

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 21 December 1977****The Council met at half past two o'clock****PRESENT**

HIS EXCELLENCY THE ACTING GOVERNOR (*PRESIDENT*)
SIR DENYS TUDOR EMIL ROBERTS, KBE, QC, JP

THE HONOURABLE THE FINANCIAL SECRETARY
MR CHARLES PHILIP HADDON-CAVE, CMG, JP

THE HONOURABLE THE ATTORNEY GENERAL
MR JOHN WILLIAM DIXON HOBLEY, CMG, QC, JP

THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS
MR LI FOOK-KOW, CMG, JP

THE HONOURABLE DAVID HAROLD JORDAN, CMG, MBE, JP
DIRECTOR OF TRADE, INDUSTRY AND CUSTOMS

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 DAVID GREGORY JEAFFRESON, JP
SECRETARY FOR ECONOMIC SERVICES

THE HONOURABLE ALAN JAMES SCOTT, JP
SECRETARY FOR HOUSING

THE HONOURABLE EDWARD HEWITT NICHOLS, OBE, JP
DIRECTOR OF AGRICULTURE AND FISHERIES

THE HONOURABLE THOMAS LEE CHUN-YON, CBE, 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 ERIC PETER HO, JP
SECRETARY FOR SOCIAL SERVICES

THE HONOURABLE PETER BARRY WILLIAMS, JP
COMMISSIONER FOR LABOUR

THE HONOURABLE RONALD GEORGE BLACKER BRIDGE, JP
SECRETARY FOR THE CIVIL SERVICE

THE HONOURABLE JOHN CHARLES CREASEY WALDEN, JP
DIRECTOR OF HOME AFFAIRS

THE HONOURABLE DAVID RAYMOND BOY, JP
SOLICITOR GENERAL (*Acting*)

THE HONOURABLE LEE QUO-WEI, CBE, JP

THE HONOURABLE OSWALD VICTOR CHEUNG, CBE, QC, 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 REV THE HONOURABLE JOYCE MARY BENNETT, JP

THE HONOURABLE CHEN SHOU-LUM, JP

THE HONOURABLE 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

DR THE HONOURABLE RAYSON LISUNG HUANG, CBE, JP

THE HONOURABLE CHARLES YEUNG SIU-CHO, JP

ABSENT

DR THE HONOURABLE CHUNG SZE-YUEN, CBE, JP

THE HONOURABLE ALEX WU SHU-CHIH, OBE, JP

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL
MR STEPHEN TAM SHU-PUI

Papers

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

<i>Subject</i>	<i>LN No</i>
Subsidiary Legislation:	
Road Traffic (Temporary Car Parks) Regulations.	
Temporary closure of car park	300
Proclamation.	
No 2 of 1977.....	301
Pensions Ordinance.	
Pensionable Offices (Amendment) Order 1977.....	302
Pensions Ordinance.	
Former Pensionable Offices Order 1977	303
Interpretation and General Clauses Ordinance.	
Specification of Public Office	304

Sessional Papers 1977-78:

No 22—Statement of Accounts of the Grantham Scholarships Fund for the year ended 31 August 1977 (published on 21.12.77.)

No 23—Statement of Accounts of the Chinese Temples Fund and General Chinese Charities Fund for the year ended 31 March 1977 (published on 21.12.77.)

No 24—Report of the Brewin Trust Fund Committee on the Administration of the Fund for the year ended 30 June 1977 (published on 21.12.77.)

No 25—Accounts of the Lotteries Fund for 1976-77 (published on 21.12.77.)

Oral answers to questions

EEC/HK textiles agreement—protest to HMG?

1 MR TIEN asked:—*With regard to the EEC/HK textiles agreement:*

- (a) *will Government state whether it is aware that Her Majesty's Government was one of the EEC members which insisted on discriminatory measures against Hong Kong and, if so,*
- (b) *will Government state whether it is aware of the bitterness that is felt by people in Hong Kong as well as by consumers in EEC countries who are thus deprived of certain good quality Hong Kong products and, if so,*
- (c) *will Government consider presenting to Her Majesty's Government the strongest possible protest accordingly?*

THE FINANCIAL SECRETARY:—Sir, the answer to the first and second parts of Mr TIEN's question is 'yes.'

As for the third part of the question I can say this: before and during these protracted negotiations with the European Economic Commission, which was acting within a mandate handed down by the Council of Ministers of the Community, the Government was in constant communication with Her Majesty's Government through the Foreign and Commonwealth Office and the Governor personally had interviews with several Ministers in September and November.

The various exchanges, written and oral, which took place had three objectives: *first*, to ensure that Her Majesty's Government understood the extent to which Hong Kong was being deprived of its rights under the Multi-Fibre Agreement (which in itself is a derogation of our MFN, our most favourite nation rights of entry under the GATT); *secondly*, to ensure that Her Majesty's Government was aware of the implications of the Commission's negotiating mandate for our growth prospects and for our negotiating position vis-a-vis other importing countries; and, *thirdly*, to protest to Her Majesty's Government both as the metropolitan power and as an influential member of the Community at the highly discriminatory nature of the treatment being meted out to us. I regret that our representations did not have more influence on the eventual outcome, but I can assure this Council, Sir, that the Hong Kong Government was in no way inhibited in making these representations by its constitutional status; nor I might add, in all fairness to Her Majesty's Government, were we restricted in the conduct of the negotiations with the European Economic Commission. I can see little point now in making a further protest but, if Honourable Members wish, I shall certainly see their feelings of dismay are formally conveyed to the Secretary of State.

MR TIEN:—*Sir, I am sure that I can speak for all the Unofficial Colleagues that we would like you to do so. In the meantime, can I ask a few supplementary questions?*

HIS EXCELLENCY THE PRESIDENT:—Please, Mr TIEN.

MR TIEN:—*Is it likely that these implications will be limited to our trade in the EEC only?*

THE FINANCIAL SECRETARY:—I cannot say for certain, Sir, but recent experience suggests not.

MR TIEN:—*Was that point also made known to HM Government during the course of the negotiations by the Hong Kong Government?*

THE FINANCIAL SECRETARY:—Yes, Sir, this point was made to HM Government both by this Government from Hong Kong and by our negotiators and the Director of Trade, Industry and Customs in Brussels.

MISS DUNN:—*Sir, does the Government consider that the British Government's role in the development of the EEC's discriminatory negotiating mandate indicates a lack of real concern for Hong Kong's welfare generally?*

THE FINANCIAL SECRETARY:—I know, Sir, that doubts have been raised but my answer to Miss DUNN's question is no, Sir.

MISS DUNN:—*Sir, is the Financial Secretary stating his own personal opinion and if so, would the Government seek assurances from the British Government about their continuing concern for the welfare of Hong Kong in the broadest sense?*

THE FINANCIAL SECRETARY:—The opinion I expressed, Sir, was based on such evidence as is available to me including statements by members of HM Government from time to time. If Honourable Members wish the concern of this Council to be conveyed to HM Government, this concern being that HM Government should continue to express in the future, as in the past, a real concern for the welfare of this community, we shall certainly do so.

MISS DUNN:—*Sir, were these statements made by ministers that the Financial Secretary just referred to, were they not made before the EEC negotiations and have not events since then cast doubt on their sincerity?*

THE FINANCIAL SECRETARY:—As I said earlier, Sir, I think that I well understand the doubts that have been raised in people's minds but I do believe that HM Government's commitment to Hong Kong remains as firm as ever.

MR T. S. LO:—*Sir, arising from the answer to Mr Tien's question, might I ask whether the Government succeeded in making HM Government understand the extent to which Hong Kong is being deprived of its rights under the MFA?*

THE FINANCIAL SECRETARY:—I think, Sir, our point of view and our analysis of the implications of this restrictive agreement was put forward to HM Government in the clearest possible terms and I have no doubt that our point of view was accepted and understood intellectually. Unfortunately, there was not the political will to couple with that intellectual understanding.

MR T. S. LO:—*Sir, was equal intellectual understanding reached with regard to the second objective listed in the answer?*

THE FINANCIAL SECRETARY:—If Mr LO is asking, Sir, whether we were conscious at the time we were putting forward these representations and making our understanding of the position known to HM Government, if he is asking whether we were aware and indeed motivated by the strong feelings of this Community about the treatment being meted out to us and about the disregard of our rights under the MFA, the answer is most certainly yes.

MR T. S. LO:—*Sir, I think there was some misunderstanding. I was asking with regard to the second objective listed in the answer which says it was the Government's objective to ensure that HM Government was aware of the implications of the Commission's negotiating mandate for our growth prospects and for our negotiating position vis-a-vis other importing countries; was the Government successful in making HM Government aware of this?*

THE FINANCIAL SECRETARY:—I am sure that we did penetrate in an intellectual sense and certainly we penetrated in an argumentative sense, but as I said before there was not a parallel political will which was necessary, of course, if an intellectual and debating argument was to win the day.

MR T. S. LO:—*Sir, it would be fair to say that despite achieving its objectives, it does not really help us very much?*

HIS EXCELLENCY THE PRESIDENT:—I think that is a comment rather than a question.

THE FINANCIAL SECRETARY:—Sir, I think I can only say so that we, as a Government and as an administration, greatly regret the absence of an appropriate political will and an appropriate degree of political sympathy.

Multi-Fibre Arrangement—future of

2 MR TIEN asked:—*Sir, what conclusion, if any, has been reached in the Textile Committee under GATT regarding the future of the Multi-Fibre Arrangement?*

THE DIRECTOR OF TRADE, INDUSTRY AND CUSTOMS:—*Sir, on the 14 December, the Textiles Committee adopted certain conclusions regarding the future of the Multi-Fibre Arrangement. From Hong Kong's point of view, the most important of these conclusions are:*

- firstly, that the MFA should be extended for a period of four years, until the end of 1981; and
- secondly, that mutually acceptable solutions to textile trade problems under the MFA include the possibility of jointly agreed reasonable departures from particular elements of the MFA in particular cases.

MR TIEN:—*Sir, will Hong Kong accede to the renewed MFA?*

DIRECTOR OF TRADE, INDUSTRY AND CUSTOMS:—*Sir, the Government has not yet decided whether it will. Sir, I shall be consulting the Textiles Advisory Board of which, of course, my honourable Friend is a Member, to-morrow, and we shall then put our recommendation in the matter to the Government.*

Magistrates Courts—proceeding time on summons

3 REV JOYCE M. BENNETT asked:—*Sir, what is the average time, in cases dealt with by summons to be heard in Magistrates Courts where there is no difficulty in serving the summons, between*

- (a) *the date of the alleged offence and the date of the issue of the summons?*
- (b) *the date of the alleged offence and the hearing where the offence is admitted?*
- (c) *the date of the alleged offence and the hearing where the offence is not admitted?*

THE ATTORNEY GENERAL:—*Sir, the question relates to the whole of the considerable range of offences in relation to which criminal proceedings are taken by summons.*

Summons are issued on complaint by police officers. They are also issued on complaint by officers of most other Government departments.

Members will, therefore, understand, I hope, that it is not possible to provide meaningful average figures across the whole range of offences where the summons procedure is adopted. If Members can direct attention to

particular offences, the Government will certainly provide such information as may be available.

REV JOYCE M. BENNETT:—*Sir, is the Government aware that members of the public are concerned over the long delay in the hearing of summons?*

THE ATTORNEY GENERAL:—I have heard, Sir, of some cases where there has been concern about delay.

REV JOYCE M. BENNETT:—*Sir, is the Government aware then that the general public considers that delays may cause a miscarriage of justice?*

THE ATTORNEY GENERAL:—Yes, Sir, it is always desirable that criminal proceedings should come on as quickly as possible after the event. Whether delay actually causes a miscarriage of justice is not a question which I could answer in general terms.

MR T. S. LO:—*Sir, may I ask whether it is within Government's power or control to speed up the process, or is it within merely the power and control of the judiciary?*

THE ATTORNEY GENERAL:—No, it would be a mixture of both elements. The bringing of proceedings involves the investigation, the conduct of the investigation, leading to the issue of the summons, there could be delays there. The next stage is entirely within, of course, the hands of the judiciary.

MR T. S. LO:—*Sir, this answer that was given to Miss Bennett's question, I do not know whether Government agrees, is a non-answer and whether Government would agree to endeavour to institute a procedure whereby, in future, answer to this question may be made?*

THE ATTORNEY GENERAL:—It is a non-answer in the sense that it does not give the average figure which you sought; it is in fact the only sensible answer that I can give at this stage.

TV programmes—Government control

4 MISS KO asked:—*Sir, in view of the tremendous influence of television programmes in the community, particularly on children and young people who are more impressionable, and the fact that only about 40% of such programmes are monitored at present, will Government make arrangements for the Television Authority to monitor all programmes of all three commercial television stations?*

SECRETARY FOR HOME AFFAIRS:—Sir, the aim of the Television Advisory Board is a comprehensive monitoring of all programmes. However this would

require a disproportionate amount of manpower. The establishment of Television Standards Control Officers has recently been increased from six to nine and when the three vacancies have been filled this should enable the Television Authority to increase its monitoring coverage towards this end. I am not able to say what percentage coverage this would amount to as the combined output of the three stations is increasing and as the Television Standards Control Officers are also required to direct and advise the stations on programme standards.

