

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 1 November 1978****The Council met at half past two o'clock****PRESENT**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR CRAWFORD MURRAY MACLEHOSE, GBE, KCMG, KCVO

THE HONOURABLE THE CHIEF SECRETARY
MR JACK CATER, CBE, 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, CMG, JP
SECRETARY FOR THE NEW TERRITORIES

THE HONOURABLE LEWIS MERVYN DAVIES, CMG, OBE, JP
SECRETARY FOR SECURITY

THE HONOURABLE DAVID WYLIE McDONALD, CMG, 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 GARTH CECIL THORNTON, QC
SOLICITOR GENERAL

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 JOHN CHARLES CREASEY WALDEN, JP
DIRECTOR OF HOME AFFAIRS

THE HONOURABLE JOHN MARTIN ROWLANDS, JP
SECRETARY FOR THE CIVIL SERVICE

THE HONOURABLE JAMES NEIL HENDERSON, JP
COMMISSIONER FOR LABOUR

THE HONOURABLE OSWALD VICTOR CHEUNG, CBE, QC, JP

THE HONOURABLE ROGERIO HYNDMAN LOBO, CBE, 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 LO TAK-SHING, OBE, JP

THE HONOURABLE FRANCIS YUAN-HAO TIEN, OBE, JP

THE HONOURABLE ALEX WU SHU-CHIH, OBE, JP

THE REV. THE HONOURABLE JOYCE MARY BENNETT, JP

THE HONOURABLE LYDIA DUNN, OBE, JP

THE REV. THE HONOURABLE PATRICK TERENCE McGOVERN, OBE, SJ, JP

THE HONOURABLE WONG LAM, OBE, JP

DR THE HONOURABLE RAYSON LISUNG HUANG, CBE, JP

THE HONOURABLE CHARLES YEUNG SIU-CHO, JP

DR THE HONOURABLE HO KAM-FAI

THE HONOURABLE ALLEN LEE PENG-FEI

THE HONOURABLE DAVID KENNEDY NEWBIGGING, JP

THE HONOURABLE ANDREW SO KWOK-WING

ABSENT

THE HONOURABLE ERIC PETER HO, JP
SECRETARY FOR SOCIAL SERVICES

THE HONOURABLE CHEN SHOU-LUM, JP

DR THE HONOURABLE HENRY HU HUNG-LICK, OBE, JP

THE HONOURABLE LEUNG TAT-SHING, JP

THE HONOURABLE PETER C. WONG, 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):—

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 Sessional Papers 1978-79:	
No 13—Income and Expenditure Account of the Samaritan Fund for the year ended 31 March 1978 (published on 1.11.78).	
No 14—Half-yearly Economic Report 1978 (published on 1.11.78).	
No 15—Annual Report of the Urban Council 1977-78 (published on 1.11.78).	
No 16—Statement of Assets and Liabilities and Statement of Revenue and Expenditure of the Urban Council for the year ended 31 March 1978 (published on 1.11.78).	

Government business

Motions

Address of Thanks to His Excellency the Governor

THE CHIEF SECRETARY moved the following motion:—That this Council thanks the Governor for his address.

MR CHEUNG:—Sir, it is my privilege to be the first to give some body to the laconic motion just put by the Chief Secretary that this Council thanks the Governor for his address.

You have, naturally, Sir, devoted the major part of Your Address to the intentions of your Government for the future, but I ask your indulgence to speak briefly of the past.

If I had been asked as a Member of this Council in 1971 whether in seven years' time

— we would have a scheme of public assistance which sees to it that no one should starve, and that the old, the infirm and the handicapped should be looked after in some modest if increasing measure

or whether the heartbreaking SSEE would be scrapped and every child should get three years of free secondary education

or whether public housing would be provided at the rate of 40,000 to 45,000 flats a year

or whether three new giant towns and a host of smaller ones, connected by rail and decent roads, in a word, the greater metropolis, would come into being

or whether the promotion of recreation and culture would be the actual objects and bounty of Government policy

or whether narcotics and corruption would be determinedly tackled,

— I would have had to say, on the eve of your arrival in 1971, in all honesty that I would have laid quite generous odds against this, six to one against perhaps, a good price if you won, but there could be 72 genuine reasons if you didn't why you didn't.

I could go on lengthening my list, but I won't, for it is writ large in the record.

And yet your Government has been able to do all this without violating our basic concepts of policy: reasonable taxation (even on smokers), minimum interference with commerce and industry (save to hold the ring), a free press, the encouragement of productive work, and just recognition and reward of the industrious.

And as a diplomatist from the world's hardest and finest school (lacking only, but thankfully, the cutting logic of some of its veterans) you have resolutely made it your task to improve relations with the People's Republic of China, with the fruits for all to see and to take heart.

Seldom have the people of Hong Kong had such good cause to thank a Governor for the achievements he and his Government have brought about during his tenure of office, to be thankful for the fabric, works, plans and policies in being, and the hopes for tomorrow.

I now wish if I may to pick up some threads from Your Address, I say at once that your Government's measures to provide more land are most welcome to the public. Outside those you have mentioned I offer for your consideration two further and large sources from which land could come.

The first source are the plains of the New Territories. They are all well-populated and all the land is probably in private ownership, so that it will be hideously expensive to resume the plots within them; there is every argument to preserve green and pleasant land; yet within the last 25 years I have seen the conversion of rice fields to economically more productive crop and vegetable farms, to nurseries for plants and flowers, to fish ponds, to chicken batteries and pig pens, and gradually to cottage factories; the progression is relentless, and in my judgment, irreversible, and it seems to me it is best to take the bull by the horns. I do not advocate that we necessarily proceed as we have been wont to, by layout and resumption, but given that we decide it is desirable to turn agricultural land to residential, commercial and industrial use (and industrial purposes may rate the highest priority), it will be necessary to sit down and think very hard on how best it would be to bring about such conversion, on terms that are fair to the present owners.

The second source will be a direct and double benefit resulting from a decision to build a new airport off the north coast of Lantau. The need for a new airport is not in question. What is in question is how to pay the costs and when it should be ready. But if it is sited as presently contemplated, it will free Kai Tak for building, and a not inconsiderable hectareage of prime land will be released for building, especially if further reclamation is carried out on both sides of the runway. Secondly, and I am indebted to my Friend Mr T. S. Lo for this thought, it will free Kowloon from the present restrictions on building heights, from the removal of which Government can receive substantial payments of premia. The two sources of capital revenue to be derived from moving the airport will be more than that required for the construction and refurbishing of the new one, of that I have no doubt. And the optimum date for starting the actual construction may be 1982, when the MTR is finished. The recent changes and developments in China seem to me to warrant an earlier decision to build and an earlier date of completion than contemplated when Government last answered a question in this Council.

Those changes and developments in China also prompt me to think that the demand for administrators, technologists, managers, and professional people will before too long exceed the supply that the presently planned expansion in tertiary places will meet. I am most gratified, therefore, that the White Paper says that the targets will be kept under continuous review, just in case there is not a gradual increase but a real explosion in the demand for trained competent and talented people. In the field of secondary education, the expansion of which I warmly welcome, I hope the Government will keep firmly in mind that where quality exists, it should be encouraged and nurtured, and not interred for the sake of uniformity and ease of administration, for it is just as important to take the trouble and to spend the money on training tomorrow's leaders, as it is to turn out good police cadets, on whom, we all agree, large sums of money are being well spent.

You mentioned, Sir, that you hope that within the year the current review on housing and leave for civil servants will be completed. We await with great interest Government's proposals, for these have been matters of acute concern to my Unofficial Colleagues, who are disappointed at the rate of recruitment of local men and women to the administrative and professional grades and, even more, at the rate of loss of experienced and competent officers.

I look forward to hear what machinery will be brought into being for settling pay and structure problems. Without wishing to shut my mind to any reasonable proposal, I do not expect, having regard to history, that I will be particularly attracted to the establishment of a formal salary commission of the kind that we have known.

I hope I will not be thought to be carping, in the light of all that is being done for our young people, that I put in a plea for massive increases in three sorts of facilities for them? First, squash courts. Second, youth hostels in the country parks. Third, sailing, rowing and canoeing centres, together with the necessary dinghies, boats and canoes. The merits of such facilities are such that I need not expound on them.

You have spoken kindly of the role of Unofficials. As every body knows we hold office at the pleasure of the Crown, ready at any time to relinquish it, should that course commend itself to you. But whilst we are here, we stand ready to advise, to support where we think it right, to steer you off the shoals when we see them coming. We ask only that when we have something to say, your Government will listen. And it has been heartening that whilst you have been Governor, we have had increasing demonstration of a willingness to heed.

Sir, I support the motion.

MR JAMES WU:—Sir, I wish first to associate myself with the administration my Senior Member has expressed for the momentous contributions you have given Hong Kong. Your speech at the Opening Session of this Council three weeks ago is as confidence-inspiring as it is convincing, and the subsequent up-surge in the local stock market is a very good measure of the very favourable acceptance it deserved.

You have, Sir, pointed out and we agree, that during the 1970s Hong Kong has achieved an immense amount in economic, financial, social and cultural terms. This must have brought a great deal of job satisfaction to yourself, Sir, who during these years have charted its course as Governor, and have delivered your promise to bring quality of life to Hong Kong. Indeed, the projected views into the 1980s you have provided are as realistic as they are fascinating, and give encouragement to all in Hong Kong who would have a part to play to help bring these to success with concerted efforts.

