

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 25 November 1981****The Council met at half past two o'clock****PRESENT**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR CRAWFORD MURRAY MACLEHOSE, G.B.E., K.C.M.G., K.C.V.O.

THE HONOURABLE THE CHIEF SECRETARY
SIR CHARLES PHILIP HADDON-CAVE, K.B.E., C.M.G., J.P.

THE HONOURABLE THE FINANCIAL SECRETARY
MR. JOHN HENRY BREMRIDGE, O.B.E.

THE HONOURABLE THE ATTORNEY GENERAL
MR. JOHN CALVERT GRIFFITHS, Q.C.

THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS
MR. DENIS CAMPBELL BRAY, C.M.G., C.V.O., J.P.

THE HONOURABLE DAVID AKERS-JONES, C.M.G., J.P.
SECRETARY FOR THE NEW TERRITORIES

THE HONOURABLE LEWIS MERVYN DAVIES, C.M.G., O.B.E., J.P.
SECRETARY FOR SECURITY

THE HONOURABLE DAVID WYLIE McDONALD, C.M.G., J.P.
SECRETARY FOR LANDS AND WORKS

THE HONOURABLE DAVID GREGORY JEAFFRESON, C.B.E., J.P.
SECRETARY FOR ECONOMIC SERVICES

THE HONOURABLE ALAN JAMES SCOTT, J.P.
SECRETARY FOR INFORMATION

DR. THE HONOURABLE THONG KAH-LEONG, C.B.E., J.P.
DIRECTOR OF MEDICAL AND HEALTH SERVICES

THE HONOURABLE ERIC PETER HO, C.B.E., J.P.
SECRETARY FOR SOCIAL SERVICES

THE HONOURABLE JOHN MARTIN ROWLANDS, C.B.E., J.P.
SECRETARY FOR THE CIVIL SERVICE

THE HONOURABLE JAMES NEIL HENDERSON, J.P.
COMMISSIONER FOR LABOUR

THE HONOURABLE GERALD PAUL NAZARETH, O.B.E., Q.C.
LAW DRAFTSMAN

THE HONOURABLE WILLIAM DORWARD, O.B.E., J.P.
DIRECTOR OF TRADE, INDUSTRY AND CUSTOMS

THE HONOURABLE JOHN MORRISON RIDDELL-SWAN, O.B.E., J.P.
DIRECTOR OF AGRICULTURE AND FISHERIES

THE HONOURABLE DONALD LIAO POON-HUAI, O.B.E., J.P.
SECRETARY FOR HOUSING

THE HONOURABLE GRAHAM BARNES, J.P.
DIRECTOR OF HOME AFFAIRS

THE HONOURABLE SELWYN EUGENE ALLEYNE, J.P.
DIRECTOR OF SOCIAL WELFARE

THE HONOURABLE COLVYN HUGH HAYE, J.P.
DIRECTOR OF EDUCATION

THE HONOURABLE IAN FRANCIS CLUNY MACPHERSON, J.P.
DIRECTOR OF ADMINISTRATION AND ENVIRONMENTAL AFFAIRS

THE HONOURABLE ALAN THOMAS ARMSTRONG-WRIGHT, J.P.
SECRETARY FOR TRANSPORT (*Acting*)

THE HONOURABLE ROGERIO HYNDMAN LOBO, C.B.E., J.P.

DR. THE HONOURABLE HARRY FANG SIN-YANG, C.B.E., J.P.

THE HONOURABLE LO TAK-SHING, O.B.E., J.P.

THE HONOURABLE FRANCIS YUAN-HAO TIEN, O.B.E., J.P.

THE HONOURABLE ALEX WU SHU-CHIH, O.B.E., J.P.

THE HONOURABLE LYDIA DUNN, O.B.E., J.P.

DR. THE HONOURABLE HENRY HU HUNG-LICK, O.B.E., J.P.

THE REVD. THE HONOURABLE PATRICK TERENCE McGOVERN, O.B.E., S.J., J.P.

THE HONOURABLE PETER C. WONG, O.B.E., J.P.

THE HONOURABLE WONG LAM, O.B.E., J.P.

DR. THE HONOURABLE RAYSON LISUNG HUANG, C.B.E., J.P.

THE HONOURABLE CHARLES YEUNG SIU-CHO, O.B.E., J.P.

DR. THE HONOURABLE HO KAM-FAI, J.P.

THE HONOURABLE ALLEN LEE PENG-FEI, J.P.

THE HONOURABLE DAVID KENNEDY NEWBIGGING, J.P.

THE HONOURABLE ANDREW SO KWOK-WING, J.P.

THE HONOURABLE HU FA-KUANG, J.P.

THE HONOURABLE WONG PO-YAN, O.B.E., J.P.

THE HONOURABLE CHAN KAM-CHUEN, J.P.

THE HONOURABLE STEPHEN CHEONG KAM-CHUEN, J.P.

THE HONOURABLE CHEUNG YAN-LUNG, M.B.E., J.P.

THE HONOURABLE MRS. SELINA CHOW LIANG SHUK-YEE, J.P.

THE HONOURABLE MARIA TAM WAI-CHU

ABSENT

THE HONOURABLE KENNETH WALLIS JOSEPH TOPLEY, C.M.G., J.P.
SECRETARY FOR EDUCATION

THE REVD. THE HONOURABLE JOYCE MARY BENNETT, O.B.E., J.P.

THE HONOURABLE CHEN SHOU-LUM, O.B.E., J.P.

THE HONOURABLE WILLIAM CHARLES LANGDON BROWN, J.P.

THE HONOURABLE JOHN JOSEPH SWAINE, O.B.E., Q.C., J.P.