MISS KO:—*Sir, are the additional staff able to preview more locally produced programmes?*

SECRETARY FOR HOME AFFAIRS:—*Sir, film material must be submitted for censorship under the Television Ordinance. Locally produced programmes are not required for preview. However, Sir, in cases where the Television Authority believe that there may be a mis-interpretation or mis-application of the programme standards Code of Practice, he would arrange for the programme concerned or future material in the same series to be previewed before transmission.*

MISS KO:—*Sir, does Government use video tape to assist with monitoring all live television programmes when staff are unavailable at the time of screening; if not, will Government consider its use?*

SECRETARY FOR HOME AFFAIRS:—*Government will certainly consider this, Sir.*

REV JOYCE M. BENNETT:—*Why are not locally produced films required to be previewed?*

SECRETARY FOR HOME AFFAIRS:—*There are so many of them which will be impracticable for all of them to be previewed; but, in any event, local producers are conversant with the Code of Practice on programme standards as opposed to production overseas; also, local producers can readily obtain advice and assistance from the Television Authority.*

REV JOYCE M. BENNETT:—*Sir, can those aimed at teenagers be previewed?*

SECRETARY FOR HOME AFFAIRS:—*Sir, I shall ask the Television Authority to consider that.*

Rates on sports and recreational clubs

5 MR YEUNG asked:—*Sir,*

(a) *in the recent exercise of re-assessing the rateable value of non-profit making sports and recreational clubs, what was the range and average of the increase in terms of*

- (i) *percentage; and*
 - (ii) *actual amount?*
- (b) *is Government aware of the adverse effects of this increase in rates on the promotion and provision of sports and recreational facilities; and if so, what measures will Government take to rectify the situation?*

THE FINANCIAL SECRETARY:—Sir, the rateable values of non-profit making sports and recreational clubs have increased quite substantially. To give the average increase would be misleading, as the new values have been arrived at in a manner which takes more fully into account the different facilities provided by these clubs. The range of increase is between five-fold and twenty-fold. But the increase in the majority of cases does not exceed a modest ten-fold.

The reason for this substantial increase is that the previous valuations were based on an out-dated formula. This formula would have produced values which would have been generally out of line with the values of other categories of premises. Furthermore, it would also have produced values as between one club and another which would not have adequately reflected the variety of facilities provided. The Commissioner of Rating and Valuation therefore adopted a new approach which has recently been upheld in an appeal to the Lands Tribunal.

I have already taken steps, Sir, to cushion the effects of the increased rateable values. Non-profit making sports and recreational clubs are eligible, along with all other premises, for the general scheme of relief which I announced in the Budget Speech earlier this year. Under this scheme of relief, the rates payable by a ratepayer in 1977-78 will not be more than one third above the rates payable by him in 1976-77. So in the extreme case at the upper end of the range, where the rateable value for the club concerned has increased twenty-fold, the actual amount of increase in the rates payable in 1977-78 is only \$345. This increase spread amongst the club's present membership, amounts to about 55 cents per member per year. And for 1978-79, the rates payable in 1977-78—that is to say, for this particular club, the further increase in 1978-79 will be about \$460. Even when the scheme of relief ceases to apply in 1979-80, the amount of rates payable by each member of a club is unlikely to amount to more than a small fraction of members' monthly bills.

Illegal advertisements—control of

6 MR PETER C. WONG asked:—*Sir, will Government take steps to control the proliferation of illegal advertisement put up or painted in public places?*

SECRETARY FOR SECURITY:—Sir, although the law as it stands provides for control over the posting of handbills and other advertising material in public

places but it is not easy to enforce because of the difficulty of identifying the persons who actually put up the signs and posters. The Public Works Department, the New Territories Administration, the Housing Department and the Urban Services Department all make efforts within their resources to remove such illegal advertisements. These activities, however, have only a limited effect on the problem, as in many cases new advertisements appear almost as soon as the old ones are removed.

The Urban Council and the Government are most concerned about this question, and consideration is being given to amending the law to provide that the person or organization seeking to benefit from the posting of any illegal advertisement should be made liable.

Water storage situation

7 MR F. W. LI asked:—*Will Government inform this Council of the present water storage situation?*

DIRECTOR OF PUBLIC WORKS:—Sir, reservoir storage on the 19 of December 1977 was 190.7 million cubic metres or 41,950 million gallons.

At the same time the outstanding amount of water to be supplied from China for the 1977-78 supply period was 140.1 million cubic metres or 22,903 million gallons. The desalter is in full production with an average daily rate of 0.182 million cubic metres or 40 million gallons.

With the continuation of the current level of restriction and assuming no significant rainfall in the dry season it is estimated that storage on 1 May 1978 will be about 152.3 million cubic metres or 33,500 million gallons which will only be slightly above the storage required then to maintain a 4-hours' daily supply for the subsequent period should a drought occur next summer.

Water restrictions—observance of

8 MR F. W. LI asked:—*Is Government satisfied that existing water restrictions are being generally observed by consumers, including Government departments?*

DIRECTOR OF PUBLIC WORKS:—Sir, although it is not possible to reply categorically in respect of each consumer, the answer generally is yes, as evidenced by the reduction in water consumption since the imposition of the second phase of restrictions.

With the multitude of high rise buildings in Hong Kong, each of which has a roof storage tank, the opportunity to use stored water outside the

supply periods is ever present. Control of supply from these tanks can only be effected with the co-operation of the building managements. Letters were written to individual management bodies and an appeal was made as part of general publicity to seek their co-operation in observing the prescribed hours of supply.

Government departments were required to observe the prescribed hours of supply by a written instruction, the responsibility for compliance resting with the central administration of each department.

MR F. W. LI:—*Sir, in view of the reply by the Director of Public Works, will the Government explain why the infield recreational area of the racecourse at the Happy Valley is being watered every day by Government staff?*

DIRECTOR OF PUBLIC WORKS:—*Sir, the infield is not watered by mains water. The area is maintained by the Urban Services Department using water obtained from deep bore wells located in the area.*

MR F. W. LI:—*Sir, would Government agree that even well water is quite precious nowadays and could otherwise be used more properly than on recreational areas?*

DIRECTOR OF PUBLIC WORKS:—*I am sorry, could I ask ...*

HIS EXCELLENCY THE PRESIDENT:—*Would you mind repeating the question?*

MR F. W. LI:—*Will Government agree that even well water nowadays is precious and could otherwise be used more properly and appropriately than on recreational areas?*

DIRECTOR OF PUBLIC WORKS:—*Sir, these are, in fact, private wells and they can't easily be drawn on and fed into the supply system.*

REV JOYCE M. BENNETT:—*Why it is that sometimes unexpectedly we get all day water supply? (laughter)*

DIRECTOR OF PUBLIC WORKS:—*I am not aware of any situation whereby an all day water supply is provided.*

Coins—inscription on

9 MR CHEONG-LEEN asked:—*Sir, will Government consider inscribing on the proposed new \$1 and 10¢ coins their respective denominations in clear Arabic numerals in order to facilitate ready identification?*

THE FINANCIAL SECRETARY:—*Sir, the design of the new one-dollar coin has been finalised already. The design is based on the recommendations of the*

Coinage Review Committee. That Committee recommended that the inscription and motif on both sides of the dollar denomination coins, that is to say, the one, two and five dollar coins should be similar to the present one-dollar coin, except that the latest effigy of the Queen should be used.

I do not think the public will find it hard to identify the new dollar coin. It would be difficult I can assure you, to confuse it with any cent denomination coin: it will be larger in diameter; it will weigh more than the 50 cent coin, which is the largest of the cent range; its colour will be different because it will be made of cupro-nickel instead of nickel brass, the metal from which the cent denomination coins are made; and it will carry a different motif.

It will also be difficult to confuse the one-dollar coin with either the two or the five dollar coins: the dollar coin will be round, whereas the two-dollar coin has 12 scallops and the five-dollar coin has 10 sides. In addition, the dollar coin will be lighter in weight than both the two-dollar and five-dollar coins, and its diameter, for those of you who are interested, will be 25.5 mm, compared with 28 mm for the two-dollar coin, and 31 mm for the five-dollar coin.

The design of the *10-cent coin* has not yet been finalised; but one of the designs under consideration is similar to that which I believe Mr Hilton CHEONG-LEEN has in mind.

MR HILTON CHEONG-LEEN:—*Do I understand from the last sentence of the Financial Secretary's reply, that serious consideration will be given to inscribing an Arabic figure on the new ten cent coin?*

THE FINANCIAL SECRETARY:—It is rather strong language—‘serious consideration’. *(laughter)* We are considering it.

MR HILTON CHEONG-LEEN:—*Sir, coming back to the new one-dollar coin, will it be round in shape?*

THE FINANCIAL SECRETARY:—Yes, Sir.

MR HILTON CHEONG-LEEN:—*Then, how would my honourable Friend advise the best way to identify in the dark the new one-dollar coin and the 50-cent coin?*

THE FINANCIAL SECRETARY:—Size, shape, feel and common sense! *(laughter)*

MR HILTON CHEONG-LEEN:—*Do you need common sense in the dark, Sir? (laughter).*

MR CHEUNG:—*Is Government in a position to give directions to the designer employed for designing these coins as regards Mr Cheong-leen's wishes?*

THE FINANCIAL SECRETARY:—Yes, Sir, even the Government has all the rights of a client!

Coins—shortage of

10 MR Q. W. LEE asked:—*Sir,*

- (a) *has it come to the Government's attention that there has been a shortage of 10¢ coins for quite a few months now?*
- (b) *if so, what measures is Government taking to ease the situation?*

THE FINANCIAL SECRETARY:—Yes, Sir, I have seen reports of a shortage of 10 cent coins.

The total outstanding circulation of 10-cent coins is about 2,100 metric tons or 460 million coins, that is to say, about 100 coins per head of the population.

With so many 10-cent coins in circulation, it is hard to believe that there is a real shortage. It is possible that reports of shortages coming so close to the Chinese New Year festival have led to some hoarding of even these coins and, apart from seasonal hoarding, it may be that a large number of 10-cent coins tend to be put away in tins and boxes and drawers for a rainy day and then forgotten. I have heard it suggested that, at present metal prices, it is worthwhile melting them down, although I must say I find that on the basis of the arithmetic available to me, very hard to believe.

There is nothing that can be done immediately to increase the number of 10-cent coins in circulation, but we do have contingency plans in hand should the position become, what I would regard as critical.

One of the purposes of introducing the 20-cent coin was to displace 10-cent coins, so that when the present coin is replaced, fewer new coins will be needed. Unfortunately, this has not worked out quite as the Coinage Review Committee expected and the Government hoped and there has been no reduction in the number of 10-cent coins in circulation; in fact, the number has increased by about 21 million since the 20-cent coin was first introduced in August 1975. It seems that the public are still not fully accustomed to the 20-cent coin with the result that rather more 10-cent coins are being used in transactions than are actually needed for these transactions. In recent months there have been a few faint signs that rather more use is being made of the 20-cent coin and, hopefully, this should lead eventually to a reduction in the demand for 10-cent coins.

MR CHEUNG:—*Sir, would the Financial Secretary care to inform Members of the Council what these contingency plans in hand are?*

THE FINANCIAL SECRETARY:—Well, of course, Sir, they are of course top secret, but I can say (*laughter*) that it is our intention to print ten cent notes (*laughter*) under the authority vested in me under the Dollar and Subsidiary Notes Ordinance. Ten-cent notes have in fact been issued before in similar circumstances, in fact in 1965. All those notes have since been rather unfortunately demonetised, but we do have plenty of scope for a new issue and the technical printing problems can be, I am sure, overcome.

MR CHEONG-LEEN:—*This is a general question, Sir. Are there any plans to come out with a 30-cent coin, and if not, why not?*

THE FINANCIAL SECRETARY:—No, Sir, we have finished with coinage reform for some time. (*laughter*)

Country Parks—security

11 MR WONG LAM asked in the Cantonese dialect:—

最近有若干郊野公園開放，請問政府會採取甚麼保安措施，以保障郊遊人士的安全？

(The following is the interpretation of what Mr WONG asked)

With the recent opening of a number of country parks, what security measures will Government take to protect members of the public using such parks?

SECRETARY FOR SECURITY:—Sir, the Police provide protection for members of the public using country parks in the same way that protection is provided to the public in other parts of Hong Kong. The most important means of protection is by Police patrols on foot and in vehicles. The frequency of patrols depends on the degree of use of the area concerned and patrols are always increased at weekends and on public holidays. I am arranging for Mr WONG Lam to receive details of these arrangements in individual parks.

The Agriculture and Fisheries Department also provide forest guards to advise and assist the public and to ensure that members of the public comply with the Country Parks Regulations and they draw the attention to Police officers to any suspicious characters or criminal activities they observe during these patrols.

The arrangements for policing country parks are kept under review by the Police and the number of officers deployed on patrol duties is increased as and when the need arises.

MR WONG LAM:—(asked in the Cantonese dialect)

閣下，政府會否組織一隊保安人員專門巡視郊野公園？

(The following is the interpretation of what Mr WONG asked)

Sir, will the Government organize safety patrols solely to patrol country park areas?

SECRETARY FOR SECURITY:—They do so already and we shall certainly, in consultation with the Director of Agriculture and Fisheries and the Country Parks Board, keep this matter under review.

MR CHEONG-LEEN:—*Sir, will consideration be given to using a helicopter patrol service on public holidays over those parks which are well patronized by the public?*

SECRETARY FOR SECURITY:—Certainly, consideration will be given to it. But the number of helicopters is somewhat restricted and they are, of course, extremely expensive to operate. Therefore, sight-seeing by helicopters of people in public parks who are themselves sight-seeing may not necessarily be very effective.

