class</i>	<i>Adult</i>	<i>child under 16 years of age</i>	<i>Adult</i>	<i>child under 16 years of age</i>	<i>Freight (per cwt)</i>	
<i>(a)</i>	HONG KONG							
	—PENG CHAU ISLAND	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.50	
	—SILVERMINE BAY (Direct & Indirect Service)	\$5.00	\$5.00	\$2.00	\$1.00	\$1.50	\$0.80	
	—CHEUNG CHAU ISLAND (Direct & Indirect Service)	\$5.00	\$5.00	\$2.00	\$1.00	\$1.50	\$0.80	
		Adult's monthly tickets—\$60.00 (weekdays and holidays) (Valid for current calendar month only).						
<i>(b)</i>	PENG CHAU							
	—SILVERMINE BAY	\$5.00	\$5.00	\$0.70	\$0.40	\$0.70	\$0.40	
	—CHEUNG CHAU	\$5.00	\$5.00	\$0.70	\$0.40	\$0.70	\$0.40	
<i>(c)</i>	SILVERMINE BAY							
	—CHEUNG CHAU	\$5.00	\$5.00	\$0.50	\$0.30	\$0.50	\$0.30	
	—PENG CHAU	\$5.00	\$5.00	\$0.70	\$0.40	\$0.70	\$0.40	
<i>(d)</i>	HONG KONG							
	—SOK KWU WAN (Direct & Indirect Service)	\$5.00	\$5.00	\$1.50	\$0.80	\$1.00	\$0.50	
<i>(e)</i>	HONG KONG							
	—YUNG SHU WAN (Direct & Indirect Service)	\$5.00	\$5.00	\$1.50	\$0.80	\$1.00	\$0.50	
<i>(f)</i>	YUNG SHU WAN							
	—SOK KWU WAN	\$5.00	\$5.00	\$1.00	\$0.50	\$0.50	\$0.30	
<i>(g)</i>	HONG KONG							
	—MA WAN	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.40	
	—TUEN MUN	\$5.00	\$5.00	\$1.50	\$0.80	\$1.00	\$0.50	
	—TUNG CHUNG	\$5.00	\$5.00	\$2.00	\$1.00	\$1.50	\$0.80	
	—TAI O	\$5.00	\$5.00	\$2.00	\$1.00	\$1.50	\$0.80	
	—TAI O (EXCURSION)	\$5.00	\$5.00	\$4.00	\$4.00	—	—	
		(Students and children shall be charged full fares).						
<i>(h)</i>	MA WAN							
	—TUEN MUN	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.40	
	—TUNG CHUNG	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.40	
	—TAI O	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.50	

**Motions**

		Ordinary Class						
		(i)			(ii)			
		Sundays & public holidays				Weekdays		
		Hover-ferry Service	Deluxe Class	Adult	child under 16 years of age	Adult	child under 16 years of age	Freight (per cwt)
(i)	TUEN MUN							
	—TUNG CHUNG	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.40	\$0.50
	—TAI O	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.40	\$0.50
(f)	TUNG CHUNG							
	—MA WAN	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.40	\$0.50
	—TAI O	\$5.00	\$5.00	\$1.00	\$0.50	\$0.80	\$0.40	\$0.50
<b>B. TOLO HARBOUR SERVICE</b>								
(k)	TAI PO KAU							
	—SHAP SZ HEUNG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—SHAM CHUNG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—LAI CHI CHONG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.40	\$0.50	
	—TAI TAN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—CHEK KENG	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—KAU LAU WAN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—TAP MUN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
(l)	SHAP SZ HEUNG							
	—SHAM CHUNG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—LAI CHI CHONG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—TAI TAN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—CHEK KENG	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—KAU LAU WAN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—TAP MUN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
(m)	SHAM CHUNG							
	—LAI CHI CHONG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—TAI TAN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—CHEK KENG	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—KAU LAU WAN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
	—TAP MUN	\$5.00	\$5.00	\$3.00	\$1.50	\$1.60	\$0.80	\$1.00
(n)	LAI CHI CHONG							
	—TAI TAN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—CHEK KENG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—KAU LAU WAN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—TAP MUN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
(o)	KAU LAU WAN							
	—CHEK KENG	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—TAI TAN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—TAP MUN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
(p)	CHEK KENG							
	—TAI TAN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
	—TAP MUN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
(q)	TAI TAN							
	—TAP MUN	\$5.00	\$5.00	\$1.50	\$0.80	\$0.80	\$0.40	\$0.50
(r)	MA LIU SHUI							
	—WU KAI SHA	\$5.00	\$5.00	\$1.00	\$1.00	\$1.00	\$1.00	—

(No freight shall be carried on this route and children under 16 years of age shall be charged full fares)".

- (2) That amendments to the said Schedules set out in paragraph (1) of this Resolution shall come into operation on the 1st January 1977.

He said:—Sir, the aim of this motion, under section 5 of the Hong Kong and Yaumati Ferry Company (Services) Ordinance, Chapter 266, is to increase fares on the Outlying Districts and Tolo Harbour services by amending Appendix II of the Schedule to the Ordinance. It also seeks to abolish second class fares on the Tolo Harbour service in order to bring this service into line with the remainder of the Company's routes which all have one class fares. The changes proposed are put forward with the consent of the Company.

Sir, when on 4th August 1976 I introduced a similar motion into this Council to, among other things, establish a one class fare on the Company's across the harbour services, I pointed out that, unless further actions were taken to improve the viability of ferry services, the Company could not avoid making an overall, and steadily increasing, loss on its operations from 1977 onwards. I also reported that a detailed review was then being undertaken of the whole of the Company's operations, on the basis of which further measures to improve its financial position would need to be formulated and put into effect.

This review has now been completed. In brief, it has shown that, despite the effects of the Cross-Harbour Tunnel, the two vehicular ferry services continue to operate at a profit while most of the passenger services are making a loss. Various steps are now being considered to remedy the position, and these will include actions to cut costs and make other economies in expenditure. But it is clear that some fare increases will be absolutely necessary if adequate ferry services are to be maintained.

As a first step, consideration has been given to the Outlying District services and the Tolo Harbour service. These services are expected to make a loss in 1976 of over \$2 million. They have been operating for many years at largely unchanged, and relatively low, fares in contrast to the harbour services which have had to face some fare increases over the last few years. And, given the decline in the value of money, fares on the outlying services are much lower in terms of real purchasing power than they were, say, 10 or 20 years ago. So the time has had to come to take steps to put these services on a more viable footing in terms of present day costs.