May I now comment on some of the issues you have raised:

(1) *Land Production*

Sir, you pointed out that a shortage of land for industry, and to some extent for private development, could deter investment and stifle economic growth, and that production of land was one of the Government's highest priorities. Let us hope that this very clear directive will have its due influence in encouraging investment and deterring speculation and inflation in the over-heated property market, and refute the allegation that Government's land policy is one of financial means and not for economic development. We now seem to be in a situation in which too much cheap money is chasing after too little land, or anything in short supply, ranging from flats, shares to taxi licences, and speculative manipulations, big or small, become the order of the day. This situation is, of course, very fertile background for inflation, and I had suggested, on several occasions in the past if Government could devise ways and means to channel such idle capital into more productive use in helping to produce more land from, *eg* the very large plains of fallow farm land in Kam Tin, Yuen Long and Fan Ling, or reclamation from the shallows of Tolo Harbour.

(2) *Inflation*

It is said that inflation is a price to pay for rapid growth. However, it is, interesting to note that when Hong Kong enjoyed an average 10% growth for 15-year up to the early 1970s, inflation had never been a factor for us to worry—the low cost of food and consumer goods from China and low cost public housing playing a large stabilising role. This was all the more interesting, for, as one ILO sponsored research indicated, our industrialization progress had contributed to a much fairer income distribution in favour of labour, however we have been in the past 2 years facing growth of equal rate but different pattern, *ie* with every high domestic demand and stunted export growth, and, as I pointed out in the Budget Debate in March 1978, this should deserve our special attention. Whilst the depreciated Hong Kong dollar might deter imports to a minute degree, its psychological effect on boosting consumption and speculation could not be easily fathomed, not even by our financial wizard the Financial Secretary, as I gathered from his speech on September 8. In the meantime, he is searching for a solution and I venture to suggest that if past experience is any guide, I believe that there is no substitute for reduced domestic demand and increased exports, whatever the means.

(3) *The Advisory Committee on Diversification*

Sir, as a member privileged to serve in the ACD, I am encouraged by your statement that we all attach great importance to its work. I am further

heartened when you said that we must be sure that change beneficial to the economy was not inadvertently impeded by acts of commission or omission by the Government or for that matter by the business community. It will be remembered that when the ACD was formed last year, it was expected to submit its findings in the early half of this year. It now appears that extension to June next year would be necessary and I entirely concur, judging by the many answers we still have to seek.

This situation, however, leads me to think that we either know little of the facts relevant to our economic development, or that the administration is so under-staffed that it really is unable to attend to this matter of importance and priority with express. Another possibility is that we have grossly under-estimated the magnitude of this task, having so long taken the debatable policy of non-intervention on industrial and economic development.

Sir, these situations may be tolerable but are certainly not desirable and the knowledge I have gained on our competitors' activities since my participation in ACD work has caused me a great deal of uneasiness. I am now reasonably convinced that their success and accelerating development have not come by easily, but only with a lot of research and hard work. I say this with no intention of prejudicing the deliberation of the ACD, but to introduce a thought that has precipitated in my mind in the course of my participation in public affairs, and this concerns wider issues.

(4) *Proposal for a Hong Kong Research Council*

Sir, I believe Hong Kong is fortunate in having several generations of able administrators who have contributed immensely in building up Hong Kong to what it is today. That they have been able to do so is all the more remarkable when one considers the difference in cultural background of the majority of those who govern from those governed. Yet the Government all along has not been complacent and have always tried to find new ways and means to establish mutual understanding. This fact is of course well-known, and is vital to success.

However, as Hong Kong's population grows and the social and economic conditions become more complex, problems and solutions become less apparent, and usually beyond the apprehension and intuition of even the most capable and experienced. This is why the need for research for both Government and business, but Hong Kong, whilst possessing an army of talents in various disciplines, in our higher institutions of learning plus many conscientious professionals and practitioners in various fields, appears to be singularly lacking in sponsored applied research into the many important and complex problems concerning the community. Imagine the benefit the administration and the community could have in knowing with some certainty, *eg*

- (1) The causes and effects of gambling, drug addiction and prostitution.
- (2) The interdependence between the balance of payments, the foreign exchange market, the domestic interest rate structure and the money supply (that has presented the Financial Secretary with such an agonising dilemma).
- (3) The future trend of Hong Kong's garment (or toy) exports in the world markets, and
- (4) A technological and feasibility study on the making of transistor radio parts in Hong Kong.

Members will remember that whenever a systematic study report was published, it never failed to attract attention. The latest one I have seen is a research report by Prof. HSIA and Mr L. CHAN of HKU on Hong Kong's 'Industrialization Employment and Income Distribution', sponsored by the ILO (International Labour Office). This has provided conclusive evidence that industrialization in Hong Kong has caused a much fairer income distribution through full employment. This disproves certain ill-conceived prejudice, and helps much to improve Hong Kong's image in this influential international organization.

Sir, the Council I have in mind could be quite simply constituted, with members appointed by Your Excellency, and with Government funding the activities, initially at least, and serviced by officers from the Secretariat. Under the Council would be three committees, namely Social Studies Committee, Economic Studies Committee and Technological Studies Committee, which in turn would have sub-committees or specialist panels. The Council could possibly start with a fund of only HK\$5-10 millions annually to be divided equally into the 3 avenues of applied research, and would invite prospective researchers to submit applications which would be vetted, and if approved, monitored and the results evaluated by the specialist panels and later the Committee and Council. Depending upon the nature and complexity of the problem, each project would probably cost from \$2-100,000 or more, lasting from 3 months to a year or two.

It is most likely that there will be private contributions or donations towards research funds, in which case Government's funding will have a catalytic effect which is as yet difficult to measure.

Sir, I understand that for lack of funds, our Universities have not been able to conduct much research activities. As a result, academics retreat further to their ivory tower, and students deprived of opportunities to assist in practical research through which they could learn the practical aspects of their discipline, and develop the attitude and techniques in investigatory work. Since research has become such a part of the learning process in modern days, it follows that to be deprived of this important training is to have missed a fuller education so important in the graduate's subsequent professional life and career, not to say his contribution to the society. Perhaps

this is one reason why a large percentage of our graduates end up in Government and teaching work with so few properly trained or equipped to enter commerce and industry where long-term prospects are attractive.

This phenomenon is of course not peculiar to Hong Kong, where like in most developing countries, undergraduate education has serious weaknesses such as 'undue emphasis on memorization, inadequate laboratory training, lack of contact with the real world outside campus and shortage of teachers with modern training'. This quotation is from a South Korean Government publication, and they have recognized the problem and have begun taken measures to remedy 10 years ago with good results, as we saw in a recent country study visit sponsored by the ACD.

In addition, Sir, this lack of resources for research activities has indeed deterred many scholars and technologists to come to Hong Kong to teach in our institutions of high learning, as I have noticed from staffing work in the Polytechnic.

Sir, I have given much thought to this proposal, and have consulted the Vice Chancellors of the Universities, the Director of the Polytechnic, and the President of the Baptist College. I have also discussed this idea in a meeting of the Advisory Committee to the Engineering Faculty of HKU. They all expressed unanimous support and approval. Dr MA Lin of CUHK said that this would be a break-through, and Dr TSE of Baptist College said that the limited research work conducted by his College under private sponsorship has given encouraging results. My Colleague Mr Allen LEE's firm had last year commissioned the Polytechnic to conduct joint research work on thick films in relation to electronics engineering and are already getting useful results. Given Hong Kong's mostly small manufacturing firms engaged in industries that are relatively skill intensive but technologically inadequate or insignificant, the need for joint research and development to achieve increased sophistication is all the more greater, if we were not to be left behind. By comparison our competitors in the region have gone a long way in this direction and have since established a much wider industrial base. Bearing in mind the usual prudence with which our Financial Secretary manages public funds, I propose only to spend just a small fraction of their annual budget and I believe this would be much more cost-effective. I also feel the great urgency to proceed with this work and prefer not to leave it to the conclusion of the ACD's work next summer. Indeed, this pilot scheme could help to point the way to a more appropriate investment for the benefit of our development, as has been proven time and again in the successful developing economies, as well as in advanced countries.

The White Paper on Secondary & Tertiary Education

Sir, the Director of Education is to be congratulated for having taken into full consideration views expressed by the community in preparing this paper

which has won wide acclaim. Here is an example of Government by consultation and consensus at its best.

I am however somewhat puzzled by, the Examination Authority recommendation that Chinese be deleted as a compulsory subject for E-grade pass in the A Level Examinations. This certainly would not help to improve the recognized deficiency of our students to communicate in written Chinese.

I gather that there is organized action to oppose this recommendation and I cannot but sympathize with this strong feeling. Politics and emotions aside, Chinese should be regarded as a bridge of learning for the very rich legacy in the Chinese philosophical and cultural background and as an indispensable means of communication for Government, the community and the business world. Besides China today is striving for modernization in which Hong Kong could aspire to play a significant supporting role. People who have a knowledge in English but with high proficiency in written Chinese today command good remunerations everywhere and this should point the way that even for pragmatic and materialistic reasons, the Chinese language has its rightful place in our everyday life present and future.

With these regards, Sir, I support the motion before Council

MR CHEONG-LEEN:—

A HONG KONG-CHINA RELATIONS

1 Water Supply

Your Excellency's statement that Sino-British relations over Hong Kong continue to be very good can only generate firm confidence in the future of Hong Kong.

Our 4.6 million residents welcome the agreement of the Kwangtung Water Authority to increase East River water supply by 33% by 1982. Equally welcome are the initiatives to plan for water supplies after 1983, and the agreement by the Kwangtung Water Authority to consider such long-term needs.

It is fortuitous that on the same day of Your Excellency's Address in this Council, the Foreign Secretary, Dr David OWEN, was reported to have said that Britain had arrived at an 'excellent degree of understanding' with China over Hong Kong.

Hong Kong's future into the decade of the 80's is optimistic and ripe for long-term investment, particularly in the New Towns and the Industrial Estates.

2 Immigration

As living standards rise, more immigrants from the neighbouring provinces of China will want to come here. We could have as many as 95,000

immigrants this year. This intake affects the housing programme and inevitably raises the financial cost of Public Assistance and other welfare schemes.