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL
MRS. JENNIE CHOK PANG YUEN-YEE

Papers

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

<i>Subject</i>	<i>L.N. No.</i>
Subsidiary Legislation:	
Telecommunication Ordinance. Telecommunication (Amendment) Regulations 1981	352
Prisons Ordinance. Prisons (Amendment) Rules 1981	353
Road Traffic Ordinance. Road Traffic (Temporary Car Parks) (Amendment) (No. 2) Regulations 1981	354
Evidence Ordinance. Evidence (Authorized Persons) (No. 17) Order 1981	355
Antiquities and Monuments Ordinance. Antiquities and Monuments (Designation of Monuments) (No. 2) Declaration 1981	356
Antiquities and Monuments Ordinance. Antiquities and Monuments (Designation of Monuments) (No. 3) Declaration 1981	357
Antiquities and Monuments Ordinance. Antiquities and Monuments (Designation of Monuments) (No. 4) Declaration 1981	358
Public Revenue Protection Ordinance. Public Revenue Protection (Property Tax) Order 1981	359
Inland Revenue Ordinance. Inland Revenue (Interest Tax) (Exemption) (Amendment) (No. 4) Notice 1981	360
Customs and Excise Service Ordinance. Customs and Excise Service (Amendment of Second Schedule) Order 1981	361
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Merchant Shipping (Safety) Ordinance 1981. Merchant Shipping (Safety) Ordinance 1981 (Amendment of Schedule) Order 1981	363

<i>Subject</i>	<i>L.N. No.</i>
Chinese Permanent Cemeteries Ordinance. Chinese Permanent Cemeteries Rules 1975—Resolution.....	364
Interpretation and General Clauses Ordinance. Specification of Public Office.....	365
Merchant Shipping (Safety) Ordinance 1981. Merchant Shipping (Safety) Ordinance 1981 (Commencement) Notice 1981	366
Road Traffic (Amendment) (No. 2) Ordinance 1977. Road Traffic (Amendment) (No. 2) Ordinance 1977 (Commencement) Notice 1981	367
Sessional Papers 1981-82:	
No. 13—The Hong Kong Industrial Estates Corporation—Annual Report 1980-81	
No. 14—The Jubilee Sports Centre, Hong Kong—Annual Report 1980-81	

Oral answers to questions

Policy over Vietnamese refugees

1. DR. HO asked:—*In view of the increasing difficulties in resettling Vietnamese refugees overseas and indications that many are simply economic adventurers, will Government consider changing its 'port of first call' policy?*

SECRETARY FOR SECURITY:—Sir, the Government's policy over Vietnamese refugees is to continue to carry out the agreement reached at the Geneva Conference in July 1979, under which countries of first asylum undertake to allow refugees to stay temporarily, pending their resettlement overseas. For its part the office of the United Nations High Commission for Refugees undertakes to use its best endeavours to secure such resettlement.

Should any changes in the July 1979 arrangements be made, or contemplated, the Hong Kong Government like other governments would need to consider its position in the light of such developments.

DR. HO:—*Sir, can the Secretary for Security inform this Council, according to the current practice and experience, how long it takes to resettle an average Vietnamese refugee after he or she is given temporary asylum in Hong Kong with the help of the UNHCR?*

SECRETARY FOR SECURITY:—Sir, we have got 13 230 refugees here today. 44% of those have been here for longer than 25 months. I cannot give the honourable Member an average figure because it depends on a large number of factors, but I will endeavour to examine the statistics to see whether one can be provided.

(The following written reply was provided subsequently.)

2. I have examined our statistics, and attach a table giving a breakdown of the lengths of stay of the refugee population now here. The figures are broken down month by month for those groups who have been here more than 2 years. These figures do not show the average length of time which a refugee spends here. However the following statistics may be of interest to you and may give some indication of the length of stay of some refugees:

<i>Year</i>	<i>Number resettled</i>	<i>Length of stay</i>
1979	24 377	Up to 15 months
1980	37 468	Up to 27 months
1981	17 278	Up to 39 months

Distribution of Lengths of Stay of Vietnamese Refugees in Hong Kong
(At end-November 1981)

<i>Length of Stay</i>	<i>Nos. of Persons</i>	
Less than 6 months:	4 782	36.02%
7-12 months:	1 676	12.62%
13-18 months:	838	6.31%
19-24 months:	109	0.82%
25 months:	17	0.13%
26 months:	26	0.19%
27 months:	150	1.13%
28 months:	775	5.84%
29 months:	2 318	17.46%
30 months:	1 429	10.76%
31 months:	410	3.09%
32 months:	131	0.99%
33 months:	334	2.51%
34 months:	183	1.38%
35 months:	60	0.45%
36 months:	11	0.08%
37 months:	2	0.01%
38 months:	20	0.15%
39 months:	2	0.01%
40 months:	3	0.02%
Total:	<u>13 276</u>	

Compulsory pilotage for ocean-going vessels

2. MR. WONG LAM asked in Cantonese:—

為減少海上航行意外，政府會否考慮硬性規定所有進出港口之遠洋船隻僱用合格領港員領航？

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

In order to reduce navigation accidents at sea, will Government consider making it compulsory for all ocean-going vessels entering and leaving Hong Kong waters to employ the service of qualified harbour pilots?

SECRETARY FOR ECONOMIC SERVICES:—Sir, in 1978 the Port Committee endorsed a recommendation by the Pilotage Advisory Committee that in principle there should be compulsory pilotage for ocean-going ships. The implications of this decision were contained in a review which the Marine Department had conducted of the situation in respect of pilotage in Hong Kong.

Pilots in Hong Kong are employed by the Hong Kong Pilots Association of which they become members. The first hurdle in implementing this decision was to encourage the Association to recruit more apprentice pilots for training, so as to increase the number of pilots sufficiently to cater for compulsory pilotage. There has been a steady improvement in this respect. The number of licensed pilots has increased from 27 in 1976 when the review took place to 40 in 1981 and there are two apprentice pilots currently on the register. By now 95% of all ocean-going ships entering and leaving the port of Hong Kong use pilots.

The next step, the Port Committee advised, is to agree with the Pilots Association that the boundary of the area in which ships have to use pilots should be extended to Po Toi so as to include the East Lamma Channel. This will involve the pilots in the purchase of at least two and possibly four allweather launches. It will also increase the number of pilots necessary to introduce compulsory pilotage.

