

OFFICIAL REPORT OF PROCEEDINGS

Wednesday, 2nd February 1977

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 (*Acting*)
MR DENIS CAMPBELL BRAY, CMG, CVO, JP
THE HONOURABLE THE FINANCIAL SECRETARY
MR CHARLES PHILIP HADDON-CAVE, CMG, JP
THE HONOURABLE THE ATTORNEY GENERAL
MR JOHN WILLIAM DIXON HOBLEY, CMG, QC, JP
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 DAVID GREGORY JEAFFRESON, JP
SECRETARY FOR ECONOMIC SERVICES
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 CLAREMONT JONES, JP
SECRETARY FOR THE ENVIRONMENT
DR THE HONOURABLE THONG KAH-LEONG, JP
DIRECTOR OF MEDICAL AND HEALTH SERVICES
THE HONOURABLE DAVID RAYMOND BOY, JP
SOLICITOR GENERAL (*Acting*)
DR THE HONOURABLE CHUNG SZE-YUEN, CBE, JP
THE HONOURABLE LEE QUO-WEI, CBE, JP
THE HONOURABLE ROGERIO HYNDMAN LOBO, 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 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

ABSENT

THE HONOURABLE OSWALD VICTOR CHEUNG, CBE, QC, JP
 THE HONOURABLE CHEN SHOU-LUM, 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 14(2):—

	<i>Subject</i>	<i>LN No</i>
Subsidiary Legislation:		
	Hong Kong Airport (Regulations) Ordinance.	
	Hong Kong Airport (Restricted Areas and Tenant Restricted Areas) (Declaratory and Amendment) Order 1977	17
	Public Health and Urban Services Ordinance.	
	Laundries (Amendment) By-laws 1977.....	18
	Public Health and Urban Services Ordinance.	
	Public Conveniences (Conduct and Behaviour) (Amendment) By- laws 1977.....	19

<i>Subject</i>	<i>LN No</i>
The Dumping at Sea Act 1974 (Overseas Territories) Order 1975.	
Order of Designation by the Governor	20
Road Traffic (Parking and Waiting) Regulations.	
Temporary Closure of Parking Spaces.....	21
Dangerous Drugs Ordinance.	
Dangerous Drugs (Amendment of First Schedule) Order 1977	22
Fugitive Offenders Act 1967.	
Fugitive Offenders (Designated Commonwealth Countries) (Amendment) Order 1977.....	23
Public Health and Urban Services Ordinance.	
Commonwealth War Graves Commission Cemeteries Rules 1977	24
Public Health and Urban Services Ordinance.	
Hawker (Permitted Place) Declaration No 2/1977	25
Public Health and Urban Services Ordinance.	
Hawker (Permitted Place) Declaration 3/1977	26
Public Health and Urban Services Ordinance.	
Hawker (Permitted Place) Declaration 4/1977	27
University of Hong Kong Ordinance.	
Statutes of the University of Hong Kong (Amendment) Statutes 1977.....	28

Sessional Papers 1976-77:

No 30—Supplementary Provisions approved by the Urban Council during the third quarter of the fiscal year 1976-77 (published on 2.2.77).

No 31—Emergency Relief Fund—Annual Report by the Trustee for the year ended 31st March 1973 (published on 2.2.77).

No 32—Emergency Relief Fund—Annual Report by the Trustee for the year ended 31st March 1974 (published on 2.2.77).

Papers*Subject*

No 33—Emergency Relief Fund—Annual Report by the Trustee for the year ended 31st March 1975 (published on 2.2.77).

No 34—Emergency Relief Fund—Annual Report by the Trustee for the year ended 31st March 1976 (published on 2.2.77).

No 35—Hong Kong Polytechnic Annual Report with balance sheet and Income and Expenditure Account for the year ended 31st July 1976 (published on 2.2.77).

Oral answers to questions**Ngau Tau Kok Transit Centre**

1. MISS DUNN asked:—

Sir, will Government make a statement on

- (a) conditions in the Ngau Tau Kok Transit Centre, and
- (b) the minimum and maximum length of stay of families there?

SECRETARY FOR HOUSING:—Sir, conditions in the Ngau Tau Kok Transit Centre were considerably improved in 1975 when the centre was completely rebuilt and given a proper electricity and water supply. The most unsatisfactory feature is the lack of privacy in this open-plan building; and plans are in hand to correct this by installing wooden partitioning.

The minimum length of stay in this transit centre in 1976 was three months and the maximum nine months. This excessively long stay was unavoidable because the 13 families in question insisted on waiting for licensed area space in Kowloon Bay and an offer of space there was finally made to them two weeks ago, as soon as it became available.

MISS DUNN:—Sir, why have plans not been put in hand before now to correct this obvious deficiency?

SECRETARY FOR HOUSING:—Sir, I think it is fair to say that standards in transit centres and licensed areas and public housing generally are evolved on an evolutionary way. Improvements are coming along all the time and I think it is fair to say then that the installation of this improvement in transit centres, in my view, has come in good time.

MR CHEONG-LEEN:—Sir, will wooden partitionings be also installed in other transit centres such as the one in Chatham Road?

SECRETARY FOR HOUSING:—That is going slightly beyond the scope of the question, but the answer is "yes".

Duties in Police reporting rooms

2. MR WONG LAM asked:—

Sir, as a measure to reduce the incidence of crime, will Government consider transferring the work done by policemen in reporting rooms to civilians so that they can be released for patrolling and other more active duties?

SECRETARY FOR SECURITY:—Sir, matters of this sort are kept under consideration, but the Commissioner of Police has concluded that this particular proposal should not be implemented.

Current manning arrangements have been arrived at after a very careful examination of workloads, types of duty, economy and efficiency. Duties performed by report room staff require police knowledge and expertise to ensure that reports and requests for assistance are properly assessed and correctly and effectively processed. This is an essential aspect of basic police work best undertaken by a police officer.

Report room staff are also responsible for all initial processing of suspects, including physical searching where necessary, and for their safe custody. These tasks could not be appropriately performed by civilian staff.

There is an urgent need to have experienced, well-educated police officers in all places where police are in contact with the public. Beat patrols are one such area, and report rooms are another. The Commissioner does not consider it would be advisable to strengthen the one at the expense of the other—it is a question of striking a correct balance between the two, and the current staffing arrangements achieve this.

Oral answers**Street Lighting**

3. MR ALEX WU asked:—

Sir, could Government state how it assesses the adequacy of street lighting?

DIRECTOR OF PUBLIC WORKS:—Sir, the adequacy of street lighting is determined by its ability to save after-dark road accidents, prevent crime and provide for pedestrian and amenity needs. Areas with particularly heavy traffic flows or with a high incidence of crime require better standards of lighting and such areas are given the highest priority in improvement programmes.

DR CHUNG:—Sir, are these standards of street lighting pre-set in Government departments and measurable by scientific instruments and not crudely by personal subjective judgment?

DIRECTOR OF PUBLIC WORKS:—No, Sir. The standards which have been used have been those of the British Standards Institute Code of Practice although recent investigations indicate that existing lighting provisions are inappropriate for present day traffic conditions in Hong Kong, and a study is currently in hand to assess conditions throughout the territory and to produce an outline programme for future improvement works.

MR CHEONG-LEEN:—Sir, what general way can the adequacy of street lighting in the Colony be assessed on the basis of the back-log?