Our social security system has to relate to our geo-political circumstances, of which immigration is a key factor. We aim to alleviate hardships suffered by our residents and to make them self-reliant. Our Government should stand for a just society. But it is not pragmatic for the social security system to attract too many immigrants which will seriously disturb Hong Kong's economic and social development plans.

The excellent relations between Britain and China will hopefully lead to a *modus operandi* to keep the flow of immigrants within sustainable limits, in the interest of Hong Kong's economic and social stability.

In regard to Vietnamese refugees, will it be possible for the Government to seek the understanding and co-operation of the High Commissioner for Refugees to have the number of refugees awaiting resettlement at any one time limited to 3,000?

B *ECONOMIC SERVICES*

1 *Joint Ventures*

With the coming of China's Four Modernizations Policy, a number of industrial firms in Hong Kong are involved in joint ventures with various State organizations in China. These joint ventures combine Hong Kong technical and management know-how with the advantages of lower-priced land and labour costs in China. Quite likely, some industries here will be partially transferred to Kwangtung and other provinces. Hong Kong would benefit in that the products of such joint ventures should come through Hong Kong for shipment to customers worldwide. It is too early to assess how many Hong Kong workers will have to find other jobs due to such industrial relocation to China. However, it is not too early for Government and the industrial sector to review the various options which could be open as and when such industrial changes gather momentum.

Even now Government can modestly start by expanding the scope of the Youth Employment Service of the Labour Department. For example, a survey made in the Chai Wan Temporary Housing Areas showed that there are several thousands of young people lacking in technical skills or vocational skills.

Can the Labour Department Youth Employment Service check on the accuracy of the survey as part of an on-going process of assessing the need for upgrading and retraining of technical skills in the Chai Wan area?

2 *Advisory Committee on Diversification*

Since the Advisory Committee on Diversification was set up last year, the Committee has met and completed a study of the growth and development of Hong Kong's economy over the past 15 years. It has also tentatively identified the likely future determinants of growth of the various industries that make up our economy. This is of widespread interest and concern to our industrial and business community. Will it be possible for the Committee to issue an interim report for public information, and particularly to seek pertinent informed comment from industrial and commercial organizations?

3 *Land Production*

It is right for Government to give highest priority to land production, and the 229 hectares per year forecast for 1978-79 to 1983-84 for industrial, public housing and private non-industrial uses should be easily taken up, (presumably at a higher price which will keep our Financial Secretary happy). There is an expected shortfall in the early 80's. Top priority will have to be given to opening up other areas, such as Junk Bay. The preliminary report on the forecast of land production after the 1983-84 period has therefore to be completed very soon. The Director of Public Works can be assured that if he wisely over-spends so as to produce more land he will be praised and not thrown to the wolves. Events are now surging ahead at such speed that a bridge to Lantau seems to be inevitable for our economic growth in the 80's. I hope therefore that there will be no delay in arriving at a firm decision.

To focus more administrative attention on land use and production, why does not Government divide the present top-heavy Environment Branch into two Branches? Transport and Environment Branch would be one, which would include air, land and water pollution. The other would be Town Planning and Land Resources Branch, to concentrate on land use, land production and development. I commend this suggestion to Government.

4 *Government factory estates*

The purpose of the Housing Authority factory estate programme is basically to enable small-scale operators of squatter factories, workshops and other industrial undertakings to continue making a living when their structures are demolished in clearance operations.

Over the next 8 years, the Authority's programme is to build 20 new factory blocks to accommodate 13,000 units of 256 sq. ft. each. The great majority of these will be required to meet clearance commitments. There is no plan to help small-scale factories in non-industrial buildings which Government would like to see relocated into industrial buildings as a matter of long-term policy.

It is well-known that very few private developers are interested in building factory blocks with small individual units. Government should fill this gap,

but so far has not fully accepted responsibility to do so. I would urge a review of Government's policy on this problem, in view of the recent high increases in the prices of land and factory space in the New Territories.

There is a serious shortage of factory accommodation for small-scale factories. With its monopoly of land, Government should take the lead to provide such space through an expanded factory estate programme by the Housing Department which has skilled supervisory staff and 20 years experience. The planning and allocation of such accommodation at the policy-level could be put in the hands of a body such as the Industrial Estates Corporation, or a Small Industries Corporation.

We are today faced with a situation where too much money is chasing after too little land. This creates unhealthy speculation and spiralling land costs. To reduce speculation, I suggest that Government impose conditions on future land sales which would not allow reassignment within five years, except under exceptional circumstances or on full payment of the land.

5 *Transport*

We await the long-delayed Transport White Paper, outlining transport developments into the 80's and 90's.

The problems attendant to shortages of buses, poor taxi service, increasing traffic jams, the rising traffic accident rate, *etc* are most frustrating to the average residents.

Many bus users, including middle income civil servants, feel that Government should consider giving franchise rights to other companies on some bus routes which are inadequately serviced or which require special types of services.

Government has been accused with some justification of dragging its feet in improving the taxi service at rush hours, and in not accelerating the issuance of new taxi licences or in arriving at a workable formula for the revision of taxi fares. What is being done about it?

Transport will be a crucial factor in the continued economic growth of Hong Kong in the coming 20 years. More attention has to be given to the planning and timely development of our transport services. To this end, the setting up of a separate Transport and Environment Branch would have much merit.

C *PUBLIC SAFETY*

1 *Royal Hong Kong Police Force*

In your address, Your Excellency stated that the Royal Hong Kong Police Force will increase from 21,000 men and women by a further 1,000 this year, with another 1,300 planned for next year. I fully support the call for

consolidation. Large sums are being spent on modernizing our Police Force. We therefore expect the calibre of our policemen to be high and the state of law and order to improve steadily.

Violent crime is coming down and people are a little more willing to report crimes. The Fight Crime Campaigns at the district level are stimulating citizen involvement and closer understanding between the Police and the public.

Your Excellency's foresight in bringing out the CRANE advisory team is already bearing fruit. We should support any reasonable and balanced proposals for financial aid for legal costs to policemen prosecuted for alleged offences committed while on duty, more housing, recreation and sports facilities, more training and promotion opportunities for junior police officers.

2 *Triads*

In his 1977 Report, the Commissioner of Police indicated that 'one of the main problems demanding Police attention remained the triad menace'. The recent arrest of 33 triad suspects in a Kwai Chung cafe, many of whom were students, is a cause for disquiet among parents. An all-out sustained campaign has to be carried out to stop young people from joining the triad movement, while still in school or in their teens.

3 *Prisons Aftercare Service*

As one of the UMELCO Members who recently visited the Hei Ling Chau Drug Addiction Treatment Centre, I saw at first-hand the excellent work done by the Prisons Department in treating drug-addicted offenders and the 14-21 age group at the Young Inmate Centre.

To give drug-addicted offenders a better chance to be rehabilitated, it would be desirable for Magistrates to call for and consider suitability reports on all drug-addicted offenders as to whether they would be suitable to receive treatment at a drug addiction centre before imposing sentence. This would ensure that the drug-addicted offender be given every chance to be properly treated for drug addiction.

Since the aftercare optional period in the Training Centres for young people is up to three years, is it not desirable to extend the aftercare optional period for drug-addicted offenders who are recidivists from one year to three years?

In regard to the latest Andry Report on a Prisons Psychological Service, I urge Government to proceed swiftly to recruit additional psychologists. The present service needs to be expanded to give prisoners a better chance to be rehabilitated after they leave prison.

There is perhaps a need for persons who have been to prison for 10 or more times, or convicted rapists, or persistent drug-addicted recidivists, to be

interviewed by a Prisons Department psychologist while serving their sentences. This should be part of the process of correction and rehabilitation.

The valuable aftercare work being done by voluntary groups such as the Discharged Prisoners' Aid Society, and some of the Church groups and charitable organizations, should be expanded to provide more service to discharged prisoners. At present 75% of young persons under 21 discharged from Prisons Department institutions are already subject to aftercare. It is hoped that discharges over 21 could also be more positively encouraged by the Prisons Department to make more use of aftercare services once they leave prison.

D CIVIL SERVICE

1 *Need for a Salaries Commission*

Those of us who are familiar with the Asian scene can say without hesitation that the Hong Kong Civil Service is one of the best, if not the best in Asia. Also, the conditions of service are very much above the average in Asia.

In the past two years, there has been a growing tendency for sit-ins, work-to-rule and other forms of industrial action to take place in different areas of the Service. This is all the more puzzling to the outside observer, for the reason that strikes and industrial action in industry and commerce have not been proportionately as numerous.

Of course, Government is the largest single employer in Hong Kong, and it is accepted that at one time or another there will be differences of view and hard bargaining taking place between Government unions and the Civil Service Branch.

However, the public is very much concerned that such trade union activity will not cause serious economic disruption, as in many Western countries, or disrupt welfare services which would bring about much inconvenience and hardship to residents.

Restraint and willingness to negotiate, with the legitimate interests of the people of Hong Kong being paramount, are called for on the part of both the Government trade unions and the Government itself.

The last Salaries Commission met in 1971. I suggest it is time for another Salaries Commission be appointed in the coming months to review what has happened during the past 7 years and to make recommendations for the future.

2 *ICAC*

A senior staff member of the ICAC is reported in the press to have said that corruption is partly the product of a badly organized bureaucracy, producing

inadequate policies, governing practices and procedures. He went on to say that the single important change needed is for senior officers in Government to more aggressively weed out incompetence while rewarding hard work and ability. He concluded, 'An important dimension of leadership is to inculcate in staff an awareness of their accountability to the public'.

Such words come like sweet music to the ears of the public. The ICAC has brought out a report on supervisory accountability and I hope that its main recommendations can be implemented within the Civil Service to as low a supervisory level as is practicable.