MR CHEONG-LEEN:—*They are being used in parks in other countries and if it improves the security for the general public I see no reason why it cannot be considered.*

HIS EXCELLENCY THE PRESIDENT:—Your question is, Mr CHEONG-LEEN?

MR CHEONG-LEEN:—*Since they are being used very effectively in other countries, will consideration nevertheless be given to this suggestion?*

SECRETARY FOR SECURITY:—As I indicated, Sir, consideration certainly will be given.

MR CHARLES YEUNG:—*Is Government thinking along the lines where the young people are urged to form voluntary groups to patrol the parks?*

SECRETARY FOR SECURITY:—*Could I ask the Honourable Member to repeat that question?*

HIS EXCELLENCY THE PRESIDENT:—Could you repeat that question, Mr YEUNG, please?

MR CHARLES YEUNG:—*Is Government thinking along the lines where the young people may be encouraged to form voluntary groups for the patrolling of the parks themselves?*

SECRETARY FOR SECURITY:—I am not aware that is so, but I shall take the Honourable Member's point and consider it, Sir.

Boat squatters—rehousing and social services for

12 MISS KO asked:—*Sir, will Government consider reviewing the overall situation of boat squatters with a view to meeting the various special needs and problems of this particular group for rehousing and other social services in order to accelerate their assimilation into the community?*

SECRETARY FOR HOUSING:—*Sir, Mrs KWAN's question embraces a wide field of services including housing, education, social welfare, labour and medical services and no doubt others.*

As far as housing is concerned, the policy, as I stated in this Council on 12 October, is to offer accommodation automatically to dwellers in boats which are either affected by development clearances or considered by the Marine Department to be in such a condition that the dwellers may be rendered homeless at short notice. This is consistent with our policy in regard to rehousing other groups, for instance, roof top squatters, tenement dwellers and land squatters. There are many families among these various groups who are not affected by public works or emergencies, but are living in unsatisfactory living conditions. The Housing Authority tries to meet the needs of these groups in as balanced and as equitable a way as it can.

In so far as Public Assistance, social welfare, education, employment and medical services are concerned, boat squatters have access to all these services on land. Their needs for these services do not appear to be significantly different from land dwellers, and they are therefore treated in the same way as all members of the public.

We do appreciate, Sir, that boat squatters have their own particular background in historical, cultural, and economic terms, but with regret it is not considered that this justifies special priority in relation to the other groups I have mentioned.

MISS KO:—*Sir, is Government satisfied with the present environmental hygiene in these squatter areas? If not, what will Government do to improve the situation?*

SECRETARY FOR HOUSING:—Government certainly is aware of and is not satisfied with the environmental conditions of the group we are talking about. I did in my reply of the 12 October outline the general situation and I would invite reference to the record in Hansard and to the supplementary questions and replies then given. I did indicate at that time that for one particular group of squatters about whom Mrs KWAN asked in Yau Ma Tei, it will not be before 1982 that we can see an end to their particular problem. We regret this, but the fact is that there are other members of the community, large numbers, in equally unsatisfactory conditions. It is a very large

problem for which we have programmes, which we are pushing on to deal with it.

MISS KO:—*Taking social services to include safety, law and order, is Government satisfied with the provision for the maintenance of these three in the boat squatter areas. If not, what plans are being done or being made to improve the situation?*

SECRETARY FOR HOUSING:—I am afraid, Sir, I am beginning to answer on behalf of about five of my Official Colleagues. I can not claim that I can do that satisfactorily. As I said in my first reply, they do have access to the various services provided by Government departments in the same way as land dwellers. I do not think I am putting my Official Colleagues in a difficult position by facing the fact that these services can be improved.

MISS KO:—*In view of Government's recent proposal to make junior secondary education compulsory, will Government make any special arrangements to meet the unique educational need of children of the boat people?*

HIS EXCELLENCY THE PRESIDENT:—I think perhaps you should put down a separate question, Miss Ko. You are wandering very much from the original subject.

MISS KO:—Thank you.

Traffic Wardens grade—expansion of

13 MR LOBO asked:—

- (a) *Is Government satisfied that traffic wardens are performing a useful role?*
- (b) *if so, has it any plans to extend their jurisdiction and the establishment of the grade?*

SECRETARY FOR THE ENVIRONMENT:—Sir, the answer to the first part of the question is a very positive, yes. As regards the second part, the establishment of traffic wardens has already been increased and recruitment is still going on to bring it up to strength. Once this has been achieved, the establishment will be further enlarged and recruitment will continue.

The Commissioner of Police is very much in favour of extending the duties of the Corps in so far as this is possible. Apart from their original duties of controlling parking, they are already directing traffic in some places, and consideration is being given to them undertaking certain other tasks now performed entirely by traffic police.

MR LOBO:—*Arising from the answer, may I know how long has this recruitment exercise been going on and how successful it has been?*

SECRETARY FOR THE ENVIRONMENT:—The recruitment exercise, as I understand it, is going on on an almost continuing basis. It is a question of obtaining candidates of the requisite standard. The establishment is rather under strength at the moment.

MR LOBO:—*Am I then, Sir, to understand that the Commissioner of Police will not be able to have assistance from these Wardens because there are no recruits available?*

SECRETARY FOR THE ENVIRONMENT:—Sir, the Commissioner of Police is making every effort to increase recruitment.

Road and rail communications in NT

14 REV JOYCE M. BENNETT asked:—*Since the New Territories are one of the main recreational areas for the community, what steps are being taken by Government to ensure that adequate road and rail communications are completed before Sunday racing in Sha Tin starts?*

SECRETARY FOR THE ENVIRONMENT:—Sir, among the matters that were given most careful consideration before a decision was taken to allow Sunday racing at Sha Tin were the availability of adequate road and rail communications to cope with the expected traffic and the timing of race meetings to avoid conflict with other recreational traffic.

The race course will have a capacity of 35,000 and, as no more than 1,000 car parking spaces will be provided and allocated, the majority of those attending will need to use public transport to get there. The Kowloon-Canton Railway, whose Sha Tin Racecourse Station will be completed by September 1978, and the bus companies, will between them be able to carry 28,000 passengers to the course and 33,000 home afterwards. The capacity of the road system will also be improved next year with the opening of the second tube of the Lion Rock Tunnel and its associated road works, and it is anticipated that the roads will be able to cope with the balance of racegoers using other means of transport, as well as other traffic.

REV JOYCE M. BENNETT:—*Sir, when will the double tracking of the railway be finished?*

SECRETARY FOR THE ENVIRONMENT:—Sir, I would anticipate it will be towards the end of 1980. The bottle neck is the construction of a new double tracked Beacon Hill tunnel.

REV JOYCE M. BENNETT:—*Sir, before this is finished how many extra trains can then be put on on Sundays to cope with the increased Sunday passengers?*

SECRETARY FOR THE ENVIRONMENT:—Sir, there will be a limited number of trains until the double tracking is completed and until, hopefully, we electrify the railway, which again, although no policy decision has been firmly taken on this, would be towards the end of 1980 or early 1981. Nevertheless, the figures I have quoted will be sufficient for the passengers going to the racecourse on a Sunday afternoon.

REV JOYCE M. BENNETT:—*Sir, will the Government consider stopping Sunday racing if the traffic congestion is bad?*

SECRETARY FOR THE ENVIRONMENT:—Sir, I don't think that question has yet arisen. If it does, the Government will give it due consideration.

MR CHEUNG:—*How many metres of the railway track are being doubled per day? (laughter)*

SECRETARY FOR THE ENVIRONMENT:—I think this goes rather beyond the scope of the question. I don't know the answer at the moment. I will find it out and I will let Mr CHEUNG know.

REV JOYCE M. BENNETT:—*Are the extra 5,000 passengers to be carried home those who have lost their money on the races? (laughter)*

SECRETARY FOR THE ENVIRONMENT:—No, Sir, I think it is merely a question of the capacity of the trains. There will be more spare train capacity available going home than coming out. But, nevertheless, if you take into account also that I have said nothing here about taxis and mini buses, there should be plenty of transport available.

MR CHEONG-LEEN:—*Could Mr Jones confirm that the train service on Sundays once racing commences would be able to cope with the race-going public as well as the average number of people who use the train to go into the New Territories on Sundays for recreational purposes?*

SECRETARY FOR THE ENVIRONMENT:—Yes, Sir, the figures I have quoted have been calculated in what I would call an incremental way, that is the traffic already existing and the capacity being used for other purposes has been taken into account before we calculated the extra capacity available for race-going traffic.

Crowd control at soccer match

15 DR HU asked:—*Sir,*

(a) *is the Government satisfied with the effectiveness of crowd control at a soccer match at Boundary Street Stadium on Sunday, 27 November 1977?*

(b) *if not, what measures would be taken in future?*

SECRETARY FOR SECURITY:—Not entirely, Sir, because the size of the crowd was substantially greater than the advance estimate of an attendance of 7,000 by the Football Association. In these circumstances the original detachment of Police for crowd control duties had to seek reinforcement. These were provided by the reserve unit which was standing by. For the future the Police will continue to maintain close liaison with the Football Association in order to try to ensure as accurate a forecast of likely attendance as possible.

DR HU:—Thank you.

Taxi licences—increase in

16 MR BREMRIDGE asked:—*Sir, will Government arrange for a more rapid translation of private hire cars into licensed taxis, and a subsequent sharp increase in the grant of new taxi licences, so that there may be some reasonable prospect in the foreseeable future of supply meeting sensible demand?*

SECRETARY FOR THE ENVIRONMENT:—Sir, the programme for converting public hire cars to taxis is proceeding as rapidly as the resources of the Transport Department permit. They should all be converted by early July 1978 and, from May onwards, it should be possible to resume the agreed policy for the direct issue of further urban taxi licences. By then there will be over 7,000 taxis available.

MR BREMRIDGE:—*Sir, do Government agree that despite soothing assurances of this nature made several times in this Chamber, it is now easier to hire a camel in Cairo than a taxi in Central?*

SECRETARY FOR THE ENVIRONMENT:—Sir, as I have had no experience of hiring a camel in Cairo (*laughter*) I cannot make the comparison.

MR CHEONG-LEEN:—*Sir, is it anticipated that by July 1978, 7,000 taxi will be sufficient to cope with the needs of the public who use taxis?*

SECRETARY FOR THE ENVIRONMENT:—Sir, as I indicated in my answer, it should be possible from May onwards to resume the agreed policy of direct issue of further urban taxi licences. These would then be on top of the 7,000. It is 7,100 and something taxis, I think I have the figure here 7,117 is our calculation.

MR CHEONG-LEEN:—*Has any figure been decided on, Sir, as to the number of new taxi licences which will be issued monthly after that particular date?*

SECRETARY FOR THE ENVIRONMENT:—Sir, on present policy the figure is 100 a month.

MISS DUNN:—*How are these figures arrived at? Is this based on demand? I mean this magic figure of 7,110—and something will that be sufficient to meet demand?*

SECRETARY FOR THE ENVIRONMENT:—No, Sir, it is merely an arithmetical total of existing taxis including New Territories taxis plus the hire cars being converted.

MISS DUNN:—*Sir, would it not be sensible to study demand and then arrive at an appropriate number of taxis?*

SECRETARY FOR THE ENVIRONMENT:—Sir, yes, but I would remind Miss DUNN that in economics, demand is a function of price. *(laughter)*

MISS DUNN:—*Is it not possible that more licensed taxis would mean a larger than proportionate reduction in the use of private cars, number of private cars regularly in use thus helping to reduce road congestion?*

SECRETARY FOR THE ENVIRONMENT:—Sir, there is no evidence of this as far as I am aware.

MR JAMES WU:—*What is holding back a faster translation of private hire cars into licensed taxis by the Transport Department?*

SECRETARY FOR THE ENVIRONMENT:—Sir, it is resources for testing meters. Apart from testing the actual meter, the meter has to be tested on the road over a one-mile course and in present conditions of traffic congestion, I am told this takes 30 minutes a time. *(laughter)*

MR JAMES:—*Was it not possible to authorize some car agent to undertake the work of all these testing as is done in many other cities?*

SECRETARY FOR THE ENVIRONMENT:—Sir, experience in other countries, not least in the United Kingdom has shown that this method does not always work very well. It is certainly open to corruption, to put it at its lowest.

MISS DUNN:—*Is the Secretary for the Environment saying that these practical difficulties are insuperable?*

SECRETARY FOR THE ENVIRONMENT:—No, Sir. The whole question of taxi policy is being considered by the Transport Advisory Committee tomorrow afternoon to be exact, and Miss DUNN will be present as a member of the committee so I will be very interested to hear her advice on that occasion.

MISS DUNN:—*You will hear it. (laughter)*

MR CHEONG-LEEN:—*Is there any evidence that this protracted system of testing of meters is causing road congestion which is one of the reasons why the Transport Department is not able to proceed at a faster pace?*

SECRETARY FOR THE ENVIRONMENT:—Sir, the Transport Department is doing its best within its present resources. The fact is it cannot increase its testing by very much until the new Kowloon Bay Motor Vehicle Testing Depot is open in 1979. Then it will be able to test a lot more vehicles.

MR LO:—*Sir, I was disturbed with the last answer to the supplementary question. Is Government saying that the agreed policy might undergo change tomorrow?*

SECRETARY FOR THE ENVIRONMENT:—Sir, in chairing the Transport Advisory Committee, I take the advice of the Committee. If they did recommend a change in the policy this would, under our constitutional procedures, be then put to the Governor-in-Council.