DIRECTOR OF PUBLIC WORKS:—Sir, I am not quite sure what is meant by the question but a works back-log developed and this is being covered gradually by arrangement between the department and the power companies. The assessment which will be made will determine the total requirement for the future and the back-log will be caught up.

MR ALEX WU:—Why is it that the section of Waterloo Road between Lincoln Road and Durham Road has better illumination than the other sections?

DIRECTOR OF PUBLIC WORKS:—Sir, there are sections of existing street patterns which are fairly well lit now but there is no uniformity throughout and that is the whole point of the assessment.

MR CHEONG-LEEN:—Sir, if there is a serious back-log, could it be construed that there is a shortage of street lighting in the Colony?

DIRECTOR OF PUBLIC WORKS:—Sir, there is a lower standard of general illumination throughout the street patterns and that is why we are doing the assessment.

Lighting—Ferry Concourses, Tunnels, Housing Estates

4. MR ALEX WU asked:—

Sir, is Government aware of the fact that the intensity of luminosity at certain ferry concourses and tunnels and the public areas in some housing estates is noticeably less than that in others?

DIRECTOR OF PUBLIC WORKS:—Sir, the Government is aware that there are variations in the standard of luminance provided at different locations and many installations need to be improved. The Public Works Department has recently employed a street lighting expert who is currently engaged on the study of lighting standards in Hong Kong to which I have already referred in my answer to an earlier question.

Street Lighting

5. MR ALEX WU asked:—

Sir, has there been consultation with Kaifong leaders with regard to providing street lighting at strategic points to reduce incidents of mugging and robbery?

CHIEF SECRETARY:—Yes, Sir. The annual street lighting programme is drawn up after consultations with Kaifong and local civic leaders in the districts. These consultations are carried out by the City District Officers and officers of the New Territories Administration who will include in their submissions suggestions by local people to provide new or improved street lighting at specific locations in the district. These submissions are then examined by a committee consisting of representatives of the Public Works Department, the New Territories Administration, the Home Affairs Department, the Housing Department, the Royal Hong Kong Police Force and the Government Secretariat and they make recommendations for the approval of the Public Works Sub-Committee of this Council. This committee is well aware of the effect which good street lighting has in helping to reduce incidents of mugging and robbery and priority is given to crime black spots and areas of heavy pedestrian and vehicular traffic when drawing up the programme.

Oral answers**Aided Schools—Accounts**

6. REV JOYCE BENNETT:—

Sir, is Government aware that the checking of accounts of aided schools is frequently delayed?

DIRECTOR OF EDUCATION:—Yes, Sir, the audit staff of the Education Department have been working very hard for a year or more to clear the back-log caused by adjustments of books to reflect three separate salary revisions all paid in 1973-74. The back-log should be cleared by the end of this year.

REV JOYCE BENNETT:—Sir, is it possible to acquire more audit staff to cover the years 1974-75, 1975-76 so that the accounts for 1976-77 when sent in this summer, can be dealt with immediately, in order to avoid malpractices, loss of money and help the aided schools meet their financial commitments more easily?

DIRECTOR OF EDUCATION:—Sir, that is a rather subtle question. As regards malpractices I should state that the staff available for audit of aided school accounts consists of 18 persons, of whom 12 are deployed in roving teams. The roving teams go about to see mistakes about the time that they are made so that we don't wait for the accounts later; and I am glad to report that most of the more serious things are taken account of by the roving teams, so that the auditing is merely a tidying up matter. I should state further that it is general practice in auditing to have a team of persons who are full time doing this job, that is to say I have a team of 6 people who are full time auditing the accounts of aided schools and they take a year to do it, and it would be wasteful to have them to rush through this work and then be assigned to other duties for the rest of the year. I hope that has substantially answered Miss BENNETT's question. (*laughter*)

Factory inspection

7. MR LEUNG asked:—

Sir, will Government state:

- (a) the intervals at which factories are inspected; and
- (b) whether there are sufficient labour inspectors available to ensure that inspections are carried out effectively?

COMMISSIONER FOR LABOUR:—Sir, under a new system of inspection recommended by the Organization and Methods Unit of the Management Services of the Government Secretariat, factories are inspected by factory inspectors between once and four times a year. On average each factory is visited twice a year.

In a recent report the Labour Adviser (Factories), who was seconded from the United Kingdom Factory Inspectorate, considered that the Factory Inspectorate Grade, when up to its full establishment of 119, would be sufficient to provide a sound inspection service. At present the grade is 18 under strength but a recruitment exercise is already underway.

I believe that the present system is effective, but I am always seeking ways of improving the quality of inspection through re-training of inspectors and a careful watching of their workload. Also I have taken steps to implement another recommendation by the Labour Adviser that new recruits to the factory inspectorate should have at least 3 years' industrial experience.

I should also make the point that the effectiveness of an inspection also depends on the receptiveness of management to advice given.

Pensions

8. MR BREMRIDGE asked:—

Sir, will Government consider the enactment of new legislation, which will enable Government, subject to sensible provisions, to require pensioners in certain circumstances to collect their pensions in person?

SECRETARY FOR THE CIVIL SERVICE:—Sir, I take the question, I hope correctly, to relate to the effectiveness of existing provisions to stop, cancel or reduce pensions. These appear in the Pensions Ordinance (Cap. 89). Section 13 deals with pensioners who are declared bankrupt or insolvent. Section 15 deals with pensioners who are convicted of criminal offences and sentenced to death or terms of imprisonment. Section 16 deals with pensioners taking up certain forms of employment without prior permission.

Section 14, which is, I think, the one most relevant to the question, reads:

"It shall be a condition of the grant of every pension or other allowance that the Governor in Council may cancel or reduce it if it be shown to have been obtained by the wilful suppression of

[SECRETARY FOR THE CIVIL SERVICE] **Oral answers**

material facts or to have been granted in ignorance of facts which, had they been known before the retirement of the officer, would have justified his dismissal or a reduction of his salary."

The cancellation or reduction of a pension is a most serious matter, obviously, and the facts alleged must be carefully examined. Section 14 does not require a criminal conviction before action can be taken under it. For example, the issue of a warrant for arrest in respect of an alleged offence would normally justify a recommendation for cancellation of pension to the Governor-in-Council; but alleged facts on which the Attorney General has declined to authorize a warrant, may not of themselves be sufficient. They may however justify sending a registered letter to the pensioner, informing him of the possibility of his pension being cancelled or reduced, and stating the grounds; and if no reply or an unsatisfactory reply is forthcoming, there may be sufficient grounds to recommend to the Governor-in-Council that action be taken under section 14.

One pension has recently been cancelled under section 14, and seven cases are being processed with a view to this.

These powers, Sir, are considered adequate to ensure stoppage or reduction of pensions, even in cases of persons who cannot be brought to trial for offences committed before their retirement, because they have gone into hiding or have left Hong Kong.

MR BREMRIDGE:—Sir, to be quite explicit will Government then confirm that pensions need not continue to be paid to persons who for any suspect reason may be unwilling to present themselves personally in Hong Kong?

SECRETARY FOR THE CIVIL SERVICE:—Yes, I think I can confirm that, Sir. If facts are alleged which amount to what the honourable Member has in mind, I think they would amount to sufficient grounds to put a case to the Governor-in-Council under section 14 for cancellation or reduction of the pension.

Compulsory insurance against employers' liability

9. MR PETER C. WONG asked:—

Sir, when will Government implement the provisions for compulsory insurance against employer's liability made under the Workmen's Compensation Ordinance in 1969?