E COMMUNITY BUILDING

1 Community Building Policy Committee

Since Your Excellency spoke on this subject of community building two years ago, there has been some progress in the aspects of community development and community building. There is also better co-ordination of the work of the six departments which contribute directly to community building at the district level.

The Community Building Policy Committee and the District Community Development Committees presumably meet from time to time. However, these are governmental committees on which there are no unofficial members. They give the distinct impression they are working behind closed doors.

It is now time for Government to expand the Community Building Policy Committee (which has met at least once since 1976) to include an unofficial element to give it wider perspective. With more emphasis given to regionalization and to district programmes, what needs advocating is a concept of loyalty and attachment to one's district and to the larger community of Hong Kong. Government departments have to be seen to be working for social justice and for the well-being of residents in each district. Residents will then recognize that Government has their interests at heart and will support it accordingly.

2 Summer Youth Programme

With this in mind, Government should enlarge the Summer Youth Programme into a year-round programme, with special emphasis on weekends and public holidays. In this way, the energies and ideals of young people will be harnessed to help the elderly, the infirm, the underprivileged and the needy. There will be a healthy mix of pure fun, recreation and community service.

3 International Year of the Child

As Your Excellency is aware, 1979 has been designated by the United Nations as the 'International Year of the Child'. I lay on the table a copy

of the 'Declaration of the Rights of the Child' (See Appendix I) which was unanimously adopted by the General Assembly of the United Nations 20 years ago on 20 November 1959.

I urge that Government take the lead to disseminate information on the principles of this Declaration through its Family Life Education Programme and other channels. Using an arbitrary figure of 12 and under as the age of childhood, there are in Hong Kong 1,071,000 children. They deserve the full support of the community to enjoy all the rights set forth in the ten carefully worded principles of the Declaration.

In view of the popularity of the Family Life Education Programme, I would suggest Government provide a telephone 'hot line' for people seeking help and advice which can be provided by this service.

4 *Culture*

The Education Department is to be congratulated on introducing through the Music Administrator's Office the 'Music for the Millions' series consisting of nearly 120 concerts for tens of thousands of school children. At long last, Hong Kong is now starting what has been done in Japan for many years, that is to bring music into the school system even at the primary level.

With the move to separate responsibility for cultural services as between the urban areas and the New Territories, I would urge that immediate action be taken to appoint an Assistant Director of Urban Services Department with responsibility for planning all aspects of cultural services in the New Territories. The additional appointment of a Deputy Director (Cultural Services) to co-ordinate cultural activities in the urban areas and the New Territories will be desirable.

F *SOCIAL SERVICES*

1 *Housing*

An overheated property market coupled with high land prices is a cause for worry among middle income families who do not qualify for public housing or the Home Ownership Scheme.

Government is meantime opening up more land in the New Territories and the outlying islands. But is this enough to stabilize the spiralling of land and property prices?

In 1978 and 1979, 110,000 residential flats are expected to be completed in both the private and public housing sectors. However, there are 130,000 families on the public housing waiting list, 250,000 squatters in the urban areas only, 400,000 people in the very old resettlement blocks in overcrowded conditions, not to mention the immigration problem and the birth rate. So we still have a housing problem which will take many years to resolve.

Government's new financial arrangements with the Housing Authority to provide sites at no cost for new estates and to find the additional capital necessary to finance the construction of such estates puts the Authority in a key role to stabilize domestic rents for our lower income groups.

Government should now consider if it is time to raise the current income ceiling for applicants to the Home Ownership Scheme from \$3,500 to \$4,000.

Government should expand its Home Ownership building programme and plan on a 10-year rolling forward basis. Private developers will be given a substantial role to participate in the Home Ownership Scheme. Long-term, I suggest the Government contribution to housing ought to be 45% low-cost rented accommodation and 20% under the Home Ownership Scheme, making a total of 65% of our population in Government sponsored housing.

I await with interest the working party report on housing for civil servants. Those living in Government quarters or subsidized housing face hardship upon retirement since on their pension they cannot afford the high rents for even smaller accommodation available in the private sector. Whatever scheme is devised will have to keep this in mind.

Any programme to segregate families in the disciplined services should be discouraged. Families of policemen for example should be given housing in public housing estates, spread evenly in each block and not segregated from the community. When they retire they will not be required to move out of their accommodation. This will bring policemen closer to the people and will also help to improve public security.

2 *Education*

At the last meeting of Council, the Director of Education introduced the White Paper on Senior Secondary and Tertiary Education. This sets the pattern of Government's plans for education beyond the basic nine-year compulsory course.

Your Excellency's proposal to accept the Board of Education's advice to initiate a wide-ranging review of the whole education system, its methods and its objectives, is very welcome. With a balance of both local and overseas participation in conducting such a review, there is assurance that our educational policies will have close relevance to our material, social and spiritual needs in the coming decade.

Of interest to parents will be the reports of the two working parties, the first on the quality of primary education and its future development, and the second on services for children below primary age and kindergarten centres.

In the past, the provision of child care centres has been sadly neglected by Government. Presently, there are only 87 private child care centres and

106 subvented centres, with a total capacity of 13,556 places. The demand is acute and the need for expansion is all too obvious.

Perhaps this is an area where the Urban Council's scope can be expanded within the urban areas to provide subvented nurseries and creches, especially for low-income families in industrial districts and Housing Authority estates. Any activity by the Urban Council in this field should complement the excellent work of the voluntary agencies, and some of the private nurseries. The Social Welfare Department will carry on as the statutory authority to ensure that standards are within the framework of the Child Care Centres Ordinance.

3 *Medical*

(a) *Need for modern paediatric facilities*

I am told by a number of experts in the medical field that there is a shocking insufficiency of modern paediatric facilities in Hong Kong. At the very least, every hospital should have up-to-date facilities for the treatment of sick children and that modern paediatric wings should form part and parcel of every acute general hospital. Such paediatric wings could be established in Queen Elizabeth and Princess Margaret Hospitals in Kowloon. Particularly, for the new Shatin Hospital, (which is designed as a teaching hospital for the new medical school of the Chinese University), the inclusion of a modern general paediatric wing becomes imperative both for research and for teaching.

Due to physical limitations, it may not be possible for a similar wing to be built at Queen Mary Hospital, which is the existing teaching hospital for the medical school of Hong Kong University. For this reason, I would suggest that a modern paediatric hospital of 300-500 beds be built at a suitable site on Hong Kong Island, such as the old mental hospital site at High Street which is near Sai Ying Pun Polyclinic and Tsan Yuk Maternity Hospital. Its proximity to the latter institutions and ease of access by the public make this particular site ideally suited for the purpose.

To save Honourable Members' time on the justification for more and improved paediatric facilities, I lay on the table a detailed memorandum on the subject (See Appendix II).

(b) *School Medical Service*

After studying the last financial year's report of the School Medical Service as laid on the table at the previous meeting of Council, I can only again express disappointment that the increase in enrolment last year was only 5%, from 106,193 to 111,494. This participation of only 13% of those eligible in the scheme in the words of the report 'is hardly encouraging'.

The Report makes the point that:—

‘ ... whatever the reasons, to deny children access to economical medical treatment, even by default, can scarcely be justified’.

Should not the Government now accept Dr Harry FANG’s previous proposal in this Council that participation be made free and compulsory? This could be done in two stages, starting with the first stage to cover all primary school students. Also, could Government not provide eyecare as well, including free spectacles?

G CONCLUSION

Your Excellency has outlined in Your Address a ‘critical mass’ of profound changes over the next 6 years that will enhance the good life and keep Hong Kong in the forefront of progressive communities in Asia. We anticipate higher living standards and more leisure and culture.

China is poised for rapid modernization over the next 20 or more years. A stable Hong Kong with excellent relations with the people of China has much to contribute towards this modernization. But we also rely on a close link with the United Kingdom so we can perform our role as a communications centre and common meeting ground for all.

Finally, may I in concert with all the Members of this Council thank Your Excellency for Your Address and assure you of continuous support of your wise leadership in laying the foundation for a stable and prosperous Hong Kong in the decade of the 80’s.

Sir, I now have pleasure in supporting the motion.

APPENDIX I

United Nations’ Declaration of the Rights of the Child

Preamble

Whereas the peoples of the United Nations have, in the Charter, reaffirmed their faith in fundamental human rights, and in the dignity and worth of the human person, and have determined to promote social progress and better standards of life in larger freedom,

Whereas the United Nations has, in the Universal Declaration of Human Rights, proclaimed that everyone is entitled to all the rights and freedoms set forth therein, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status,

Whereas the child, by reason of his physical and mental immaturity, needs special safeguards and care, including appropriate legal protection, before as well as after birth,

Whereas the need for such special safeguards has been stated in the Geneva Declaration of the Rights of the Child of 1924, and recognized in the Universal Declaration of Human Rights and in the statutes of specialized agencies and international organizations concerned with the welfare of children.

Whereas mankind owes to the child the best it has to give,
Now therefore,
The General Assembly

Proclaims this Declaration of the Rights of the Child to the end that he may have a happy childhood and enjoy for his own good and for the good of society the rights and freedoms herein set forth, and calls upon parents, upon men and women as individuals and upon voluntary organizations, local authorities and national Governments to recognize these rights and strive for their observance by legislative and other measures progressively taken in accordance with the following principles:

Principle 1

The child shall enjoy all the rights set forth in this Declaration. All children, without any exception whatsoever, shall be entitled to these rights, without distinction or discrimination on account of race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status, whether of himself or of his family.

Principle 2

The child shall enjoy special protection, and shall be given opportunities and facilities, by law and by other means, to enable him to develop physically, mentally, morally, spiritually and socially in a healthy and normal manner and in conditions of freedom and dignity. In the enactment of laws for this purpose the best interests of the child shall be the paramount consideration.