In considering what needs to be done, however, one factor that must be taken into account is the recreational demand for these services



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on Sundays and public holidays. In common with other public transport services, the Hong Kong and Yaumati Ferry Company has witnessed an enormous increase in demand for leisure travel in recent years and this has raised its passenger load on the Outlying District services from seven million in 1965 to over 15 million in 1975. To cope with this increased demand, the Company has had to purchase a number of new vessels and its fleet now carries about 40,000 passengers on an average Sunday or public holiday. This compares with a weekday average utilization of the vessel concern of some 18,000 passengers, which means that vessels acquired largely for recreational purposes are considerably under-utilized during the weekdays. For this reason, it is considered to be only fair that the recreational traffic should make a greater contribution to the cost of depreciation and maintenance of these vessels than has hitherto been the case. So, it is proposed that, on those routes for which there is a recreational demand, fares on Sundays and public holidays should be set higher than weekday fares.

Honourable Members will see, therefore, that the proposals in the paper before them provide for fare increases of about a quarter for most existing weekday services on the outlying routes. But they also provide for something like double that is a 50% fare increase these increases on Sundays and public holidays for all the routes in question except the inter-island services. The de-luxe class fares on all services would also be increased from \$4 to \$5, on the normal understanding that \$5 would be the maximum permitted fare and that the Company would have the right to charge a lower fare at its discretion on commercial grounds.

I should add here, Sir, that, in cases where fares have already been increased over the last 12 months, no proposal has been made for any further increase on weekdays. This applies, in particular, to the services between Hong Kong and Lamma Island. The same applies to the service from Central to Tsuen Wan, although this is not strictly an outlying districts service.

Finally, there is a proposal to introduce a one-class fare on the Tolo Harbour service to bring it into line with the Company's other services which, apart from the special premium de-luxe services, now all operate on a one-class basis. Seating arrangements on ferry vessels on the Tolo Harbour service have already been improved to facilitate the introduction of the single class.

Sir, the effect of the measures contained in this motion, if they are brought into effect, would be to improve the Company's financial

position by some \$3 million in a full year. That is, the current annual loss of around \$2 million on the Outlying District services would be converted into a profit in the region of \$1 million. This would, however, still represent a return of only about 3% on the assets employed on these services. It is also proposed that, if approved, the changes would be introduced on 1st January 1977.

These proposals, taken together, constitute the second stage in a series of measures which, as I have said, are necessary to improve the financial viability of the Company's ferry services, which form such an essential part of Hong Kong's public transport network. For the future, the position will continue to be closely monitored and if, as now seems likely, a third round of measures proves to be necessary, further proposals will be put to this Council in the course of 1977.

MR CHEONG-LEEN:—Sir, in my capacity as Duty Roster Member, I interviewed at their request at the UMELCO Office on 20th December the Chairmen of the Peng Chau, Lamma Island (South), Lamma Island (North), Tung Chung, Mui Wo, Cheung Chau and South Lantau Rural Committees, plus the 2nd Vice-Chairman of the Tai O Rural Committee.

The representatives of these eight Rural Committees stated that on 16th December they submitted a written appeal to the District Officer (Islands) urging Government not to agree to any fare increases for the time being.

They also proposed:

- (1) That Government set up a committee to investigate into the financial position of the Hong Kong and Yaumati Ferry Co. to see whether there are sufficient grounds to support the application for fare increases, and
- (2) That the Transport Advisory Committee set up an *ad hoc* committee on sea transport and that representatives of the rural committees of the outlying islands be invited to serve as members.

The representatives expressed their disappointment that they had not been consulted in advance on the proposed fare increases, especially since the outlying islands rely only on ferries for transport.

From what the honourable Secretary for the Environment has said, it appears that a detailed review of the Company's operations has now been completed and that, in the words of my honourable Friend, "some

**[MR CHEONG-LEEN] Motions**

fare increases will be absolutely necessary if adequate ferry services are to be maintained".

He has also stated that the effect of the measures contained in this motion will be to turn around the current loss of \$2 million on the Outlying District services into a profit of about \$1 million, representing a return of 3% on the assets employed on these services.

If this motion is adopted today, I think it is most necessary for Government to monitor during the coming year whether there will be a loss or a profit, and by how much, and to what extent (and the reasons therefor) the results will have matched up with the forecast figures provided by my honourable Friend.

What I find to be disquieting at this stage is the prediction by my honourable Friend that "a third round of measures (which I presume to be increases) will probably be necessary before very long and, if so, further proposals will be put to this Council in the course of 1977".

I have every confidence in the integrity, dedication and high degree of ability and responsibility of the present management of the Hong Kong and Yaumati Ferry Company. I also do not have any information available to challenge the conclusions of the review recently completed by Government of the Company's operations. Furthermore, my honourable Friend has mentioned that as a result of the review various steps are now being considered to cut costs and make other economies in expenditure.

The question which I wish to pose however is whether Government has enough personnel who are fully qualified and technically competent to thoroughly investigate and to put forward proposals which will bring about maximum economies in expenditure, eliminate any waste and inefficiency, and maintain the existing services to the public at minimum possible or even no further increases in fares during 1977.

Or do we have to take the fatalistic attitude that a third round of ferry fare increases will be necessary before long?

The representatives of the rural committees of the eight outlying islands did express their concern that continued increases of ferry fares could affect the development and prosperity of the outlying islands as well as the livelihood of the residents. They would like to have an assurance that any increase in De Luxe Fares will not in the aggregate discourage urban residents from visiting the outlying islands on week-ends and public holidays.

Government may well be reminded at this point of the constant need to preserve good communications with the rural committees of the outlying islands. They were not consulted in advance on the proposals contained in this Motion, and they were placed in the embarrassing situation of having been incorrectly reported in the news media that they had already agreed to such fare increases.

It is hoped that their suggestion for representation on the Transport Advisory Committee, particularly on matters relating to the outlying islands will be given due consideration by Government.

It is also to be hoped that in abolishing second class fares on the Tolo Harbour service, Government will ensure that, if this has not yet been done, the seating arrangements on all ferries will as soon as possible be of a uniform standard and quality, with the exception of course of the De Luxe class.

Sir, in view of the review findings referred to by my honourable Friend, I will not oppose the fare increases contained in this Motion. However I intend to abstain from voting in order to express my concern at any contemplated increases in the near future. Any Motion for further increases should not be put before this Council until they have been thoroughly investigated by adequate and competent personnel, both from the point of view of financial viability as well as maximum economies of expenditure and operational efficiency.

SECRETARY FOR THE ENVIRONMENT:— Sir, I thank my honourable Friend, Mr CHEONG-LEEN, for the interest he has shown in this motion and I will attempt, so far as I am able, to reply to some of the points he has made.

