

**OFFICIAL REPORT OF PROCEEDINGS****Wednesday, 29 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, J.P.

THE HONOURABLE THE FINANCIAL SECRETARY  
MR CHARLES PHILIP HADDON-CAVE, CMG, J.P.

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 AKERS-JONES, CMG, JP  
SECRETARY FOR THE NEW TERRITORIES

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

THE HONOURABLE DAVID GREGORY JEAFFRESON, JP  
SECRETARY FOR ECONOMIC SERVICES

THE HONOURABLE ALAN JAMES SCOTT, JP  
SECRETARY FOR HOUSING

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

THE HONOURABLE THOMAS LEE CHUN-YON, CBE, JP  
DIRECTOR OF SOCIAL WELFARE

THE HONOURABLE DEREK JOHN CLAREMONT JONES, JP  
SECRETARY FOR THE ENVIRONMENT

DR THE HONOURABLE THONG KAH-LEONG, JP  
DIRECTOR OF MEDICAL AND HEALTH SERVICES

THE HONOURABLE ERIC PETER HO, JP  
SECRETARY FOR SOCIAL SERVICES

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

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 CHEN SHOU-LUM, JP

THE HONOURABLE LYDIA DUNN, OBE, JP

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

THE HONOURABLE LEUNG TAT-SHING, JP

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

THE HONOURABLE PETER C. WONG, 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 ANDREW SO KWOK-WING

**ABSENT**

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

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 KENNEDY NEWBIGGING, JP

**IN ATTENDANCE**

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

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**Papers**

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

<i>Subject</i>	<i>LN No</i>
<b>Subsidiary Legislation:</b>	
Evidence Ordinance.	
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Sessional Papers 1978-79:

No 23—Annual Report of the Fish Marketing Organization Hong Kong 1977-78  
(published in 29.11.78).

No 24—Supplementary Provisions for the quarter ended 31 March 1978 (Final)  
(published on 29.11.78).

### Oral Answers To Questions

#### Shortage of 10¢ and 20¢ coins

1 MR F. W. LI asked:—*What steps has the Government taken to alleviate the present acute shortage of 10 cent and 20 cent coins which has caused so much inconvenience to the public?*

THE FINANCIAL SECRETARY:—Sir, this year, we have ordered 105 million 20 cent coins and 70 million 10 cent coins. So far 54.5 million 20 cent coins and 33.3 million 10 cent coins have been delivered. All the coins delivered may not have yet been issued as 15.7 million 10 cent coins and 18.4 million 20 cent coins only arrived in the last few days. We expect to receive another 20.5 million 20 cent coins and 16.2 million 10 cent coins during December, and 30 million 20 cent coins and 30 million 10 cent coins early in the New Year.

When the 1978 orders have been delivered and issued, our books will show that 540 million 10 cent coins and 256 million 20 cent coins are in circulation (and, I might add, that there will also be 121 million 5 cent coins in circulation, giving a total figure of small coins in circulation of 917 million).

So much, Sir, for the basic statistics. The question that obviously must be asked is this how can there be a shortage when there are so many 10 and 20 cent coins in circulation? The first 20 cent coins were issued in August 1975. One reason for their introduction was to reduce the number of 10 cent coins needed in transactions involving 10 cent multiples so that, for example, two 20 cent coins could be used for a 40 cent purchase instead of four 10 cent pieces.

At the time the first 20 cent coins were issued, our books showed that there were 460 million 10 cent coins outstanding. When this year's 10 and 20 cent coin orders have been delivered, there will be, in 10 cent unit terms, 1,052 million units available, an increase over August 1975 of 129%. An increase of this order is unusually large by any standards: for instance, the number of bank notes in circulation in 10 dollar unit terms will have increased by much less than this (by around 75% or less excluding seasonal fluctuations). In reality, the proportionate increase over 1975 must be greater than

129% because a substantial number of the 460 million 10 cent coins outstanding in 1975 have undoubtedly been lost.

In the light of these figures, I simply do not believe that there can be a shortage. But everyone *says* there is, including an experienced banker like Mr LI, and many people are unable to obtain as many as they say they require. So *the* question to be answered is this: where on earth are they? In my view, with growing affluence, many people tend to empty their pockets in the evenings and throw their small coins into a drawer and leave them there. To my shame, I discovered 95 small coins in various odd places in my house the other evening (*laughter*); and one Honourable Member of this Council and I shall not say whether this is an Unofficial or Official, has admitted to a treasure trove of over 1,000 small coins. In addition, temporary shortages in some small business operations have been played up by the news media to a point which has induced some people and commercial concerns deliberately to build up hoards of coins: I hope that, as the coins on order are issued, these hoards will be run down. My worry then, Sir, will be where to store them should they flow back to the Treasury, because our storage capacity is, of course, limited. (*laughter*)

MR F. W. LI:—*Sir, whatever the facts and reasons may be, what does the Government intend to do with a view to getting sufficient number of coins in the hands of the public? Is the Government aware that there are long queues every morning in a certain bank on Queen's Road Central waiting to change coins either from the banks or from the public?*

THE FINANCIAL SECRETARY:—*Sir, I have just explained in my tedious statistical analysis of the situation what the Government is doing. We have placed these very large orders at very considerable expense.*

MR F. W. LI:—*Sir, what I mean is to get enough coins into the hands of the public. In other words, if a certain bank goes to a certain bank to exchange coins and that bank does not get the sufficient number of coins, naturally the bank has got to refuse the customers proportionately. Is Government doing anything to force the banks to oblige other banks to go and get the coins?*

THE FINANCIAL SECRETARY:—*Sir, I sometimes wonder whether some banks are not hoarding small coins themselves as a hatch. All I can say is that by early January we will have 1,052 million units of 10 and 20-cent coins in circulation since as soon as consignments arrive they are issued.*

MR F. W. LI:—*In view of the fact that the Financial Secretary has accused the news media on playing up for the business operations, will Government conduct similar publicity campaign to tell the public there is no real shortage of coins?*

THE FINANCIAL SECRETARY:—If it is considered that a publicity campaign would have a helpful effect, certainly we shall consider mounting one although we have been continually feeding out factual information about the true position as we understand it. I do genuinely believe that the shortage is not a real one but we are continuing to order coins, as I said, at considerable expense and at some risk to the Coinage Security Fund because as and when these coins come back they will be on our hands.

MR F. W. LI:—*One last point, Sir, is Government aware that candies and stamps are being used as a means in lieu of the change?*

THE FINANCIAL SECRETARY:—I am not personally aware, Sir, but I certainly take the Honourable Member's word for it. (*laughter*)

MR JAMES WU:—*Sir, does Government make a pretty good profit in issuing all these coins?*

THE FINANCIAL SECRETARY:—If the Honourable Member means do we earn interest on the assets deposited with us by the banks when coins are issued, the answer is yes, but those interest earnings, of course, have to go to meet the cost of manufacturer.

MR BREMRIDGE:—*In the face of an actual and not theoretical shortage, does Government consider as a temporary measure the cheapness of issuing small paper currency?*

THE FINANCIAL SECRETARY:—There would be nothing cheap about this, Sir, because such currency would last for a very short time indeed. But I can tell the Honourable Member that we have already designed such notes and have considered the possibility of printing them but, in present circumstances we have decided against such notes.

MR LO:—*Is there any information, Sir, as to the number of small coins required by the Royal Hong Kong Jockey Club after the opening of the Sha Tin Race Course to meet its increased obligations?*

THE FINANCIAL SECRETARY:—The alleged shortage of 10 and 20-cent coins had been brought to my notice long before Sha Tin opened.