Principle 3

The child shall be entitled from his birth to a name and nationality.

Principle 4

The child shall enjoy the benefits of social security. He shall be entitled to grow and develop in health; to this end special care and protection shall be provided both to him and to his mother, including adequate prenatal and post-natal care. The child shall have the right to adequate nutrition, housing, recreation and medical services.

Principle 5

The child who is physically, mentally or socially handicapped shall be given the special treatment, education and care required by his particular condition.

Principle 6

The child, for the full and harmonious development of his personality, needs love and understanding. He shall, wherever possible, grow up in the care and under the responsibility of his parents, and in any case in an atmosphere of affection and of moral and material security; a child of tender years shall not, save in exceptional circumstances, be separated from his mother. Society and the public authorities shall have the duty to extend particular care to children without a family and to those without adequate means of support. Payment of State and other assistance towards the maintenance of children of large families is desirable.

Principle 7

The child is entitled to receive education, which shall be free and compulsory, at least in the elementary stages. He shall be given an education which will promote his general culture, and enable him on a basis of equal opportunity to develop his abilities, his individual judgment, and his sense of moral and social responsibility, and to become a useful member of society.

The best interests of the child shall be the guiding principle of those responsible for his education and guidance; that responsibility lies in the first place with his parents.

The child shall have full opportunity for play and recreation, which should be directed to the same purposes as education; society and the public authorities shall endeavour to promote the enjoyment of this right.

Principle 8

The child shall in all circumstances be among the first to receive protection and relief.

Principle 9

The child shall be protected against all forms of neglect, cruelty and exploitation. He shall not be the subject of traffic, in any form.

The child shall not be admitted to employment before an appropriate minimum age; he shall in no case be caused or permitted to engage in any occupation or employment which would prejudice his health or education, or interfere with his physical, mental or moral development.

Principle 10

The child shall be protected from practices which may foster racial, religious

and any other form of discrimination. He shall be brought up in a spirit of understanding, tolerance, friendship among peoples, peace and universal brotherhood and in full consciousness that his energy and talents should be devoted to the service of his fellow men.

APPENDIX II

The Case for Better Hospital Paediatric Facilities in Hong Kong

The Present Situation

At the present time the two principal children's wards in Queen Mary Hospital have an official bed complement of 45 and 42 beds respectively. Extra beds are commonly required and these wards are almost constantly over-crowded. Indeed, the beds or cots are sometimes so close to each other that even a thin adult cannot move between them. Each ward has a 'diarrhoea room' in which highly infectious babies are nursed in close proximity to each other, making cross infections quite inevitable. In this type of over-crowded accommodation unrestricted visiting of the children by their parents is quite impracticable although it should be accepted as highly desirable. There are no single rooms where infectious children can be nursed, or where a mother can accompany her child into hospital. In ward E1 of Queen Mary Hospital there are just over 20 medical paediatric beds for very young infants plus some 2nd class beds and one mother's room (2nd class). A very limited facility for intensive paediatric care is available in ward E1. There are no tutorial rooms adjacent to any of the wards so that undergraduate clinical teaching has to be conducted standing round the beds in already over-crowded and noisy wards. While it is possible, despite the discomfort, to teach the students (the doctors of tomorrow) the basic scientific facts of paediatric diagnosis and treatment it is impossible to show them the type of accommodation and environment which is now regarded as appropriate for sick children in the developed countries of the world. The out-patient facilities at Sai Ying Pun are similarly ill-designed for children and a visit to the busy general casualty department in Queen Mary Hospital must be a traumatic experience for any child. While the above comments relate to Queen Mary Hospital they are in the main also applicable to Queen Elizabeth Hospital. Apart from the unsatisfactory accommodation, the present official nurse: patient ratio in paediatric units in Hong Kong is 1:7. This is the same as in adult medical units irrespective of the fact that most paediatric patients require to be fed, bathed and have their toilet needs attended. In fact, a 1:7 ratio would be regarded as severely inadequate in almost every country in the world.

The Psychological and Medical Arguments for Modern Paediatric Facilities

In the past 20 years we have developed a much closer understanding of the

emotional needs of the sick child and his parents, and of how the subtle and complex interactions of a child's response to a hospital may adversely interfere with his treatment. The sick child's need is for an environment which, at the least, does not damage his future emotional, intellectual or physical development. By reason of his immaturity he is vulnerable to insults which would be harmless to adults, and admission to the unfamiliar environment of a hospital is surely a critical time when he is especially vulnerable on account of his illness. We know that for normal emotional development the very young child requires close and continuous contact with his mother, and that as he gets older he needs to maintain contact not only with his mother but also, as a member of the family unit, with his father, brothers and sisters. It is surely unacceptable that a paediatric unit of all places should be so designed that these contacts must be broken at this particularly critical period in a child's life. It has been clearly demonstrated in the UK that hospital experiences of the kind already outlined result in psychological disturbances, often temporary, but occasionally so severe as to lead to lifelong handicap.

The medical arguments in support of the urgent need for better paediatric facilities in Hong Kong relate to the increasing complexity of modern diagnostic and therapeutic facilities. For example, the percentage of children with acute lymphocytic leukaemia who achieve a 5 year first remission in Hong Kong is about 30, whereas in the UK this figure is now about 60. The principal reason for this difference is the lack of single room and/or laminar flow unit facilities for the reverse barrier-nursing of children whose resistance to infection has been temporarily suppressed by the drugs used for the treatment of the leukaemia. Our leukaemic children in Hong Kong often die, not of their leukaemia, but of intercurrent infections which should be preventable, given modern facilities. Reference has already been made to the frequency of cross-infections in our 'open' diarrhoea wards. Children admitted for cardiac catheterization and angiocardiology not infrequently have to have their investigations delayed because of infections which they pick up in the wards. It is now widely recognized that in many paediatric disorders *eg* diabetes mellitus, asthma, cerebral palsy, epilepsy *etc* the parents should be closely involved with the doctors, nurses, dietitians *etc* in the treatment of their children, but this is only practicable in properly designed paediatric accommodation and with an improved nurse : patient ratio.

The Content of Modern Paediatric Facilities

It is obviously impossible in a brief memorandum to consider the design of a paediatric hospital or unit in detail. The basic requirements include adequate floor space to each bed, single rooms capable of housing both mother and child (each with its own wash-hand basins, toilet and shower), isolation cubicles, separate ward areas set aside for play and schooling, adequate ward bathing and toilet facilities, adequate arrangements for

disposal of soiled linen, tutorial rooms for bed-side teaching, adequate preparation and treatment rooms, doctor's and ward sister's offices. No sister should be required to look after more than 24-25 beds/cots. The nurse : patient ratio should be at least 1 : 5. An intensive care unit specifically designed and equipped for children is essential (3-4 beds per 100 beds). A day-ward is a valuable facility which takes pressure off the main wards and is used for minor operations (*eg* baby hernias), prolonged X-ray investigations, blood transfusions in thalassaemic children *etc*; it needs only operate from 8am to 5pm on Mondays to Fridays. It would be a great advantage to have separate and appropriately designed casualty and out-patient departments for children.

It is open to argument whether such modern paediatric facilities should be provided in the form of a separate self-contained children's hospital or as paediatric departments within general hospitals. In this context there may be conflicting interests between the best possible accommodation and the best possible use of limited funds. The great advantages of a separate children's hospital include the fact that the diagnostic departments (biochemistry, X-ray, haematology, microbiology, pathology) are specifically equipped for the micromethods which are applicable to children. In a large general hospital it is much more difficult to set aside separate areas of the laboratories to meet the special needs of the paediatric department, itself only a relatively small part of the hospital. A separate children's hospital can also more easily have its own specially designed and equipped casualty and outpatient departments, and of increasing importance in urban communities, its own department of child and family psychiatry. One advantage of a paediatric department within a large general hospital is the easier opportunity its staff have to mix and discuss with other specialties *eg* general medicine, neurosurgery *etc*. It is a fact, however, that most of the major advances in clinical paediatrics have come from the separate children's hospitals of the Western World. This is certainly due in part to the fact that the whole staff, including the all-important laboratory workers, are totally committed to the problems of sick children. Nonetheless, some excellent research and high standards of clinical care have been achieved in paediatric departments in general hospitals.

MR F. W. LI:—Sir, three weeks ago, Members of this Council were privileged to hear Your Excellency speak on Government's development plans for Hong Kong as we move out of the 70s and into the 80s. We were naturally delighted to hear that these plans are designed to continue the achievements of the past seven years under your vigorous leadership, so that by the mid-80s the same sort of massive effort of change will no longer be necessary. By that time, our quality of life will have been enhanced to such a degree that we can be justly proud of Hong Kong.

I believe that nearly everyone in this community will agree that we can look back with satisfaction on the progress made over such a relatively short

period of time. While we have experienced a number of setbacks in 1974 and 1975, our recovery has been remarkably fast and the economy is now in good shape. However, Sir, you sounded a note of caution when you referred to the signs of some localized overheating in the property market. You also reminded us that prospects for our exports will inevitably be influenced by the overseas restrictions on textiles and clothing, and that despite dark and obscure patches in an otherwise bright picture we continue to prosper.

Although we have made much headway in the last decade, I think it would not be incorrect to say that we could have done much more if there had been better overall co-ordination in our major projects and if there had been more land available at the appropriate moment of time. Sir, it is on these two points that I would like to elaborate.

In referring to the Public Works programme, Your Excellency expressed your sympathy with those who live and work closest to the dust and noise and the traffic diversions. Indeed, I would include all the others who are also directly or indirectly affected. While this nuisance has been noticeable in the case of the New Towns and the Mass Transit Railway, it is also obvious that genuine attempts have been made to minimize the extent and the duration of inconvenience. I believe this was due to extensive prior consultation and, subsequently, very close co-operation on the part of all those concerned with these undertakings. Nonetheless, many people have suffered as a consequence of these enormous projects. They have been, generally speaking, very patient, but only because they are fully aware of the long-term importance of these projects to the community as a whole.