Meanwhile the Director of Marine is preparing drafting instructions for the necessary amendments to allow for compulsory pilotage in the Pilotage Ordinance. The idea is to have the amendments passed into law to be effective from a date to be appointed by the Governor, that is to say when the Pilots Association is ready.

The Director of Marine's object is to start to phase in the introduction of compulsory pilotage in the coming three years, starting with such vessels carrying hazardous cargoes as oil tankers and l.p.g. carriers. Meanwhile, as the Pilots Association recruits more pilots, the percentage of ocean-going ships using pilots will increase. Statistics on the incidents involving ocean-going

vessels in collision or grounding (other than in typhoons) show most of these incidents took place when there were no pilots on board. So the increase in the availability of pilots alone should help to reduce the number of incidents, even if we have not yet been able to make pilotage compulsory.

Subsidiary legislation under the Supplementary Medical Professions Ordinance

3. MR. ALEX WU asked:—*Will Government inform this Council when it expects to present subsidiary legislations under the Supplementary Medical Professions Ordinance for consideration?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, in order to do justice to Mr. WU's question, it will not be inappropriate for me to recapitulate briefly the proper channels and procedures through which subsidiary legislations under the Supplementary Medical Professions Ordinance are processed before they are finally tabled before this Council.

As my honourable Friend is aware, the guidelines concerning subsidiary legislations relevant to a particular para-medical profession will have to be considered and provided by its Board in the first instance.

These are then put to the Social Services Branch for drafting approval. The Law Draftsman will then translate the guidelines and intentions into draft legislations.

The final draft is returned to the Supplementary Medical Professions Council to which the respective Boards work, for consideration and agreement, before it is presented to the Governor in Council for approval and then finally laid before this Council.

Thus, the draft subsidiary legislations governing Medical Laboratory Technicians are now in an advanced stage of preparation for presentation to the Executive Council and the new legislations are expected to be enacted within the current session.

In regard to subsidiary legislations governing the other three para-medical professions under the Ordinance, namely, radiography, physiotherapy and occupational therapy, I am given to understand that these are under consideration by their respective Boards. Hopefully, these will go through the proper channels and procedures without undue delay and will be enacted as soon as it is possible.

In the circumstances, Mr. WU will appreciate that the sooner the respective Boards complete their work, the earlier the draft legislations could be processed and tabled before this Council.

MR. WU:—*Sir, according to paragraph 2 of the answer, my honourable Friend has stated that 'the guidelines concerning subsidiary legislation relevant to a particular para-medical profession will have to be considered and provided by its Board in the first instance'. In fact the first set of subsidiary legislation concerning medical laboratory technicians were drafted without the support or help of the Board, therefore does it not seem that there is an inter-face missing between the Boards and the legal draftsmen. Will my honourable Friend state whether Government is prepared to provide the Boards with proper Secretariat help in order that they can carry out their work?*

THE DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Sir, I must explain that when the first set of subsidiary legislation was considered, that was when the paramedical Council and its Boards were not in existence. However, now with the existence of the para-medical Council and its Boards, I am given to understand that, in fact, the Secretary of the Boards and Council is at present providing the Secretariat help that is necessary. However, if a good case is made for more Secretariat help, I am sure the Government will consider this with sympathy.*

Private light buses for school passengers

4. MR. PETER C. WONG asked:—*Will Government make a statement on the progress of reclassifying school hire vans designed to carry more than seven adult passengers as private light buses, thus enabling them to carry more school passengers?*

SECRETARY FOR TRANSPORT:—*Sir, the various models of vehicles to be reclassified as private light buses for school passengers, have been examined and the type approvals have been granted.*

The processing of the applications for the re-registration of the individual vehicles involved, commenced earlier this month. Applications in hand should be cleared within two or three weeks, but more applications can be expected and these will be dealt with as and when they are received.

MR. PETER C. WONG:—*Sir, may I ask how many applications are already in hand and how many more are likely to be expected?*

SECRETARY FOR TRANSPORT:—*Sir, we only have about 20 applications in hand, but I believe this is the tip of the iceberg. Now that we are in business I expect possibly two or three hundred to come along.*

The use of the metric system in Hong Kong

5. MR. SO asked in Cantonese:—

政府可否就鼓勵市民採用十進制的進展，特別是政府部門使用十進制的情況，發表聲明？

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

Will Government make a statement on the progress of encouraging the adoption of the metric system in general and with reference to Government departments in particular?

SECRETARY FOR ECONOMIC SERVICES:—Sir, technically speaking the system that is being adopted in Hong Kong is the International System of Units. But for the purpose of answering my honourable Friend's question, I will refer to the metric system.

Sir, in January 1978, you appointed the Metrication Committee under the chairmanship of Professor S. Y. KING basically to encourage Hong Kong to use the metric system. The object is to get the system adopted here on a voluntary basis rather than by law. So the Committee has laid particular emphasis on education, persuasion and publicity.

I am pleased to be able to report that the results of proceeding in this way are excellent. To take, first, the *private sector*.

In respect of *building construction and civil engineering*, all projects must now be specified, and most of them are executed, in the metric system.

As regards *manufacturing industries*, those producing scientific instruments, optical and electronic products, tobacco, pharmaceutical products and paints are now using the metric system. For the remainder, one problem is that Hong Kong cannot adopt the system without regard to the units used by its trading partners. But the Metrication Committee expects that most industries should be involved in the metric system by 1985.

With regard to *public utilities and services*, the petrol companies are now selling all their products using the metric system. The power companies have already adopted the metric system and the gas company is making studies with a view to adopting it.

Consumer goods and services present in many respects more difficulties than industry under a system of persuasion rather than of law. Nevertheless, the Committee considers that many outlets for consumer goods and services will be using the metric system by the end of 1983.

My honourable Friend referred particularly to Government departments, in other words the *public sector*.