MR CHEN:—*Sir, since the newspaper and all bus fares seems to be all on 30 cents units, will it be helpful to issue 30-cent coins?*

THE FINANCIAL SECRETARY:—Sir, I anticipated that question so I got myself briefed on it. First of all I would make the point that international experience suggests that a range of 6 coin denominations is the optimum. We already

have more than 6, if you include the \$5 coin. The range is from 5-cent to \$5 making a total of 7. The Coinage Review Committee considered the idea of a 30-cent coin in addition to the 20-cent coin that we finally issued, and rejected the idea. The reasons are set out in that report and I can make a copy of the Committee's Report available to Honourable Member should he wish to pursue his researches.

MR CHEONG-LEEN:—*Sir, what are the reasons which give credence to the Financial Secretary's statement that a substantial number of the 462 million 10-cent coins outstanding in 1975 have undoubtedly been lost?*

THE FINANCIAL SECRETARY:—By loss I mean, Sir, that they have disappeared, they have ceased to be in daily use. For instance, I am sure if Honourable Member went through his house he would find quite a large number of 10¢ and 20¢ coins which he had completely forgotten about, in other words, the coins which simply lie idle in odd corners. Indeed some of them may well have been truly lost in the sense that they have been dropped into the sea.

REV. P. T. MCGOVERN:—*Would I be wrong in assuming that Government has been sufficiently far-sighted to see that all these new 10¢ coins will be the newly designed type of coin?*

THE FINANCIAL SECRETARY:—I do apologise, Sir, but Fr MCGOVERN's double negatives have tricked me up. (*laughter*) Could he repeat the question?

REV. P. T. MCGOVERN:—*Would I be wrong is the first part of it in assuming that these newly ordered coins are the newly designed 10¢ coin in order to avoid repeating an order for a new type of coin when all these are in circulation?*

THE FINANCIAL SECRETARY:—We have not yet issued, Sir, a new 10¢ coin. The coins on order are for the old design and before Fr MCGOVERN asks a further supplementary may I say that we have not been able to agree among ourselves the design for a new 10¢ coin. (*laughter*) Coin design is not a difficult question, either aesthetically or intellectually, but it is a controversial one, and my personal view is we should forget about designing a new 10¢ coin.

## **Public Libraries**

2 MR ALEX WU asked:—*Would Government make a statement on proposed expenditure to equip, to stock and to provide other services in public libraries under its direct control for the next five years?*

SECRETARY FOR THE NEW TERRITORIES:—Sir, in my reply to this Council on 24 November 1976, I gave a brief account of plans to provide library facilities

in the New Territories: the financial commitments are the corollary to these intentions, and are currently as follows.

\$1.1 million has been allocated to meet the cost of a basic stock of books for the new libraries planned in the New Territories until 1982, and it is estimated that a further \$0.8 million will be spent on replacing old books and expanding existing stock in the period to 1983. Expenditure on the provision of other services—which I take to mean such facilities as lectures, film shows, and organized group library visits and so on—is now running at about \$40,000 a year.

However, both the levels of expenditure and the standards of provision for libraries were approved in 1976 according to the recommendations of a Working Party set up six years ago to examine library facilities in the New Territories; these recommendations have been overtaken by the pace of development in the New Territories and the general raising of people's standards and expectations. I am therefore pleased to report that a comprehensive review of library services in the New Territories is currently in hand with a view to having the results available in time to make recommendations for consideration at the time when next year's estimates are due.

MR ALEX WU:—*Sir, when conducting the comprehensive review, is Government going to use the criteria of one library for each 200,000 inhabitants or a separate criterion will be used for the New Territories in view of the fact that the population there is more spread out?*

SECRETARY FOR THE NEW TERRITORIES:—The criteria will be used as a starting point for investigation, Sir, but if other needs are found to be there, then we will evaluate them.

### **Legal immigrants and their effects**

3 MISS DUNN asked:—*Would the Government state:—*

- (a) the number of legal immigrants from China and elsewhere so far this year;*
- (b) how this number compares with the same period in each of the last three years; and*
- (c) the implications of the current level of intake for our population projections and for our health, education and housing programmes?*

THE CHIEF SECRETARY:—Sir, the answers to Miss DUNN's questions are

- (a) During the first ten months of this year, legal immigrants into Hong Kong totalled 72,429 of whom 50,249 were from China.*
- (b) Corresponding figures for the first ten months of the three previous years were:*

1975: 39,142 including 21,883 from China;  
1976: 37,563 including 16,716 from China;  
1977: 42,718 including 20,972 from China.

- (c) It is too early to say whether a new trend in legal immigration from China is being established and therefore whether it has significant implications in terms of our population projections. The present medium population projection on the basis of the evidence available up to the middle of last year forecasts a population of about 5.2 million by 1986. If the level of legal immigration from China were to continue at the rate we have experienced in the first ten months of this year in each year up to 1986 (and of course we have no historical evidence that it will), the comparable figure would be 5.6 million. This is an increase of 400,000 which is not all that far short of the present population of Tsuen Wan.

My honourable Friend asks for the implications of such an increase for our health, education and housing programmes. Because, obviously, we do not know the age and sex distribution of this hopefully hypothetical increase in our population, these implications are difficult to determine.

But one easy way of illustrating the consequences in respect of *medical services* is to apply one of our present planning standards of 5.9 beds per 1,000 population by 1986. To allow on this basis for an increase of 400,000 in population would involve about 2,400 beds or two hospitals the size of Princess Margaret Hospital.

The implications for our *education* programme obviously depend on the number of immigrants of school age when they arrive here; and on how quickly the immigrants, as a whole, start producing children. Our surplus of primary places should theoretically enable us to meet the extra demand. But unless the immigrant children settle within walking distance of existing primary schools, more schools would have to be built. Problems may also arise from the different standards of attainment and the different background of the immigrant children. At the secondary level up to the age of 15, there would almost certainly be a need for more places as a result of the increased immigration.

Assumptions are particularly important in determining the implications for *housing*. But if we say that the immigrants have the typical characteristics of the Hong Kong population on age and family characteristics and on the proportion eligible for public housing, we estimate 60,000 additional flats would be needed for them by 1986. On the basis of the Housing Authority's 1979-80 rate of 40,000 new flats a year, this is a further 1½ years' production.

Having said this, Sir, I feel I should add that for September and October, the daily average of legal immigrants from China was 254 and for November so far, 329 per day. If this rate continues, then, the figures I have given

earlier will be even higher and of course our social services will be under even greater pressure.

MISS DUNN:—*Sir, while accepting that our planning targets cannot be amended on the basis of what may turn out to be short-term trends, what are the immediate effects on our existing services and facilities of taking in over 70,000 legal immigrants so far this year and over 180,000 in the past 4 years?*

THE CHIEF SECRETARY:—*Sir, the immediate effects are, I fear, obvious, that they place a greater strain on our present services. We are of course aware of this particular problem. We are concerned and as you yourself said, Your Excellency, at the opening session, we have already made that concern clear both directly here and through diplomatic channels in Peking and London.*

REV. JOYCE M. BENNETT:—*Sir, is the Government aware that these immigrants are already providing headaches to schools and what is the Education Department doing to meet these problems?*

THE CHIEF SECRETARY:—*Sir, I am sure that these immigrants do pose special problems but without knowing precisely what is in Miss BENNETT's mind as to the special headaches they are producing I cannot answer this particular question but we are aware of the problems and we will do all in our power to meet them.*

### **Postal Services in NT**

4 MR YEUNG asked:—*Is Government planning to provide door-to-door postal service to established villages in the New Territories and if so, what is the date for implementation?*

SECRETARY FOR ECONOMIC SERVICES:—*Sir, a door-to-door postal delivery service is presently provided to 31 established villages in the New Territories. The Postmaster General is planning to extend the door-to-door delivery of mail to a further 344 established villages. The date for implementation depends on the completion of the naming of streets and the numbering of houses. It also depends on Finance Committee's approval this afternoon of the additional posts of Postman the Postmaster General has requested. The Postmaster General hopes to complete this substantial extension of the delivery service by the end of next year.*

MR YEUNG:—*After the target to provide the further 344 established villages next year, is there any more villages to be served by door-to-door service?*

SECRETARY FOR ECONOMIC SERVICES:—*Sir, I understand that there are 565*

established villages, that is villages that have village representatives, in the New Territories. The 190 of these villages for which we are not at the moment planning door-to-door services are not within the scheme because they are rather scattered communities and there is difficulty in identifying streets, names and buildings to which door-to-door deliveries can take place. Nevertheless, as the situation in this respect for these 190 villages improves, the Postmaster General will consider bringing them within the door-to-door delivery system.