First, Sir, I accept that, although the rural committees have been consulted in a general way about fare increases on these services—and also in particular about certain fare increases—they have not been consulted in detail about all aspects of the package contained in the motion before Council today. I very much regret this, but would stress the urgency of bringing the proposals into force if a financial drain on the Company is to be avoided.

My honourable Friend has requested that the Government should monitor the financial results of these changes compared with the forecasts I have made; and I can give him an assurance that this will be done. Indeed, it will need to be done in any case for the whole of the Company's ferry operations, to see whether a third round of proposals will turn out to be necessary.

[SECRETARY FOR THE ENVIRONMENT] **Motions**

As regards this third round, and the possibility of economies in expenditure to which I referred, I have every confidence in the Government cost accountants who are employed on this task, as part of their duties of monitoring public utilities generally. The need is not to monitor every cent of expenditure, for that would produce no more than confusion and candle ends and would, moreover, be incompatible with the high degree of ability and responsibility in the Company to which my honourable Friend refers, and in which I heartily concur. Rather, it is to examine with the Company such matters as fleet size, routes, frequency and timing of services and so on, to see if significant savings can be made. Even so, it may well be that further fare revisions will turn out to be unavoidable; and here I would say this. Can there be any company, or any wholesaler, retailer or supplier of services in Hong Kong whose prices have risen less than the fares of the Hong Kong and Yaumati Ferry Company—or indeed virtually any public transport operator in Hong Kong—over the last 25 years. I doubt very much whether, given the general level of inflation over this period, any other business could have held prices down to this extent without quickly courting bankruptcy.

As regards de-luxe fares, I can again give an assurance that the \$5 level proposed will be a maximum. The Company have indicated to the Government that, for the time being at least, they will retain the present \$4 fare for this class on Sundays and public holidays, and an even lower fare during weekdays. So these fares will not discourage urban residents from visiting the islands at weekends and public holidays. Indeed, there is at present an excess demand for services at these times and I doubt whether the increases proposed in ordinary fares will in any way diminish the flow of weekend trippers.

I can also assure my honourable Friend that the seating arrangements on all ferries, including the Tolo Harbour service, have been, or are being, adjusted to fit in with one class services.

Lastly, Sir, I would point out that there is already an unofficial representative from the New Territories on the Transport Advisory Committee as well as the Secretary for the New Territories himself. As Chairman of the Committee I can assure you that both of these gentlemen play a full part in its activities. I can also say, from my own experience of the Committee, which goes back some  $5\frac{1}{2}$  years, that it deals very fully and competently with waterborne transport matters. I doubt very much whether a sub-committee dealing solely with these

questions would add anything at all to the TAC's effectiveness in this area.

*(At this point Mr Alex WU stated that he wished to declare an interest as a Director of the Hong Kong and Yaumati Ferry Company and would therefore abstain from voting on this motion.)*

*Question put and agreed to.*

### **First reading of bills**

#### **INLAND REVENUE BOARDS OF REVIEW (VALIDATION) BILL 1976**

#### **EMPLOYMENT (AMENDMENT) BILL 1977**

#### **EVIDENCE (AMENDMENT) BILL 1977**

*Bills read the first time and ordered to be set down for second reading pursuant to Standing Order 41(3).*

### **Second reading of bills**

#### **INLAND REVENUE BOARDS OF REVIEW (VALIDATION) BILL 1976**

THE ATTORNEY GENERAL moved the second reading of:—"A bill to validate certain purported appointments to the panel for the Inland Revenue Board of Review, to provide for the continuation after the 15th November 1976 of membership of certain members of that panel until the 29th November 1976 and to confer validity upon appeals heard and determined, acts and things done, and meetings held by that Board."

He said:—Sir, we have erred. The Inland Revenue Boards of Review (Validation) Bill 1976 confesses our error and seeks to put matters right.

The error relates to re-appointments to the panel from which Boards of Review are selected under the Inland Revenue Ordinance. They have been made with retrospective effect for some time. The error occurred in good faith because it was thought that retrospective re-appointments could be made under a provision in the Interpretation and General Clauses Ordinance. Legal advice now is to the contrary.

[THE ATTORNEY GENERAL]

**Inland Revenue Boards of Review (Validation) Bill—  
second reading**

In my opinion it is very doubtful to say the least whether the provision on which reliance has been placed authorizes retrospective appointments of the kind in question, particularly as those involved perform judicial functions.

The bill seeks to cure the defective re-appointments and to validate proceedings of Boards of Review to the extent that they are affected by the invalidity of the re-appointments. I move that the Inland Revenue Boards of Review (Validation) Bill be read the second time.

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

*Question put and agreed to.*

**EMPLOYMENT (AMENDMENT) BILL 1977**

MR PRICE moved the second reading of:—"A bill to amend the Employment Ordinance."

He said:—Sir, I move the second reading of the Employment (Amendment) Bill 1977 which aims at improving sickness benefits for employees covered by the Employment Ordinance.

Legislation providing for sickness allowance for workers was originally introduced in April 1962 by the Industrial Employment (Holidays with Pay and Sickness Allowance) Ordinance. Since then various improvements have been made and the present position is that an employee who has worked for an employer under a continuous contract for 3 months immediately preceding sickness days is entitled to the following benefits:

- (a) one sickness day at half pay for every completed month of service; and
- (b) an accumulation of such sickness days up to a maximum of 24 paid sickness days.

Thus, the maximum sickness benefit that an employee can currently obtain is 24 days at half pay.

The bill before Council seeks to enhance the rate of sickness pay by increasing it from half pay to two-thirds' pay, to bring the rate into

line with that for temporary incapacity under the Workmen's Compensation Ordinance. If the bill is approved, the number of sickness days which may be accumulated will be increased from 24 days over two years to 36 days over three years, so as to benefit those with longer service. The bill also proposes to amend the qualifying period of service to provide that for each completed month of continuous service immediately preceding the sickness days, the employee shall be entitled to one paid sickness day. This is more equitable to those who have more than one month's but less than three month's service and should simplify the keeping of records.

All other existing provisions pertaining to sickness allowance in the Employment Ordinance remain unchanged, including section 33(5) whereby an employer is not liable to pay sickness allowance to an employee in respect of any sickness day unless such day is a day on which, in the opinion of the medical practitioner issuing an appropriate medical certificate, the employee was unfit for work on account of sickness or injury. Section 33(5)(e) also remains unchanged: sickness pay is not payable if the unfitness for work of the employee is on account of an injury in respect of which compensation is payable in accordance with the Workmen's Compensation Ordinance.