COMMISSIONER FOR LABOUR:—Sir, in October 1969 when the then Commissioner for Labour introduced the Workmen's Compensation (Amendment) Bill 1969 in this Council he said it was considered that there was no necessity to impose compulsory insurance generally or for any particular employment. However Part IV of the Ordinance, which has not been brought into force, was included to enable compulsory insurance to be introduced in respect of particular employments to be prescribed under section 38, as and when this became necessary. The Ordinance does not include power to require compulsory insurance generally. In September 1974 the Governor in Council, after considering certain proposed amendments to the Workmen's Compensation Ordinance, concluded that it was premature to introduce compulsory insurance. This remains Government's view.

I should add however that I keep this matter under review and remain of the opinion that there is at present no necessity to impose compulsory insurance except for certain appropriate employments. For instance, if the proposed silicosis and asbestosis scheme is adopted in the form now being pursued, Part IV of the Ordinance would have to be brought into force in respect of the relevant employments in dusty trades.

DR CHUNG:—Does the Commissioner for Labour imply in making this conclusion that there are no cases in Hong Kong where the employers cannot pay or have refused to pay compensation to injured workers?

COMMISSIONER FOR LABOUR:—Sir, there have been very very few cases reported of non-payment of workman's compensation. In 1975, there was only one partial payment out of 212 fatal cases, in other words 211 received full compensation; and there are only 2 partial payments in non-fatal cases. In 1976, all 249 fatal cases were compensated in full; there were only 4 cases of partial payment in nonfatal cases.

Agricultural Land

10. DR HU asked:—

Sir, has Government any plans to return to crop production some of the agricultural land now lying fallow possibly by way of joint venture between Government and the owners?

Oral answers

DIRECTOR OF AGRICULTURE AND FISHERIES:—Sir, a similar question was raised by Mr BREMRIDGE in this Council on the 12th May 1976 and I would refer Dr HU to the reply given at that time by the Acting Financial Secretary for detailed information. The present position is that the New Territories Administration and Department of Agriculture and Fisheries are continuing to examine various alternative proposals aimed at returning fallow land to productive purposes.

Employment of children below legally permitted age

11. MR LEUNG asked:—

- Sir, (a) how many convictions have there been over the past five years for the offence of employing children below the legally permitted age and
(b) how many of them were related to employment in restaurants licensed to sell liquor?

COMMISSIONER FOR LABOUR:—Sir, Regulation 4 of the Factories and Industrial Undertakings Regulations states that the legally permitted age for employment in an industrial undertaking is 14. In the five years from 1972 to 1976 prosecutions by the Labour Department resulted in 1,476 convictions for offences against this regulation.

Because the definition of industrial undertaking does not include restaurants none of the convictions I have referred to relate to employment in restaurants licensed to sell liquor. I should add that the Dutiable Commodities (Liquor) Regulation 29, which is enforced by the Royal Hong Kong Police Force, states among other things that no licensee shall employ or permit the employment of any person under the age of 14 years at any time. The Commissioner of Police informs me that details of offences under this regulation are recorded as individual convictions. However, because criminal records are not yet computerized, it would take a considerable amount of time and effort to collate the information sought. Should Mr LEUNG so wish, such facts could be obtained, given adequate time.

MR LEUNG:—Sir, I should be delighted if I could be so informed in due course.

COMMISSIONER FOR LABOUR:—Yes, Sir. This can be done. It will take 6 men approximately 3 weeks to do the task.

DR CHUNG:—Sir, can the Commissioner for Labour confirm that the employment of children under the age of 14 years in industry has reduced substantially in recent years since the introduction of juvenile identity cards with photographs?

COMMISSIONER FOR LABOUR:—I would say, Sir, that the incidence for child employment has been reduced, but I would not say that this was solely because of the introduction of juvenile identity card, which in fact has not yet been completed and will take a further 2 years before every juvenile does have his card.

REV JOYCE BENNETT:—Sir, am I permitted to ask what the average fine for this offence is?

HIS EXCELLENCY THE PRESIDENT:—You are.

REV JOYCE BENNETT:—Thank you.

COMMISSIONER FOR LABOUR:—Sir, the average fine over the last five years is just short of \$400, namely \$397; but in 1976 the average increased to \$542.

Banking Statistics

12. MR Q. W. LEE asked:—

Sir, as the published statistics of deposits loans and other data relating to the banking sector do not reveal the true picture of the financial scene of Hong Kong short of similar data of deposit taking companies, would Government consider collecting also such statistics pertaining to deposit taking companies and disseminating the same for public information so as to bridge a missing link in financial indicators?

THE FINANCIAL SECRETARY:—Sir, the Government has already given preliminary consideration to the question of statistical coverage of our developing financial sector, both generally and with particular reference to deposit taking companies. In fact, I recently mentioned to the Deposit-taking Companies Advisory Committee that they will be asked to consider shortly a paper on just what statistical information on the business of deposit taking companies might be, with advantage, collected. The form in which these statistics might be published will need to be considered when the paper on what should be collected has been discussed.

Oral answers

MR T. S. LO:—Sir, has the Government considered any other method, apart from the one suggested by Mr LEE, to correct the misleading picture now presented?

THE FINANCIAL SECRETARY:—I don't think the present statistics, Sir, give a misleading impression; they give an inadequate impression of the size of our developing financial sector.

Widows' and Children's Pension Scheme

13. MISS KO asked:—

Sir (a) is the Government drawing up a new Widows' and Children's Pension Scheme?

(b) If so, what progress has been made?

SECRETARY FOR THE CIVIL SERVICE:—Sir, the answer to the first part of the question is "yes", with the assistance of the Ministry of Overseas Development.

On the second part of the question, the drafting of the Bill is well advanced. Certain additional matters introduced into our considerations by the Ministry late last year have had to be considered in consultation with the Staff Associations. I hope that the bill will fairly soon be brought before this Council.

Airport—port health staff

14. DR FANG asked:—

Sir, after the withdrawal of port health staff from the airport, what safeguards will be taken in regard to arrivals from places where infectious diseases are endemic?

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, I should like to assure my colleague Dr FANG that not all of the port health staff have been withdrawn and that an adequate staff of doctors, nurses and health inspectors have been retained at the airport to carry out our health responsibilities and to deal with sick emergencies arriving on international flights at Kai Tak on a 24-hour basis.

There are at present only four diseases subject to the International Health Regulations, namely smallpox, plague, cholera and yellow fever. On the recommendations of the World Health Organization, Hong Kong now requires valid certificates of inoculation against smallpox

only from travellers who have been in an infected area within the previous fourteen days, and Somalia is the one remaining infected area in the world to-day. No inoculation certificates are required for plague, cholera or yellow fever.

The number of health documents therefore now requiring to be checked are minimal, mainly being the completed Declaration of Health supplied by every aircraft on landing. Immigration officers checking passports will alert port health officers at the airport in regard to travellers from smallpox infected areas and it has been therefore possible to withdraw some health staff who previously checked documents at reception desk.

Statement

The Annual Report of the Hong Kong Polytechnic

DR CHUNG:—Your Excellency, among the various papers laid on the table of this Council today is the Fourth Annual Report of the Hong Kong Polytechnic. It covers the academic and financial year of the Polytechnic which ended on 31st July 1976.