### **Game-hunting sport**

5 MR LEUNG asked:—*In view of the approach of the game-hunting season what is Government doing or intending to do to promote the sport of hunting by licensed hunters?*

*In the past, have hunting sports been inconveniencing the legitimate operations of the village farmers, or frustrating the activities of the small minority of bird-watchers?*

DIRECTOR OF AGRICULTURE AND FISHERIES: — Sir, the Government promotes the conservation of local wildlife; and I would refer my honourable Friend to the Wild Animals Protection Ordinance, Cap. 170, for details of how conservation measures are implemented. The Government neither promotes, nor does it intend to promote, hunting as a sport.

Because of the constraints placed on hunting by the Wild Animals Protection Ordinance only limited areas and seasons are available for hunting, and as a result hunting rarely inconveniences farmers. Conversely, however, there tends to be an almost inevitable clash of interests between hunters and conservationists, including bird-watchers. In this context it should be remembered that of the 450 holders of game licences only some 150 are active hunters. On the other hand bird-watching is not susceptible to constraints and, whilst there are approximately 200 or more enthusiasts who are members of the Bird Watching Society and/or The Natural History Society, there are many more amateur birdwatchers who engage in this hobby at all times of the year.

May I also suggest, Sir, that it is perhaps more pertinent to equate the demands of the hunters with the recreational requirements of, say, the more than 4 million other users of the countryside, including the country parks.

MR LEUNG:—*Sir, will Government consider at least relaxing the constraints on hunters during weekdays and non-holidays when there are much less users of the country park and countryside?*

DIRECTOR OF AGRICULTURE AND FISHERIES:—I regret not, Sir, because during the weekdays there are very large numbers of school children and organized

and individual groups using the country park and countryside areas. I cannot afford to relax hunting under these circumstances.

MR CHEUNG-LEEN:—*Sir, as the Director of Agriculture and Fisheries has said that there are already more than 4 million other users of the countryside, and this number will undoubtedly increase, will he consider imposing even stronger constraints on the number of hunters and on licensed hunters?*

DIRECTOR OF AGRICULTURE AND FISHERIES:—I will be happy to do so, Sir. (*laughter*)

### **Traffic Signs**

6 MR WONG LAM asked in Cantonese dialect:—

爲方便駕駛人士起見，政府可否考慮將目前設計混亂、大小不一的交通標誌予以劃一及改善？

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

*Will Government consider improving and standardizing the design and size of the existing traffic signs for the convenience of the motoring public?*

SECRETARY FOR THE ENVIRONMENT:—Sir, the Government is already progressively improving and standardizing the design and size of traffic signs. Under the existing Road Traffic (Roads and Signs) Regulations there are two schedules of traffic signs. The first covers the old fashioned UK signs which are being phased out and the second comprises a set of internationally recognized signs which are gradually being introduced and which are installed at all new highway projects.

Eventually all traffic signs used in Hong Kong will accord with these new international standards laid down in the 1968 United Nations Vienna Convention on Roads and Signs. Most of these signs are designed in such a way that their meaning can be easily and quickly recognized from the symbols on them and, where the use of words and characters is unavoidable, they have been kept to the absolute minimum. The sizes of the signs are determined by the operating speeds of vehicles on the roads where they are placed, so that the signs can be easily seen and understood by drivers and acted upon in good time.

MR WONG LAM asked in Cantonese dialect:—

閣下，目前有些路口交通標誌，方向混亂，政府可否確保該等交通標誌，豎立在正確及適當位置，而令駕駛人士不至混亂及引導錯誤？

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

*Sir, at present at some road junctions the road signs are very confusing. Will Government ensure that these traffic signs will be planted to the proper direction and the proper position so that the drivers will not be misled?*

SECRETARY FOR THE ENVIRONMENT:—Sir, I think as regards the new signs that I have been talking about, they are not only the right size as regards driving conditions but they are also in the right position.

MR CHEUNG:—*Sir, would my Friend clarify his original answer by saying whether his answer covers or embraces route and destination signs as distinct from the signs which are included in the two schedules he mentioned?*

SECRETARY FOR THE ENVIRONMENT:—Sir, as far as I am concerned, route and destination signs are traffic signs.

MR CHEUNG:—I am glad my Friend has clarified his answer.

MR WONG LAM asked in Cantonese dialect:—

閣下，在晚間，辨別交通標誌，較為困難，政府有何方法改善呢？  
(The following is the interpretation of what Mr WONG Lam asked).

*Sir, during the night it might be difficult to identify traffic signs. Does Government have any plans to improve in this respect?*

SECRETARY FOR THE ENVIRONMENT:—Yes, Sir. By introducing more of the new signs, Mr WONG Lam may have noticed that these signs are coloured and the letters on them are written in very large characters and they are designed in such a way that they can be seen more easily at night and certainly they can be caught in headlights more easily.

MR ALEX WU:—*May I ask my honourable Friend whether it is possible for the Government to remove obstructions to signs at the present moment existing?*

SECRETARY FOR THE ENVIRONMENT:—Sir, this depends on where the obstructions are. If they can be removed they will be.

MR ALEX WU:—*Will Government make an effort to discover these obstructions?*

SECRETARY FOR THE ENVIRONMENT:—Yes.

### **Public Assistance to old people in institutions**

7 REV. JOYCE M. BENNETT asked:—*In view of the problems of voluntary bodies financing their Old Peoples' Homes since the new arrangements for*

*Public Assistance to the elderly came into force, can the Government clarify its policy regarding Public Assistance to old people resident in institutions?*

DIRECTOR OF SOCIAL WELFARE:—Sir, I welcome the opportunity afforded by Miss BENNETT's question to explain the position regarding Public Assistance given to old people in institutions—a subject which has recently aroused some interest in the community.

Single elderly persons whether in institutions or in their own homes may be eligible for Public Assistance up to \$200 a month depending on their means. In addition, they may be entitled to an Old Age Allowance or an Old Age Supplement of \$100 a month, plus a Long Term Supplement of \$250 a year. An additional monthly amount up to \$63 is also payable where appropriate to cover rent. The maximum monthly amount which an old person in need may get through social security is therefore about \$384. Where an old people's home charges a fee up to \$200 a month, this is paid for through Public Assistance in the individual cases where the need for assistance has been established. In a hostel for the elderly, an old person may be asked to contribute \$63 as rent which can again be met by the Public Assistance rent allowance. In other words, the requirements of an old person living in an institution who is on Public Assistance are fully covered by Public Assistance and Old Age Allowances.

Miss BENNETT mentions problems of voluntary bodies financing their old people's homes. There may be individual problems arising from time to time but I am not aware of any general problems of financing that are not covered by fees, Government subvention and the agencies' other resources including Community Chest allocations. What is needed is a reconciliation of the social security benefit available to the elderly, the fees which voluntary agencies should charge and the amount of subvention payable by Government towards the provision of services by the voluntary agencies. Guidelines on these related matters are now being formulated and I shall shortly be consulting the Social Welfare Advisory Committee for its views.