MR LO:—*But as Chairman of the Transport Advisory Committee, it is surely up to the Chairman to ask whether policy change is recommended. Are you asking such a question?*

SECRETARY FOR THE ENVIRONMENT:—Sir, this raises certain matters of the procedures of the Transport Advisory Committee but the Committee did at an earlier stage ask for this to be considered and a paper has been prepared and put to them.

MR BREMRIDGE:—*Sir, will Government agree that whatever the policy towards taxis—and I say whatever advisedly—it is completely disastrous at present? (laughter)*

SECRETARY FOR THE ENVIRONMENT:—Sir, I would put it slightly lower than that. *(laughter)*

MR CHEONG-LEEN:—*Does my honourable Friend mean it is not so disastrous then?*

(Not answered)

Workers' benefits—publicity of

17 MR LEUNG asked:—*Sir, will Government take effective steps to keep the workforce of Hong Kong informed of their rights to workers' benefits?*

COMMISSIONER FOR LABOUR:—Sir, the Labour Department already puts significant effort into this.

This effort is directed mainly by a departmental Publicity Unit staffed by Government Information Services and Labour Department officers, and much use is made of the television, radio, the press and other channels to keep all concerned up-to-date with new labour legislation and the services provided by the Labour Department.

In addition to this standard publicity effort, the Department produces a wide range of guides and booklets, in English and Chinese, explaining legislation in simple terms and giving guidance on such matters as industrial health and safety, air pollution and labour relations. These publications are provided free of charge and are available at offices of the Labour Department, Government Publication Centres, enquiry counters of the New Territories Administration and City District Offices. About \$500,000 will be spent on these publications next year.

The Department also regularly provides many speakers for organizations interested in labour and related matters. Opportunity is frequently taken on these occasions to emphasise a particular point of interest to our workforce. The Press, TV and Radio are usually most co-operative in reporting the more important subjects covered. So far this year there have been 120 such talks and 70 Radio, TV and Press interviews.

Finally, the Department stages from time-to-time full scale promotional exhibitions and campaigns, recent examples are the Machinery Guarding Exhibition in March this year and the Careers Exhibition presented early this month.

I expect all these services to expand gradually, and our planned programme of opening new branch offices will also help to make this kind of information even more readily available.

MR LEUNG:—*Sir, does the Labour Relations Services of the Labour Department take an active part in advising our work force?*

COMMISSIONER FOR LABOUR:—Yes, Sir, this service is also very active. During the past year, for instance, the Labour Relations Service has dealt with more than 50,000 enquiries. They are mainly from workmen and about problems arising from their conditions of employment and their rights. These enquiries come in by telephone, or by people calling at various offices and where necessary, the offices of the Labour Relations Service also assist individual workmen or groups of workmen with their problems.

Specialist X-ray examination and treatment—waiting time for

18 MR CHEONG-LEEN asked:—

- (a) *Is the Government satisfied with the waiting time for specialist X-ray examination and treatment in Government hospitals?*
- (b) *if not, what steps are being taken to reduce it?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, in answering my honourably Friend's question, I should first of all like to clarify that X-ray examinations presently being carried out in Government hospital fall generally into two categories; firstly, those which are considered urgent for determining the diagnosis of a case so that appropriate treatment could be started. For such cases, there is no waiting time. On the other hand, there are certain cases which in the opinion of the attending doctor should undergo further examinations for more detailed investigations and confirmation of the clinical diagnosis and for follow-up at certain intervals. For such cases, there is a priority schedule and depending on the individual case there may be on the average a waiting time of about four months for the Queen Elizabeth Hospital while the waiting time for the Queen Mary Hospital and the Princess Margaret Hospital is much less. I might add that this picture is general true also in the United Kingdom.

However, there is always room for improvement and it is desirable to reduce the waiting time for such X-ray examinations as much as it is possible. To this end, measures in the short and longer-term are now being taken. In the immediate short-term active consideration is now being given to increasing the number of sessions within the present facilities which should reduce the waiting time to a considerable extent. At the same time, steps are being taken to provide additional facilities in major institutions such as the South Kwai Chung Polyclinic, the Princess Margaret Hospital, the Queen Elizabeth Hospital and the Kowloon Hospital. In fact, the facilities at the South Kwai Chung Polyclinic should be operational by early next year and given the resources the other facilities should also be in use within the next two to three years which will further improve the situation.

MR CHEONG-LEEN:—*Sir, when will it be possible to increase the number of sessions and after these sessions have been increased by how much will the waiting time be reduced—one month or two months for example?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—It is hoped that the waiting time will be reduced from four months to about six weeks.

MR CHEONG-LEEN:—*What about the reduction of waiting time? It has been stated in the reply that the average waiting time is four months. Could the waiting time be reduced after the facilities have been increased?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, I have just said that the waiting time would be reduced to an average of about six weeks from the average of four months.

MR CHEONG-LEEN:—*Do I understand that within four months there is a possibility that the facilities will be increased?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*I don't quite understand the question, Sir, may I...?*

MR CHEONG-LEEN:—*With your permission, Sir, may I reframe my question? In the short-term it is proposed to increase the number of sessions within the present facilities, how soon could that take place?*

HIS EXCELLENCY THE PRESIDENT:—Could you just leave it there for the moment, Mr CHEONG-LEEN? If you have another one you can ask later, Mr CHEONG-LEEN. How soon?

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—As soon as possible. We hope that there will be some increase in sessions within a month or two.

MR CHEONG-LEEN:—*And, after these facilities have been increased, is it anticipated that the waiting time for X-ray facilities can be reduced very much below the current average of four months?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Yes, Sir.

DR HUANG:—*May I ask whether adequate provision has been made for the training of radiographers?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, I think this question have been raised in this Council some time back and it was proposed that certain paramedical staff including radiographers be trained at the Polytechnic from next year.

Traffic accidents—measures against

19 DR FANG asked:—*Sir, in view of the recent accidents in which two students were killed after falling off crowded buses which they were attempting to board, will Government take the following measures to reduce the incidence of this type of traffic accidents:—*

- (a) *intensify the existing road safety campaigns, especially through the School Road Safety Patrol Scheme, in order to educate students to be more queue-conscious; and*

(b) *consider increasing the number of queue-regulators to be deployed along heavily-used bus routes during rush hours, particularly at bus-stops in school areas, to help maintain order at those stops?*

SECRETARY FOR THE ENVIRONMENT:—Sir, following a number of tragic accidents which have occurred this year, including the once mentioned by Dr FANG, the Government intends to step up road safety campaigns generally and additional funds are being requested for this purpose in the next financial year. An increase in the subvention to the Road Safety Association is also being sought to assist the Association to form more School Road Safety patrols, particularly in the less affluent areas.

As regards the second part of the question, the Commissioner for Transport will be taking up with the bus companies the possibility of more queue regulators being posted at the busier bus stops which are not yet controlled during rush hours.

As regards the China Motor Bus Company Limited, the Commissioner reports that the Company has 73 queue controllers on all day duty at the busiest bus stops. This force is supplemented by a further 47 staff during rush hours, who are allocated to the most heavily used stops. This means a total of 120 of the most intensively used stops are under direct supervision at peak periods. The position is constantly under review and such changes as the Company considers advisable are made from time to time. The Commissioner for Transport considers CMB's efforts on this to be satisfactory.

The number of bus controllers employed by KMB is 53. This is supplemented by a further 24 conductors giving a total of 78 controllers at busy times. During peak periods, 130 of the most heavily used bus stops are under supervision. The queue controllers move from stop to stop to match varying peak queuing times and locations, e.g. for school or office dispersal. This arrangement is also considered by the Commissioner to be satisfactory and to represent an economic utilization of staff.

In view of this, the Commissioner does not consider it necessary at present further to press either company to employ additional staff and I concur with his view. You (Dr FANG) can be assured that the position will continue to be closely monitored both by the Transport Department and by the companies themselves.

Government Business

Motions

MASS TRANSIT RAILWAY CORPORATION ORDINANCE

THE FINANCIAL SECRETARY moved the following motion:—Under Section 12 of the Mass Transit Railway Corporation Ordinance that the Schedule to the

Resolution of the Legislative Council published as Legal Notice No 242 of 1975 in the *Gazette* on the 31 October 1975 as amended from time to time be further amended by deleting item 8 and substituting the following—

- ‘8. United States dollar loan facility arranged by Manufacturers Hanover Limited 400 million United States dollars (or alternate currencies pursuant to Clause 4 of the loan agreement) and such amounts as may become payable in respect of interest, premium and other indebtedness pursuant to the loan agreement, provided that the liability of the Government under the guarantee shall be limited:
- (a) in the case of principal, premium and interest to one-half of the amounts due from time to time under the loan agreement; and
 - (b) in the case of all such indebtedness other than principal, premium and interest to one-half of the amounts due from time to time under the loan agreement or to 5 million United States dollars (or its equivalent for the time being in any other currency in which such other indebtedness is due) whichever is less.’

This resolution shall come into operation on a day to be appointed by the Governor by notice in the *Gazette*.

He said:—Sir, this motion seeks to amend the Government guarantee this Council authorized on 23 October 1975, in respect of a US\$400 million loan facility arranged by Manufacturers Hanover Limited for the Mass Transit Railway Corporation.

If approved, the existing US\$400 million facility will be replaced with another facility of the same amount. The new facility will carry a lower interest rate and it will finally mature in 1988 compared with 1982 for the existing facility.

The purpose of the new facility is to finance or refinance the Corporation’s general corporate expenditure relating to the construction and operation of the Modified Initial System and the recently authorized extension to Tsuen Wan. In this connection, Honourable Members may recall that when I moved a motion in this Council on 27 July last welcoming the decision to extend the railway to Tsuen Wan I said, among other things, that the corporation expects that much of the finance required will be obtainable without a Government guarantee. This new facility adds weight to that expectation in

that the Government guarantee will cover only half of the principal and interest, and half of other indebtedness with a maximum in the latter case of US\$5 million. It follows that the net effect of the amendment will be to reduce the total value of guarantees granted in respect of Mass Transit Railway Corporation loan facilities by US\$200 million, or by about HK\$930 million at prevailing interest rates, at any rate when the interest rate which was prevailing when I write this speech.

However, I should add that effectively this newly negotiated facility does not reduce our present, actual liabilities, because prior to its negotiation, and in order to avoid paying commitment commission on amount not required by the Corporation, the Corporation had cancelled US\$140 million of the original facility in May, and a further US\$60 million in July this year.

Question put and agreed to.

HONG KONG TIME

THE SECRETARY FOR HOME AFFAIRS moved the following motion:—That this Council is of the view that Hong Kong time should continue to be set at GMT+8 throughout the year.

He said:—Sir, Members will recall that my predecessor, speaking in this Council on 16 February this year, explained the background to an amendment to the Interpretation and General Clauses Ordinance which replaced a dual time system by a single system of GMT+8 unless this Council decides otherwise by resolution. He also mentioned that this summer on GMT+8 was by way of being a trial period to give people an opportunity to decide what they prefer on the basis of their experience.

Towards the end of the summer we decided to assess public reaction on time system in three ways. Firstly, by soundings through the Home Affairs Department; secondly, by inviting public comment to GPO Box 10,000; and thirdly by asking Heads of Departments to express their views in the light of their experience with departmental operations, their dealings with the public, voluntary organizations and other interested parties.

The soundings conducted by the Home Affairs Department took the form of questionnaires and interviews with about 2,500 respondents in September and 2,200 in November. Half the respondents for the November survey were drawn from the list interviewed in September and the other half were new respondents. This was done in order to provide a basis for comparison between opinions expressed by the same group at two different occasions and for comparison of opinions expressed by two different groups. The timing and the questionnaires were based on the advice of the Commissioner for Census and Statistics. The findings clearly indicated a general preference, about 73%, for the retention of GMT+8 throughout the year, with 11%

for GMT+9 throughout the year, 12% for a dual time system and the remainder having no preference.

The response to GPO Box 10,000 in the months of September and October consisted of about 51,000 representations in the form of letters, cards, newspaper cuttings and printed slips. It also included an anonymous letter claiming that many printed forms were filled in by one person or group of persons by taking names and addresses from the telephone directory. There were about 45,000 such forms, a large number of which appeared to be filled in and signed in the same handwriting, and all, except 240, were in favour of GMT+9 throughout the year. A small random sample of 45 was subsequently selected for checking and all 45 persons contacted disclaimed any knowledge of the return; in fact, two of them died over six months ago! The validity of these returns is therefore doubtful. Of the remaining 6,000 returns, representing nearly 13,000 individuals and groups, including some large organizations, some 65% expressed a preference for GMT+8 as Hong Kong time throughout the year. Sir, though the returns to GPO Box 10,000 favour GMT+9 throughout the year, I am afraid we cannot put too much weight on this survey because of the doubts on the 45,000 printed forms.

The reaction from Heads of Departments was, as might be expected, more varied in the light of their departmental operations, and their dealing with different sections of the community. However, these returns also show a general preference for GMT+8 throughout the year—that is 50% as opposed to 38% in favour of dual time and 12% in favour of GMT+9.

The results of the survey conducted by the Home Affairs Department, the returns to GPO Box 10,000 (less the 45,000 I mentioned earlier together with replies from Heads of Departments all indicate a general public feeling in favour of GMT+8 throughout the year; Sir, this feeling is also reflected in opinions voiced in and through the Chinese press. I have therefore concluded that the retention of GMT+8 throughout the year represents the general wish of our community and I accordingly beg to move that this Council is of the view that Hong Kong Time should continue to be set at GMT+8 throughout the year.

MR BREMRIDGE:—Sir, it is difficult task to give fair and appropriate attention to pressure groups representing minority interest, and yet to consider what is best for the community as a whole. Sunshine after all is in the eyes of the beholder.