This has been yet another year of rapid growth in student population. Compared with the academic year 1972-73 when the Polytechnic was first established (that is, three years ago), the number of full-time day students rose from 1,583 to 3,998 (an increase of 153%), part-time day release students from 1,025 to 1,854 (an increase of 81%) and part-time evening students from 9,819 to 14,117 (an increase of 44%). In addition, there were 3,541 students enrolled in various special short courses throughout the academic year. The Polytechnic last year, therefore, provided professional and vocational-oriented tertiary education for a total of 23,510 students which is indeed a very significant figure in Hong Kong's context.

There is, of course, little point in producing more graduates unless they can find suitable and gainful employment in the local community. In this connection, I am happy to report, Sir, that among the 989 students graduated in July 1976, only 44 or 4.5% were still looking for work in November last year and only 8 or 0.8% cannot be traced. 758 graduates, or 76.6% of the total output, were placed in appropriate employment with the great majority in the commercial and industrial sectors. The remainder, that is 179 graduates or 18.1% of the output, moved on to further their studies, either in the Polytechnic or elsewhere.

The most spectacular manifestation of the Polytechnic's progress so far is, of course, the first phase of the new building complex, at the

[DR CHUNG] Statement

opening of which Your Excellency was kind enough to officiate in October last year. Without this addition to its campus, the Polytechnic would have been unable to increase its student population, or even sustain that of the previous year.

Work is now in progress on the second phase of the Polytechnic building programme, which will be largely devoted to much-needed improvements in student amenities, including a swimming-pool which has been funded by an anonymous private donation. It would be remiss of me not to mention that the raising of funds for this swimming pool is due entirely to the single-handed efforts of my Friend, Mr Q. W. LEE, who is also the Polytechnic Treasurer. It is the earnest hope of the Polytechnic Board of Governors and myself, as its Chairman, that more private donations would be forthcoming to develop the Polytechnic which is playing and will continue to play an increasingly important role in the economic growth and welfare of Hong Kong.

If Your Excellency will permit me, in tabling the Polytechnic's annual report for last year, I would like to mention a major Polytechnic event which has not yet taken place. Her Royal Highness Princess Alexandra, who just arrived a couple of hours ago, has graciously consented to officiate at a ceremony to mark the opening of the Polytechnic's new Library on next Monday, February 7th. The Polytechnic is deeply honoured by this recognition of its growing importance in Hong Kong's educational system.

Thank you.

First reading of bills**MISCELLANEOUS LICENCES (ABOLITION) BILL 1977****LION ROCK TUNNEL (AMENDMENT) BILL 1977****ROAD TRAFFIC (AMENDMENT) BILL 1977****JUVENILE OFFENDERS (AMENDMENT) BILL 1977****GUARDIANSHIP OF MINORS BILL 1977****MAINTENANCE ORDERS (RECIPROCAL ENFORCEMENT) BILL 1977****AFFILIATION PROCEEDINGS (AMENDMENT) BILL 1977****SEPARATION AND MAINTENANCE ORDER (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**MISCELLANEOUS LICENCES (ABOLITION) BILL 1977**

THE SECRETARY FOR SECURITY moved the second reading of:— "A bill to abolish miscellaneous licences."

He said:—Sir, the need for this bill arises from a review of legislation to transfer responsibility for some licensing duties from the Police to other authorities to allow the police to concentrate on constabulary duties and in the course of this review it was decided that we could safely dispense with licensing four activities. This bill provides accordingly.

The need for Marine Stores Collectors licence and two forms of Printing Press licences no longer exists. Similarly, a licence for the extension of a Public Dance Hall Operating Hours is no longer considered necessary.

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

Question put and agreed to.

LION ROCK TUNNEL (AMENDMENT) BILL 1977

THE SECRETARY FOR THE ENVIRONMENT moved the second reading of:—"A bill to amend the Lion Rock Tunnel Ordinance."

He said:—Sir, the Lion Rock Tunnel Ordinance and Regulations, which empower the Commissioner for Transport to manage and operate the Lion Rock Tunnel, define the tunnel and the tunnel area in terms of a plan related to the one tube at present in operation. The ordinance does not, however, provide for this plan to be amended to cover any alterations to the tunnel, such as would result from the operation of a second tube.

A second tube to the tunnel has now been constructed and work is in hand to provide a road through this tube and to enlarge the toll plaza to accommodate it. The work is expected to be finished towards the end of this year so an amendment to the principal ordinance to enable a new plan to be made of the enlarged tunnel area to which the ordinance and regulations will then apply.

[SECRETARY FOR THE ENVIRONMENT] **Lion Rock Tunnel (Amendment) Bill—
second reading**

This is the purpose of the present bill. The bill provides, in clause 2, for certain changes in the definitions in section 2 of the ordinance, including a new definition of "plan". Clause 3 seeks to replace section 3 of the principal ordinance with a new section which will allow the Director of Public Works to draw up amended plans to vary the boundaries of the tunnel whenever this is necessary and to notify any such amendments in the *Gazette*. An additional section, 3A, would provide that, in any prosecution for an offence under the ordinance, a copy of the plan, certified by the Director of Public Works to be a true copy, would be conclusive proof of the area of the tunnel.

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

Question put and agreed to.

ROAD TRAFFIC (AMENDMENT) BILL 1977

THE SECRETARY FOR THE ENVIRONMENT moved the second reading of:—"A bill to amend the Road Traffic Ordinance."

He said:—Sir, the bill seeks to amend the Road Traffic Ordinance in three respects. First, clause 2 amends the principal ordinance to authorize the Governor in Council to make regulations to provide for the testing, inspection and weighing of vehicles in order to ascertain whether there has been a contravention of any provision of the ordinance. This would enable regulations to be made, for instance, to provide for the use of smokemeters to more easily measure and define the emission of excessive smoke from vehicles.

Secondly, clause 3(b) seeks to amend section 22 of the principal ordinance to provide that a notice of intended prosecution for the offences of dangerous driving, careless driving, or speeding need not be served if a traffic accident occurs at the time of the alleged offence, or immediately following it. The normal procedure at present, if the Police decide to prosecute a driver for one of these offences, is for a notice of intended prosecution, specifying the nature of the alleged offence and the time and place where it is alleged to have been committed, to be served on the person concerned within 14 days of the occurrence. It is considered, however, that it should not be necessary to serve such a notice of intended prosecution in cases involving accidents, because the circumstances of the accident should be remembered by the alleged offender.

Finally, Sir, clause 3(a) of the bill seeks to further amend this section of the principal ordinance to re-define the 14-day period for issuing a notice of intended prosecution so as to exclude public holidays. This will help to give the Traffic Police adequate time to complete the necessary procedures.

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

Question put and agreed to.

JUVENILE OFFENDERS (AMENDMENT) BILL 1977

THE DIRECTOR OF SOCIAL WELFARE moved the second reading of:— "A bill to amend the Juvenile Offenders Ordinance."

He said:—Sir, the Social Welfare Department runs five correctional institutions of different types for young offenders. Two of these homes provide, among other services, facilities for juveniles on remand and under detention. The present provision in section 14 of the Juvenile Offenders Ordinance permits the courts to detain offenders under the age of sixteen in these places of detention, commonly known as remand homes, for such period not exceeding six months as the Director of Social Welfare may determine. However, there is no statutory provision for the supervision of young offenders who are released from places of detention.

In connection with an annual Review of the Five Year Plan for Social Welfare it was recommended by the Social Welfare Advisory Committee that this Ordinance should be amended so as to provide compulsory supervision of such young offenders by aftercare officers of the Social Welfare Department.