REV. JOYCE M. BENNETT:—*Sir, would the whole procedure not be simplified if a regular code of aid for old people's homes was drawn up?*

DIRECTOR OF SOCIAL WELFARE:—Sir, the question involves whether it would be better or in the interest of the individual old persons to pay fees which would be met by Public Assistance and this very basic concept of subvention versus fee charging will be sorted out in these guidelines.

### **Shortage of qualified dispensers**

8 MR LEUNG asked:—*Is the Government aware of the serious shortage of qualified dispensers in Government and Government subsidized hospitals?*

*If so, what steps are being taken and what future plans are contemplated to remedy the situation in order to protect the interests of the sick?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, there are currently 15 vacancies in the dispenser grade in the Government Service, and these are in the process of being filled following a recent recruitment exercise which will be completed by the end of the year.

In regard to Government-subsidized hospitals, I am given to understand that the establishments for the dispenser grade are virtually up to full strength in these hospitals.

I therefore do not consider that there is in fact a shortage of dispensers in either the Government or subsidized hospitals.

MR LEUNG:—*Sir, will the Director of Medical and Health Services state if there is any difficulty in recruiting the services of dispensers into the establishment?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—No, Sir, there has been no difficulty so far that I am aware of.

MR LEUNG:—*Sir, can the Council have an assurance that the establishment of dispensers will be kept under constant review and that steps will be taken, if necessary, to adjust this to actual requirements?*

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

### **Council on Social Education and Training**

9 MR CHEONG-LEEN asked:—*Will Government take steps to establish a Council on Social Education and Training in Hong Kong as recommended in the report by Dr Richard Nann and the Advisory Committee on Social Work Training published in October 1976?*

SECRETARY FOR SOCIAL SERVICES:—Sir, many of the functions envisaged for the proposed Council on Social Work Education and Training fall within the terms of reference of the Advisory Committee on Social Work Training. Indeed, the Report envisages that in the interim the Advisory Committee could assume the role of the proposed Council.

Whilst the Government accepts the need to develop a viable pattern of social work education and training in Hong Kong and to ensure adequate standards, it remains to be convinced that, in our circumstances, a statutory body with an elaborate accreditation machinery in one specific subject area can be justified. I believe it will be better for these tasks to remain

entrusted to the Advisory Committee on Social Work Training, reconstituted and strengthened as may be necessary.

MR CHEONG-LEEN:—*Sir, has Government made its views in this respect fully known to the interested parties concerned?*

SECRETARY FOR SOCIAL SERVICES:—*Sir, since the recommendations have been received by the Government this is the first occasion on which I have been able to express a view on them.*

MR CHEONG-LEEN:—*Sir, is it necessary and are steps being taken to reconstitute and strengthen the Advisory Committee and, if so, about when could that take place?*

SECRETARY FOR SOCIAL SERVICES:—*Sir, consideration will be given to these points during the current term of the Advisory Committee.*

### **Expatriate Administrative Officers' command of Cantonese**

10 MR LO asked:—*Will the Government state how many expatriate Administrative Officers:*

- (a) can take part fully in a conversation in Cantonese;*
- (b) can read a Chinese newspaper; and*
- (c) do both?*

SECRETARY FOR THE CIVIL SERVICE:—*Sir, it is the Government's policy that all overseas Administrative Officers, except those appointed over the age of 40, should attend full-time Cantonese courses and sit at least two examinations. For pensionable officers, a pass at the Intermediate level is a condition of confirmation.*

Since 1963, when proper records first began to be kept, 57 serving overseas Administrative Officers have obtained language qualifications. 12 of these have passed the Advanced level in Cantonese; 28 have passed the Intermediate level, and a further 17 officers still on probation have passed the Elementary level. The remaining 50 overseas Administrative Officers either studied Cantonese before 1963 or were appointed to Hong Kong after the age of 40.

On written Chinese, 16 overseas officers have passed Government examinations, 2 being at the Advanced level.

I am unable to deduce from these figures how many officers are currently up to the standards implied by the question. This is partly because, as Administrative Officers advance in their careers, the increasing demands

of their work, coupled with reduced contact with non-English speaking people, tends to result in their linguistic facility declining.

While not being in a position to give precise figures in answer to Mr Lo, it is a fact that the numbers are much less than either he or I would wish, and I shall look into the matter to see what can be done by way of improvement.

MR LO:—*Does a pass at the elementary level or the intermediate level or the advanced level mean that the officer can converse and read fluently?*

SECRETARY FOR THE CIVIL SERVICE:—Sir, a pass at the advanced level would certainly mean that an officer could converse fluently, but he would also need to go on to do written examinations in order to be able to read Chinese properly.

REV. JOYCE M. BENNETT:—*How long is it since these two examinations were upgraded in the light of modern language teaching?*

SECRETARY FOR THE CIVIL SERVICE:—I am sorry Miss BENNETT, I don't have the answer to that question, but I will provide you with it.

MISS DUNN:—*Sir, doesn't the Government agree that an ability to speak and write Chinese would enable expatriate officers better to understand the culture of the Chinese people and to have more effective communications with them?*

SECRETARY FOR THE CIVIL SERVICE:—Sir, we all agree with Miss DUNN on that point. The problem is that in our experience an officer needs something like two years full time study if he is to acquire a sufficient knowledge of Cantonese for that purpose, and one then needs to follow that up with refresher training, and, ever since I have been with this Government, we simply have never been in a position where the amount of work to be done allowed us to post officers away for that length of time.

MISS DUNN:—*In that case, Sir, can consideration be given at some time in the future when officers can be spared, that certainly those officers with potential to senior posts be sent to appropriate institutes to learn written and spoken Chinese as part of their career development?*

SECRETARY FOR THE CIVIL SERVICE:—Yes, Sir, certainly.

### **Ships with dangerous drugs—action against**

11 REV. P. T. MCGOVERN asked:—*Since my question of 15 February 1978, would Government report on what progress has been made, in making*

*enquiries about action taken abroad, and in preparing for stronger action in Hong Kong, against owners of ocean-going vessels such as Tai Chung Shan on which dangerous drugs have been repeatedly seized?*

SECRETARY FOR SECURITY:—Sir, enquiries have been made about the laws of a number of countries concerning vessels found to be carrying narcotic drugs illicitly. In the light of the replies we have received the Action Committee Against Narcotics has endorsed a proposal that an amendment to the law should be made which would enable fines to be imposed on the captains/masters/owners of ocean going vessels on which dangerous drugs have been repeatedly found.

The Executive Council's advice will be sought in the near future.

REV. P. T. MCGOVERN:—*Could any estimate be given at this stage of when such a law might become effective?*

SECRETARY FOR SECURITY:—In view of the lapse of time so far I would hope that it would be introduced into the Legislative Council in January.

### **Old Age Allowance applications—backlog of**

12 MR CHEONG-LEEN asked:—*What is the current backlog of applications for Old Age Allowances and what arrangements are being made to clear quickly the backlog?*

DIRECTOR OF SOCIAL WELFARE:—Sir, since the lowering of the qualifying age for Old Age Allowances from 75 to 70 years on 1 October, about 54,000 people have applied. So far, 14,000 applications have been investigated. Of these about 8,000 cases have been assessed regarding their eligibility and entitlement and about 7,000 payments have been authorized. In order to clear the backlog due to the initial influx of new applications, some of the staff have commenced working overtime, all newly recruited Welfare Assistants are assigned to process these applications exclusively, and another recruitment exercise is being carried out to provide the additional manpower required. It is hoped that the present outstanding cases would be dealt with in about ten to twelve weeks.