Hong Kong's population is nevertheless some 98% Chinese, of whom I am personally satisfied that the large majority prefer GMT plus 8 hours. I thus find no difficulty in supporting their preference, which in my opinion has been well established. It is not necessary the same as my own preference, but why indeed should it be? I must also note the advantage to many of present in Hong Kong the same time throughout the year as that in Canton.

Sir, I support the motion.

MR WONG LAM:—(*Address delivered in the Cantonese dialect*)

督憲閣下：本人認為無論採取任何時間制度，皆應以大多數人的意見為依歸。中國人在本港佔全部人數百分之九十多，而中國人的傳統並無兩個時間制的做法，所以單一時間制實在是理所當然的決定。

雖然部份人士於英文報章上及其他宣傳上大力宣揚格林尼治時間加九小時的意見，但從本人與各階層社會人士接觸所得的印象，這些沉默的大多數所着重的是治安等較實際的問題，而支持的也是格林尼治時間加八小時的制度。

督憲閣下，本人支持此項動議。

(*The following is the interpretation of what Mr Wong Lam said*)

Sir, it is my views that no matter what time system is chosen, it must follow the wishes of the majority of the population. Of the people living in Hong Kong well over 90% are Chinese, and traditionally speaking a dual time system has never been adopted by the Chinese. It is accordingly a right and fitting decision that we should adopt a single time system.

Although there has been a number of people who have expounded their views, both in the English press and in other media, that GMT+9 should be adopted, I must say that from my own personal contacts with people in every sector of this community I have gained the impression the silent majority pay particular attention to practical consideration, such as the maintenance of law and order, and would also prefer GMT+8 as the time system for Hong Kong.

Sir, in these circumstances I support the motion before Council.

HIS EXCELLENCY THE PRESIDENT:—Mr LI, do you wish to reply?

SECRETARY FOR HOME AFFAIRS:—Sir, I am grateful to Mr BREMIDGE and Mr WONG Lam for their support of this motion and I hope that all Members will do so when the motion is put by you before Council.

Question put and agreed to.

‘STAR’ FERRY COMPANY (SERVICES) ORDINANCE

THE SECRETARY FOR THE ENVIRONMENT moved the following motion:—With the consent of the Company, that the Schedule to the Ordinance be amended—

(1) in paragraph 5(6) by deleting ‘and 31 December 1976’ and substituting the following

—
‘, 31 December 1976, 31 December 1977, 31 December 1978 and 31 December 1979’; and

- (2) in paragraph 13 by—
- (a) renumbering that paragraph as sub-paragraph (1) thereof;
 - (b) inserting after ‘that’ in the proviso to sub-paragraph (1) the following—
‘, subject to sub-paragraph (2),’; and
 - (c) inserting the following sub-paragraph—

‘(2) No revenue shall be paid to the Government under sub-paragraph (1) in respect of the years ending 31 December 1974, 31 December 1975, 31 December 1976, 31 December 1977, 31 December 1978 and 31 December 1979.’.

He said:—Sir, I rise to move the motion standing in my name on the Order Paper. It seeks to amend the Schedule to the ‘Star’ Ferry Company (Services) Ordinance, Chapter 274, by providing for the waiving of royalty for the years 1977, 1978 and 1979 and also for waiving the sums payable to the Government in respect of revenue from advertising on piers for the years 1974 to 1979 inclusive.

The Ordinance requires that the Company shall pay twenty-five percent of its net profits to the Government annually as royalty. This provision has already been waived by resolution of this Council in respect of the years 1974, 1975 and 1976, and the Company has now applied for either a waiver of royalty for 1977 or for an increase in fares in order to maintain a reasonable level of profit. After payment of royalty and taxes it expects to make a profit of only about \$1.5 million in 1977, compared with about \$2.1 million in 1976, mainly because of further increases in operating costs and a continuing decline in passenger numbers on its main route between Edinburgh Place and Kowloon Point.

After carefully examining the Company’s accounts and its projections of costs and revenue, the Government has concluded that some amelioration is necessary and that it would be better to forego royalty than to agree to an increase in fares. The effect of waiving royalty should be to allow the Company to make roughly the same level of profits in 1977 as in 1976. As for the future, profits can be expected to decline in 1978 and it is possible that a loss will be incurred in 1979. So the conclusion has been reached that royalties should be waived for the remainder of the present franchise, that is until the end of 1979. To do so would bring the ‘Star’ Ferry Company into line with the Hong Kong and Yaumati Ferry Company, whose royalty payments have already been waived until the end of 1979; and it is significant that no other public transport company is now required to pay royalty.

Sir, a further charge to which the Company is liable under the Ordinance is to pay to the Government eighty percent of its revenue from advertising on piers. This charge has never, in practice, been imposed because the Ordinance

also provides that it should not be payable if a twenty-five percent royalty is charged. But with the waiving of royalty, it becomes legally payable. At the moment revenue from advertising accounts for getting on for a third of the Company's net revenue and the benefits of waiving royalties would be completely negated if this charge were to be imposed. So it is proposed that it also should be waived for the remainder of the term of the franchise. However, when royalty for the years 1974, 1975 and 1976 was waived in 1975, by an oversight formal permission was not sought at that time to remit the levy on advertising. This oversight has therefore been rectified in the present motion before Council by providing for these charges to be set at nil retrospectively for the years 1974 to 1976, as well as for the years 1977 to 1979.

Sir, I beg to move.

(At this point Mr P. G. Williams stated that he wished to declare an interest and would therefore abstain from voting on this motion)

Question put and agreed to.

PHARMACY AND POISONS ORDINANCE

THE DIRECTOR OF MEDICAL AND HEALTH SERVICES moved the following motion:—That the Pharmacy and Poisons (Amendment) (No 2) Regulations 1977, made by the Pharmacy and Poisons Board on the 29 day of November 1977, be approved.

He said:—Sir, these Regulations were made by the Pharmacy and Poisons Board following recent amendments to the Pharmacy and Poisons Ordinance in June 1977 which partly dealt with the transfer of the issue of annual practising certificates to registered pharmacists from the Collector of Stamp Revenue to the Pharmacy and Poisons Board.

This amendment makes provision for annual practising fees to be paid by registered pharmacists to the Pharmacy and Poisons Board and for the fees for registration as a pharmacist and the issue of duplicate copies of certificates of registration to registered pharmacists to be increased from \$25 and \$20 to \$100 and \$75 respectively. This increase in the fees, which brings them into line with those charged to other professions, has the agreement of the Pharmacy and Poisons Board.

As Honourable Members are aware, the 1975 Pharmacy and Poisons Regulations, which will revoke the existing (Pharmacy and Poisons) Regulations, were passed by this Council in July 1975 but have not yet been brought into force. This is expected to be in July next year, and in order to obviate a similar amendment to the 1975 Pharmacy and Poisons Regulations when

they are implemented, opportunity is now taken to amend simultaneously both the existing (Pharmacy and Poisons) Regulations and the 1975 Pharmacy and Poisons Regulations.

Question put and agreed to.

3.55 p.m.

HIS EXCELLENCY THE PRESIDENT:—I think perhaps that Members would welcome a short break at this point, shall I adjourn the Council for fifteen minutes.

4.14 p.m.

HIS EXCELLENCY THE PRESIDENT:—Council will resume.

First reading of bills

PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) BILL 1978 HONG KONG POLYTECHNIC (AMENDMENT) BILL 1978

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

Second reading of bills

PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) BILL 1978

THE SECRETARY FOR THE ENVIRONMENT moved the second reading of:—‘A bill to amend the Public Health and Urban Services Ordinance.’

He said:—Sir, the purpose of this Bill is to empower the Urban Council, which is the Authority for the urban areas in relation to mortuaries, to establish and operate public funeral halls and to make regulations to provide for their management and control. Clause 2 of the Bill, which also makes provision for the charging of fees, covers this aspect in some detail.

Clause 3 makes a consequential amendment to the Third Schedule of the principal Ordinance, and designates the Urban Council as the Authority for the urban areas, and the Director of Urban Services as the Authority for the New Territories, for the purpose of nominating and managing public funeral halls. The Urban Council is also designated as the Authority for the urban areas in relation to the making of regulations pertaining to public funeral halls, while the Governor in Council is the designated Authority for the New Territories.

Sir, this Bill, if enacted, will enable funeral facilities comparable to those provided by private funeral parlours to be made available at much lower cost to the less well off members of the community. Free services will still be available for those who cannot afford to pay.

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

Question put and agreed to.

HONG KONG POLYTECHNIC (AMENDMENT) BILL 1978

THE SECRETARY FOR SOCIAL SERVICES moved the second reading of:—‘A bill to amend the Hong Kong Polytechnic Ordinance.’

He said:—Sir, since its establishment out of the former Technical College in 1972, the Polytechnic has expanded its student population some two-and-a-half times, and its teaching Departments or Schools from 8 to 16. Through its full-time and part-time courses, run in conjunction with employment, the Polytechnic is now making an invaluable contribution to local services, industry and commerce. The Polytechnic has become a large institution with complex academic and administrative needs.

It is therefore hardly surprising that in their first major review of the Hong Kong Polytechnic Ordinance since its enactment in 1972, the Polytechnic’s Board of Governors have proposed certain amendments to bring their Ordinance into line with present day requirements. In response to this request, the main changes provided for in the Bill are:

Firstly, His Excellency the Governor’s acceptance of the invitation of the Polytechnic to be their Presidents is formalized. At the same time recognition is given to the holders of the posts specified in Clause 3 as officers of the Polytechnic.

Secondly, the provisions which affect the Board of Governors. This body is restyled as the Council of the Polytechnic, a title used in similar academic institutions in the United Kingdom and elsewhere. The membership of the Council is also expanded to include staff representation and increased participation by members of the general public, especially persons who have experience of commerce or industry in Hong Kong. The Council thus becomes a much larger body than the present Board of Governors, with places for 23 members against 15, and this should facilitate representation on the various important standing committees at all times.

Thirdly, the status of the Council as the governing and executive body of the Polytechnic is clarified, and with the specific authority to receive gifts on behalf of the Polytechnic.

Fourthly, the appointment by the Council of an Academic Board, with responsibility for academic development, teaching and research, the admission and attendance of students and for examinations. This role is exercised at present by a non-statutory academic committee, and it is felt that the importance of these functions justifies the formal recognition of this body in the Ordinance.

These changes are not intended to alter the character of the Polytechnic, but to strengthen its administration and help to foster its relations with industry, commerce and the community at large.

Motion made. That the debate on the second reading of the Bill be adjourned—THE SECRETARY FOR SOCIAL SERVICES.

Question put and agreed to.

CRIMES (AMENDMENT) BILL 1977

Resumption of debate on second reading (19 January 1977)

Question proposed.

MR CHEUNG:—Sir, this Bill has given much concern to us, and a large group of my Unofficial Colleagues which include two out of our three lady Honourable Members has spent long hours in studying its contents and its implications and in discussing it among ourselves and with the Attorney General. We wish to pay a tribute to my honourable and learned Friend for the very hard thinking he has put into this Bill and into the very many amendments he has agreed to make as a result of his discussions with us, and for the unfailing courtesy he has shown us over many months.

Beyond a certain limit, Sir, I think one cannot legislate for people's sexual lives; we can only set certain minimum standards acceptable to the community.

We have set our face against the exploitation of women for sexual purposes, and against vice-establishments carried on under a thin veneer of probity, using sobriquets like music parlours, massage parlours, soft drink parlours, bath houses and private clubs. Pimps and bawds however when convicted will find that the tariff has gone up.

Nor will we tolerate rape or the procurement of women by threat, force, false pretences or the use of drugs, nor the defilement of young girls and their enticement into prostitution.

We have not however thought it right to change the law on unnatural offences, nor increase the penalties for it.

I support the motion. On other aspects of the Bill, Sir, some of those who took part in the deliberations will address you.

MR CHEONG-LEEN:—Sir, as the Attorney General said when moving the second reading of this Bill, the main thrust is at the exploitation of women and girls for the purposes of prostitution.

This exploitation is very often associated with triad activity, and as a consequence with protection and corruption rackets. On occasion, even minors have been found to be hardened triad participants actively involved in such rackets.

Of the several thousand girls who are reported missing every year, there is as yet no exact figure of how many of them are lured, cajoled or coerced into prostitution. However the figure is not insignificant. Young girls who have run away from home are the principal targets. Through various ploys and practices, which could go as far as gang-raping, the victims through shock fear, and shame are reduced to a state where they become incapable of refusing to obey the orders of the triad gang.

These unfortunate victims of triad gangs usually have most of their earnings from prostitution taken away from them, and they are often beaten or locked up to prevent them from running away by their so-called 'protectors'.

As the strength of the Triad Society Bureau has increased substantially in the past two years and now stands at 532 officers, it is hoped by the general public that with the passing of this Crimes (Amendment) Bill, police efforts and effectiveness will be thereby reinforced so as to eliminate the worst excesses of triad involvement in the area of organized prostitution.

Sir, I support the motion.

MISS KO:—Sir, I rise to support the Crimes (Amendment) Bill 1977 which, in my opinion, is already long overdue. At this stage may I also give my support to the amendments to be made to the Bill at the committee stage as a result of protracted discussions between my honourable Friend the Attorney General and the *ad hoc* group of Unofficial Members of this Council formed to study the Bill.