The proposed amendment will permit young offenders released before the expiry of the maximum six month period to be under supervision for the balance of the period, during which they can be recalled if any requirements of the supervision order are not complied with. This is considered an improvement as it will enable these young offenders to be assisted in rehabilitation by their aftercare officers during the period of supervision.

The provisions sought are similar to those already available to the Detention Centres of the Prisons Department.

Motion made. That the debate on the second reading of the bill be adjourned—THE DIRECTOR OF SOCIAL WELFARE.

Question put and agreed to.

GUARDIANSHIP OF MINORS BILL 1977

THE SOLICITOR GENERAL moved the second reading of:—"A bill to repeal and re-enact the Guardianship of Minors Ordinance."

He said:—Sir, this bill seeks to bring our law on the guardianship of minors into line with that in England where changes were made in 1973. Although this bill will repeal and replace the existing ordinance on the subject, the provisions of the existing ordinance are repeated except to the extent necessary to incorporate those changes.

The main change will ensure parental equality in respect of guardianship. Courts have for a long time paid scant regard to the common law rule that the father's rights are superior to the mother's, but outside the courts this rule still prevails. Clause 3 provides for the rights and authority of the mother and father over the custody, upbringing and property of a legitimate child to be equal and exercisable separately, thus laying this common law rule to rest. But in all proceedings in any court the welfare of the minor will continue, under this clause, to be the first and paramount consideration.

Any agreement to oust the rights and authority which will be conferred by clause 3 will be unenforceable. Clause 4 provides this, but an exception is made where the parties are separated though still married, unless in an exceptional case the court is of the opinion that to give effect to the agreement will not be for the benefit of the child.

Clause 4 also enables either parent (whether living together or apart) to apply to the court for its directions in the event of any disagreement about the minor's welfare.

Clause 10 will enable a court to order either parent not having the custody of the child to make maintenance payments to the person who does have custody. Under existing law, only the father can be made to pay, and then only to the mother when the mother has custody.

Clause 13, which deals with the orders a court may make on applications relating to minors, will permit the court in exceptional circumstances to place under the supervision or care of the Director of Social Welfare, a minor who is under 16 years of age.

Under clause 18 a guardian will automatically have all the rights, powers and duties necessary for managing and administering the minor's property, unless these rights and obligations fall to some other person appointed by the High Court to be the guardian of the minor's estate, and under clause 6(6) the Court may authorize a guardian to be remunerated for his services as guardian.

These, Sir, are the main changes. There are other changes, but of a minor nature. For example, in clause 22 the maximum sum which the District Court may award towards maintenance of a minor remains limited, but the limit will be increased from \$120 per week to \$500 per week.

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

Question put and agreed to.

MAINTENANCE ORDERS (RECIPROCAL ENFORCEMENT) BILL 1977

THE SOLICITOR GENERAL moved the second reading of:—"A bill to make new provision, in place of the Maintenance Orders (Facilities for Enforcement) Ordinance, for facilitating the recovery of maintenance by or from persons in Hong Kong from or by other persons in reciprocating countries."

He said:—Sir, we have long had legislation providing for the enforcement in Hong Kong of maintenance orders, i.e. orders for the periodical payment of money towards the maintenance of a wife or other dependant, made in England, Northern Ireland and certain other countries, and facilitating the enforcement of Hong Kong maintenance orders in those countries. But our legislation is based on a 1920 Act which has been replaced in England by the Maintenance Orders (Reciprocal Enforcement) Act 1972. This 1972 Act contains a much more detailed treatment of the subject and enables maintenance orders to be more effectively enforced as between countries which provide for the reciprocal enforcement of each other's orders.

The purpose of this bill is to repeal and re-enact our legislation to incorporate most of the provisions of the relevant part of the 1972 United Kingdom Act. This bill is founded on the same principles as the ordinance it will repeal, but deals more fully with the subject and in a way which positively encourages countries to assist in enforcing each other's orders.

The main changes will be, first, "maintenance order" is re-defined in clause 2 to include affiliation order, i.e. an order adjudging a person to be the father of a child for maintenance purposes. Such orders are excluded from the definition in our existing legislation but there does not appear to be any good reason for continuing to exclude such orders.

[THE SOLICITOR GENERAL] **Maintenance Orders (Reciprocal Enforcement) Bill—
second reading**

Secondly, under clause 3 any country, and not merely a Commonwealth country, which offers substantially reciprocal treatment in respect of enforcing Hong Kong maintenance orders, can be designated, whereupon its maintenance orders will become enforceable in Hong Kong under this bill.

Thirdly, and in line with this change, the existing provisions for making provisional maintenance orders are extended, in clause 5, to the making of such an order here against a person residing in any designated country. Provisional orders cannot be enforced unless first confirmed by a court in the country where the person against whom the order was made resides. Provisional orders made in designated countries are recognized and, for the purpose of their enforcement here, clause 8 empowers the District Court to confirm such an order with or without alteration, or to refuse confirmation.

The existing power of the District Court to vary or revoke maintenance orders is retained but more fully dealt with in clauses 6 and 10. The District Court can vary or revoke an order whether made in Hong Kong or in a designated country, but, in the absence of either of the parties, variation or revocation can generally be done only by a provisional order which requires confirmation by a court in the country where the absent party resides before it will take effect.

Clause 12 deals with the situation where the person responsible under a maintenance order to make payments leaves Hong Kong. One of the practical defects of the existing legislation is that a maintenance order made in another country can be enforced here only if received from that country. This clause envisages a scheme under which a person liable to pay under a maintenance order can be "pursued" by the maintenance order as he moves from reciprocating country to reciprocating country. No matter how many countries within the scheme he may successively go to the order will simply be passed on, and to do our part in this scheme clause 12 provides for the forwarding of the relevant documents to the country to which such a person has moved irrespective of where the maintenance order was made.

Except in the case of a provisional order made by the District Court from which there will be no appeal, existing rights of appeal will not be affected.

The remaining provisions are either the same as in the existing law or minor or consequential.

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

Question put and agreed to.

AFFILIATION PROCEEDINGS (AMENDMENT) BILL 1977

THE SOLICITOR GENERAL moved the second reading of:—"A bill to amend the Affiliation Proceedings Ordinance."

He said:—Sir, this bill, if enacted, will do two things. It will raise from \$120 to \$500 the maximum amount a person, who has been adjudged to be the putative father of an illegitimate child, can be ordered by the District Court to pay per week towards the maintenance and education of the child.

Secondly, it will cure a procedural defect which came to light in a case in England under comparable legislation and has since been similarly cured there, by making it clear that the District Court's power to revoke, revive or vary an affiliation order made by it may be exercised notwithstanding that the proceedings are brought by or against a party residing outside Hong Kong.

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

Question put and agreed to.

SEPARATION AND MAINTENANCE ORDER (AMENDMENT) BILL 1977

THE SOLICITOR GENERAL moved the second reading of:—"A bill to amend the Separation and Maintenance Orders Ordinance."

He said:—Sir, this bill, if enacted, will raise from \$120 to \$500 the maximum amount a husband can be ordered by the District Court to pay per week towards the maintenance of each child of his marriage under 16 years of age where he and his wife are separated and the child has been committed to her custody. The figure of \$120 was fixed 9 years ago.

This bill will also cure a defect in the procedure for the variation of the weekly payment ordered to be paid under a separation or maintenance order, by making it clear that the power to vary may be

[THE SOLICITOR GENERAL] **Separation and Maintenance Order (Amendment) Bill—second reading**

exercised notwithstanding that the proceedings are brought by or against a party residing outside Hong Kong. This defect is similar to the defect in the Affiliation Proceedings Ordinance which I mentioned in connection with the last bill.