I am pleased to be able to report that the following fifteen departments have effectively adopted the metric system—

- Education (and that includes all Hong Kong's education systems at primary, secondary and tertiary levels)
- Public Works
- Royal Observatory
- Post Office

Agriculture and Fisheries
Civil Aviation
Government Laboratory
Housing
Immigration
Kowloon-Canton Railway
Medical and Health
Rating and Valuation
Census and Statistics
Urban Services and
Prisons

For those who have not completely implemented metrication the significant ones are
Fire Services
Marine
Transport
Trade, Industry and Customs

Plans are well advanced for these departments also to implement completely the metric system and they should be doing so by 1983. Another significant department which has been unable to finalize its programme is the Government Supplies Department. But much of its progress depends on the units used by the sources of its purchases.

I think in the light of what I have said, honourable Members will agree that it is appropriate that I place on formal record our appreciation of the work of Professor King and his Committee and of the Government staff who execute the Committee's decisions.

Traffic congestion in major bottlenecks

6. MR. SO asked in Cantonese:—

政府有沒有全面計劃，去緩和在繁忙時間內，本港道路系統主要樽頸地帶的嚴重交通擠塞情況？

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

Has Government any comprehensive plans to relieve the serious traffic congestion in the major bottlenecks of our road system during rush hours?

SECRETARY FOR TRANSPORT:—Yes, Sir. Government does have such comprehensive plans. Government's broad strategy on transport planning and policy is laid down in the White Paper on Internal Transport. It covers:—

- (a) the improvement of the road system,
- (b) the expansion and improvement of public transport, in particular off-road systems such as the M.T.R. and K.C.R., and

(c) the more economic use of road systems including traffic management measures.

In keeping with this strategy, a whole series of projects in the Public Works Programme is being implemented, priorities are kept under regular review and the administrative machinery monitors progress and oversees transport planning.

MR. SO asked in Cantonese:—

請問運輸司對於執行這些計劃的進展和效果，是否感到滿意？

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

Sir, I would like to ask the Secretary for Transport whether he is satisfied with the progress and results of the plans?

SECRETARY FOR TRANSPORT:—Sir, I am reasonably satisfied that progress is good, but there is obviously a need for a vigorous approach to all traffic problems.

MISS DUNN:—*Sir, did the administrative machinery which monitors progress, to which the Secretary for Transport just referred, anticipate the continuing delays in the opening of the Aberdeen Tunnel?*

SECRETARY FOR TRANSPORT:—Sir, that is a specific question which I am unable to answer (*laughter*).

MR. CHARLES YEUNG:—*Sir, may I ask whether there is any comprehensive scheme for the temporary relief rather than the long-term relief? For example when the Yuen Long—Au Tau road is built, there is such a bottleneck there.*

SECRETARY FOR TRANSPORT:—Sir, the third area is the more economic use of road systems, which includes traffic management, restraint programmes, area traffic control and that sort of system and they are certainly being looked into.

MISS DUNN:—*Sir, given that the Aberdeen Tunnel is now some 18 months late in opening and the fact that the Secretary for Transport is unable to answer, does this not indicate that there is something wrong with the monitoring machinery?*

SECRETARY FOR TRANSPORT:—Sir, I don't believe there is anything wrong with the monitoring machinery. There have been difficulties with the Tunnel and I am quite sure that these details could be made available to Miss DUNN if she requires them.

MR. LO:—*Sir, when the reference is made in the answer to 'monitoring machinery', I wonder whether it is intended to include the unofficial monitoring machinery or the administrative monitoring machinery?*

SECRETARY FOR TRANSPORT:—Sir, we do have unofficial monitoring as well through various channels.

Statements

The 4th Annual Report of the Jubilee Sports Centre Board for the year ended 31 March 1981

MR. NEWBIGGING:—Sir, among the papers laid on the table of the Council today is the Fourth Annual Report of the Jubilee Sports Centre Board, for the year ended 31 March 1981. During the year under review, the Centre has made substantial progress in the construction of the coaching centre at Sha Tin and the further extension of its existing coaching programme.

Members will be pleased to know that the Centre's permanent home at Sha Tin is steadily taking shape. The piling contract for the Centre was completed in April this year, and construction of the Main Building and other sports facilities is now underway and progressing smoothly.

A great deal of careful thought and hard work has gone into the design and building of the Centre. When completed, its many facilities will include three indoor sports halls. One of these is 68 metres long and 35 metres wide and capable of accommodating up to 50 different indoor sports. Residential accommodation can also be provided for over 80 athletes in training. The Centre, which is due to open in May next year, will give Hong Kong a national coaching centre of international quality. It will provide sportsmen and women with coaching designed to give everyone with talent the chance to achieve his or her best.

The purpose of the Jubilee Sports Centre is to offer the physical resources and the expert training which will raise the standard of sport over the whole community. The Centre deserves the full support of the community, including the commercial sector, and the response so far has been encouraging.

The Board is most grateful to Government for the allocation of a further HK\$30 million towards the construction costs of the Centre, which together with contributions from the Royal Hong Kong Jockey Club and the Queen's Silver Jubilee Fund brings the total funds available for capital development to HK\$150 million.

Credit must also go to private sources which donated another HK\$700,000 during the year and the Board is grateful for such support from the commercial sector.

On the coaching side, our team has expanded considerably over the past twelve months. A Swimming Coach, a Tennis Coach, an Assistant Soccer Coach and an Assistant Badminton Coach are valuable additions to the coaching staff of the Centre. The Centre now has seven specialist coaches and

three assistant coaches. By the time it is completed we expect to have a coaching staff of 40, who, we hope will be helping to make Hong Kong a sporting force to be reckoned with.

During the year, 3 335 coaching sessions were held, of which 40 per cent were conducted in co-operation with the governing bodies of the various sports in Hong Kong. All the other coaching sessions in this wide programme were arranged through schools, sports associations and sport clubs. 45 new venues throughout Hong Kong Island, Kowloon and the New Territories were utilized. This again demonstrates the co-operation and relationship that exists between the Centre and established organizations.