The Bill provides stiff penalties for harbouring women or exercising control, direction or influence over them for the purposes of sexual intercourse or prostitution. It also increases the penalties for indecent assault, for intercourse

with a girl under 16 or with a defective and for abduction. In short, it aims at deterring people from committing sexual offences and controlling women and juveniles for prostitution.

I would stress that it is necessary to increase penalties for harbouring or detaining girls and or for keeping vice establishments because at present many young girls go missing from home and some are known to be detained against their will by operators of illegal brothels. For instance, between 1 January and 30 November 1977, 1,531 girls under the age of 20 were reported as missing. The increase in the penalties proposed for these offences should provide some measure of protection for these girls. Again the proposed increase in penalties should also protect girls under 16 and defectives from being led or forced into prostitution.

As far as rape is concerned I hope that legislation will be introduced into this Council as a matter of urgency to obviate the need for victims of rape to disclose their names and past sexual behaviour. Such a change in the legislation, which I have advocated before in this Council, along with heavier penalties, should encourage more rape victims to come forward to report the offence with a resulting decline in this type of crime.

I also like to take this opportunity to ask Government to review the procedure adopted after the Police have raided bars, music parlours and other such establishments. At present, after a raid, the Police question any girls found on the premises and decide if they should be referred to the Social Welfare Department for care and attention. In practice, the Police only refer a girl to the Social Welfare Department if they consider she needs care and attention or she or a member of her family, usually a parent or guardian, requests that this be done.

Last year, 4,300 young girls were arrested during Police raids, but a mere 472 of them were referred by the Police to the Social Welfare Department. It seems obvious that this group of girls were clearly at risk and thus needed special counselling or care and attention. Because this type of young person is difficult to contact in the more traditional ways, social workers working with young people are making an effort in various districts to identify those with problems with a view to assessing and meeting their needs as far as practicable in their personal development. As the extension of this type of outreach programme has been proposed in the Green Paper on 'Development of Personal Social Work among Young People in Hong Kong', it seems a very short-sighted and extravagant policy that, after Police raids last year, only about 10% of these girls were referred to the Social Welfare Department which could either work with them or refer some of them to the voluntary agencies concerned. I would therefore suggest that a trained social worker from the Social Welfare Department should also be present whenever young girls arrested during raids on bars, music parlours and other such establishments are under questioning and screening by the Police.

Finally, Sir, as there has been a substantial increase in the establishment of both men and women in the Police Force, I hope that Government will take steps to ensure that Women Police are made available at all times to deal with reports of rape, at least when the case is first reported.

With these comments, Sir, I support the Bill.

REV JOYCE M. BENNETT:—Sir, I am glad that we are resuming today the second reading of the Crimes (Amendment) Bill 1977. The Unofficial Members have considered this Bill at length and I was glad to be one of the *Ad Hoc* Group doing so. In recent years I have known how difficult it has been for the officers enforcing the law to protect many women and young girls in cases of certain sexual offences. I believe this Bill as amended will give these necessary stronger powers to our law-enforcement officers.

Society in the twentieth century is considerably more outspoken in these matters, so that it is right and proper for the language of our laws concerning sexual offences to be made more up-to-date and modern. These changes are self-explanatory and I am sure will receive the support of all Members of this Chamber.

Undoubtedly the law had to be amended to protect women and young girls from exploitation and to protect defectives from unlawful sexual intercourse. In the past years there have been too many shattered lives and broken homes as girls have been enticed into prostitution. It was necessary for penalties to be increased and loopholes in the law to be blocked. It is good to know that not only will girls under 16 be better protected, but so also will girls under 18. This new law is particularly aimed at stopping the exploitation of women for sexual purposes. You will see that the penalty for controlling women for the purpose of unlawful sexual intercourse or prostitution is to be imprisonment for 14 years. In addition those who cause the prostitution of women shall be liable on conviction on indictment to imprisonment for 7 years.

Sir, we aim here to stamp out the slavery of women and I believe that this Bill will do much to achieve this. Prostitution is a denial of the basic human right of every woman over her own person and her own personal relationships. The exploitation of women by the keeping of prostitutes and by the living on the earnings of these women violates the personality of the individual.

Once this law is brought into force, I hope that our social workers will come into action to help those girls and women displaced from the vice establishments. I urge the Director of Social Welfare to provide facilities for his case workers to rehabilitate them. If a Form IV school girl gives up studying to earn \$3,000 per month from her 'men friends', a positive effort must be made to train these girls and women to earn their living in a different way. Unless rehabilitation of these women and girls into society

takes place they will still be exploited and abused. This is no easy task and will require much patient counselling both of the girls and their families.

I therefore support this Bill most warmly and urge that this further aspect of the problem be thoroughly considered by those concerned in our community.

MR WONG LAM:—(*Address delivered in the Cantonese dialect*)

督憲閣下：本人認為任何處理有關娼妓問題之法案，必需具有兩項特徵，其一是針對的對象應當是利用他人為娼妓而得益者；其二是實施時確實可行，無須警方費時失事而不能將犯罪者繩之於法的。

關於對象問題，太過着重對付娼妓本身，實在是不必的，很多娼妓相信都是受環境所壓迫而操此業的，雖然或者有部份少女認為此乃較易獲取金錢之法而自願過着迎送生涯，但問題的本身是在少女的無知，所以解決的方法並不一定要用拘捕或監禁等途徑；應該透過社會工作者的教導和指引，收效可能較大。換言之，政府所應針對的對象應該是那些為自己利益而驅使或教唆他人當娼妓，本人樂於見到政府在這方面的努力。事實上，如果能夠有效地對這些人予以打擊，娼妓的數目自然會逐漸減少，而有關問題的嚴重性也會因此而大為減輕。

要有效地對付犯罪者，法例必需確切可行。過往我們曾經聽過有些人士批評，認為警察在對付娼妓時，所花的時間及努力，往往是事倍功半的，這點本人也有同感，不過本人認為過錯不在警察，而在法例本身。所以修改現行法例，使警方能更有效地對付利用他人為娼妓而得益的人，實在是刻不容緩的。這些人不單是社會的寄生蟲，而且是滅絕道德的敗類，將現行法例所訂下的懲罰加重，實在值得支持的。

督憲閣下，本人支持此項動議。

(*The following is the interpretation of what Mr Wong Lam said*)

Sir, I consider that any legislation which is introduced to deal with the problem of prostitution must include two salient factors. Firstly, the legislation must be particularly aimed at those persons who benefit from the employment of women and girls as prostitutes; and secondly, the provisions enacted must definitely be enforceable, thus avoiding putting the Police to a great deal of time and effort and without being able to bring offenders to book.

Insofar as the purpose of such legislation is concerned, it is really unnecessary to over-concentrate on provisions against the women and girls who are engaged in prostitution. I believe that many prostitutes are compelled to enter that profession because of their personal circumstances, although there are probably a number of young girls who voluntarily do so because they consider it a quick and easy way to wealth. However, here the basic problem is the ignorance of these young girls; hence the solution does not necessarily lie in arresting and imprisoning them. Far greater results would probably be achieved in the case of these girls through the counselling and guidance of social workers. In other words, Government should aim at measures to be taken against those persons who, for their own personal gain, compel or entice others into prostitution. I am happy to see that

Government is making an effort in this direction. Indeed, if we can successfully take stronger measures against the people concerned, the number of prostitutes will naturally gradually decline and the problem of prostitution will become less serious.

If legislation is to be successfully enforced against offenders, it must be practicable in implementation. We have previously heard from a number of critics, who were of the view that the Police in taking action against prostitutes did not obtain results which were commensurate with the time and effort made. I would personally agree with this particular view, although I do not think the Police are to be blamed for this state of affairs. It is really the state of the law, up to now. It is therefore of some urgency that existing legislation should be amended to allow the Police to achieve greater results in taking action against those people who benefit from prostitution. These people are not only social parasites, but are also morally speaking the most reprehensible elements among us. Any increase in penalties in the principal Ordinance against such persons is therefore worthy of our support.

Sir, I support the motion before Council.

THE ATTORNEY GENERAL: — Sir, the support which Members have given to the Government's attempt through this new legislation to attack the exploitation of women and girls for purposes of prostitution means, I think, that I need only say that the useful suggestions which they have put forward in relation to the action which they think should be associated with Police enforcement of the law will receive the careful consideration which they deserve.

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).

CRIMINAL PROCEDURE (AMENDMENT) BILL 1977

Resumption of debate on second reading (9 November 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 TRADE DEVELOPMENT COUNCIL (AMENDMENT) BILL 1977**Resumption of debate on second reading (7 December 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).

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1977**Resumption of debate on second reading (7 December 1977)**

Question proposed.

MR CHEUNG:—Sir, a preponderant majority in fact all but one of my Unofficial Colleagues welcome and support this bill.

As the Secretary for Housing has observed, the interests of landlords and tenants are polarized, and I shall say no more than that in our view the proposals in the Bill strike a sensible balance.

REV MCGOVERN:—Sir, to explain my lone view, I start with background information which may be helpful to the understanding of this Bill beginning with a few brief quotations from the Encyclopedia Britannica. You will find them with other entertaining material under the heading '*Laissez Faire*'. But I must warn potential readers that if you want to enjoy the entertainment you must have a deadly serious sense of humour. The first quotation: 'The ideal society ... is one characterized by the competition of individuals armed with equal rights who freely search for their interests in the interaction of economic relationships.' I call your attention to the words 'armed with equal rights'. To add to the article in the Encyclopedia I would suggest that an obvious example of equal rights would be a rich landlord with property to rent, and a newly-wed factory worker with nowhere to live.

Another quotation: 'Under the beneficent aegis of competition, the continuous efforts of producers to increase their profits leads to improvements in technique for the sake of economy, and these, as they are widely adopted lead in their turn to lower prices.' I call your attention to the words 'lower prices'. What a pity, when I was a tenant, that my landlord did not know about this. He bought a flat for about \$35,000. Over a period of years he

got this back from me in rent—controlled rent of course. He then sold the flat for, according to the *laissez faire* theory, the lower price of about \$150,000. He bought at 35, sold at 150—either there is something wrong with the theory or there is something wrong with the price.

Another quotation: '*Laissez faire* is, thus, from its beginnings marked by an optimistic faith in the power of uncontrolled individual action to produce social good'. I call your attention to the words 'social good'. That a pity again that I, as a tenant running a non-profit society doing social good for workers did not have such optimistic faith. I could have got in on the uncontrolled individual action by buying the flat in the first place, then got my money back, plus over 400% profit for the good of my social work. I suppose I was too blinded by my well-known love of *laissez faire* capitalism and its lower prices that I distrusted my own factual experience of rising prices.

Speaking of my own actual experience as a tenant it would be ungracious of me not to mention the Financial Secretary's speech of April 20 this year where he admitted to being bewildered by my remarks. To avoid any danger of further bewilderment let me state that I agree with one statement made by the Financial Secretary in the same speech in the same context of my earlier speech on rents. He stated, and I quote: 'There is therefore, no question of rents automatically increasing by 100% in 7½ years ... etc.' I entirely agree—there is no question whatever about it. It is a fact that they do. My rent did and so did the rent of my neighbours. So does the rent of the many other who make private agreements with their landlords because they have no choice, or because they do not know about, or for a variety of reasons do not care to use, the tribunal available to them. But let me get back to my story from the Encyclopedia and not confuse the issue with facts.

There is a sad ending to the story. I quote from the last paragraph: 'As an influence in affairs, *laissez faire* may be said to have reached its apogee about 1870 ... By the end of the century the thinkers who maintained it in its pristine rigour were but a handful'. How pathetic. Among the reasons given for this decline by 1899 the article states that '... it was found that liberty of contract begins where equality of bargaining begins'. But there is always hope. The Encyclopedia is always being brought up to date and maybe the next edition will not stop at the handful at the end of the last century but may go on to mention the remarkable revival of the theory in the Bill before this Chamber at the end of 1977.

Which gets me, at last, to the Bill itself. It took years of public clamour, to which I am happy to remind you I added my small voice, to push a reluctant Government to introduce a limited measure of rent control. The purpose of this Bill is to continue the process of undoing that wise move. I am opposed to this backward step. It may be said that rent control is a temporary measure to be used in abnormal circumstances. Perhaps this is

true but it is equally true that the housing situation has been permanently abnormal in Hong Kong since the early 1950s.

As to the rents of pre-war premises I can see that there might be some case to be made for allowing some increase. The quantity of the housing stock involved is small, the value of money has changed, and, like Government, I do not know enough about the mode of occupation or the amount of sub-letting which goes on. So I have less strong objections to this part of the amendment except in so far as it might contribute towards a general rise in property values in the overall property market. Such a general rise is undesirable because rents in general are already too high.

My main interest is in the proposed change in legislation for post-war buildings. The amendment looks innocent enough. The change in the factor from 4 to 3 seems to be a small change in two small figures. I oppose even such a small change because it is a change in the wrong direction, a change which could be followed by further changes leading step by step to social and economic disaster for that large part of our population which still lives in rented private premises.

In one speech it would be impossible to go into all the details of an important and complicated problem, so I have to run the risk of simplification and the consequent risk of being accused of over-simplification.

My basic contention is that rents are already too high, that the present degree of rent control is not sufficient to protect tenants, and therefore any relaxation is going to make a bad situation worse. I have read very carefully all the supporting documents for this Bill, as well as the documents for earlier years and earlier controversies about rent control. More important than any documents, I have lived in Hong Kong since the early post-war years of building development. I have seen the booms and the slumps and I have lived with and spoken with the tenants who have to suffer the reality of our housing situation.