There was apparently little coordination in most of the other major projects, whether financed from the public purse or by the private sector, which includes the public utilities. Many of these undertakings, for instance, require openings to be made in the main roads—obstructions which are a constant source of annoyance and inconvenience to drivers, commuters and pedestrians alike. While it would be tolerated, in the case of emergency works, these unsightly openings in busy streets are more often than not associated with Government projects or private developments which had been on the drawing board for a long time. Would it not have been possible, with a bit of foresight, to co-ordinate action by the parties concerned so as to ensure that all necessary roadworks are completed within the shortest possible time to minimize inconvenience to vehicles and pedestrians?

Sir, in the Public Works Programme alone, there are nearly 850 projects in Category A. Resumption cost for this project is estimated at \$2 billion while construction cost will be another \$17 billion. With so many massive Government projects in the pipeline, and equally numerous private development schemes underway or being planned, I would urge the assignment of a senior official to be overall Project Co-ordinator. His would be the responsibility of ensuring there is much closer liaison between the Government departments and the private sector.

We have indeed ambitious plans to carry out in the next few years. Let us learn from past experience. With proper planning and co-ordination, I feel that the dust and noise and traffic diversions could be reduced to reasonable proportions. However, there are other aspects which cannot be ignored if we are to implement successfully all our future developments. While we have an exciting prospect to look forward to in another six years, when Hong Kong will have been largely transformed from the city we have known, this is contingent on land being available when it is needed: land for industry, housing, schools, hospitals, welfare centres, and the many other amenities to meet the aspirations of our people. And will this land be available?

Sir, I am in the fullest agreement with you that the production of land must continue to be one of Government's highest priorities. Between now and 1983-84 it is hoped to produce an average of some 230 hectares each year for public housing, industrial and non-industrial use. This will be land actually available for building, and includes the two Industrial Estates.

And that is only up to 1983-84. Beyond that we must still find enough land to meet our needs. It is gratifying to learn that Government is now looking into the possibility of new land becoming available in North Lantau, Junk Bay, the eastern side of the cove at Sha Tin, and Little Sai Wan. There are also certain areas referred to in the report of the Special Committee on Land Production.

Nevertheless, the area of land formed and made available each year will remain relatively small. It is thus essential that any land produced be used to the fullest extent. We must explore ways and means of land utilization which can put whatever land is available to greater use than has been possible under current Government policies and procedures.

At present, I understand the average lead time which is required before undeveloped land can be formed is in excess of four years. With careful planning and phasing it should be possible to reduce this period considerably, and therefore to produce more formed land each year than under the existing system.

Among the other points which might also be examined are existing procedures for allocation of industrial sites, the actual sizes of sites allocated for industrial purposes, rules governing the modification of lease conditions, and the industrial floor space which is estimated to become available in the next few years.

On the assumption that more land can be made available, I would further suggest that Government might give careful consideration to the allocation of priorities and methods of disposal. It has been argued that if more land were available, prices would tend to level off or even drop sharply. While this may or may not be true and it would be inappropriate in normal circumstances for Government to interfere with the natural forces of supply

and demand, I think it is perfectly proper for Government to take all necessary steps to ensure that land is available when it is needed for projects which are in the best interests of the community.

As we expand from the City into new areas, utilizing land which would not otherwise be accessible or available, it is essential that the previous lack of overall co-ordination which gave rise to so many problems will not repeat itself. The community deserves a great deal of credit for its patience in having had to put up with so much inconvenience over the past few years, and it would be most unfair to expect our people to undergo the same experience in the next few years. I believe therefore that a Project Co-ordinator should be appointed as soon as possible. While it is unlikely that dust, noise and traffic diversions would ever be entirely eliminated, could they not at least be reduced to a minimum so that, as Your Excellency has so aptly stated, not only will Hong Kong have been RE-BUILT, RE-LOCATED and RE-GENERATED in another six years, but its people also RE-HOUSED, RE-DEPLOYED and RE-JUVENATED.

In conclusion, Sir, I should like to add my congratulations to you and to support the motion.

DR FANG:—Sir, I join my Colleagues in congratulating you on yet another year of remarkable achievements, particularly in the field of social services.

In orthopaedic surgery, Hong Kong has perfected in the last 25 years—the anterior approach to the spine, which is now internationally referred to as the Hong Kong operation. It is well-known for its directness, effectiveness and thoroughness. These words are most apt in describing what I might call the ‘MacLehose approach’ to the Government of Hong Kong.

Your Address has been most heartening and comprehensive. I wish only to speak on conditions of service for civil servants, with special reference to the medical profession.

Civil servants’ salaries are adjusted from time to time to keep pace with inflation. But maintaining the real value of salaries cannot be considered a sufficient measure on its own. With the growing complexities and sophistication of the society in which we live, and the community’s aspirations towards the better things in life, the Government, as a good employer, must ensure that basic salary scales and the structure of a particular class of officers or different ranks within it, remain appropriate for the duties involved. With an establishment of almost 120,000 officers, this is not an easy task, and let no one underestimate the difficulties involved. Maintaining relativities amongst a multitude of different grades to officers must require the skills of a consummate juggler! But Government must face this task squarely if it is to have a loyal and contented workforce.

You, Sir, have rightly emphasized in Your Address that particular efforts will be made over the coming year to improve staff management and career

development, staff relations, training and more importantly, the machinery for settling pay and structure problems.

Recent incidents of industrial action by civil servants lend urgency to the task of establishing a better machinery to resolve staff disputes over pay and career prospects. We must all be concerned at the increasing frequency of strike action or work to rule, not only because of its disrupting effects on the conduct of ordinary business in Hong Kong but more particularly, because it brings hardship to needy families and individuals who rely on the services in question. The present practice of referring aggrieved parties to senior staff of their own department is most unsatisfactory, both from the department and the officers' point of view. The department has the unenviable task of not only identifying itself with the 'management' but must also be seen to be loyal to its own staff. There is bound to be a conflict of interest here.

It has been some years since the last Salaries Commission took a radical look at the structure of the entire Service and devised the present three-tier salary structure into which all civil servants' salaries fit. Since then, a number of *ad hoc* adjustments have been made to take account of new grades, different qualifications and changing scope of duties. The entire structure and internal relativities are now somewhat out of phase and I suggest that an independent review commission with membership consisting entirely of experts who have intimate knowledge of Hong Kong should now be appointed to look into this across the board. We also need a standing committee to act as a watchdog, perhaps along the lines of the Standing Ross Committee on the Superscale Salaries.

The shortage of qualified doctors in the Civil Service remains a worrying problem. Published statistics show an annual loss of 14% from the Service. Hopefully, improved eligibility for housing for doctors will persuade some to stay longer in the service. But the basic problem is still one of security. I am convinced that in Hong Kong's circumstances where good housing commands such a high premium, a scheme to enable doctors and other eligible officers, irrespective of race and sex, to purchase their own accommodation would go a long way towards retaining experienced staff within the Civil Service. Such a scheme will have the added advantage of encouraging home ownership which is entirely consistent with the Government's policy in this field. It will certainly be more cost effective than the millions of dollars spent each year on leasing accommodation and on hotel bills. I am informed that last year alone the figure was over \$19 million.

Finally, I wish to suggest that Government might consider taking out insurance coverage for its medical officers or reimbursing those doctors who choose to insure themselves against these claims. I realize that the Government is normally its own insurer and that legal advice and help is extended in any litigation. However, the extent of this protection depends on the culpability of the staff or officer involved. This element of uncertainty is

obviously worrying the staff involved since practitioners of the medical profession are more vulnerable to claims of malpractice than almost any other profession. One has only to witness the absurd situation in the States to realize the potentially precarious position of those who choose to be doctors. I am sure that wiser counsel will prevail here, but the tendency towards increasing litigation cannot be discounted. The premium involved in subscribing to such medical defence insurance should amount to no more than \$250,000 per annum. This will cover unlimited liabilities. Set against the time spent by legal officers in defending any claims and the amounts spent in final settlement, such a small investment seems eminently worth-while. In any event, it is a small price to pay to secure peace of mind for our doctors upon whom we rely to provide an adequate health service.

Sir, I support the motion.

MR LO:—Sir, when Your Excellency dealt with public works and transport, you said that in the next 5 or 6 years our activity is and will be so intense that Hong Kong gives one the impression of being one great construction site. Your Excellency listed amongst our major projects the Aberdeen Tunnel, the motorway linking Victoria with Shau Kei Wan, the airport tunnel, the western corridor, the double tracking and electrification of the Kowloon-Canton Railway, the second half of the Tuen Mun Road, the Tsuen Wan by-pass, the Sha Tin/Tai Po motorway and finally the completion of the massive MTR project. The total cost in present day terms will exceed \$13,000 million.

This intense activity is to take place when enormous efforts will be put into the construction each year of public housing for about a quarter of a million people.

Even assuming that our economic growth during the period will reach 9% per annum compound, is the Government sure that there will be no manpower shortage for all this activity, particularly when one bears in mind the fact that during this period the private sector would not be idle. Has the Government even tried to estimate the availability and requirements of manpower for the next 5 or 6 years? Shortage of manpower will mean spiralling costs and all our estimates for all the projects dramatically exceeded. Moreover, these spiralling costs will seriously affect our foreign exchange earning export industries so that we will become even less competitive abroad. The resultant mal-effect on our economy as a whole will certainly outweigh, in my view, any temporary psychological boost arising from the frenzied spending spree. In the long-term everyone may suffer. May I suggest that before we reach a point of no return, Government might seriously consider spacing out our PWD programme. Besides, to space out our activities so as to extend beyond the next 5 to 6 years might well help to alleviate the problems arising from a surfeit of manpower after the mid 80's.