The Jubilee Sports Centre should make a significant contribution to the general health and happiness of our community in many ways, and we hope it will be an institution which Hong Kong can be proud of. When this year's report is tabled in this Council in a year's time, we hope that we will already have entered a new era for sport and coaching in Hong Kong.

The Annual Report of The Hong Kong Industrial Estates Corporation for the year ended 31 March 1981

MR. WONG PO-YAN:—The Annual Report of the Industrial Estates Corporation is among the papers laid on the table of this Council today.

The report, covering the year ended 31 March 1981, records the completion of the second stage of the Tai Po Estate and Government approval for the third stage, for which the initial contract will be let shortly.

At Tai Po also, the first of the Standard Factory blocks is now virtually completed. This represents an important alternative for industrialists who meet the criteria and wish to commence manufacturing immediately and whose processes can be accommodated in a pre-built factory.

Last year the Corporation had to record some delays at the Yuen Long Estate but the problem of obtaining fill material has been overcome and during the year under review work proceeded more satisfactorily. Under the revised programme it is due to be completed early in 1983, but land is already available for building, and following the recent signing of the Government Grant Conditions, the Corporation expects to lease the first site very soon.

On the construction side, therefore, the Industrial Estates Corporation is well on the way to the creation of the two estates which will ultimately provide 65 hectares each, making a total of 130 hectares of much-needed industrial land.

On the manufacturing side, 34 companies have now taken sites at Tai Po covering more than half of the nett area of the Estate, and 13 are in production with a workforce of 2 500. As elsewhere, many of the skilled workers are commuting at present, but the Estate is providing employment opportunities for the rapidly growing population of Tai Po.

The concept of industrial estates offering land on special terms to selected industries which meet specific criteria is a novel one for Hong Kong, and it is therefore important to gauge the extent to which the estates are contributing to the diversification of Hong Kong industry and to the introduction of new techniques and processes.

The 34 companies listed in the Annual Report cover a very wide range of products and involve the most up-to-date technology available in the world today. Among the products are many which will contribute directly to the advancement of Hong Kong industry as well as increasing our export performance, and to this extent the position is very encouraging.

All of these companies have been attracted to the Industrial Estate and have been selected against the criteria which essentially have remained unchanged since the Corporation was established in 1977.

With the land now available, the Corporation would undoubtedly like to see more applications than it has at present in the pipeline. On the other hand, the Corporation must adhere to the established selection criteria to ensure there is no deviation from the original objective. Bearing this in mind, the overall application situation is not unsatisfactory.

The percentage of approved applications has been rising steadily from 11 per cent in the first few months in 1977 to more than 50 per cent in the last two years. This must be seen as indicating a better understanding by applicants of the objectives of the industrial estates.

However, with the present availability of land at Yuen Long in addition to Tai Po, the Corporation hopes more applications will be received as a direct result of the increased promotional activities, now being undertaken by the Trade, Industry and Customs Department.

The Corporation has, in association with the Department and other trade organizations, participated in a valuable series of seminars in Hong Kong, designed to increase the awareness of local industrialists to the opportunities offered by the estates, and also to attract overseas investment.

In considering the progress of the Industrial Estates Corporation, account must be taken, as the Chairman of the Corporation—the Honourable LI Fook-wo—has stated, of the prevailing economic climate which is hardly conducive to industrial investment. Despite that, Sir, I believe the Corporation Annual Report for 1980-81 shows a sound concept, steady progress and a valuable contribution to the future industrial development of Hong Kong.

Government business

Motions

INTERPRETATION AND GENERAL CLAUSES ORDINANCE

THE CHIEF SECRETARY moved the following motion:—That on 1 December 1981—

1. The functions exercisable by the *Secretary for the New Territories* by virtue of the Ordinance specified—
 - (a) in Part 1 of the Schedule be transferred to the Secretary for City and New Territories Administration;
 - (b) in Part 1A of the Schedule be transferred to the Regional Secretary (New Territories).
2. The functions exercisable by the *Director of Home Affairs* by virtue of the Ordinances specified—
 - (a) in Part 2 of the Schedule be transferred to the Secretary for Home Affairs;
 - (b) in Part 2A of the Schedule be transferred to the Regional Secretary (Hong Kong and Kowloon).
3. The functions exercisable by the *Director of Administration and Management Services* by virtue of the Ordinances specified in Part 3 of the Schedule be transferred to the Secretary for Home Affairs.
4. The functions exercisable by the *Deputy Secretary for the New Territories* by virtue of the Ordinances specified in Part 4 of the Schedule be transferred to the Regional Secretary (New Territories).
5. The Ordinances in the Schedule be amended—
 - (a) in the case of the Ordinances specified—
 - (i) in Part 1, by deleting ‘Secretary for the New Territories’ wherever occurring and substituting the following—
‘Secretary for City and New Territories Administration’;
 - (ii) in Part 1A, by deleting ‘Secretary for the New Territories’ wherever occurring and substituting the following—
‘Regional Secretary (New Territories)’;
 - (b) in the case of the Ordinances specified—
 - (i) in Part 2, by deleting ‘Director of Home Affairs’ wherever occurring and substituting the following—
‘Secretary for Home Affairs’;
 - (ii) in Part 2A, by deleting ‘Director of Home Affairs’ wherever occurring and substituting the following—
‘Regional Secretary (Hong Kong and Kowloon)’;
 - (c) in the case of the Ordinances specified in Part 3, by deleting ‘Director of Administration and Management Services’ wherever occurring and substituting the following—
‘Secretary for Home Affairs’;
 - (d) in the case of the Ordinances specified in Part 4, by deleting ‘Deputy Secretary for the New Territories’ wherever occurring and substituting the following—
‘Regional Secretary (New Territories)’.

6. References herein to an Ordinance be construed as including references to any subsidiary legislation made under that Ordinance.
7. Any Crown lease or other instrument or contract affecting or relating to any land in the New Territories be construed, as respects any function exercisable in respect thereof by the Secretary for the New Territories, and have effect as from 1 December 1981 as if for any reference therein to the Secretary for the New Territories there were substituted a reference to the Secretary for City and New Territories Administration.