MR CHEONG-LEEN:—*Sir, when will this new recruitment exercise be completed, and how many new welfare assistants are expected to be recruited?*

DIRECTOR OF SOCIAL WELFARE:—We have received 350 applications and four selection boards are now interviewing these candidates. We expect that we could get a number of these successful candidates to report for duty, within, say, two months.

**Traffic conditions on race days**

13 MR YEUNG asked:—*Are traffic conditions for members of the public travelling through Sha Tin on race days satisfactory?*

SECRETARY FOR THE ENVIRONMENT:—Sir, so far, yes. Despite an increase in attendance since the course was opened there have been no traffic hold ups at any of the road junctions in Sha Tin on race days. Although it is too early yet to draw firm conclusions from this experience, the situation is being closely monitored and, if traffic conditions do later deteriorate, further steps will be taken to ease the flow.

MR YEUNG:—*Sir, was that good condition caused by the re-routing of all the major roads in Kowloon?*

SECRETARY FOR THE ENVIRONMENT:—Sir, if Mr YEUNG is referring to certain limitations on turning traffic along Waterloo Road and in particular to traffic last Saturday going to the Baptist College for various functions, then I would say that it has been recognized that this was a misunderstanding of an instruction on the part of a particular police officer and that it will not occur again.

**Canadian secondary schools**

14 DR HO asked:—*Is Government aware that certain Canadian secondary schools which are advertising in the local newspapers with a view to recruiting students from Hong Kong, are of doubtful academic standing, and if so, what measures has Government taken to protect our student population in this respect?*

SECRETARY FOR SOCIAL SERVICES:—Sir, although the Education Department is not in a position to assess the academic standing of secondary schools overseas, it stands to reason that one should view with caution any overseas school (including secondary schools in Canada) which resorts to advertising in Hong Kong newspapers with a view to recruiting students from here.

The Education Department's Overseas Students and Scholarships Section has for many years warned all applicants seeking advice on study abroad to be very cautious in approaching educational institutions in other countries. Such students or their parents have always been advised to consult the appropriate consulate or commission, and not to rely solely on glossy prospectuses or advertisements. The Heads of all secondary schools were reminded of this by a General Schools Circular a few years ago. More recently a senior member of the Education Department again brought this to the attention of students at a school Speech Day and his address was

widely reported in the media. The Director of Education proposes to issue a further circular to all secondary schools early in 1979 advising their students who intend to study overseas to approach the Overseas Students and Scholarships Section of the Education Department, the Commission or Consulate concerned or other reputable agencies for advice before depositing down payments towards registration or tuition fees.

DR HO:—*Sir, does Government consider it desirable and practical if career masters and headmasters of secondary schools in Hong Kong are provided with brochures and pamphlets containing some essential information about selected private secondary schools in certain popularly chosen countries so that they can properly advise our local students if approached for guidance?*

SECRETARY FOR SOCIAL SERVICES:—*Sir, it would be better for our career masters to concentrate on advising their students on career prospects in Hong Kong and for the minority who wish to pursue their education overseas to be guided towards central organizations like the Overseas Section of the Education Department or to reputable organizations which have specialised knowledge of schools in overseas countries.*

REV. JOYCE M. BENNETT:—*Sir, would it be possible to put out a film on the television to show the dangers of studying in secondary schools overseas?*

SECRETARY FOR SOCIAL SERVICES:—*I am sure that if this was of interest to the population at large, this could be considered by Radio Television Hong Kong.*

### **Industrial action by Government servants**

15 MR PETER C. WONG asked:—*To what extent has the recent industrial action by Government servants affected service to the public?*

SECRETARY FOR THE CIVIL SERVICE:—*Sir, recent industrial action by a small minority of civil servants—apart from the go-slow by some Postal Officers in late October—has had very little effect on Government's services to the public.*

In only three departments other than the Post Office has industrial action had any effect:

*First, the go-slow since 27 October by some 75% of Police Interpreters has taken the form of refusing to carry out some of their duties such as the translation of caution statements. This has delayed some court cases.*

*Second*, the refusal of some Assistant Social Welfare Officers to approve Old Age Allowance applications from persons aged 70-74 has caused some delay. I am glad to note however that the Assistant Social Welfare Officers concerned have now resumed normal working.

*Third*, the Dental Technicians have been taking industrial action since 13 November, and their output of dental appliances has been reduced by about 75%. Urgent work however is being put out instead to private laboratories.

For the record I should like to make it clear that, contrary to the impression given by some of the news media, the Government Nurses have *not* so far resorted to industrial action. Their protests have taken place in their own time and have not affected patients at all. I am confident that the Nurses will continue to display their traditional sense of responsibility in these matters, in the sure knowledge that they will have ample opportunity of making representations to the new standing review body which I announced in this Council on 16 November.

To those staff now taking industrial action and there are very few, and to any others who may be contemplating such action, I would say this. The new standing review body will be asked to examine the career and salary structure of all staff in all departments throughout the Civil Service. No group of staff need have any fear that their claims will not be most carefully considered.

Given the decision to appoint a standing review body, I do not believe that industrial action or the threat of it will win public sympathy for the staff concerned. Nor will such action succeed in influencing either the standing review body or the Government.

MR PETER C. WONG:—*Sir, pending the appointment of the Standing Review Body, are steps being taken to prevent any possible escalation of the recent industrial action?*

SECRETARY FOR THE CIVIL SERVICE:—*Sir, I hope the statement that I have just made will encourage those staff who are now engaged in industrial action to resume normal working forthwith. I have given assurances in my reply to Mr WONG that their claims will in due course be considered by the new Standing Review Body. As for staff who have not yet embarked on industrial action, and who may be contemplating it, I would urge them to read the statement I have just made.*

REV. P. T. MCGOVERN:—*Sir, in the setting up of the new review body to review salaries are the staff associations being asked to co-operate and put forward ideas in order that they may have a say in the future structure of such an organization?*

SECRETARY FOR THE CIVIL SERVICE:—Sir, I announced in this Chamber a fortnight ago that the Staff Side of the Senior Civil Service Council would be consulted on the terms of reference and composition of the proposed Standing Review Body. I envisage that, at some stage, we shall inform all staff associations throughout the service of the terms of reference and invite them to let us have any comments they may have on them. I envisage that the terms of reference of the review body will clearly require it to consult the staff associations in their deliberations generally.

### **Sick leave for Government servants**

16 DR FANG asked:—*Sir,*

- (a) *does Government agree that the Civil Service Regulations which single out tuberculosis and leprosy for the grant of further sick leave on full and half pay are arbitrary and outdated, especially when these two diseases have now been contained in Hong Kong?*
- (b) *will Government consider amending these regulations so that further sick leave may be granted on the same basis to officers suffering from other chronic illnesses, such as cerebral, vascular and coronary diseases, cancer, etc, which also require long periods of convalescence?*

SECRETARY FOR THE CIVIL SERVICE:—Sir, the Civil Service Regulations to which Dr FANG refers date back to 1956 in the case of tuberculosis, and to 1965 in the case of leprosy. The arguments for restricting additional sick leave to officers suffering from these two illnesses alone appear now to lack a certain logic, and it follows that I shall be happy to review this whole question. I shall bear in mind Dr FANG's suggestion that we should take other chronic diseases into account.

One thought which occurs to me is that rather than attempt to specify particular diseases we should be guided more by the opinion of a Medical Board as to whether the officer is likely to return eventually to work.

### **Government Business**

#### **Motions**

#### **MASS TRANSIT RAILWAY CORPORATION ORDINANCE**

THE FINANCIAL SECRETARY moved the following motion:—Under section 12(1) of the Mass Transit Railway Corporation Ordinance that the Schedule to the Resolution of the Legislative Council published as Legal Notice

No 242 of 1975 in the *Gazette* on the 31 October 1975 as amended from time to time be further amended by adding the following new item—

‘22. Supplier Credits to finance contracts placed in Japan	HK\$950 million and such amounts as may become payable in respect of interest and other charges.’
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He said:—Sir, I rise to move the motion standing in my name on the Order Paper.