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

Question put and agreed to.

COMPANIES (AMENDMENT) BILL 1977

Resumption of debate on second reading (19th January 1977)

Question proposed.

Question put and agreed to.

Bill read the second time.

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

BANKRUPTCY (AMENDMENT) BILL 1977

Resumption of debate on second reading (19th January 1977)

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).

WORKMEN'S COMPENSATION (AMENDMENT) BILL 1977

Resumption of debate on second reading (19th January 1977)

Question proposed.

Question put and agreed to.

Bill read the second time.

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

HONG KONG INDUSTRIAL ESTATES CORPORATION**BILL 1977****Resumption of debate on second reading (19th January 1977)***Question proposed.*

DR CHUNG:—Your Excellency, in my budget speech in this Council in March 1968, I said that there was a growing body of opinion in industry which believed that the time had come for Government to review its *laissez faire* policy in regard to industry. I also said that it would be beneficial to Hong Kong as a whole if Government would show a less rigid attitude to the needs of industry and provide more positive encouragement in areas where the need was apparent. I, therefore, proposed that Government should consider the setting up of an Industrial Development Council. One of the three major functions of the proposed Council I envisaged at that time was to provide inducements for new and desirable industries to Hong Kong.

Of course, my proposal as usual was turned down by Government and the reasons given, in the words of the then Financial Secretary, were:

"What mystifies me is how he or any one else can determine what is a desirable type of industry such as should qualify for special assistance. In my own simple way, I should have thought that a desirable industry was, almost by definition, one which could establish itself and thrive without special assistance in ordinary market conditions."

Well, Sir, I am really delighted to see that the present Government Administration holds a different view from that in 1968. In moving this bill two weeks ago, the Secretary for Economic Services said that the purpose of industrial estates was to provide special assistance to those industries which would use more sophisticated technology and require more capital per worker than those at present existing in Hong Kong and which would broaden Hong Kong's industrial base but which could not operate in multi-storey buildings. I fully support this policy as it is a practical way to achieve a more balanced and healthier state of industrial development for long-term economic growth.

Whilst I support this bill, I nevertheless have one point to make. Sometime ago, my unofficial Colleagues wanted to ask a question in this Council about certain policies and affairs of the Mass Transit Railway Corporation but were informed that the Government was not responsible for the operation of the MTR Corporation and therefore

[DR CHUNG] **Hong Kong Industrial Estates Corporation Bill—resumption of debate on second reading (19.1.77)**

could not answer any question related to that Corporation. The Unofficial Members consider this state of affairs very unsatisfactory. Organizations which are majority or wholly owned by Government, such as the MTR Corporation and the Industrial Estates Corporation, must be answerable to Government and to the people of Hong Kong. They should therefore be subject to open questions and debates in this Council.

The Unofficial Members believe that, with sections 32 and 33 of the bill, the Governor and thence the Government should be capable of answering any question and replying to any debate in this Council concerning the Industrial Estates Corporation. My Unofficial Colleagues and I would therefore be grateful if Government could confirm this understanding. If, however, our understanding is not correct, we would reserve our position with a view to introducing amendments at the committee stage.

With these remarks and subject to the conditions as stated above, Sir, I have pleasure in supporting the motion before Council.

MR JAMES WU:—Sir, I have pleasure in supporting the bill before Council, and have confidence that the proposed Corporation will be able to administrate the industrial estates for the purposes that are intended.

Sir, when I spoke in supporting the Hong Kong Industrial Estates Provisional Authority Bill last April, I had mentioned that prices for industrial land for general use had skyrocketed to an unprecedented level. By comparison with prices today, nine months later, prices have almost doubled, to the extent that with the heavy rents and therefore overheads, many of our industries are finding it unbearable. This sentiment was fully manifested by a meeting about two weeks ago between members of the Federation of Hong Kong Industries and the Chinese Manufacturers' Association and the top officials of the Hong Kong Industrial Estates Provisional Authority, and in the subsequent reports by the press. The general plea was for much more land to be made available for general industrial use to bring rents down and to help house more modern, more productive but more massive machines and equipment so that we can meet on equal footing with our competitors. Otherwise, the future of our industrial development, upon which Hong Kong's future relies, would be limited, as any increase in productivity by labour and management would be more than off-set by

high land prices and rents fueled by speculation and plentiful money supply now in Hong Kong.

Sir, in November 1974, the Financial Secretary said in this Council that he was a protagonist of deliberately making more land available for industry, and that he was aiming to increase the availability of general industrial land near the centres of population and especially in the New Towns. We believe he saw the wisdom of fully utilising our available land for economic purposes rather than as a financial means, and hope that no effort would be spared by Government in making available, as soon as possible, the land in Kowloon Bay, Kai Tak and in the New Towns available for industrial use. Also, from the experience of the present Industrial Estates, it appears feasible to reclaim land from the sea for sale for full development for general industrial use to ease the situation.

MR CHEONG-LEEN:—I feel sure that the community will generally welcome the adoption of this new bill.

The Provisional Authority under the 1976 bill has for some time been receiving many enquiries about sites both from overseas and from local industrial sources. The viability of the project is no longer in question, and we should now move ahead with all speed to have a permanent legal structure for these new industrial estates.

It is of course understood that both overseas and local parties will have equal opportunity to obtain sites in the industrial estates. Bearing in mind the special terms under which sites will be made available, it is essential that the Corporation Board be firm and consistent in its allocation policies to all comers.

A fundamental criterion is that industrial estates should attract new, high technology and more capital intensive industries into Hong Kong. And in keeping with the general availability of land, such industries will also have to make optimum use of the allocated sites.

A second criterion is that new industries moving into the estates will lead to a spin-off of sophisticated technical training, thus generating skilled jobs for local people with minimum supervision or co-ordination by expatriate personnel.

If necessary, the Corporation or the Government could investigate the need for co-operative effort in the training of workers, either locally or overseas, in the setting up of high technology industries as yet new to Hong Kong, or which are stymied due to shortage of properly trained workers.

[MR CHEONG-LEEN] **Hong Kong Industrial Estates Corporation Bill—resumption of debate on second reading (19.1.77)**

As Hong Kong is implementing a step-by-step programme of labour legislation to improve conditions for our workers within our capability to do so, we must move as fast as we can in the direction of higher productivity and higher quality products.

As an example, Hong Kong is already well-known as a large supplier of cheap electronic calculators, but we have not yet acquired a good enough image as a producer of high quality and complicated electronic calculators. The same situation applies to digital watches. More and more, Hong Kong's overseas customers are demanding high quality products with relatively less emphasis on very low prices.

In line with the experience of industrial zones or estates elsewhere, provision will have to be made for decent housing accommodation for workers adjacent to the estates, as well as for adequate provision of recreation facilities, education and other social services for the families of the workers.

For the sake of Hong Kong's future, we are committed to a programme of industrialization in the New Territories, but in carrying out such programme let us provide the best conditions for work and living to the extent that we can afford, and with due regard to preserving as much of the natural environment as our planners can creatively devise.

Finally, it is worthwhile emphasising that since the Corporation is not a Government Agency, the Corporation would do well to avoid being hide-bound with unenforceable bureaucratic practices and regulations. (*laughter*) There should be proposed for enactment only those provisions or by-laws which are effective, practical and conducive to harmonious working relations within the Estate.