The Labour Advisory Board was consulted on 24th August and generally endorsed these proposals with which the four major employers' associations have also expressed agreement.

Sir, I move that the debate on this motion be adjourned.

*Motion made. That the debate on the second reading of the bill be adjourned—MR PRICE.*

*Question put and agreed to.*

### **EVIDENCE (AMENDMENT) BILL 1977**

MR BOY moved the second reading of:—"A bill to amend the Evidence Ordinance."

He said:—Sir, this bill seeks to up-date the law relating to the taking of evidence in Hong Kong for use in proceedings in the Courts of another territory.

Our law on this subject is, at present, based on United Kingdom Statutes the latest of which is 106 years old. This was also the position in the United Kingdom until last year when these Statutes were repealed



**[MR BOY] Evidence (Amendment) Bill—second reading**

and replaced by the Evidence (Proceedings in Other Jurisdictions) Act 1975. This Act contains a new comprehensive code on this subject which, in so far as it differs materially from the earlier law, accords more closely with provisions contained in the 1968 Hague Convention on the Taking of Evidence Abroad in Civil and Commercial Matters.

This bill is modelled, without any material deviation, on that 1975 Act.

The proposed new section 75 deals with the competence of applications to the High Court here for assistance in obtaining evidence for civil proceedings in a court elsewhere. It differs from the existing law in that it will enable evidence to be obtained locally in aid of proceedings which are contemplated or pending. Under the existing law the proceedings must be actually pending.

The proposed new section 76 enables the High Court to issue the order to take evidence, indicates the types of orders which may be made, and restricts the steps that can be taken to obtain that evidence to steps which could be taken in some kind of civil proceedings here. By way of exception, however, the section will enable the court to order a person to give testimony otherwise than on oath if this is what the requesting court asks for. This exception is new. Persons will not, however, be required to state what documents relative to the court proceedings are, or have been, in their possession, or produce documents other than particular documents specified by the High Court. Subsection (4) provides this in order to avoid what are known as "fishing expeditions".

The proposed new section 77 accords witnesses the same right to claim privilege as they would have in other proceedings in Hong Kong or in the territory of the requesting court, but allows contested evidence to be taken on a provisional basis. Evidence may also be refused on security grounds. The privilege of refusing on the ground that the witness could not be compelled in civil proceedings in the territory of the requesting court is a new provision.

Obtaining evidence for the purposes of criminal proceedings is dealt with in the proposed new section 77B. This makes no change to the existing law.

The proposed new section 77D provides that these provisions shall not bind the Crown. This will ensure that there is no possibility of the production of state documents being ordered in response to a letter of request issued by a court of another territory.

The remaining provisions in the bill are incidental or consequential provisions.

In addition to up-dating our own law of the subject, Sir, this bill, if passed, will enable the 1968 Hague Convention to be extended to Hong Kong, ensuring reciprocal treatment for Hong Kong in countries subscribing to that Convention.

*Motion made. That the debate on the second reading of the bill be adjourned—MR BOY.*

*Question put and agreed to.*

### **COMMODITIES TRADING (AMENDMENT) BILL 1976**

#### **Resumption of debate on second reading (8th December 1976)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

### **SUPPLEMENTARY APPROPRIATION (1975-76) BILL 1976**

#### **Resumption of debate on second reading (8th December 1976)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

### **COMPANIES (AMENDMENT) (NO 2) BILL 1976**

#### **Resumption of debate on second reading (8th December 1976)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**LANDLORD AND TENANT (CONSOLIDATION)  
(AMENDMENT) (NO 2) BILL 1976**

**Resumption of debate on second reading (8th December 1976)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**DUTIABLE COMMODITIES (AMENDMENT) (NO 2) BILL 1976**

**Resumption of debate on second reading (8th December 1976)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**DETENTION CENTRES (AMENDMENT) BILL 1976**

**Resumption of debate on second reading (8th December 1976)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**PENSIONS (INCREASE) (AMENDMENT) BILL 1976**

**Resumption of debate on second reading (8th December 1976)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**Committee stage of bills**

Council went into Committee.

**INLAND REVENUE BOARDS OF REVIEW (VALIDATION)  
BILL 1976**

Clauses 1 and 2 were agreed to.

**COMMODITIES TRADING (AMENDMENT) BILL 1976**

Clauses 1 to 3 were agreed to.

**COMPANIES (AMENDMENT) (NO 2) BILL 1976**

Clauses 1 to 6 were agreed to.

**LANDLORD AND TENANT (CONSOLIDATION)  
(AMENDMENT) (NO 2) BILL 1976**

Clauses 1 to 3 were agreed to.

**DUTIABLE COMMODITIES (AMENDMENT) (NO 2)  
BILL 1976**

Clauses 1 and 2 were agreed to.

**DETENTION CENTRES (AMENDMENT) BILL 1976**

Clauses 1 to 8 were agreed to.

**PENSIONS (INCREASE) (AMENDMENT) BILL 1976**

Clauses 1 and 2 were agreed to.

**THE CHINESE UNIVERSITY OF HONG KONG BILL 1976**

Clause 1 was agreed to.

Clause 2

SECRETARY FOR SOCIAL SERVICES:—Sir, I move that clause 2 be amended as set out in the paper before honourable Members.

Sir, this amendment, together with the first amendment proposed to clause 5(1), the new sub-clause (3A) in clause 5, and the amendments proposed to clause 13, clause 17, and to Statutes 2 and 3, and the new Statute 4A, provide for the possible appointment by the Chancellor of a person to be the Pro-Chancellor of the University.

*Proposed amendment**Clause*

2 That clause 2(1) be amended by deleting the definition of "Chancellor" and substituting the following—

""Chancellor", "Pro-Chancellor", "Vice-Chancellor", "Pro-Vice-Chancellors" and "Treasurer" respectively mean the Chancellor, Pro-Chancellor, Vice-Chancellor, Pro-Vice-Chancellors and the Treasurer of the University;".

The amendment was agreed to.

Clause 2, as amended, was agreed to.

Clauses 3 and 4 were agreed to.

Clause 5

SECRETARY FOR SOCIAL SERVICES:—Sir, I move that clause 5 be amended as set out in the paper before honourable Members.

Sir, the amendments proposed to sub-clause (1) would provide for the Pro-Chancellor, the Head of each College, the Dean of each Faculty and of the Graduate School to be designated among the officers of the University. As amended, all the most senior academic and administrative staff would be styled "officers", as is the practice in the University of Hong Kong Ordinance.