Section 12 of the Mass Transit Railway Corporation Ordinance requires the authority of this Council for the granting of guarantees by the Financial Secretary, on behalf of the Government, in respect of the repayment of loans and other indebtedness incurred by the Mass Transit Railway Corporation.

The motion I am introducing today seeks authority for a Government guarantee to enable the Corporation to take advantage of supplier credits, to a total of HK\$950 million, which have been offered in respect of four large contracts (Nos 301, 302, 303 and 305) which, together, form 80% of the civil engineering works for the extension of the railway to Tsuen Wan, including seven stations and connecting tunnels.

Each contract has been awarded at fixed prices and the supplier credits are denominated in Hong Kong dollars, so the Government’s commitment in respect of the guarantee will be free from exchange risks. The interest rates will be competitive and the supplier credits will be repayable over a period of 8½ years.

This guarantee, if approved by Honourable Members, will bring the Government’s total guarantee commitment in respect of the Mass Transit Railway Corporation to HK\$7,840 million.

Sir, I beg to move.

*Question put and agreed to.*

## **TRAFFIC ACCIDENT VICTIMS ASSISTANCE SCHEME**

THE SECRETARY FOR THE ENVIRONMENT moved the following motion:—That this Council approves the establishment of the Traffic Accident Victims Assistance Scheme.

He said:—Sir, I rise to move the motion standing in my name on the Order Paper. Its purpose is to seek the Council’s approval for the establishment of the Traffic Accident Victims Assistance Scheme in accordance with clause

4 of the Traffic Accident Victims (Assistance Fund) Bill which I will be introducing later this afternoon.

I have tabled an outline of the Scheme for the information of Honourable Members, but would nevertheless like to take this opportunity to describe some of its main features. Its aim is to provide some immediate financial help to all victims of traffic accidents, or their dependants, in the case of injuries or fatal accidents. Payments would be made regardless of who is responsible for the accident. The only limitations are that the accident must have been reported to the Police, that the injuries sustained are sufficiently grave to cause loss of at least seven days' earning capacity and that the claim should be made within six months of the accident. These are obvious precautions against fraudulent or trivial claims.

The Schedule of payments under the Scheme is the same as that for the Emergency Relief Fund and will be revised in line with revisions to the Schedule to that Fund. The current list of payments is fully set out in the annex to the document I have tabled.

The Scheme will be administered by the Director of Social Welfare, although consideration is also being given to the setting up of an Advisory Board to assist him in discharging this function. Those who wish to claim under the Scheme will be required to make an application, but the Police officer investigating a traffic accident will be responsible for ensuring that those eligible are informed about the Scheme. Procedures are provided for such things as checking medical evidence of injury and providing dissatisfied applicants with a means of appeal. Arrangements will also be made to ensure that those beneficiaries who subsequently receive damages or other compensation in respect of the same accident are required to make repayments to the Fund.

The Bill which I will be introducing later this afternoon will provide for the establishment of a Fund from which payments under the Scheme will be made and for the means of financing the Fund. Once the Fund is established it is hoped that payments from it can start to be made to victims of traffic accidents occurring on or after 1 May 1979. Nearer the time, it is intended that full publicity should be given to the details of the operation of the scheme and explanatory pamphlets are being prepared for issue at suitable locations, such as hospitals and District and City District Offices.

The administrative arrangements for this Scheme are being designed to simplify as far as possible the provision of relief after a traffic accident to ensure that the pain and suffering of the victim is not increased by undue anxiety over the financial situation of himself and his family. The Scheme is designed to provide a modest, but early relief to ease the financial position of victims of traffic accidents and, as such, I hope that it will be welcomed by the public at large.

Sir, I beg to move.

*Question put and agreed to.*

## **FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE**

THE COMMISSIONER FOR LABOUR moved the following motion:—That the Construction Sites (Safety) (Amendment) Regulations 1978, made by the Commissioner for Labour on the 18 October 1978, be approved.

He said:—Sir, I move the motion standing in my name on the Order Paper for the approval of the Construction Sites (Safety) (Amendment) Regulations 1978. These regulations were made by me on 18 October 1978 and have been submitted to Your Excellency in accordance with the provisions of section 7(3) of the Factories and Industrial Undertakings Ordinance.

These regulations amend the original Construction Sites (Safety) Regulations made in 1973 to remedy certain deficiencies which have come to light in the course of their enforcement. The opportunity is also taken to tidy up some of the existing provisions.

These amendments include—

- (a) the introduction of a new definition for a ‘suspended scaffold’,
- (b) a requirement for contractors to ensure that a lifting appliance is not used unless it is adequately supported and secured,
- (c) a requirement for contractors to take adequate precautions when more than one lifting appliance is used on any one construction site, when persons are carried by power-driven lifting appliances, and when multiple slings are used,
- (d) a requirement for contractors to provide adequate means of escape in case of any emergency for workmen employed in excavations, shafts, pits or tunnels,
- (e) to extend the existing requirement for workers to wear safety helmets to cover also any other persons who may enter on the construction site, and
- (f) a requirement for contractors to provide secure fencing and suitable rescue equipment on construction sites on, or adjacent to, water into which a workman is liable to fall with risk of drowning.

I have consulted the Building Contractors Association and the Director of Public Works on these amendments. They have indicated their agreement with them and have made a number of useful suggestions which have been included in the amendments. The Labour Advisory Board has also been informed of the proposed amendments and members of the Board have endorsed the proposals.

Sir, I beg to move.

*Question put and agreed to.*

**Motion (in Committee)**

**SUPPLEMENTARY PROVISIONS FOR THE QUARTER ENDED 31 MARCH 1978  
(FINAL)**

*Council went into Committee, pursuant to Standing Order 58(2), to consider the motion standing in the name of the Financial Secretary.*

THE FINANCIAL SECRETARY moved the following motion:—That this Council approves the supplementary provisions for the quarter ended 31 March 1978 as set out in Paper No 24.

He said:—Sir, I move the motion standing in my name in the Order Paper.

The schedule of supplementary provisions for the final quarter of the financial year 1977-78 covers a total amount of \$27.7 million. Of this sum, \$10 million was required to augment personal emoluments subheads on account of the 1977 salaries revision; \$9.9 million was required to cover the net expenditure of the unallocated stores account of the Government Supplies Department; \$3.8 million was required to meet withdrawals by the Asian Development Bank against promissory notes issued by this Government; and \$2.8 million was required for public works projects.

This schedule brings the total supplementary provisions for 1977-78 to \$1,121 million. But because of savings in other subheads, actual total expenditure at \$8,997 million was only \$752 million more than the original estimates.

The Finance Committee has approved all the items in the schedule. The purpose of this motion is simply to seek the covering authority of this Council.

Sir, I beg to move.

*Question put and agreed to.*

Council then resumed.

THE FINANCIAL SECRETARY reported that the motion had been agreed to in Committee without amendment.

*Question agreed by the whole Council pursuant Standing Order 58(4).*

**First reading of bills****TRAFFIC ACCIDENT VICTIMS (ASSISTANCE FUND) BILL 1978****JUDICIAL PROCEEDINGS (ADJOURNMENT DURING GALE WARNINGS)  
(AMENDMENT) BILL 1978****PARTITION (AMENDMENT) BILL 1978**

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

**Second reading of bills****TRAFFIC ACCIDENT VICTIMS (ASSISTANCE FUND) BILL 1978**

THE SECRETARY FOR THE ENVIRONMENT moved the second reading of: 'A bill to provide for the creation of a fund for assisting traffic accident victims, the charging of levies and for purposes connected therewith.'