Sir, with these brief remarks, I support the motion.

MR TIEN:—

Pollution Control viz-a-viz textile industry

Sir, of your wide and comprehensive review, I would like to welcome your remarks on control of pollution and in particular, your assurance that the approach by Government to this subject will be careful and realistic.

No one will deny that the environment in which we live should be monitored and carefully controlled. There is no doubt that the population should be protected from pollution.

The question, however, is whether industry, on which a great part of the population depends for their livelihood, or at least certain sectors of industry, can survive the consequences.

In looking at the matter as a textile industrialist, I would like to make certain observations concerning our dyeing and finishing industry *viz-a-viz* pollution control.

We all know that because of the limited number of large size operations with completely detached units, most of our dyeing and finishing mills are at present situated in flatted factory buildings and the chemically contaminated effluents, obnoxious fumes and smoke from their boiler operations are among the causes of pollution.

Such a situation should not be permitted to continue or further aggravated without effective means of control or improvement in our environment, bearing in mind the dense residential population which is intermingled within our crowded industrial areas.

To control this type of pollution and to improve upon existing conditions, the pollutants must be treated or kept away to minimize any harmful effects. To do this requires the installation of suitable equipment and on a scale sufficient to combat this evil but such steps are fairly expensive. There is an additional cost involved in running and operating such equipment.

The dyeing and finishing sector plays an indispensable part in the textile industry as it is a processing industry which provides service and support to the garment making sector. But financially, the dyeing and finishing sector is comparatively weak because of its small profit margin. The additional cost of pollution control may well prove to be too heavy a burden for them.

The closure of such mills will mean that the clothing industry will lose much of the service and support it needs to be versatile, flexible and competitive and when this happens, the consequences to Hong Kong's economy will be very serious indeed.

We must also remember that when some of these mills were first established, they were not located in crowded or thickly populated areas. Subsequent developments somehow changed the very nature of the environment and

they are now in highly developed areas, some even with high-rise residential blocks overlooking their once towering chimney-stacks. The problems which these mills create, are much greater today because their fumes and smoke certainly pollute the air for the high-rise dwellers in these areas.

To contain this issue in thickly populated areas, would necessitate expensive anti-pollutant devices and by the lengthening of existing chimney-stacks in a place visited frequently by typhoons. It would be unfair, I think, to hold these mills responsible for the present state of affairs when much of this has in fact been aggravated by later developments beyond their control.

A probable solution that is likely to be suggested, is that existing dyeing and finishing plants be permitted to maintain the 'status quo' but discharges of effluents, fumes and smoke will not be allowed to increase; while new factories, new installations or additional plants would be subject to strict control.

With respect, this formula could block effectively any further growth, defeat the very purpose of controlling and improving upon the existing position and at the same time, create a privileged class of aging mills with no incentive for further expansion or to renovate.

Dyeing and finishing mills are by their very nature large dischargers of pollutant effluents and because of this, are bulk users of large amounts of industrial water which takes up a high percentage of their operating costs. Needless to say, a way should be found for these mills to use untreated water in order to cut down costs. If this could be done, it may indirectly help to ease the very heavy pressure now on our water treatment facilities.

Having regard to what I have just said, Government should consider designating a special zone where these dyeing and finishing mills could be grouped together, perhaps in a remote part of the New Territories where pollution is less of a hazard to the population and at a place where it could be effectively and collectively dealt with.

Consideration should also be given for the use of untreated water from the East River to be piped in for the bulk users at a lower cost since such a supply is usually uninterrupted throughout the year. This is another factor why all dyeing and finishing mills should be grouped in a special zone.

Such a zone could be leased to applicants by Government on such terms and conditions that would discourage land speculation so that only dyeing and finishing mills would be attracted to move in.

I feel that such a special zone will bring with it numerous benefits including control of pollution as well as the added advantage of strengthening the position of our dyeing and finishing industry.

It is my hope that Government and all those concerned will put their minds together to examine whether such a scheme is feasible or worthwhile.

If, as a result of the necessary preliminary investigations, such a scheme is practicable, this should be made known to the industry so as to enable the present operators of our dyeing and finishing mills to work out their own time-table for its implementation.

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

MR ALEX WU:—Your Excellency, your review of development into the 1980's must be regarded as a remarkable demonstration of progress and confidence. It is not, as it might so easily be in other places, an optimistic piece of crystal gazing. Rather it is an account of the changes that will result from programmes which we are initiating now, which we have costed sensibly and which we can afford if our economy develops as it can realistically be expected to do.

It is too easy, nowadays, to take this sort of forecast for granted. Not many years ago our forward planning was a matter of coping with one crisis after another. It was not so much a matter of taking initiatives about what sort of a community we would like to have ten years ahead, as of calculating whether we could cope with a current series of overwhelming problems.

Our ability to plan ahead and to realize our ambitions depends, as you, Sir, have reminded us, on the performance of our economy. You have mentioned the disquieting factors: protectionism abroad and excessive consumption at home. We can do little to influence the former. How much we should attempt to influence the latter is a matter for argument. For my part, I welcome Your Excellency's continued confidence that the natural economic forces will restore a healthy balance between earnings and consumption. I would be reluctant to see us resort to more direct attempts to regulate behaviour in the economic field.

Looking at development in the next decade, the programme which gives me most concern is education. The plans you referred to in Your Address mark a very great step forward. Once again, we have moved forward much further and much faster than most people thought we could.

These proposals have been widely welcomed and I am glad they are going to receive still further examination. For the present I wish to consider the extent to which our plans provide a solution to the problem of quality of education.

I have no intention of conducting a debate on the White Paper on Education here today. I only wish to express my wholehearted support of the proposition stated in the paper that: 'The content and quality of education should be such as would promote greater adaptability, proficiency in a wide range of technical skills, broad perspectives, and the capacity to think logically and to communicate effectively'. It is what I have tried to say on several occasions in this Council.

I am pleased, too, to see a summary in plain and forthright terms, of the functions of education which include 'a sense of moral and social values' and an appreciation of culture. I should like to think that my repeated appeals here have not fallen on deaf ears.

Our problem is to identify the measures which a government can take to realize such aims. It is easier to state our concern for the quality of education than it is to say what kind of Government action should improve it.

The most fundamental problem concerns proficiency in language and the improvement of communications skills. In that context the main issue is the appreciation of language as the basis of education itself.

As an immediately task we should certainly try to improve the communications skills of our trainee teachers as far as that can be done at such a late stage of their education. At the same time we must address ourselves to the appreciation of language as the medium of ideas and the expression of culture and give it the status which it does not now have in our schools.

I believe that we may have over-reacted to the needs of our industrial society to the extent of underrating some of the old academic virtues.

In saying this I am not in any sense a reactionary. I maintain, as the White Paper does, that quality of education promotes adaptability, and that broad perspectives are as much needed by technological man as by his ancestors.

We are an increasing bi-lingual society. It is our good fortune that our two languages are possibly the two most subtle and expressive, dependent for the richness of their expression on long and vivid literatures.

For both Chinese and English there is a world of difference between their function as the sounds and symbols of utilitarian communication and their power to convey ideas by their imagery and allusion. That power, in turn, depends on the appreciation of literature and history.

It is important for the health of our society that ideas can be conveyed accurately and effectively, particularly between our two languages.

The whole process of Government in Hong Kong requires it. The forms of participation which we are developing call for an increasing ability to understand, to discuss and to communicate in concepts which are not necessarily familiar.

Confidence in our legal system demands effective communication. In the last few months we have had to make special arrangements to improve communication in the courts lest a man's freedom may be placed in jeopardy because of a failure to communicate.

The ability to communicate to the full power of language is important in Hong Kong in a wider sense. We are a community almost entirely dependent on our international communications. Language is vitally important and our

industry and commerce is at an immediate and serious disadvantage if it cannot communicate effectively for itself.

Your Excellency spoke of the good relations which exist between us and China. We have seen that those good relations can lead to many exciting developments for Hong Kong as a powerhouse of enterprise and invention and as an even more important link between China and the rest of the world than we have been until now. In that role communication will be a major asset dependent above all upon language.

There are, then, many entirely practical reasons why we should have more than a token concern for language as the fundamental element in education.

I should like to mention, briefly, a subject which my Colleagues will recognize as a pet subject of mine: the arts. In fact, it was in this same debate a year ago that I suggested it was time for a policy on subsidies for the arts and cultural activities and possibly an Arts Council.

I said that such a policy and such a body could help to prevent overlapping of effort.

The need is becoming urgent. We have the Arts Centre and we have the heavily subsidized and promoted programmes of the Urban Council.

It does not take much perception to see that there is already some overlapping and even some waste.

Public subsidy of the Arts is recognized as a necessity in the most advanced societies and it is certainly required in Hong Kong. What we must avoid is competition between different bodies who each, in some way, enjoys a form of public subsidy. That will be contrary to our interest and with the increasing public facilities becoming available there should be arrangements to make sure it does not happen. It is important that we make the maximum use of our resources in this field as in any other.

The promotion of the arts is an expensive matter in Hong Kong in terms of land and buildings and the cost of bringing international performers here. We must be sure that we are getting the utmost value for our money in terms of quality as well as quantity. That is a consideration which merits professional attention. The concept of an Arts Council has worked well in similar situations and I suggest once again that the time has come to give serious consideration to the formation of some such body for Hong Kong.

Sir, with these remarks, I support the motion.

REV. JOYCE M. BENNETT:—Your Excellency, this afternoon I am glad to have the opportunity to speak in support of this motion. Your vision and optimism for Hong Kong's future stimulate us all to further striving and committed action for the betterment of our society. I shall speak on education, child care centres, the needs of the handicapped and the medical facilities in Kwun Tong.