The new sub-clause (4A), together with the amendment proposed to Statute 6, would make provision for the appointment by the Council of Pro-Vice-Chancellors in the Ordinance rather than in the Statutes. It would avoid placing any limitation on the number of Pro-Vice-Chancellors that the Council may appoint, and would provide that the powers and duties of the Pro-Vice-Chancellors should be determined by the Council.

*Proposed amendment*

*Clause*

5 That clause 5 be amended—

(a) in sub-clause (1)—

(i) by inserting after "Chancellor," the following—  
"the Pro-Chancellor,"; and

(ii) by inserting after "Treasurer," the following—

"the Head of each College, the Dean of each Faculty  
and of the Graduate school,";

(b) by inserting after sub-clause (3) the following new sub-clause—

"(3A) The Chancellor may appoint a person to be the Pro-Chancellor of the University; and the Pro-Chancellor shall exercise such powers and perform such duties as may be prescribed in the statutes."; and

(c) by inserting after sub-clause (4) the following new sub-clause—

"(4A) The Council shall appoint, after consultation with the Vice-Chancellor, one or more Pro-Vice-Chancellors from among the regular staff of the University to exercise such powers and perform such duties as the Council may direct.".

The amendment was agreed to.

Clause 5, as amended, was agreed to.

Clauses 6 to 12 were agreed to.

Clause 13

**The Chinese University of Hong Kong Bill—committee stage**

SECRETARY FOR SOCIAL SERVICES:—Sir, I move that clause 13 be amended as set out in the paper before honourable Members.

*Proposed amendment**Clause*

13 That clause 13(1)(j) be amended by inserting after "Chancellor," the following—

"the Pro-Chancellor,".

The amendment was agreed to.

Clause 13, as amended, was agreed to.

Clause 14 to 16 were agreed to.

Clause 17

SECRETARY FOR SOCIAL SERVICES:—Sir, I move that clause 17 be amended as set out in the paper before honourable Members.

*Proposed amendment**Clause*

7 That clause 17 be amended by inserting after "Chancellor," the following—  
"Pro-Chancellor,".

Clause 18 was agreed to.

Clause 19

SECRETARY FOR SOCIAL SERVICES:—Sir, I move that clause 19 be amended as set out in the paper before honourable Members.

Sir, the exemption from stamp duty provided by this amendment will serve to avoid delay in executing the property transfers and assignment of rights resulting from the Bill and the Tenancy Agreements.

*Proposed amendment**Clause*

19 That clause 19 be amended by—  
(a) being renumbered as sub-clause (1) thereof; and  
(b) inserting the following new sub-clause—

"(2) No stamp duty shall be payable in respect of any transfer or vesting of property, whether movable or immovable, or any surrender of an agreement or any assignment of rights affected by the Second or Third Schedule; and no stamp duty shall be payable on any agreement executed in accordance with paragraph 2 of Part 1 of the Second Schedule."

The amendment was agreed to.

Clause 19, as amended, was agreed to.

Clauses 20 to 22 were agreed to.

#### First Schedule

SECRETARY FOR SOCIAL SERVICES:—Sir, I move that the First Schedule be amended as set out in the paper before honourable Members. In accordance with Standing Order No 45(2), I have obtained leave from Your Excellency to move further amendments to Statute 19.

Sir, the effect of the proposed amendments to the Statutes were described by my honourable Friend Dr S. Y. CHUNG and by myself when we spoke on the second reading of this bill on 8 December. There are also certain textual amendments. I should like to draw honourable Members attention to two of these, namely the amendments proposed to Statute 10, paragraph 1, sub-paragraph (f), and to Statute 13, paragraph 1, sub-paragraph (c), whereby the reference to the Acting Head of each College being a member of the Council and of the Senate would be deleted. These amendments have been made because to refer specifically to the rights of one Acting Head might imply that the holders of other acting posts could not enjoy similar rights. Further-more if a formal reference is to be made in the Statutes to the Acting Head of a College, it would be desirable to state the method by which such an appointment would be made. It is considered to be preferable that such matters should be left to administrative arrangements within the University and that no formal reference to any acting appointment should be made in the Statutes.

Sir, the further amendments to Statute 19 have been put forward in order to ensure compatibility with the principle in Statute 10, paragraph 8, sub-paragraph (2)(h), which provides that all teaching posts will be instituted by the Council. Accordingly, it is preferable in Statute 19 to use the phrase "the College to which the appointee will be assigned", rather than "the College to which the post is assigned".



## The Chinese University of Hong Kong Bill—committee stage

### *Proposed amendments*

First Schedule      That the First Schedule be amended—

- (a) by deleting paragraph 2 of Statute 2 and substituting the following—  
     "2. The Chancellor, or in his absence, the Pro-Chancellor or, in the absence of both of them, the Vice-Chancellor, shall preside at Congregations.";
- (b) in Statute 3 by inserting after paragraph (a) the following new paragraph—  
     "(aa) the Pro-Chancellor;"
- (c) by adding after Statute 4 the following new Statute—

#### "STATUTE 4A

#### THE PRO-CHANCELLOR

1. The Pro-Chancellor may, on the authorization of the Chancellor and on his behalf, exercise any of the powers or perform any of the duties conferred or imposed on the Chancellor by the Statutes.
  2. The Pro-Chancellor may resign by written notice addressed to the Chancellor.";
- (d) in Statute 6 by deleting paragraph 1;
- (e) in Statute 8—
- (i) by deleting paragraph 1 and substituting the following—  
     "1. The Head of each College, other than the first Head, shall be appointed or re-appointed by the Council on the recommendation of a committee consisting of—  
     (a) the Vice-Chancellor, who shall be Chairman;

- (b) one member of the Board of Trustees of the College for which the Head is to be appointed or re-appointed, elected by the Board; and
  - (c) 6 Fellows of that College elected under paragraph 6(b) of Statute 15 for the purpose by the Assembly of Fellows of that College.";
- (ii) in paragraph 2 by inserting after "Vice-Chancellor" the following—
- "in consultation with the Chairman of the Board of Trustees of the College concerned";
- (iii) in paragraph 3 by deleting "7 years and shall be eligible for re-appointment for further periods not exceeding a total of 3 years" and substituting the following—
- "4 years and shall be eligible for re-appointment for a maximum of 2 further periods, each of 3 years";
- (iv) in paragraph 6 by inserting after "College" the following—
- "shall be an academic, but";
- (f) in paragraph 3(b) of Statute 9 by deleting "University Library services" and substituting the following—
- "the library services of the University";
- (g) in Statute 10—
- (i) in paragraph 1—
    - (A) in sub-paragraph (e) by deleting "one member" and substituting the following—

"2 members";
    - (B) in sub-paragraph (f) by deleting ", or where applicable, the Acting Head";
    - (C) by inserting after sub-paragraph (h) the following new sub-paragraph—

"(ha) 3 members elected by the Senate from among the academic members of the Senate;"

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(i) by deleting paragraph 2 and substituting the following—

"2. (1) Persons who hold appointments in the University shall not be eligible for nomination or election under paragraph 1(*j*), (*k*), (*l*) or (*m*).