I will put my side of the argument as briefly as possible. In the supporting papers giving the Government's arguments in favour of this Bill alone, the words 'fair market rent' occur 13 times. The words 'free market rent' occur twice and in a context where free market rent is used as if it were the same as fair market rent. My basic contention is very simple—just as the truth is often very simple. I have said it before and I say it again now, there is no such thing in Hong Kong as a fair market rent. Also, in so far as the market is free it is unfair to the tenant. That is my considered judgment of the present situation.

I am even more concerned about the future situation. One would not need to be even a minor prophet to foretell the likely future trend. Step by step rent control could be removed until the actual rent paid would be the same as the so-called fair market rent. I will not use those words again but will use my own term of unfair market rent. We will be back to the intolerable

situation which made rent control necessary—the survival of the richest in the free-for-all warfare of the concrete jungle, backed, as was then commonly believed, by Government by the rich for the rich. I add that even if the 21% ceiling remains at the end of the process, that ceiling is too high for the ordinary tenant whose real wages are not going up by 21%. Further, even if real wages went up by the same 21% why should all the increase go into the pocket of the landlords instead of a reasonable proportion of it going into an improved standard of living for the tenants?

I will give only two reasons for my major contention that a free market rent is an unfair market rent. First, in spite of water rationing, the scarcest commodity in Hong Kong is land on which to build, and as a consequence, housing. There is a lack of balance between the demand for private housing and the supply of housing at rents which tenants can afford. That is not a free market situation. It must therefore remain controlled if it is to be even partly fair to the tenant. I keep putting the tenants' point of view because it is the duty of Government to protect the weak against the strong. My second reason for saying that a free market rent is an unfair market rent is that the private sector has had its chance and was found wanting. They so abused that chance by rapaciously raising rents that they brought rent control on their own heads. I have no reason to believe that the private sector would be any different if they got the chance again. The private sector may have a function in building expensive offices for multi-national and local corporations. It may have a function in building luxury housing for the executives of those corporations. But even in this field I issue a caution. The cost of these expensive offices and flats is of course being passed on to the customers, just as the high cost of factory rents is being passed on to the customers. If this is overdone and industry and commerce moves elsewhere, please do not put the blame, as is customary, on the high cost of labour. Put it where it belongs, on the high cost of all buildings, domestic, commercial and industrial.

One other brief prophetic peep into the future. If rents continue to rise unreasonably the door is open for another tempting possibility. Here I choose my words most carefully. The method of assessment of rateable values is derived from the unfair market rent. If that unfair market rent continues to rise, then assessments will necessarily rise. It would then be possible, without changing the poundage, to have a tidy rise in rates—rates which will of course be passed on to the tenant. I merely mention this as a possible straw in the wind which might blow on some unwary tenant's back, even a tenant in public housing whose assessment is based on the same unfair market rent. I quite realize that revenue must come from someone, but would venture to suggest that tenants are by and large in the lower income groups who are least able to afford a further burden of both higher rents and rates.

I end by mentioning just one of the reasons I have heard for allowing a more rapid rise in rents as proposed in this Bill. It was suggested that it would encourage the private sector to make more new starts in private housing and thus redress the imbalance of supply and demand. This indeed would be very desirable if only for the reason of removing the fears many hold of ending up under one big landlord. But again I must point out the obvious. The private sector needs no such encouragement. As developers, landlords and speculators know, new rentals do not come under the present controls. The only ones to benefit from this Bill will be those who have already made their packet. If the private sector really wants to build the sort of flats that tenants need at prices that tenants can afford there is nothing to stop them doing so now. But I for one am not going to hold my breath in expectation of a rush by private enterprise to help solve our housing problem if the only reward is a fair return for their investment. For these and other reasons I oppose this motion.

MR PETER C. WONG:—Sir, it is generally accepted by economists that rent controls are temporary measures and should not be used to restrict rents at artificial levels permanently. Such measures should be relaxed or abandoned in the light of changing circumstances. The Bill now before Council is in line with this principle.

Pre-war Premises

In 1945 a proclamation was made by the Military Administration to restrict the rents of pre-war premises to rents payable on December 25, 1941, now referred to as 'the standard rent'. Although this restriction has been partially relaxed on six occasions by allowing rent increases with a prescribed maximum rate, the average rent now payable by a tenant of pre-war premises is roughly 1/5 of the fair market rent. In the face of rising prices, it is difficult to find justification for continuing indefinitely, at the expense of owners, the substantial benefits conferred by this Ordinance on tenants of pre-war premises. I therefore consider the small increases contemplated by this Bill fair and reasonable.

A survey made by the Rating and Valuation Department in 1975 shows that only 14.5% of pre-war buildings were kept in a state of repair comparable to the post-war standards. In an attempt to remedy this undesirable state of affairs an amendment to the Ordinance was passed in 1976 permitting a landlord of pre-war premises to increase the rent by an annual sum equal to 20% of the amount of expenditure spent on improving the premises. This modest increase, however, does not seem to provide sufficient incentive for landlords to maintain their premises in a proper state of repair. The increases now introduced by this Bill may increase the landlords' incentive and help diminish the rate of deterioration of pre-war premises.

Post-war Domestic Premises

One legitimate reason for introducing rent controls is to deter property speculation. The first major legislation affecting the rents of post-war domestic premises was enacted in 1963 as a temporary measure to counter the shortage of accommodation. By 1966 rents had become stabilized and the legislation was allowed to lapse. However, at the end of 1969 rents began to climb sharply again, necessitating the re-introduction of controls. For eight years, the legislation has remained in force with only minor changes. Under existing circumstances, it is socially and economically desirable to further close the gap between controlled and open market rents. And this is what the proposed increases are designed to achieve. They are in no way excessive and should not entail hardship on the part of the tenants or adverse economic consequences to the community.

In moving the Bill, the Secretary for Housing indicated that in tenancy matters, Government must strike a sensible balance. I believe that such a balance will be achieved by this Bill.

Sir, I support the motion.

SECRETARY FOR HOUSING:—Sir, we are surely all grateful to the Rev MCGOVERN for leavening this debate with some philosophy, some history, some statistics, and a number of opinions on the doctrine of *laissez-faire*. He will not of course expect me to be beguiled into defending this doctrine, but I do have a few comments to make, having read the article in the Encyclopaedia Britannica from which he quoted. It is by the way, Sir, pleasant to realize that in his rhetorical cupboard to which I referred recently, he has the Encyclopaedia as well as rapacious landlords.

First, his quotations refer mainly to the pure version of the doctrine which was evolved largely by French thinkers in the mid-18th century, and which depended on a predominantly agricultural society; the doctrine never secured a firm place in public policy in France at least and was virtually extinct by 1781—and despite his fears, may I reassure him that there is virtually no chance of that version of the doctrine being revived in 20th century urban Hong Kong.

Second, I think one needs only to consider the laws, regulations, and actions of the government and of public bodies in Hong Kong to say that there is a considerable degree, some people would say too much, of intervention in many fields of activity in this community.

The Rev MCGOVERN complained that his landlord was able to purchase a flat for \$35,000 and ‘after a period of years’ sell it for \$150,000. Unfortunately, he gave no dates, so one cannot estimate what this apparent level of profit really means. Nor did he offer his advice on the position of the landlord who finds himself having to sell when property prices are lower than when he bought. It is not for me to question his motive in denying

himself a piece of the 'action' as he put it on the Hong Kong real estate market (as he puts it) but I hope he is consoled by the fact that like many others, the organization he principally serves is not always so self-denying. Indeed, a recent sale of two adjacent land lots by that organization netted over \$52 million, undisputedly the full market value. As this land was acquired many, many years indeed, so long ago I haven't been able to find out when the percentage of profit must have been truly astronomical.

Government has never believed in a comprehensive and totally restrictive rent control system. In Hong Kong rent control is intended to deal with relatively short-term situations arising from the cyclical nature of building activity, and it is introduced when housing supply oscillates from reasonable plenty to insufficiency. I am grateful to Mr Peter WONG for his very able and brief summary of the history of rent control since the war. Government thus tries to maintain the 'balance', to which I referred on 7 December, between creating an environment of security for tenants and a reasonable return for landlords on their investment. On this latter point, I was recently informed by a prominent banker that, assessed at current prices and rentals, the return is about 6% on capital employed. This can hardly be called excessive.

The Rev MCGOVERN's contends that rents of controlled tenancies double in 7½ years because—and here I quote him: 'tenants have no choice, or because they do not know about, or for a variety of reasons, do not care to use the tribunal available to them'. Unfortunately, this view is not borne out by statistics. In 1976/77, there were over 140,000 enquiries about rental matters at City District Offices, District Offices and the enquiry counters of the Rating and Valuation Department. In the twelve months from October 1976 to September 1977, the Commissioner of Rating and Valuation received nearly 2,000 notifications of agreed rent increases, 13,000 applications for certificates of increase in rent and 450 applications for a review of these certificates to be adjudicated by the Rents Tribunal. Bearing in mind that 180,000 post-war tenancies are under control, I think these figures indicate that landlords and tenants have a fair idea of their rights and obligations under the legislation.

I took comfort from the Rev MCGOVERN's apparent concession that there might be 'some case' although he said this with reluctance for increasing the permitted rents of pre-war premises. I am, however puzzled by his prophesy that the reduction in the factor regulating rent increases in post-war buildings would be a change in the wrong direction. Perhaps this is an example of the 'contrary thinking' about which Mr James SLATER has written in his recent autobiography? But surely is it not obvious that to maintain controlled rents in post-war premises at their present levels, will merely lead to a situation in the future similar to that now prevailing in respect of pre-war premises?

I must refute, Sir, the suggestion that the average factory worker is going to be severely affected by the proposals in this Bill. Over 44% of our population, which must include a very large number of factory workers, live

in public housing estates, the rents of which are well below the average level of rents in Hong Kong. Those rents in public housing estates are of course in no way affected by this Bill. The average tenant in Hong Kong that is, in public housing and private housing pays about 15% of his income as rent.

It is a confusion of the issues to allege that proposals to increase controlled rents will lead or may lead to a general rise in market level rents and thereby prove inflationary. This is simply not true. Controlled rents are by definition below market level rents. The proposals before this house could at most mean an increase in the consumer price index of not more than ½% for families spending up to \$3,000 a month.

There is a fallacy in the Rev MCGOVERN's rhetorical question which I think I need to quote in order to deal with it.

He said:—'I add that even if the 21% ceiling remains at the end of the process, that ceiling is too high for the ordinary tenant whose real wages are not going up by 21%. Further, even if real wages went up by the same 21% why should all the increase go into the pocket of the landlords instead of a reasonable proportion of it going into an improved standard of living for the tenants?'

The fallacy lies in the assumption that the tenant or this tenant spends the whole of his income on rent. Of course, he does not. Taking the hypothetical example given and using the average figure of 15% of income going towards rent which I mentioned earlier, then in this example of the increase of 21% in wages, 3% would go to rent, and 18% would remain at the disposal of the tenant. *Laissez-faire* or not, Sir, I think that is a fair distribution.

In admiration, Sir, of the skill with which Rev MCGOVERN has flirted with Standing Order 31(1), I will merely point out that this Bill proposes an increase in controlled rents, which would have no effect on the rateable value of the premises and therefore of itself cannot lead to an increase in rates.

And, finally, may I express gratitude for the lucid—and brief—respective support of Mr Peter WONG and Mr Oswald CHEUNG.

Sir, I beg to move.

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).

FACTORIES AND INDUSTRIAL UNDERTAKINGS (AMENDMENT) BILL 1977**Resumption of debate on second reading (7 December 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) (NO 3) BILL 1977**Resumption of debate on second reading (23 November 1977)**

Question proposed.

MR WONG LAM:—(*Address delivered in the Cantonese dialect*)

督憲閣下：有關一九七七年勞工賠償（修訂）（第三號）法案，非官守議員方面組成了一個小組，詳細研究。

小組於十二月六日舉行會議，並於十四日與勞工處長討論有關問題。我們的意見有如下數點：

- （一）僱員因公受傷，其醫療費應由僱主負責，此點相當合理。目前部份因公受傷之工人，或自費醫療，或由公立醫院豁免其醫藥費，換言之，即由納稅人代僱主支付醫療費，實在於理不合。
- （二）新加之條例，以確立僱主繳付工人醫療費之責任及規定該項責任之限度，及訂明僱主可豁免負擔責任之情形。原則上我們都認為合理。
- （三）新加之條例，以規定由勞工處長裁決僱主與工人間對醫療費之爭執，原則上是恰當的。
- （四）新加之法例，指明經過二十一日後，僱主仍未付出經勞工處長仲裁後認為應付之數目，則僱員可透過小額錢債審裁處追討。此點小組亦完全同意。

我們認為此修訂法案所提各點，皆符合目前急切需要，亦填補了目前勞工法例之部份漏洞，所以值得支持。同時我們亦歡迎勞工處長成立一個部門間的工作小組的做法，相信因此而對現行勞工賠償法例，有更全面性之研究，及得失之檢討。

閣下，本人支持此項動議。

(The following is the interpretation of what Mr Wong Lam said)

Sir, an ad hoc group of the Unofficial Members of this Council had been formed earlier to study the provisions of the Workmen's Compensation (Amendment) (No 3) Bill 1977. The group has since had two meetings including

an informal discussion with the Commissioner for Labour. The group's views, which are supported by all my Unofficial Colleagues, are broadly as follows:

- (a) The proposal to require an employer to be responsible for the medical expenses incurred by a workman who is injured during the course of his employment is reasonable. At present, the medical expenses incurred by a worker are either settled by the worker himself or are waived by the Government hospital concerned, in which case it is really the taxpayers who foot the bill for his employer. This is obviously unfair.
- (b) It is reasonable in principle to stipulate clearly an employer's responsibility for, and the conditions relating to, a workman's medical expenses, and to prescribe the circumstances under which the employer may be exempted from giving cash reimbursement.
- (c) The proposal that, in the event of dispute over the liability to pay medical expenses or the amount of the medical expenses, the workman or the employer may apply to the Commissioner for Labour for the determination of the dispute is also very appropriate.
- (d) We entirely agree that if an employer fails to pay medical expenses to his workman 21 days after such payment is due, the workman may seek to recover the medical expenses as a civil debt in the Small Claims Tribunal.