The advances envisaged in Your Excellency's speech and the White Paper on Senior Secondary and Tertiary Education, which was published in the following week, have provided tremendous encouragement to all involved in education. I am particularly delighted that the 'per caput' schools will gain fully-aided status. I am glad, too, to learn that a wide-ranging review will be made to 'cover the whole of the education system, its methods and its objectives.' Certainly the changes in the educational field have been so rapid that it is good to know that plans already made will be checked 'before they become too deeply entrenched'. We must however be alert to the dangers caused by too frequent changes in our educational system. I should like to speak on two aspects of our system which are peculiar to Hong Kong: the very wide contribution of voluntary agencies in the running of schools aided by Government funds and the problems of learning well the Chinese language.

It is now the stated policy of the Government to provide by 1981 nine years free and compulsory education for children between the ages of 6 and 15. However, the term 'free' education seems to have acquired a special Hong Kong flavour. Children going to school here are still required to buy their own textbooks and stationery unless they are poor primary school children who can obtain a textbook grant, or are students of any age whose parents are receiving public assistance, when the cost of textbooks and stationery can be refunded on application to the Social Welfare Department. Most schools in Hong Kong require some form of school uniform which is also not free. We see then that in these ways education is not completely free. This year, too, Junior Secondary children in Aided Schools are still having to pay Tong Fai or subscriptions since the arrangements for the abolition of this in Forms I to III could not be worked out satisfactorily in time to implement the new scheme for this present school year. Clearly the Education Department is trying to work out a scheme acceptable to the voluntary bodies by which the child does not have to pay any extra charges and yet the voluntary body has the freedom to run its schools on its own lines with its own emphasis. This is a clear illustration of Hong Kong's peculiar form of Government which provides the opportunity for philanthropic and religious bodies to participate in the provision of social services with the minimum of restraints and checks from the central Government. Proposals regarding the abolition of Tong Fai, at one extreme, would provide for a rigid and tight control of the Government money given in subsidy to the aided school, so that the school would have to ask permission before any purchases were made or any experiments were initiated. At the other extreme, voluntary bodies ask to be able to charge for all manner of extra items that inevitably would exclude the poorer students from their classrooms. The search continues to provide the correct balance of freedom and control in the running of aided schools. To remove all initiative and opportunity to be different would downgrade all aided schools to a category of school inferior to and unable to compete with Government schools. Do not forget that aided school staff are not so well-treated as Government teachers, as they have no pension,

medical, dental or other benefits, which are provided for teachers in the Government sector.

We have to accept that the vast majority of schools will in the 1980's be aided, even with the Government decision to continue to build more Government schools in the new areas. Schools will continue to have different characteristics: visit schools run by the same organization, but which have different personnel in charge, you will find differences. Human beings are not all the same; schools run with the same amount of money and the same number of teachers will vary according to the varying creative ability of their administrators and teaching staff. Do not let us pretend that at the end of the decade all schools are going to be equal. Let us rejoice rather that there will be variety and diversity. Hong Kong must continue to diversify its industry, so also it must have different schools. If we desire our schools to be all the same with no encouragement to individual excellence and brilliance, we shall be destroying the natural Hong Kong ability to excel. Never destroy the good in an attempt to make all things equal. Concentrate rather on improving the weaker schools. I applaud the Education Department's effort to do this with special grants for the encouragement of the new curricula in Home Economics, Art and Design, and Integrated Science. I therefore urge that encouragement be given to each school run by a voluntary organization to excel in at least one particular field. Our aided schools have always been allowed to charge the pupils a very small fee which has given the schools the opportunity to implement suggestions from staff or school council immediately. Voluntary organizations are not accustomed to the delays and frustrations of the civil servants working within the large-scale bureaucratic framework. Principals of aided schools wish to purchase equipment and make improvements immediately after the decision has been made. They have done this through Tong Fai. This practice provides greater freedom and flexibility. The parents have appreciated the benefits to the students that have thus accrued. They too have shared in the educational process. This is particularly important in the senior part of the school, so I urge that the Tong Fai in Forms IV to VI be kept and increased when necessary to meet the rising costs of education in general. I also urge that Aided Schools be allowed to retain flexibility and freedom to spend recurrent grants within reasonable limits.

I should like to congratulate the Education Department on its attempt this school year to improve the education of those children classified as slow learners. The percentage of these in each age group may well be comparable to the figure of 13% given in the Plowden Report. At the moment in Hong Kong only 220 slow learners of secondary school age are accommodated in special classes. This represents only 3.3% of the 6,715 secondary school children who are estimated to be in need of special education because they are slow learners. Many of these slow learners have not been adequately tested. We do not know enough about their abilities. I urge Government to employ more educational psychologists to test those children and to discover the reasons for their slowness. At present the Education Department only

has two educational psychologists. Considerable study has been made of the reasons for backwardness in literacy among English-speaking children. Very little has been done among the slow-learning Chinese children. I hope that our Universities in the next few years will work in close collaboration with the Education Department to help these children overcome their disabilities. Gone are the days when illiteracy could be glossed over. We are an industrial society, where the lowliest of our workers needs to be able to read the instructions for the use of equipment and other purchases. I am concerned about the continuing problems in the learning of the Chinese language, problems which are being tackled in China and in Singapore. The script used by the Chinese at the United Nations is a simplified form but this is seldom seen in Hong Kong. Will Hong Kong become part of a small enclave using the traditional form of the Chinese characters in all official communication and in the newspapers? My interest in this matter has been growing as I have been alerted to the problems which arise when children of all shades of ability are entitled to 9 years of free education. I do not claim to know the answer, but I hope we can have assurances from the Director of Education that the experts in his Department are actively researching into the teaching and learning of the Chinese language, together with a study of why children are slow in learning to read and write their native language.

Reference has been made before in this Chamber to the need for proper co-ordination of our services to children of pre-school age. We await with interest the Green Paper to deal with these matters. The proposal to relax the qualifications for child-care workers in Child Care Centres has been severely criticized by many experts in this field. I have had some years as Supervisor of one of these centres and I know how important it is to get young women who are truly interested in making the care of young children their career. Many turn to these centres when they cannot find any other employment. This is a disaster to the centres who are faced with a rapid turn-over of staff. We need to create proper career prospects for workers in Children Care Centres. Certainly proposals to lower the basic educational qualifications to Form 3 plus an in-service training course for child-care workers need further thought. Do not forget that the post of Supervisor will still require Form 5 standard with a minimum of two subjects at Grade E; this will mean a dead-end job for the Form III school leaver who becomes a child care worker.

I therefore suggest that if some relaxation is necessary, child-care workers, like child-care supervisors should be required to have completion of Form 5 with a minimum of two subjects at Grade E. There are many students completing Form 5 without the five subjects at Grade E or above, which is the qualification for so many careers. We need to establish good careers for those who do not reach the standard of five subjects at Grade E. I suggest that a career in a child care centre will be a satisfying career for a young lady who has completed her Form 5 course with a minimum of two subjects

at Grade E. I believe that sufficient personnel will thus be attracted to work in the Child Care Centres.

Attracting the right people to jobs in careers which involve caring for the young and the handicapped should be an important aspect of the Labour Department's Youth Employment Advisory Service. It is hoped that more Careers Advisory Centres can soon be established and be concerned with encouraging the young to work among the handicapped. At the moment educational and social facilities for the handicapped in our community are not adequate. The Rehabilitation Development Co-ordinating Committee referred to in paragraph 4.17 of the recently published White Paper on Education must work much faster. Certainly a number of the Unofficials connected with this Committee and its Sub-committees have been discouraged that too often meetings are postponed because important documents have not passed the relevant Government departments. There are many voluntary workers in our community who want the programme to improve the lot of the handicapped to move faster. Do not let them lose heart. There were in June of this year 1,504 severely mentally retarded children known to Government departments. There were also over a thousand more mentally retarded citizens in need of training. These are known to the Social Welfare Department; I am sure the numbers could well be higher if we include those known to the voluntary agencies. Unfortunately the Central Registry for the handicapped cannot be in operation for several more years. Can the date for this be advanced?

Certainly we must pay more attention to the handicapped and the sick in Hong Kong. I cannot conclude this afternoon without once more alluding to the inadequate facilities in Kwun Tong. The United Christian Hospital has now been open for nearly five years. But the population of Kwun Tong has continued to increase so rapidly that this one hospital in Kwun Tong is insufficient. I understand the present population to be about 640,000 and that the City District Officer anticipates a population of 800,000 in 5 years time. That figure on my calculation is an under-estimation—quite possibly there will be 840,000 people or more by that time. The City District Officer agrees that a second hospital is needed, but does not know where it will be built or by whom. Hospitals do not grow overnight like mushrooms or like the blocks of flats in Hong Kong. At least 5 years are needed from the first draft plans to the opening of a hospital. What can we expect in Kwun Tong in the mid eighties in the way of hospital care? We cannot forget that the nearby Junk Bay area with a future population of a quarter of a million will raise the population of this whole Kwun Tong area to a million inhabitants, more than the whole of Hong Kong Island.

In conclusion: these remarks on the need for more medical facilities in Kwun Tong highlight the central Government's need to plan for the development of more local responsibility in such areas as Kwun Tong. We need to encourage the sense of belonging; this is being fostered already by school

nets and the regionalization of medical and social services. Is the Government planning to go further and establish local town halls in the urban areas such as Kwun Tong, as it has done in the towns of the New Territories? We have the City District Officer, but his position is junior to the City District Commissioner, who coordinates several big districts. As our population grows and matures, I think the time is coming to provide more opportunity for participation and responsibility at the local level. The Government is concerned to improve its accountability. I suggest it could do more at the local level to foster this.

With these remarks, I support the motion.

Suspension of sitting

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now suspend the Council until 2.30pm to-morrow.

Suspended accordingly at thirty minutes past four o'clock.