(2) Any person who is a member of the Board of Trustees of any College who is nominated or elected under paragraph 1(*j*), (*k*) or (*l*) shall resign from membership of the Board of Trustees.";

(*h*) in Statute 11—

(i) by deleting paragraph 2 and substituting the following—

"2. There shall be a Committee of the Council known as the Finance Committee, which shall consist of—

(*a*) the Treasurer, who shall be Chairman;

(*b*) the Vice-Chancellor or representative;

(*c*) the Head of each College; and

(*d*) 3 other persons, including persons who are not members of the Council, as the Council shall appoint.

There shall be referred to the Finance Committee all matters within the jurisdiction of the Council which have important financial implications.";

(ii) in paragraph 4—

(A) by inserting after "Treasurer" the following—

", with the exception of transfers between sub-heads solely concerning a College, which shall require the sanction of the Head of that College, subject to any rules and directions that the Finance Committee may issue"; and

- (B) by deleting "Heads" in both places where it occurs and substituting in each place the following—  
"heads"; and
- (iii) in paragraph 5 by deleting "Heads" and substituting the following—  
"heads";
- (i) in statute 12 by deleting paragraph 1 and substituting the following—  
"1. There shall be a Committee of the Council known as the Administrative and Planning Committee, which shall consist of—  
(a) the Vice-Chancellor, who shall be the Chairman;  
(b) the Pro-Vice-Chancellors;  
(c) the Head of each College;  
(d) the Dean of each Faculty and of the Graduate School;  
(e) the Secretary;  
(f) the Registrar; and  
(g) the Bursar.  
The Secretary or his deputy shall serve as secretary of the Committee.";
- (j) in Statute 13—  
(i) in paragraph 1—  
(A) in sub-paragraph (c) by deleting "or, where applicable, the Acting Head"; and  
(B) in sub-paragraph (f) by deleting "Director" and substituting the following—  
"Directors";
- (ii) in paragraph 4—  
(A) in sub-paragraph (b) by inserting after "courses" the following—  
"; and to assign students to Colleges with due regard to the preferences of both the students and the Colleges";

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- (B) by adding after sub-paragraph (c) the following new sub-paragraph—
- "(ca) to consider, upon the advice of the Assembly of Fellows of each College, measures necessary for the conduct of student-orientated teaching, and to consider also measures necessary for the conduct of subject-orientated teaching;" and
- (C) in sub-paragraph (i) by deleting "any such post" and substituting the following—
- "teachers";
- (k) in Statute 14—
- (i) by deleting the title and substituting the following—

**"THE FACULTIES AND THE GRADUATE SCHOOL";**

- (ii) by deleting paragraph 3 and substituting the following—
- "3. The members of each Faculty shall elect, in such form and manner as may be determined by the Senate, a Dean of their Faculty from among the members of their Board of Faculty who hold the rank of Senior Lecturer or above; and a Dean so elected shall hold office for a term of 3 years.";
- (iii) by deleting paragraph 6 and substituting the following—
- "6. A Board of Faculty shall be established for each Faculty and shall consist of—
- (a) the Vice-Chancellor;
- (b) the Pro-Vice-Chancellors;
- (c) the Head of each College;
- (d) the Dean, who shall be Chairman;
- (e) the Chairman of each Board of Studies within the Faculty;

- (f) other Professors, Readers and Directors of Studies within the Faculty;
- (g) one representative of each Assembly of Fellows who shall be on the relevant Board of Studies of the Faculty;
- (h) 2 Senior Lecturers elected by the Senior Lecturers within the Faculty;
- (i) 4 Lecturers or Assistant Lecturers elected by the Lecturers and Assistant Lecturers within the Faculty.";

(iv) by adding after paragraph 7 the following new paragraphs—

- "8. The Dean of the Graduate School shall be appointed by the Council on the recommendation of the Vice-Chancellor for a period to be determined by the Council.
- 9. The Council of the Graduate School shall consist of—
  - (a) the Dean of the Graduate School, who shall be Chairman;
  - (b) the Deans of the Faculties;
  - (c) the Heads of the Divisions in the Graduate School;
  - (d) the Librarian;
  - (e) the Master of the Postgraduate Hall Complex.
- 10. Subject to the Ordinance and the Statutes, the Council of the Graduate School shall have the following powers and duties—
  - (a) to advise the Senate on all graduate programmes of studies;
  - (b) to co-ordinate the activities of the Divisions within the Graduate School;
  - (c) to consider and deal with the recommendations of the various Divisions on the content of courses and on the details of syllabuses.";

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(l) in Statute 15—

(i) by deleting paragraph 1 and substituting the following—

"1. The Council shall initially appoint 6 Fellows for each College on the recommendation of a Committee consisting of—

- (a) the Vice-Chancellor, who shall be Chairman;
- (b) 3 Professors, Readers or Senior Lecturers nominated by staff in those grades, who are on the existing staff of that College; and
- (c) 3 Lecturers or Assistant Lecturers nominated by staff in those grades, who are on the existing staff of that College.

At least 3 of the 6 Fellows so appointed shall be drawn from the existing staff of that College."; and

(ii) in paragraph 6(c)(i) by deleting "and pastoral counselling" and substituting the following—

", pastoral counselling and student-orientated teaching"

(m) in Statute 19—

(i) by deleting the title and substituting the following—

**"APPOINTMENT OF ACADEMIC AND SENIOR ADMINISTRATIVE STAFF";**

(ii) by deleting paragraph 1 and substituting the following—

"1. There shall be Boards of Advisers which shall make recommendations to the Council concerning the appointment of academic and senior administrative staff. Recommendations concerning the appointment of academic staff shall be conveyed through the Senate.";

(iii) in paragraph 2 by deleting sub-paragraphs *(d)* and *(e)* and substituting the following—

- "*(d)* the Head of the College to which the post is assigned;
- (e)* the Chairman of the Board of Studies appropriate to the subject in which the appointment is to be made, except that no such Chairman shall serve on a Board that is concerned with a post senior to his own post; and
- (f)* 2 external experts.";

(iv) in paragraph 3 by deleting sub-paragraphs *(d)* and *(e)* and substituting the following—

- "*(d)* the Head of the College to which the post is assigned;
- (e)* the Chairman of the Board of Studies appropriate to the subject in which the appointment is to be made; and
- (f)* one external expert.";

(v) in paragraph 4—

(A) by deleting the full stop at the end of sub-paragraph *(d)* and substituting a semicolon; and

(B) by adding after sub-paragraph *(d)* the following new paragraph—

"*(e)* the Chairman of the Board of Studies appropriate to the subject in which the appointment is to be made.";

(vi) in paragraphs 2(*b*), (*c*) and (*d*), 3(*b*), (*c*) and (*d*) and 4(*b*), (*c*) and (*d*) of Statute 19 by deleting "to which the post is assigned" wherever it occurs and substituting in each place the following—

"to which the appointee will be assigned".