Sir, I support the motion.

MR TIEN:—Sir, I recall that I said, about two years ago in this Council, we had reached a point in time when Hong Kong could not simply rely on the good sense of industrialists to provide the sort of industrial mix which would prove best for the future development of Hong Kong, a place totally devoid of natural resources apart from its hard working population. On that occasion, I also mentioned that at that stage of our industrial development, the lack of formed land for those industries which could not be located in high rise buildings and

which were land and capital intensive, was not only inhibiting the diversification of our industry but was also restricting the growth and even threatening the existence of our supporting industries.

At that time, I advocated that consideration be given to the formation of an industrial land development corporation.

I am delighted that the Government has not only needed the advice and aspirations of industry but has taken a firm step forward to the formation of just such an enterprise charged with the responsibility of constructing and managing industrial estates in Hong Kong. This is a clear indication by the Government that it recognizes the need to broaden Hong Kong's industrial base and to upgrade the technological level of our industry by the provision of industrial estates designed specifically for heavy industries.

I have no doubt that in due time, we shall witness a new range of exciting and worthwhile industries developing for the benefit of Hong Kong as a whole.

As we are now on the way to having available for potential investors a fairly comprehensive range of possibilities in the way of land and factory accommodation, I think the time is now opportune for the establishment of an Industrial Estates Corporation—and the sooner such a body becomes operational the better—to replace the present Provisional Authority and to take over its functions and responsibilities.

Before ending this short speech, I would like to say a few words about the basic criteria for the allocation of sites as announced recently by the Hong Kong Industrial Estates Provisional Authority. As I understand it, these criteria are necessary in order to broaden Hong Kong's industrial base by catering for those industries which cannot operate in multi-storey buildings. These criteria are clearly correct and should be strictly adhered to, but great care should be taken to screen all overseas applications to ensure that their proposed operations do not in any manner compete with our local industries. On the contrary, they should be complementary to an industry already existing in Hong Kong.

I presume that the Authority will ensure that there will be no underletting or subletting of leases of sites by successful applicants and that equal opportunity of treatment will be given to local aspirants. These estates are opened to all and not merely to attract overseas investments.

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debate on second reading (19.1.77)**

To ensure fairness to all applicants and to utilize the maximum benefit to be derived from these new processes, a Standing Committee appointed by the Corporation under section 13 of the proposed Ordinance, should be formed to regulate and vet all applications for sites to avoid speculation in land in view of the low price of \$45 per square foot charged for these sites. Such a body should be composed of suitably qualified members from our various trades and industries.

I also feel that the Authority, be it the Provisional Authority or the Corporation as the case may be, should consider the need to publish the names of all applicants with some information of the industrial processes involved, in order to see if there are any objections by others of their proposed operations. This will help to alleviate fears of local manufacturers of unfair competition. A list should also be published, once every 6 months, of all successful applicants and their industrial processes.

We have also reached a stage where we should reconsider our arrangements for the promotion of industrial investments which is at present undertaken jointly by the Trade Development Council, the Commerce and Industry Department and the Hong Kong General Chamber of Commerce. Consideration should be given as to the ways and means whereby this important aspect could be strengthened and improved to avoid duplication or the possibility of confusion amongst potential investors in order to induce the right type of industries to be set up here.

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

MR ALEX WU:—Sir, the Government ought to be congratulated on having taken this positive and practical step in setting up the Industrial Estates Corporation, and in assisting industry to broaden the industrial base of Hong Kong. The bill should receive general support, and industrialists should be particularly glad to see a change in the Government's land policy.

Although the main purpose of this bill is to transfer the power of establishing and operating industrial estates from the Industrial Estates Provisional Authority to the Corporation, there are certain implications of the scheme that require clarification.

While other honourable Members have spoken ably on the priorities between the encouragement and development of local industry

and the promotion of overseas investment, I wish to touch on two other aspects concerning the eligibility for participation in this new public venture, which may affect the development of locally based industry.

The first aspect is that there are two criteria which the Provisional Authority has described as absolute. One excludes offensive trades. The other excludes processes which can be carried on in an ordinary multi-storey building. The Chief Executive made a clear statement that these were absolute criteria and that the selective criteria, including the level of technology etc. would be applied to applicants only if they passed the first two tests.

I have no argument with the exclusion of offensive trade, but I question the wisdom of an absolute exclusion of industries which can or do operate in multi-storey industrial buildings.

The fact that ingenuity and enterprise has enabled certain processes to be adapted to unfavourable conditions does not mean that they should always operate under such handicaps. There are industrial processes which could greatly improve the quality as well as the efficiency of production if they had the opportunity to operate under conditions that permitted a better plant lay-out.

It is very possible that the net gain to the economy from such an up-grading of existing local industry would in many cases be as great as that resulting from the introduction of overseas industries which have not proved themselves so adaptable.

If a case can be made for greatly improved productivity and quality by moving such an industry into more suitable premises, that case deserves consideration and applications should not be automatically rejected.

A clarification of the Government's views on this aspect of the selection of industries for sites in the Industrial Estates would be welcomed at this time.

Secondly, the brochure issued by the Provisional Authority makes reference to "land-intensive" industries. Can the public be informed how "land intensive" is defined?

Is it by value of product per square metre? It would be just as welcome if the definition of "land-intensive" could be given as the assurance that locally based industry is not a secondary consideration.

With these remarks, Sir, I support the bill before Council.

Hong Kong Industrial Estates Corporation Bill—resumption of debate on second reading (19.1.77)

SECRETARY FOR ECONOMIC SERVICES:—Sir, the Attorney General will be responding to Dr CHUNG's point on the answering of questions asked in this Council about the policies and affairs of the Industrial Estates Corporation.

It remains to me first to say that the various relevant points Members have made in this debate will be put to the Corporation and meanwhile to the Provisional Authority. And second to answer very briefly the two specific questions asked by Mr Alex WU.

He asked for a clarification of the Government's views on applications for sites in industrial estates from industries which, although already established in Hong Kong, could improve productivity and quality by moving out of multi-storey buildings. He also asked what the Provisional Authority in its brochure meant by "land intensive industries".

Sir, the answer to both questions must lie in the reason why the Government embarked on a policy of developing industrial estates in the first place. As I reminded members in moving the second reading of this bill, the purpose of industrial estates is to broaden Hong Kong's industrial base by catering for those industries which can not operate in multi-storey buildings. So the specific answer to the first question is that, to be considered seriously, applications from firms already established in Hong Kong must be consistent with this purpose. And to the second question, the answer is that "land intensive" is not really the point. It is the inability to operate in a multi-storey building that is relevant.

THE ATTORNEY GENERAL:—Sir, I am intervening in the debate on this Bill to answer Dr CHUNG's remarks about questions in the Council relating to certain statutory corporations. I do so because his remarks relate to corporations other than the proposed Industrial Estates Corporation and concern the Council's Standing Orders.

The Government, Sir, is very conscious of the concern of Unofficial Members about their right to ask questions relating to some statutory corporations. Some such questions may be asked as the Council's Standing Orders stand, but there is room for difference of opinion in particular cases. I have therefore been examining the matter during the past 3 weeks or so, anticipating that Dr CHUNG would not let the debate pass without pursuing it.