He said:—Sir, this Bill represents the successful conclusion of several years of discussion and examination of a means to provide early relief to the victims of traffic accidents as a form of social welfare. It provides for the setting up of a Traffic Accident Victims Assistance Fund from which immediate financial assistance will be given to the victims of traffic accidents or, in the case of fatal accidents, to the dependants of the victims, without proof of blame, along the lines of the Scheme which I described when introducing the motion on this subject earlier this afternoon.

The Bill also provides, under clauses 5 and 6, for levies to be raised on vehicle and driving licences to finance the Assistance Scheme. The levies will initially be \$25 per annum on a driving licence and \$75 per annum on a vehicle licence as provided in the Schedule to the Bill. Under clause 14, the Schedule can also subsequently be amended by resolution of this Council. The Crown will not be exempt from these levies and contributions at the normal rate will be made in respect of Government vehicles and driving licences. Clause 10 of the Bill provides that people who initially receive assistance from the Fund and then subsequently obtain common law damages or other compensation in respect of the same accident should reimburse the Fund the amount they have received from it, or their compensation, whichever is the less.

Although not specifically stated in this Bill, the intention is that the levy on vehicle and driving licences should make up two-thirds of the total income of the Traffic Accident Victims Assistance Fund and that the remaining one-third will be a contribution from General Revenue. The intention behind

this division is that the motorist, who is responsible for the majority of traffic accidents, should make an identifiable contribution. The contribution from General Revenue, however, recognizes that the Scheme is a social welfare measure for which the community as a whole should help to pay and also that pedestrian carelessness causes, very roughly, one-third of all road accidents.

I should perhaps add here, Sir, that the possibility of setting up a Motor Insurers Bureau is a separate matter on which negotiations with the Accident Insurers' Association are currently being undertaken. The aim of a Motor Insurers Bureau would be to ensure that an accident victim, whose injuries arise from a driver's negligence, may receive full compensation from insurance companies in circumstances where, at present, anomalies in the insurance system prevent him from so doing. This is in contrast with the present Traffic Accident Victims Assistance Scheme, where payments are made to all victims regardless of blame, but where the sums paid out are limited, since they are intended to alleviate immediate hardship by providing quick relief.

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

### **JUDICIAL PROCEEDINGS (ADJOURNMENT DURING GALE WARNINGS) (AMENDMENT) BILL 1978**

THE SOLICITOR GENERAL moved the second reading of:—‘A bill to amend the Judicial Proceedings (Adjournment During Gale Warnings) Ordinance’.

He said:—Sir, the principal Ordinance provides for the adjournment of judicial proceedings during gale warnings, from the time of the hoisting of signal No 8 at the Royal Observatory until after all signals in the 8-10 range are lowered.

The practice of hoisting visual signals at the Royal Observatory has recently, however, been discontinued with the dismantling of the signal mast to make room for development.

This Bill, therefore, seeks to re-define the duration of gale warnings in terms of the reports publicly issued by the Director of the Royal Observatory to the effect that any of the tropical cyclone warning signals in the 8-10 range is in force or no such signal in that range remains in force.

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

**PARTITION (AMENDMENT) BILL 1978**

THE SOLICITOR GENERAL moved the second reading of:—‘A bill to amend the Partition Ordinance’.

He said:—Sir, where property in land is held by 2 or more persons, whether as joint tenants or as tenants in common, the court is empowered under the principal Ordinance to order a division of the property amongst the persons interested or to order a sale of the property and a division of the proceeds. But, as the law stands at present, an application cannot be entertained if the property is subject to a mortgage, unless the mortgagee consents to the making of the application. This is so whether he is a mortgagee of the entire property or only of a share of the property.

A mortgagee of the entire property in the land cannot legally be affected by any order for partition which the court may make under the Ordinance, so there is no good reason why proceedings under the Ordinance should depend upon his consent.

On the other hand, a mortgagee of only a share of the property could be affected. For example, if the court were to order a division of the property, he would become a mortgagee of a divided share, namely, the share allocated to his mortgage. It is proper, therefore, that he should have a say in the matter if he is to be affected. But, depending on the circumstances of the case, a partition will not necessarily prejudice him. There is no good reason, therefore, why he should be able to prevent the institution of proceedings simply by withholding his consent—perhaps quite unreasonably. None of the joint tenants or tenants in common, including his own mortgage, is in this privileged position.

This Bill, therefore, seeks to amend the principal Ordinance to enable proceedings to be instituted without the concurrence of the mortgagee, whether he is a mortgagee of the entire property or only of a share of the property. Under other provisions in the principal Ordinance a mortgagee can be added as a party to the proceedings if his presence before the court is considered desirable. Unless he is made a party to the proceedings no order for partition can be made which would prejudice him. This is considered to provide adequate safeguards to mortgagees.

This Bill will also make it clear that only a joint tenant, a tenant in common or a legal mortgagee of a tenant in common may institute proceedings under the Ordinance. The vagueness of expression in the principal Ordinance on this aspect has led to some doubt.

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

**INLAND REVENUE (AMENDMENT) (NO 5) BILL 1978****Resumption of debate on second reading (15 November 1978)**

DR FANG:—Sir, my Colleagues and I welcome the reinstatement of the dependent parent allowance, even though it appears to be against the better judgment of the Financial Secretary.

A tax allowance of \$4,000 per parent seems to me to be about right. Although on the face of it, this may seem generous, the actual maximum benefit works out at \$100 a month. In principle, the parents' income should be taken into account but I accept that means-testing would be very difficult and would not be cost effective.

I support the residence and age qualifications but must express a reservation against the stipulation that if a person is below 60, he must be eligible for a disability allowance in order to qualify for the dependent parent allowance. The existing criterion for disability allowance is very tightly drawn and inflexible. To qualify, the disability must be equivalent to a 100% loss of earning capacity as assessed in the First Schedule to the Workmen's Compensation Ordinance. This criterion seems to me too harsh for the present purpose since a 100% disability is not necessary for there to be a substantial degree of financial and material dependence on supporting children. Some form of disability, particularly if permanent, could be a substantial drain on family resources even though they are not equivalent to a 100% loss of earning capacity. I, therefore, urge that this particular stipulation should be re-examined with a view to amending clause 2(a).

Sir, with these remarks, I support the Inland Revenue (Amendment) (No 5) Bill 1978.

MR WONG LAM delivered his speech in Cantonese dialect:—

督憲閣下，對財政司提議恢復供養父母免稅額，本人極表歡迎。

中國人有句話：「養兒防老，積穀防飢」。就是說養兒育女的作用之一便是保障老年的生活，而兒女孝順及供養父母實在是一種本份，無機會供養父母者向來被認為一大遺憾，所以另外有句說話：「樹欲靜而風不息，子欲養而親不在」。便是這個意思。現今政府恢復供養父母免稅額，對為人子女者實在提供很大的幫助，亦是政府尊重中國人傳統和市民意願的好例子。另一方面，這項免稅額亦間接促使更多子女與父母同住，使更多的老年人能夠不必離群而居，此點與政府在改善老人福利計劃方面的提議，能夠互相呼應，實在是一舉兩得的。

至於免稅額方面，本人認為把供養父母與養育第一個兒女的免稅額定於同一水平實在是頗為適當的做法。雖然比起其他地方，這數目看來較大，但因為香港的社會保障制度與其他地方有別，所以四千元的免稅額實際上而言，未必如表面上之高。

至於父母到達那個年齡其子女才能申請免稅額的問題，本人認為很難選擇一個皆大歡喜的歲數。當然，最慷慨的做法莫如不限年齡，但對整個稅收而言，數目上的減少可能太過龐大，從而引起其他稅項的增加，所以有個年齡限制也是權宜之計，但卻不宜太高。

至於六十歲是否最適當的年數，那便見仁見智了。本人認為五十五歲比較適合，因為不少人士（並不單指公務員）都是在這歲數退休。但無論五十五或六十，都是憑武斷而定的，所以很難作出公允的結論，如果政府認為六十歲較為適合，本人並不反對，只希望香港的市民能夠長命百歲，使他們的子女都有機會申請此項免稅額便好了。

最後，本人對財政司把這項免稅額提前於一九七八至七九年度最後評估時實行的提議，絕對表示支持。

督憲閣下，本人支持此項動議。

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

Your Excellency, I heartily welcome the Financial Secretary's proposal to re-introduce the Dependent Parent Allowance.