(n) in paragraph 1 of Statute 23 by inserting after "Chairman" the following—

"and any person appointed under paragraph 1(*j*) and (*k*) of Statute 10";



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(o) in Statute 24—

(i) in paragraph 3(a) by deleting "associated" and substituting the following—

"associate";

(ii) in paragraph 7 by deleting "Student" and substituting the following—

"Students"; and

(iii) by adding after paragraph 7 the following new paragraph—

"8. There may be a Students Union for each College. The constitution shall be subject to the approval of the Council, or the recommendation of the Assembly of Fellows of the College concerned.";

(p) in Statute 25 by deleting paragraph 4 and substituting the following—

"4. The Senate may, by way of special exceptions to the conditions prescribed in paragraph 3, accept as part of the attendance of a student qualifying him for the conferment of the degree of Bachelor periods of attendance as a matriculated student at another university recognized by the Senate for this purpose:

Provided that the degree of Bachelor shall not be conferred upon such student unless—

(a) he shall have attended an approved course of study as a matriculated student of the University for at least 2 academic years, one of which shall be the final year; and

(b) his total period of attendance as a matriculated student of this and another university or universities shall have been not less than 3 academic years."

REV JOYCE BENNETT:—Your Excellency, I wish to support the amendments to the Statutes of the bill. Firstly, I turn to the amendments to Statute 8, paragraphs 1 and 2. In my maiden speech in this Council I referred to "the need for the maintenance of good relations of trust and confidence between Government and the voluntary bodies". I mentioned that many educationalists were alarmed by the proposals of the Chinese University Bill since it appeared that the individual characteristics and qualities of the Colleges could well be destroyed. By the bill as first drafted the individual Colleges would have no right to help to choose the Head of the College, little opportunity to influence the appointment of staff to the Colleges and no right to comment on which students should enter their Colleges. I believe the denial of such rights to any institution which is meant to have its own individuality and independence to be abherrent to the free society which we expect this Council to maintain.

I therefore support the amendments to Statute 8 Paragraph 1. Item (i) of these amendments provides for the inclusion in the committee for the selection of the Head of a College, "one member of the Board of Trustees of the College for which the Head is to be appointed or re-appointed, elected by the Board" and "6 Fellows of that College elected under paragraph 6(b) of Statute 15 for the purpose by the Assembly of Fellows of that College". Item (ii) of the amendments provides for "consultation with the Chairman of the Board of Trustees of the College concerned" in the appointment of the First Head of each College. I believe that these additions will enable each College to contribute to the appointment of its Head. The Board of Trustees will be able to present their opinions in a worthy manner to influence the appointment of the Head of their College.

Secondly, I turn to the amendment to Statute 13, paragraph 4(b). The Bill as first drafted had overlooked the manner of assigning students to the Colleges. I understand that at this time there is no intention to make the Chinese University a full unitary university. Therefore it is essential that adequate provision be made for students to be admitted to a particular College. I support the amendment that this duty be given to the Senate "with due regard to the preferences of both the students and the Colleges." As a result of my enquiries into the present condition of the Chinese University, I discovered that certain departments were at present completely ignoring the preferences of the students in allocating them to Colleges. I hope that this amendment will ensure in future due regard being given to the preferences of both the students and the Colleges.

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Thirdly, I wish to express my support for the changes in paragraph 1 of Statute 15, since these amendments ensure that the Fellows appointed for each College shall be nominated by "the existing staff of that College." In this way I believe that the virtues of each College may be maintained and its tradition be preserved. Without this amendment the new Fellows of the College could well be transplanted from elsewhere and forced upon the College without due regard to the special characteristics of that College.

Fourthly, the Colleges have been alarmed that the meaningful life of the Colleges was to be destroyed by this new bill. I therefore wish to support the amendment to Statute 24 which in a new paragraph 8 ensures that "There may be a Students Union for each College" and that the Assembly of Fellows of that College shall be responsible for recommending its constitution to the Council for approval. This provides an opportunity for the Assembly of Fellows to exercise the responsibility given them under Statute 15 to maintain the discipline within the College.

I also support the addition of the provision of a Students Union for each College on the grounds that the College Students Union will give students an opportunity to develop their talents in smaller group and in their own College. Modern society should foster the small compact institutions as well as the broader, larger organizations. Both are important in the training of University students.

Sir, with these remarks, I support the amendment to the Statutes.

The amendments were agreed to.

First Schedule, as amended, was agreed to.

Second Schedule

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

Sir, this amendment serves to correct a printing error in the Bill.

*Proposed amendment*

Second Schedule      That the second Schedule be amended in paragraph 2 by deleting and substituting the following—

"Party"

The amendment was agreed to.

Second Schedule, as amended, was agreed to.

Third Schedule

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

Sir, the first amendment proposed will make formal provision for the College Boards of Trustees to make a written statement of their aims. The second amendment will maintain the traditional preserve of Chung Chi College in respect of the appointment of the Chaplain, the appointments to the Theology Division, and the funding and promotion of theological education.

*Proposed amendments*

- |                   |   |
|-------------------|---|
| Third<br>Schedule | That the Third Schedule be amended in paragraph 3—  |
|                   | (a) in sub-paragraph (4) by inserting after "the discharge of its" the following—   |
|                   | "aims and"; and   |
|                   | (b) by adding after sub-paragraph (4) the following new sub-paragraph—  |
|                   | "(5) The Board of Trustees of Chung Chi College shall—  |
|                   | (a) recommend to the Council, through the Administrative and Planning Committee, all appointments to the Theology Division, or whatever part of the University shall succeed the Division as being responsible for theological education, including the appointment of the Head of the Theology Division (or equivalent post) and of the warden of the Theology Hostel; |
|                   | (b) allocate for the promotion of theological education, including the upkeep of the Theology Building, the resources made available from private funds;  |

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- (c) provide for and appoint the Chaplain of the Chapel; and
- (d) advise the Senate on all major policy matters relating to theological education,

and the Board of Trustees may delegate to a Theological Council appointed by it the power to discharge the functions and duties imposed on the Board by this sub-paragraph."