SCHEDULE

Part 1

(S.N.T. to S.C.N.T.A.)

Landlord and Tenant (Consolidation) Ordinance (Cap. 7)
Crown Land Ordinance (Cap. 28)
Antiquities and Monuments Ordinance (Cap. 53)
New Territories Ordinance (Cap. 97)
Dutiable Commodities Ordinance (Cap. 109)
 (Dutiable Commodities (Liquor) Regs.)
Estate Duty Ordinance (Cap. 111)
Rating Ordinance (Cap. 116)
Crown Lands Resumption Ordinance (Cap. 124)
Public Health and Urban Services Ordinance (Cap. 132)
Country Parks Ordinance (Cap. 208)
Emergency Regulations Ordinance (Cap. 241)
 (Emergency (Requisition) Regs.)
Corrupt and Illegal Practices Ordinance (Cap. 288)
 (Corrupt and Illegal Practices (Heung Yee Kuk Election Expenses) Order)
Buildings Ordinance (Application to the New Territories) Ordinance (Cap. 322)
 (Buildings Ordinance (Application to the New Territories) Regs.)
Pok Oi Hospital Incorporation Ordinance (Cap. 1068)
Heung Yee Kuk Ordinance (Cap. 1097)
Emergency Relief Fund Ordinance (Cap. 1103)
Yan Chai Hospital Ordinance (Cap. 1106)

Part 1A

(S.N.T. to R. Sec. (N.T.))

District Boards Ordinance (42/81)
Electoral Provisions Ordinance (43/81)

Part 2

(D.H.A. to S.H.A.)

Chinese Permanent Cemeteries Ordinance (Cap. 1112)

Part 2A

(D.H.A. to R. Sec. (H.K. and K.))

District Boards Ordinance (42/81)

Electoral Provisions Ordinance (43/81)

Part 3

(D.A.M.S. to S.H.A.)

Waste Disposal Ordinance (Cap. 354)

Water Pollution Control Ordinance (Cap. 358)

Part 4

(D.S.N.T. to R. Sec. (N.T.))

New Territories Ordinance (Cap. 97)

Dutiable Commodities Ordinance (Cap. 109)

(Dutiable Commodities (Liquor) Regs.)

Buildings Ordinance (Application to the New Territories) Ordinance (Cap. 322)

(Buildings Ordinance (Application to the New Territories) Regs.)

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

This motion arises from certain decisions announced in this Council on the 11 November by Sir Jack CATER relating to the organization of Government's internal administration.

Following upon the dismantling of the Environment Branch and the establishment of separate Secretariat branches responsible for Lands and Works, on the one hand, and Transport, on the other, and following also upon the intended de-federalization of the Public Works Department, together with the creation of a single Lands Department, it was decided to bring responsibility for district administration throughout Hong Kong under one Secretary to be known as the Secretary for City and New Territories Administration. In effect, this post is the successor post to the post of Secretary for the New Territories and will be supported by two posts of Regional Secretary, one for the New Territories and one for Hong Kong and Kowloon. At the same time, as the post

of Secretary for Home Affairs will be relieved of responsibility for the Home Affairs Department and, therefore, for district administration in the urban areas, it was decided that the Home Affairs Branch should absorb the Information Branch and take over responsibility for all aspects of environmental affairs presently located in the Administration Branch. The role of the Administration Branch in the administrative scheme of things in the future is now under my consideration.

So that the new Secretary for City and New Territories Administration and the new style Secretary for Home Affairs can assume their new roles—and it is proposed they should do so from 1 December next—certain statutory powers need to be transferred to and from the various officers concerned as set out in the motion and the attached schedules.

The motion also ensures, in paragraph 7, that the replacement of the post of Secretary for the New Territories by the new post of Secretary for City and New Territories Administration does not invalidate any instruments or contracts relating to land in the New Territories issued or entered into by the Secretary for the New Territories.

I should perhaps add this, Sir, as a footnote: whilst the detailed administrative implications of this reshuffling of functions has been the subject of a good deal of work already, it will be some time yet before the actual layout of the new City and New Territories Administration and the new Home Affairs Branch on the ground, in terms of both personnel and offices, becomes apparent.

Sir, I beg to move.

Question put and agreed to.

IMMIGRATION ORDINANCE

THE SECRETARY FOR SECURITY moved the following motion:—That section 18(3) and Parts VIIA and VIIB of the Immigration Ordinance shall expire on 31 December 1982.

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

Section 18(3) of the Immigration Ordinance was enacted in January 1979 to provide that Vietnamese refugees are subject to removal from Hong Kong at any time. By virtue of section 18(4) which was enacted at the same time, section 18(3) will expire on 31 December of this year unless extended by resolution of this Council.

Similarly parts VIIA and VIIB of the Ordinance, which were enacted in August 1979 to deal with the problem of trafficking in illegal immigrants will

expire on the same date by virtue of sections 37M and T of the Ordinance. These provisions were also introduced to deal with the influx of Vietnamese refugees during 1979, but have also been extended by Order under section 37B and used to combat illegal immigration both from China and from Macau. In the view of the Government both section 18(3) and Parts VIIA and VIIB should be extended.

This motion seeks Council's approval of such extensions for a further year until 31 December 1982.

The number of Vietnamese boat refugees direct from Vietnam arriving in Hong Kong during 1980 was 6 788. So far the figure for 1981 is 8 154. This represents an unwelcome increase. As a result there are still 13 328 Vietnamese refugees here awaiting resettlement of which 880 have been rescued at sea by ocean-going vessels. Although there has not been any major influx of the kind experienced in 1979, arrivals continue at an uncomfortably high rate. In these circumstances it behoves us to maintain the legal deterrents provided by section 18(3) and Parts VIIA and VIIB of the Immigration Ordinance.

6 493 illegal immigrants from China and 23 from Macau have been arrested in the first 10 months of 1981. In addition, during the same period 1 116 and 12 evaders from China and Macau respectively have also been arrested. The need for powers to deal with traffickers in these illegal immigrants remains.