There is a Chinese saying: 'Raise children as a safeguard against the insecurity of old age; store up grain as a precaution against famine'. This is to say that one of the purposes of bringing up one's children is to provide for one's old age. Children are in duty bound to practise filial piety and support their parents, and those deprived of the opportunity to do so often have much to regret. Thus, another saying goes: 'The tree desires repose but the wind will not stop; the son desires to serve but his parents are already gone'. By re-introducing the dependent parent allowance, the Government will in effect render great assistance to those who desire to serve their parents and at the same time furnish a good example of its respect for Chinese tradition and public opinion. The allowance will indirectly encourage more people to live with their parents, thereby reducing the number of the aged having to live by themselves. It can thus be seen that the move will serve more than one purpose and is in line with Government proposals to promote the welfare of the old people.

As regards the amount of the allowance, I consider that it is quite appropriate to fix it at the same level as that allowed for the first dependent child. This may appear to be rather high when compared with other countries, however, when the differences between the social security system in Hong Kong and those of other places are taken into account, the rate of \$4,000 is not actually as high as it may seem.

As to the age of parents at which their children can apply for the dependent parent allowance, I think it is rather difficult to decide on one which would please everybody. Of course, it would be most generous for Government not to set any age limit at all. But the subsequent loss in revenue might be too great and lead to an increase in the rates of other taxes. An age limit therefore serves as an expedient measure, but it should not be set too high.

Whether 60 is the most appropriate age is a matter of opinion. Personally, I think 55 would be more appropriate because many people (not only civil servants) retire at this age. Whether at 55 or 60, the

limit is set arbitrarily and it is difficult to reach a fair conclusion. If the Government thinks that 60 is more appropriate, I have no objection. I only wish all local residents longevity, so that their children may have a chance to apply for this allowance.

Finally, I would like to pledge my full support for the Financial Secretary's proposal that the allowance should apply to the 1978-79 final assessments.

Sir, I support the motion.

THE FINANCIAL SECRETARY:—Sir, Dr FANG is unhappy about the stipulation in clause 2(a) of the Bill that, if a parent is *below* the age of 60, he must be eligible for a disability allowance in order to qualify for the dependent parent allowance. He is unhappy on the grounds that 'the existing criterion for disability allowance is very tightly drawn and inflexible'. He suggested that some forms of disability, particularly if permanent, could be a substantial drain on family resources even though the loss of earning capacity is not 100% and, therefore, does not meet the criterion for a disability allowance. So Dr FANG urged that this particular stipulation be re-examined, although he refrained from making a suggestion as to how the clause should be amended.

However, whilst 100% loss of earning capacity is one possible qualification for a Government disability allowance it is not the only one. The stated aim of the allowance as set out in the published official document is 'to cover all those who are severely disabled and, as a result, need substantial help from others to cope with daily life, even if they are able to do a period of job'. Thus the criterion is *severe* not *total* disablement—and it is that criterion which has been imported into the Bill for the purpose of the dependent parent allowance.

But lest it be thought that the criterion is too restrictive, let me remind Honourable Members that the allowance for a dependent parent proposed in this Bill is non-means tested and is payable in full irrespective of the cost to the taxpayer of the maintenance of his dependent parent (or parents)—and, more to the point, irrespective of the income of the parent. The intention behind the concept of non-means testing is to minimize the difficulties which would otherwise be encountered in administering the allowance. Given, therefore, that the allowance is to be granted in respect of parents over the general retirement age of 60, the extension of the allowance to persons supporting severely disabled parent *below* that age is something of a concession. To extend that concession to parents who are partially, but not severely, disabled without resort to a means test would be to go too far—and to introduce a means test for the partially disabled would be to breach the underlying concept of the allowance. I really do think, therefore, that I have gone as far as I can.

To take the concession any further would open it up, on the one hand, to abuse and, on the other, to uncertainty as to who is or is not disabled. The Inland Revenue Department would be obliged to initiate inquiries into family circumstances and, at the end of the day, there would be placed on the Commissioner the intolerable burden of deciding what is, or what is not, disablement. The proper course is to relate this tax allowance to already established and readily identifiable criteria use for other purposes. Furthermore, in view of the simplicity of our tax system, the limitation of the charge, and the low effective rates of tax, we cannot afford any scheme of concession which would be complicated and administratively expensive to operate. For it really is imperative to recognize that in tax matters, there is no equity in that which is not reasonably capable of being put into practical operation.

Whilst fully appreciating, Sir, Dr FANG's compassionate concern for disabled persons generally, I must, therefore, ask him to be content with the Bill as it stands and to bear in mind not only the cost to the revenue, but also the reductions in effective rates of tax paid to be enjoyed by taxpayers claiming the allowance.

Finally, Sir, apart from thanking both Dr FANG and Mr WONG Lam for their support of this Bill, I would join with Mr WONG Lam in expressing the hope that all Honourable Members have a reasonable prospect of longevity and that their children prosper as they grow up and enter our beneficent tax net. (*laughter*).

*Question put and agreed to.*

Bill read the second time.

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

## **LANDS TRIBUNAL (AMENDMENT) BILL 1978**

### **Resumption of debate on second reading (15 November 1978)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**UNIVERSITY OF HONG KONG (AMENDMENT) BILL 1978****Resumption of debate on second reading (15 November 1978)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**PENSIONS (AMENDMENT) BILL 1978****Resumption of debate on second reading (15 November 1978)**

*Question proposed.*

*Question put and agreed to.*

Bill read the second time.

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

**Committee stage of bills**

Council went into Committee.

**INLAND REVENUE (AMENDMENT) (NO 5) BILL 1978**

Clause 1

THE FINANCIAL SECRETARY:—Sir, I move that clause 1 be amended as set out in the paper before Honourable Members.

*Proposed Amendment*

**Clause 1**

That clause 1(1) be amended by deleting ‘(No 5)’ and Substituting the following—

‘(No 4)’

The amendment was agreed to.

Clause 1, as amended, was agreed to.

Clauses 2 and 3 were agreed to.

#### **LANDS TRIBUNAL (AMENDMENT) BILL 1978**

Clauses 1 to 6 were agreed to.

#### **UNIVERSITY OF HONG KONG (AMENDMENT) BILL 1978**

Clauses 1 and 2 were agreed to.

#### **PENSIONS (AMENDMENT) BILL 1978**

Clauses 1 to 3 were agreed to.

Council then resumed.

#### **Third reading of bills**

THE ATTORNEY GENERAL reported that the

LANDS TRIBUNAL (AMENDMENT) BILL

UNIVERSITY OF HONG KONG (AMENDMENT) BILL and

PENSIONS (AMENDMENT) BILL

had passed through Committee without amendment and that the

INLAND REVENUE (AMENDMENT) (NO 5) BILL

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

*Question put on each Bill and agreed to.*

Bills read the third time and passed.

**Adjournment and next sitting**

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30pm on Wednesday, 20 December 1978.

*Adjourned accordingly at four o'clock.*