REV JOYCE BENNETT:—Your Excellency, I wish to make one final comment today on the amendments to this bill regarding the Third Schedule, paragraph 3, sub-paragraph 4. Once again this relates to my concern that, this legislature does not deprive, without good cause, recognized voluntary or independent institutions of their fundamental rights to continue the aims and traditions of their founders. I am glad therefore to support the insertion of the words "aims and" into that sub-paragraph. It is essential that each of the three Colleges be permitted to preserve their traditions and their characteristic nature which inhere to them by virtue of the aims of their founders. With this amendment, I believe that each Board of Trustees has sufficient authority to preserve its own individual virtues and that each College can be assured that the central administration of the University will not destroy the vitality of the individual Colleges.

Sir, I wish to support this amendment.

The amendments were agreed to.

Third Schedule, as amended, was agreed to.

Preamble

DR HU:—Sir, I would like to say a few words on the Preamble of the bill.

The Preamble provides the Colleges with a meaningful and beneficial role to play in the future development of the University. The Preamble states, amongst other things, that the principal role of the

Colleges is the provision of "student-orientated" education under the direction of the Chinese University. In my view, it is high time that particular emphasis is given to student-orientated education which is so important for the students' personal development. Students should be equipped to become useful members of the community. For this purpose, moral and character training is at least as important, if not more important than intellectual development. There is no need to include a rigid definition in the bill of the concept of student-orientated education. I agree that this should really be left to each College to develop. As the amendments will provide that the Head of each College must be an academic this would help in putting the concept into practice.

Whilst on the one hand, the role of the Colleges is to implement student-orientated education, the role of the University on the other, lies in academic-orientated teaching. In this respect, the mission of the University is to raise its academic standards so that it will become one of the most highly respected universities in the world. However, to meet the demands of this fast moving community, practical research should be given a high priority.

Another equally important mission for the University is to rekindle the spirit of renaissance which first flourished in Chinese culture in the Period of Fighting Kingdoms about 2,500 years ago. After a period of bloom, this spirit has declined since the Tsin Dynasty when books were burnt and scholars were persecuted and the Han Dynasty when philosophical thoughts other than Confucianism were suppressed. With the liberal atmosphere in Hong Kong's academic life, now is the time to revive and promote this spirit so that it will become a living tradition of the Chinese University and make it the leading centre for the study and promotion of Chinese culture.

In addition, Hong Kong is a unique place where both Chinese and western cultures are closely intermingled. It would be a most worth-while task of the Chinese University to develop the best of these two cultures for the benefit of mankind as part of the living tradition of the University.

Sir, with these remarks, I support the Preamble.

The Preamble was agreed to.

Council then resumed.

**Third reading of bills**

THE ATTORNEY GENERAL reported that the

Inland Revenue Boards of Review (Validation) Bill

Commodities Trading (Amendment) Bill

Companies (Amendment) (No 2) Bill

Landlord and Tenant (Consolidation) (Amendment) (No 2) Bill

Dutiable Commodities (Amendment) (No 2) Bill

Detention Centres (Amendment) Bill

Pensions (Increase) (Amendment) Bill

had passed through Committee without amendment and that

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had passed through Committee with amendments and that the Supplementary Appropriation (1975-76) Bill having been read the second time was not subject to Committee Stage proceedings in accordance with Standing Order 59 and he then moved the third reading of each of the bills.

*Question put on each bill and agreed to.*

Bills read the third time and passed.

**Valedictory to Dr CHOA**

HIS EXCELLENCY THE PRESIDENT:—Honourable Members, this is the last occasion on which we shall have Dr CHOA with us in this Council. He will be retiring after six and half years membership of this Council and twenty years of service with the Medical and Health Department.

He has proved himself a Director of the highest distinction. His contribution has covered a wide field, but let me remind you of just some of the more striking things for which he has been responsible: the opening of the Princess Margaret Hospital, the largest general hospital in Hong Kong; the introduction of a new method of treatment of drug addiction in the form of Methadone detoxication; Government's new and decisive role in family planning; the introduction of geriatric services, the support by Government of the community nursing service.

As a planner, he will be particularly remembered for his work in the preparation of the Ten Years' Medical Development Programme, and in introducing the new concept of regionalization of medical and health services.

We will remember him in this Council as a most able and courteous colleague and if I might say so as a master of elliptical speech typical of the most finest traditions of the mandarin. (*laughter*)

Dr CHOA will be leaving us to take up the appointment as the Dean of the new Medical School of the Chinese University of Hong Kong. I am sure that in this new field the flair and wisdom he has so amply shown in the past will build in the future the fine new medical school that Hong Kong so badly needs.

I am sure that Members will join me in wishing Dr CHOA and Mrs CHOA all our very best wishes for their happiness and success in the years to come.

DR CHUNG:—Sir, may I, on behalf of my Unofficial colleagues and myself, associate ourselves with the tribute which you, Sir, have just paid to Dr CHOA, who has been a Member of this Council as you said, Sir, for  $6\frac{1}{2}$  years, and who is retiring to take up his challenging new post as the first dean of the Chinese University's medical school.

During his service in this Council, there has been a vast expansion of the social programmes in this community of ours. In these significant improvements to the quality of life, Dr CHOA and his colleagues in the Medical and Health Department have played a very important role. We all know of the immense strides which have taken place in the provision of medical facilities and of the great efforts which were contributed by Dr CHOA in the advancement of medicine. We are also aware that although Hong Kong is located in the semi-tropical zone and most of its population is concentrated within a few highly-congested areas, the overall incidence of infectious disease is remarkably low even in comparison with the western developed countries.

Sir, his departure from this Council will reduce the number of long-serving Members and by that token alone this diminishing of our collective experience is to be regretted. Our loss, however, is balanced by the gain to the community as a whole, for the establishment of a second medical school is a step which will be of incalculable benefit to the future health of our growing population. My Unofficial colleagues and I wish Dr CHOA every success in his new endeavours.



**Adjournment and next sitting**

HIS EXCELLENCY THE PRESIDENT:—Before I adjourn the Council, may I wish honourable Members a very happy Christmas and a prosperous New Year. I now adjourn the Council until 2.30 p.m. on Wednesday the 5th of January 1977.

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