The Government has therefore concluded that it would be unwise not to have these powers during 1982 and accordingly, Sir, I beg to move.

Question put and agreed to.

MERCHANT SHIPPING ORDINANCE

THE SECRETARY FOR SECURITY moved the following motion:—That sections 34A, 34B and 34C of the Merchant Shipping Ordinance shall expire on 31 December 1982.

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

In January 1979 the Merchant Shipping (Amendment) Ordinance provided for the forfeiture of a vessel in certain circumstances involving the carriage of excess passengers and the provision was enacted at a time of a very large influx of Vietnamese refugees. Sections 34A, 34B and 34C of the Merchant Shipping Ordinance are the relevant sections.

By virtue of section 34D these sections will expire on 31 December 1981 unless they are extended by resolutions of this Council. These provisions are an important deterrent and the Government considers that they are still required. Accordingly, Sir, I beg to move.

Question put and agreed to.

COMPANIES ORDINANCE

THE SECRETARY FOR ECONOMIC SERVICES moved the following motion:—That the Companies (Winding-up) (Amendment) Rules 1981, made by the Chief Justice on 5 November 1981, receive concurrence.

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

Section 296 of the Companies Ordinance empowers the Chief Justice, with the concurrence of this Council, to make general rules relating to the winding up of companies.

Difficulties have arisen recently over the interpretation of rule 4(2) of the Companies (Winding-up) Rules in relation to the giving of leave to withdraw a petition to wind up a company. Rule 4(2) is a straightforward copy of an equivalent United Kingdom provision and makes reference to the ‘powers and duties of a Master, Registrar, or Taxing Master’. It has no application to Hong Kong.

The Chief Justice made the Companies (Winding-up) (Amendment) Rules 1981 under section 296 of the Companies Ordinance on 5 November 1981. These rules seek to delete rule 4(2). They also provide that the duties of the Registrar of the Supreme Court under the Companies (Winding-up) Rules may be carried out by an assistant registrar, in addition to a deputy registrar.

Sir, I beg to move.

Question put and agreed to.

First reading of bills

URBAN COUNCIL (DONATIONS) BILL 1981

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) (NO. 2) BILL 1981

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

Second reading of bills

URBAN COUNCIL (DONATIONS) BILL 1981

THE FINANCIAL SECRETARY moved the second reading of:—‘A bill to provide relief from estate duty and tax on donations to the Urban Council and for that purpose to amend the Estate Duty and the Inland Revenue Ordinances’.

He said:—Sir, I move that the Urban Council (Donations) Bill 1981 be read the second time.

The main purpose of the Bill is to provide relief from tax and estate duty on donations to the Urban Council.

Under the Inland Revenue Ordinance, a person liable to salaries tax or profits tax may deduct from what would otherwise have been his assessable income or assessable profits approved charitable donations made by him in a year of assessment, if the total of such donations is not less than \$100 and not more than 10% of the assessable income or profits. Therefore, a person who donates money to the Government for a charitable purpose may be granted tax relief; but this does not apply if the donation is made to the Urban Council albeit for a similar purpose.

Under the Estate Duty Ordinance, estate duty is not payable in respect of property devised or bequeathed by a deceased person to a charitable institution or trust of a public character, or to the Government for charitable purposes. This is not the case, however, if the device or bequest is made to the Urban Council.

The present treatment of donations to the Urban Council and to the Government under the Inland Revenue Ordinance and the Estate Duty Ordinance is thus inconsistent. Amendments to the two Ordinances are therefore proposed to rectify the position. *Clause 4* of the Bill amends the Inland Revenue Ordinance by including donations of money to the Urban Council for charitable purposes in the definition of approved charitable donations. It will apply to the year of assessment commencing 1 April 1981 and to subsequent years of assessment. *Clauses 2 and 3* amend the Estate Duty Ordinance by excluding from charge to estate duty a deceased person's property which is devised or bequeathed to the Urban Council for charitable purposes. It will apply to estates of persons dying on or after the date of enactment of this Bill.

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

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

Question put and agreed to.

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) (NO. 2) BILL 1981

SECRETARY FOR HOUSING moved the second reading of:—‘A bill to amend the Landlord and Tenant (Consolidation) Ordinance’.

He said:—Sir, I rise to move the second reading of the Landlord and Tenant (Consolidation) (Amendment) (No. 2) Bill 1981.

The Report of the Committee of Review, Landlord and Tenant (Consolidation) Ordinance was published in May this year, and some of its recommendations were put into effect in July with the enactment of the Landlord and Tenant (Consolidation) (Amendment) Ordinance 1981.

The Bill now before this Council deals mainly with the introduction of a system for giving reasonable security of tenure to tenants of premises excluded from the rent control legislation, and the extension to sub-tenants of post-war premises of the same degree of rent control as is enjoyed by principal tenants. Other matters covered by the Bill are:—

- (a) the provision of guidelines to the Lands Tribunal where the landlord seeks possession of premises for the purpose of rebuilding;
- (b) the bringing into line of the rent increase provisions for pre-war premises with those for post-war premises where improvements have been carried out by the landlord;
- (c) the rights of landlords and tenants of controlled post-war tenancies during the contractual period of a tenancy, and during the statutory period;
- (d) the rights of sub-tenants where the landlord applies for possession or oppose the grant of a new tenancy;
- (e) difficulties which have been encountered in prosecutions where the landlord has obtained possession of premises for personal use or for rebuilding, but, thereafter, has disposed of the premises; and protection for a person who might, in good faith, have acquired such premises; and
- (f) jurisdiction under the Ordinance, and costs in judicial proceedings.

New Tenancies

The main object of expanding the jurisdiction of the Lands Tribunal is to provide a reasonable degree of security of tenure for a sitting tenant whose lease is about to expire, and who is not otherwise protected, but who is prepared to pay a fair market rent. In essence, the Lands Tribunal would decide whether a further tenancy should be granted, and the terms of the new tenancy, where these cannot be agreed between landlord and tenant.