The Government considers it appropriate to introduce a further provision into Standing Orders dealing specifically with questions about certain statutory corporations, which will, we hope, meet Unofficial Members' wishes and remove areas of doubt. The general intention is that questions may be asked in relation to any statutory corporation to which the Governor has power to give directions and possibly some others as well. That describes the class of corporation. I now turn to the class of question which it is suggested may be asked. These could relate to the exercise or non-exercise of the particular power to give directions and to any matter of general policy of or relating to the corporation. The precise wording of the new provision has not yet been settled. I believe however that a provision along the lines that I have outlined will meet Unofficial Members' wishes, and there will, of course, be an opportunity for discussion of the precise amendment.

Sir, the Government's sticking point, and on this it must stand firm, is that it cannot accept a responsibility to answer questions which concern the day-to-day affairs or administration of a statutory corporation. Such corporations are established by this Council as essentially autonomous bodies. The Government does not administer them on a day-to-day basis. It would be unfair and unreasonable to expect the Government to answer for them in relation to day-to-day affairs.

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.

COMPANIES (AMENDMENT) BILL 1977

Clauses 1 and 2 were agreed to.

BANKRUPTCY (AMENDMENT) BILL 1977

Clauses 1 and 2 were agreed to.

WORKMEN'S COMPENSATION (AMENDMENT) BILL 1977

Clauses 1 and 2 were agreed to.

GAMBLING BILL 1976

Clause 1

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

*Proposed amendment**Clause*

- 1 That clause 1 be amended by deleting "1976" and substituting the following—
"1977"

The amendment was agreed to.

Clause 1, as amended, was agreed to.

Clause 2

THE ATTORNEY GENERAL:—Sir, I move that clause 2 be amended as set out in the paper before honourable Members.

*Proposed amendment**Clause*

- 2 That clause 2 be amended—
- (a) by deleting the definition of "bet";
 - (b) in the definition of "lottery", by inserting after "Hong Kong" the following—
", but does not include such lotteries promoted, conducted or managed outside Hong Kong as may be prescribed"; and
 - (c) by inserting after the definition of "private gain" the following new definition—
""private premises" means premises to which the public have access (whether on payment or otherwise) only by permission of the owner, tenant or occupier of the premises;".

The amendment was agreed to.

Clause 2, as amended, was agreed to.

Clause 3

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

*Proposed amendment**Clause*

- 3 That clause 3 be amended in subclause (2) by deleting "a private dwelling" and substituting the following—
"private premises".

The amendment was agreed to.

Clause 3, as amended, was agreed to.

Clause 4 was agreed to.

Clause 5

THE ATTORNEY GENERAL:—Sir, I move that clause 5 be amended as set out in the paper before honourable Members.

*Proposed amendment**Clause*

- 5 That clause 5 be amended by deleting "is liable on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years." and substituting the following—
"is liable—
(i) on summary conviction to a fine of \$500,000 and to imprisonment for 2 years; or
(ii) on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years.".

The amendment was agreed to.

Clause 5, as amended, was agreed to.

Clause 6 was agreed to.

Clause 7

THE ATTORNEY GENERAL:—Sir, I move that clause 7 be amended as set out in the paper before honourable Members.

Gambling Bill—committee stage*Proposed amendment**Clause*

- 7 That clause 7 be amended by deleting "is liable on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years." and substituting the following—
- "is liable—
- (i) on summary conviction to a fine of \$500,000 and to imprisonment for 2 years; or
 - (ii) on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years."

The amendment was agreed to.

Clause 7, as amended, was agreed to.

Clause 8 was agreed to.

Clause 9

THE ATTORNEY GENERAL:—Sir, I move that clause 9 be amended as set out in the paper before honourable Members.

*Proposed amendment**Clause*

- 9 That clause 9 be amended by deleting "is liable on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years." and substituting the following—
- "is liable—
- (i) on summary conviction to a fine of \$500,000 and to imprisonment for 2 years; or
 - (ii) on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years."

The amendment was agreed to.

Clause 9, as amended, was agreed to.

Clauses 10 to 13 were agreed to.

Clause 14

THE ATTORNEY GENERAL:—Sir, I move that clause 14 be amended as set out in the paper before honourable Members.

Proposed amendment

Clause

14 That clause 14 be amended by deleting "is liable on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years." and substituting the following—

"is liable—

- (a) on summary conviction to a fine of \$500,000 and to imprisonment for 2 years; or
- (b) on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years."

The amendment was agreed to.

Clause 14, as amended, was agreed to.

Clause 15

THE ATTORNEY GENERAL:—Sir, I move that clause 15 be amended as set out in the paper before honourable Members.

Proposed amendment

Clause

15 That clause 15 be amended in subclause (2) by deleting "is liable on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years." and substituting the following—

"is liable—

- (a) on summary conviction to a fine of \$500,000 and to imprisonment for 2 years; or
- (b) on conviction on indictment to a fine of \$500,000 and to imprisonment for 7 years."

The amendment was agreed to.

Clause 15, as amended, was agreed to.

Clause 16

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THE ATTORNEY GENERAL:—Sir, I move that clause 16 be deleted.

The deletion was agreed to.

Clauses 17 and 18 were agreed to.

Clause 19

THE ATTORNEY GENERAL:—Sir, I move that clause 19 be amended as set out in the paper before honourable Members.

*Proposed amendment**Clause*

19 That clause 19 be amended by deleting "under this Ordinance" and substituting the following—
"for an offence under section 5, 7, 9 or 10".

The amendment was agreed to.

Clause 19, as amended, was agreed to.

Clause 20 was agreed to.

Clause 21

THE ATTORNEY GENERAL:—Sir, I move that clause 21 be amended as set out in the paper before honourable Members.

*Proposed amendment**Clause*

21 That clause 21 be amended by deleting subclause (4).

The amendment was agreed to.

Clause 21, as amended, was agreed to.

Clause 22

THE ATTORNEY GENERAL:—Sir, I move that clause 22 be deleted.

The deletion was agreed to.

Clause 23

THE ATTORNEY GENERAL:—Sir, I move that clause 23 be amended as set out in the paper before honourable Members.

Proposed amendment

Clause

- 23 That clause 23 be amended in subclause (1) by inserting after "may", in the first place where it occurs, the following—
"on the application of the Attorney General and".

The amendment was agreed to.

Clause 23, as amended, was agreed to.

Clauses 24 to 26 were agreed to.

Clause 27

THE ATTORNEY GENERAL:—Sir, I move that clause 27 be amended as set out in the paper before honourable Members.

Proposed amendment

Clause

- 27 That clause 27 be amended by deleting subclauses (2) and (3) and substituting the following—

"(2) A person authorized for the purpose of this section by a racing club may, if he has reason to suspect that a person is committing an offence under section 7 on the racing club premises, require such person to leave the premises and, if he fails to do so, remove him therefrom.

(3) Any person who, having left or been removed from racing club premises after being required to leave the same under subsection (2), re-enters the premises on the same day commits an offence and is liable on conviction to a fine of \$50,000 and to imprisonment for 2 years."

The amendment was agreed to.

Clause 27, as amended, was agreed to.

Clauses 28 to 31 were agreed to.

Council then resumed.

Third reading of bills

THE ATTORNEY GENERAL reported that the

Companies (Amendment) Bill 1977

Bankruptcy (Amendment) Bill 1977

Workmen's Compensation (Amendment) Bill 1977

had passed through Committee without amendment and that the

Gambling Bill 1977

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

Question put on each bill and agreed to.

Bills read the third time and passed.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on Wednesday the 16th February.

Adjourned accordingly at four o'clock.