In short, we support the Bill before this Council as we feel that the various amendments proposed will certainly meet an urgent need and will fill some of the loopholes in the existing labour legislation. At the same time, we welcome the proposed establishment by the Commissioner for Labour of an inter-departmental working party to undertake a comprehensive review of the principal Ordinance.

Sir, I support the motion.

MR LEUNG:—Sir, I am glad to say that at present the concern of our community for securing greater human rights and benefits for the general public as well as private individuals is no smaller than in any other part of the world. I trust no one will deny that the more generosity shown by the management in industry, the more incentive there will be towards a greater sense of belonging and higher job satisfaction on the part of the workers. Those who deserve to share the fruits of social progress and economic advancement are those who faithfully support and contribute to the economic and industrial development of Hong Kong.

While our community recognizes the need for better social security and, as a result, various programmes have been planned to help those least able to help themselves, we also feel the lack of effective legislative provision for the payment by employers of workmen's medical expenses in respect of injuries suffered by workmen through accidents arising out of and in the course of their employment. It has been the practice that nearly all cases of injury

suffered by workers are treated at Government or Government subsidized hospitals where the medical expenses are met by the workers themselves, despite some of whom may be in financial difficulties. In some exceptionally deserving cases, the charges have either been waived or reduced at the discretion of the Director of Medical and Health Services on compassionate grounds.

Medical benefits in Hong Kong, albeit comprehensive and varied in their forms of provision, are still not yet readily obtainable by the general public, particularly the injured workers who are usually more in need of such benefits.

The loss of earnings, the anxiety and perplexity over one's future incapacity for work, and the unexpected medical expenses arising from one's injuries, are all vital factors affecting the livelihood of those unfortunate workers and their families. It is felt that the responsibility for providing free medical care and other allied benefits for injured workmen should properly rest with the employers, as is the case in many of our neighbouring Asian countries.

The amount of medical expenses that can be reimbursed and the period of time for claiming reimbursements as proposed in the Bill are considered reasonable and acceptable in the present circumstances. However, it is important that regular reviews of these benefits should be carried out by the authority concerned.

Sir, with these remarks I support the Bill before this Council.

COMMISSIONER FOR LABOUR:—Sir, I am grateful for the assistance and support given to this Bill during its passage through Council by Mr WONG Lam and Mr LEUNG Tat-shing, and the other Unofficial Members who made up the *ad hoc* group which examined the Bill. I can assure Honourable Members that the rates of medical expenses payable by employers will be kept under regular review by the Labour Department in consultation with the Director of Medical and Health Services, and revised as necessary by resolution in this Council.

The enactment of this Bill, Sir, is another very beneficial step forward for the welfare of our workforce and thus the community at large.

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).

WIDOWS' AND CHILDREN'S PENSIONS BILL 1977**Resumption of debate on second reading (9 November 1977)**

Question proposed.

MR Q. W. LEE:—Sir, speaking in this Council in June last year during the debate on the Widows and Orphans Pension (Increase) Bill I said that the existing pension scheme for the widows and children of civil servants had many weaknesses and that it was doubtful whether a scheme originally designed at the turn of the century was still relevant and appropriate, considering the many social and economic changes that had taken place in the interim. I also said that the scheme was too restrictive inasmuch as only about one-third of the total Government workforce was covered by it, to the exclusion of many male junior ranks as well as all female officers. In ending my speech I called upon Government to revise the scheme to meet today's needs. In your capacity as the Colonial Secretary, Sir, you replied that the Government had already for some time been in correspondence with the Ministry of Overseas Development for a new scheme which you hoped to bring to this Council before the end of 1976.

Today, we have before us a Bill which provides the legislative framework for a new and much improved scheme. Its introduction to this Council is about 12 months behind schedule, obviously necessitated by the care and very long time taken by the UK Government Actuary's Department to make an independent assessment as well as by the Staff Associations of the Civil Service to study and agree to it. The main attraction of the scheme is its relative simplicity in that the method of calculating the benefits payable to the widow and children of a deceased contributor will be similar to the method of calculating an officer's own service pension. This will make it much easier for contributors and their dependents to understand.

As the improved features of the new scheme such as:—

- (a) the calculation of benefits to be based on final salary or pension;
- (b) the inclusion in the scheme of male junior ranks and widowed and divorced female officers; and
- (c) the extension of the period for which a child remains eligible for a pension up to the age of 23 where he or she is receiving full-time education;

had already been explained by the Secretary for the Civil Service and covered in the explanatory memorandum to the Bill, I do not propose to repeat them. But I have to report that an ad hoc group of the Unofficial Members of this Council was formed to study the Bill and, as the Convener of the group, I am grateful to the Secretary for the Civil Service and his colleagues for making themselves available to the group at relatively short notice to discuss the Bill and to clarify a number of points raised by the group.

The Bill has been gone through very carefully by the *ad hoc* group whose findings have been reported to and endorsed by the Unofficial Members present at its regular meeting as a whole. In the course of its deliberations the group was concerned to note that, under clause 4 of the Bill, the Board of Directors of the scheme is to be comprised solely of public officers with the possible exception of one ex-public officer. In view of the very wide discretionary powers to be vested in the Board of Directors in the carrying out of the provisions of this Bill, the group considered that it would be more appropriate not only presentationally but also in the interest of the public officers on the Board if it was enlarged to include two members who are neither serving nor retired public officers. It also considered that the Chairman of the Public Services Commission should be Chairman of the Board *ex-officio*. I am glad to say that the validity of these two points has been recognized by the Secretary for the Civil Service, who will be moving these and a few other minor amendments when the Bill goes to Committee Stage.

Sir, with these remarks I support the motion.

SECRETARY FOR THE CIVIL SERVICE:—Sir, I am grateful to Mr LEE for his kind remarks and to the Working Group of the Unofficial Members of this Council for their very thorough examination of this Bill. There can be no doubt that the Bill will be the better for the careful examination that it has undergone.

As Mr LEE has said it is proposed to meet his main point, about the composition of the Board to supervise the scheme, by a Committee Stage amendment to clause 4 of the Bill. I shall also be proposing a number of other amendments at the Committee Stage. These are intended to make improvements as a result of the detailed study of the Bill, either by the Working Group or by the Treasury in preparing the administrative arrangements for the new scheme.

Clause 12 of the Bill is intended to protect widows' and children's pensions from bankruptcy proceedings and I will be proposing an amendment to provide for this protection to apply equally whether bankruptcy occurs in Hong Kong or elsewhere.

It is proposed to amend clause 13 of the Bill to allow for sums due to contributors to be set off against sums due from them.

When a divorced or widowed female officer remarries, she has to withdraw from the scheme. I shall therefore be proposing an amendment to clause 14 of the Bill to provide for the return to her of her contributions, the retention of such rights as might accrue to her children and the calculation of any children's pension on her salary at the date of her remarriage.

I shall also be proposing an amendment to clause 24 of the Bill to make it clear that retrospective contributions by a female officer are allowed only for the period of her pensionable service.

Before closing, I would like to assure Members that this new scheme, as amended, will provide a range of benefits which could not be provided more effectively by any other similar type of scheme. It is, of course, always possible for a civil servant to obtain from an insurance company a specially tailored scheme to suit his individual needs and, in some circumstances, the cost might be less than his and the Government's contributions to this new scheme. However, as a good employer, the Government must design a scheme to provide a wide range of reasonable benefits to meet a wide range of needs.

As Mr LEE has said, the scheme has had an independent actuarial assessment by the UK Government Actuary. The Government Actuary, and some of his senior staff, have an unrivalled combination of long experience in commercial insurance firms with specialist experience in public sector pension schemes, which are very different from those in the private sector. He provides independent assessments of pension schemes both for UK Government departments and, on a fee paying basis, for other governments. His services are so much in demand that it is sometimes necessary to wait many months, or even years, for him to do an assessment, but his clients still think it worthwhile to wait this long time for a service which cannot be obtained elsewhere. To the best of my knowledge, there is no other organization with the combination of public and private sector expertise necessary to assess a public pension scheme of the kind which is the subject of the present Bill.

I am confident, therefore, that we have had the best possible independent actuarial assessment and that, as a result, the scheme is well designed to meet its purpose.

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.

HONG KONG TRADE DEVELOPMENT COUNCIL (AMENDMENT) BILL 1977

Clauses 1 to 3 were agreed.

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1977

Clauses 1 to 4 were agreed to.

FACTORIES AND INDUSTRIAL UNDERTAKINGS (AMENDMENT) BILL 1977

Clauses 1 to 6 were agreed to.

WORKMEN'S COMPENSATION (AMENDMENT) (NO 3) BILL 1977

Clause 1

COMMISSIONER FOR LABOUR:—Sir, I move that clause 1 be amended as set out in the paper before Honourable Members. This amendment is necessary because the No 2 Bill, which was expected to be introduced into this Council before the No 3 Bill, will now receive its second/third reading(s) on 11 January 1978.

*Proposed amendment***Clause 1**

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

'(No 2)'.

The amendment was agreed to.

Clause 1, as amended, was agreed to.

Clauses 2 to 4 were agreed to.

WIDOWS' AND CHILDREN'S PENSIONS BILL 1977

Clauses 1 to 3 were agreed to.

Clause 4.

SECRETARY FOR THE CIVIL SERVICE:—Sir, I move that clause 4 be amended as set out in the paper circulated to Honourable Members.

*Proposed amendment***Clause 4**

That clause 4 be amended by deleting subclauses (2) and (3) and substituting the following—

‘(2) The Board of Directors shall consist of the Chairman under subsection (3) and 6 other members appointed by the Governor, of whom 4 shall be public officers and 2 shall be persons who are neither public officers nor former public officers.

(3) The Chairman of the Public Services Commission shall be Chairman of the Board.’.

The amendment was agreed to.

Clause 4, as amended, was agreed to.

Clauses 5 to 11 were agreed to.

Clause 12

SECRETARY FOR THE CIVIL SERVICE:—I move that clause 12 be amended as set out in the paper circulated to Honourable Members.

Proposed amendment

Clause 12

That clause 12 be amended by inserting after ‘competent court’ the following—

‘in Hong Kong or elsewhere’.

The amendment was agreed to.

Clause 12, as amended, was agreed to.

Clause 13

SECRETARY FOR THE CIVIL SERVICE:—I move that clause 13 be amended as set out in the paper circulated to Honourable Members.

Proposed amendment

Clause 13

That clause 13 be amended by inserting the following new subclause—

‘(5) Where any contributor or other person has to pay any contributions that will thereafter have to be returned to him, the Director of Accounting Services may by written notice to that contributor or person set off the contributions to be paid against the contributions to be returned and thereupon the contributions so set off shall be deemed to have been duly paid and to have been duly returned with interest.’.

The amendment was agreed to.

Clause 13, as amended, was agreed to.

Clause 14.

SECRETARY FOR THE CIVIL SERVICE:—I move that clause 14 be amended as set out in the paper circulated to Honourable Members.

Proposed amendment

Clause 14

That clause 14 be amended by renumbering subclauses (5), (6), (7) to (6), (7), (8) inserting the following new subclause—

‘(5) Where a female Officer ceases to be contributor by reason of her remarriage, the whole of her contributions shall be returned to her, such rights as might ensure to her children shall be retained and, for the purpose of calculating any children’s pension arising out of her contributions, she shall be deemed to have retired on the date of her remarriage.’.

The amendment was agreed to.

Clause 14, as amended, was agreed to.

Clauses 15 to 23 were agreed to.

Clause 24

SECRETARY FOR THE CIVIL SERVICE:—I move that clause 24 be amended as set out in the paper circulated to Honourable Members.

Proposed amendment

Clause 24

That clause 24 be amended by—

- (a) deleting the full stop at the end of paragraph (d) and substituting a semicolon; and
- (b) adding the following proviso to paragraph (d)—

‘Provided that if the officer was on agreement immediately before she was appointed on pensionable terms, the date shall not be earlier than the date of commencement of her pensionable service’.

The amendment was agreed to.

Clause 24, as amended, was agreed to.

Clauses 25 to 28 were agreed to.

Schedule was agreed to.

Council then resumed.

Third reading of bills

THE ATTORNEY GENERAL reported that the

HONG KONG TRADE DEVELOPMENT COUNCIL (AMENDMENT) BILL

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL and

FACTORIES AND INDUSTRIAL UNDERTAKINGS (AMENDMENT) BILL

had passed through Committee without amendment and that the

WORKMEN'S COMPENSATION (AMENDMENT) (NO 3) BILL and

WIDOWS' AND CHILDREN'S PENSIONS BILL

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

Question put on each bill and agreed to.

Bills read the third time and passed.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT:—Before I adjourn, may I wish all Members a happy Christmas and a successful new year in 1978. I now adjourn the Council until 2.30 p.m. on Wednesday the 11 of January 1978.

Adjourned accordingly at twenty-three minutes past five o'clock.