The new provisions will apply to any domestic tenancy which is excluded from either Parts I or II of the Ordinance: This will mainly, affect tenants of premises completed on or after 19 June 1981, and of premises having a very high rateable value.

Before their current tenancy expires, such tenants will be able to apply to the Lands Tribunal for the grant of a further tenancy. This will be ordered by the Lands Tribunal unless the landlord can satisfy the Tribunal that he requires the premises for his own or his family's occupation, that he intends to rebuild, or that one of the other statutory grounds for opposing the grant of a new tenancy exists. These grounds are similar to those on which a landlord may obtain an

order for possession of premises controlled under Part II. Any new tenancy ordered will be for a maximum period of three years.

Where a new tenancy is ordered, its terms, other than the rent, may be determined by the Tribunal in the absence of agreement between landlord and tenant. If the rent for the new tenancy cannot be agreed by the two parties, it will be determined by the Tribunal or by an independent valuation surveyor appointed by the Tribunal. The rent is to be a 'fair market rent'; that is, the rent which the premises could reasonably be expected to fetch on the open market disregarding the effects of the Ordinance.

The tenant may, within one month of the Tribunal's decision, decide not to take up the new tenancy, in which event, he must deliver up possession within two months. However, for any period of occupation beyond the expiry of his old tenancy, the tenant must pay the rent determined for the new tenancy.

I must emphasize, Sir, that since any new tenancy will be subject to payment of a fair market rent, the proposed system is *not* another form of rent control. It simply seeks to safeguard a sitting tenant of premises excluded from rent control against an unreasonable landlord who may seek to take undue advantage of his position by demanding more than a fair market rent.

The new system will be contained in a new Part IV of the Ordinance. The present Part IV on Tenancy (Prolonged Duration), which has fallen out of use, will be repealed. It is intended that these new provisions will come into operation on 19 December 1981.

Sub-tenancies in post-war premises

Another important provision relates to rent increases for sub-tenancies in post-war domestic premises controlled under Part II of the Ordinance.

At present, the two-yearly rent increase which the Commissioner of Rating and Valuation may certify in respect of a principal tenancy is half the difference between the current rent and the fair market rent, subject to the increase not exceeding 30%. Whenever there is an increase in the rent paid by the principal tenant, any sub-tenant is liable to a similar *percentage* increase in rent, even though his own rent may already be close to the market level. To overcome this anomaly, it is proposed that sub-tenants also shall be liable to an increase of not more than half the difference between their current rent and fair market rents, or 30%, whichever is the lesser, thus giving them the same degree of protection as their principal tenants.

Restrictions on Orders for Possession for Rebuilding

To stop any tendency for landlords to seek to demolish buildings simply to rid themselves of unwelcome protected tenants, the Bill introduces restrictions on the power to order possession for rebuilding.

In future, a landlord will have to establish that—

- (a) the rebuilding will result in a material increase in the number of dwellings or, if the new building is for other than domestic use, the site is suitable for such purposes; or
- (b) the rebuilding is desirable for environmental reasons; or
- (c) the expenditure required to restore or repair the building is not economically reasonable.

If an order is granted, compensation will be payable to tenants and subtenants, and other conditions may be imposed.

Similar provisions will apply where a landlord opposes the grant of a further tenancy of premises not subject to rent control on the ground of rebuilding.

Rent Increases Arising from Improvements

The provisions of the Ordinance which govern increases of rents following improvements differ as between pre-war and post-war premises. There is no good reason for this, and clause 9 therefore brings these provisions into line.

Rights During Contractual and Statutory Periods

The provisions of Part II of the Ordinance relating to the continuation and termination of tenancies have given rise to some confusion as regards the distinction between the rights of the parties during the contractual period of a tenancy and their rights during the statutory period.

Clauses 35 and 36 of the Bill clarify this distinction and define the rights of the parties during these two periods.

Sub-tenants

Although the Ordinance contains some provisions relating to the rights of subtenants where the landlord applies for a possession order, these have proved to be unsatisfactory. Clause 36(d) introduces new provisions relating to subtenants. These attempt to balance the conflicting interests of landlords and subtenants. A similar attempt is made in the new Part IV where the grant of a further tenancy is in issue.

Prosecution and Unlawful Disposition

Problems have been met in prosecutions for contravening section 53(7) of the Ordinance where the landlord has obtained possession of premises for personal use or for rebuilding, but thereafter has disposed of the premises. In some cases, the tenant has been induced to submit to an order by consent or has delivered up possession because he accepted that the landlord would obtain an order on these grounds. Clause 36(h) provides a new section 53(7F) to deal with this difficulty. In other cases, the landlord has pleaded ignorance of the order for possession, and the new section 53(7G) provides a presumption of knowledge in such circumstances. To avoid uncertainty of title, in accordance with the Committee's recommendations, clause 36(h) makes provision that a disposition of premises in contravention of section 53(7) is not void.

Judicial and Other Functions

The Committee of Review felt that a relatively informal and less expensive venue was desirable for the adjudication of landlord and tenant matters, and therefore recommended that all judicial functions under the Ordinance, other than those relating to criminal matters, should be brought within the jurisdiction of the Lands Tribunal. The Bill gives effect to this recommendation in respect of all functions other than those relating to possession orders under Part II. Legislation to transfer jurisdiction in relation to these matters also is being prepared and will be introduced separately. Certain functions of the tenancy tribunals are to be transferred to the Commissioner of Rating and Valuation. These are listed in Table One to the Bill.

Costs

So that people are not intimidated by the possibility of having costs awarded against them when they seek to exert their rights under the legislation, the Bill provides that other than in appeal proceedings, neither party is to have costs awarded against him unless he has conducted his case in a frivolous or vexatious manner.

Sir, I move that the debate be now adjourned.

*Motion made. That the debate on the second reading of the Bill be adjourned—*The Secretary for Housing.

Question put and agreed to.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on Wednesday, 9 December 1981.

Adjourned accordingly at half past three o'clock.