

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 9 November 1983****The Council met at half past two o'clock****PRESENT**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR EDWARD YOUDE, G.C.M.G., M.B.E.

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

THE HONOURABLE THE FINANCIAL SECRETARY
SIR JOHN HENRY BREMRIDGE, K.B.E., J.P.

THE HONOURABLE THE ATTORNEY GENERAL
MR. MICHAEL DAVID THOMAS, Q.C.

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

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

THE HONOURABLE DAVID AKERS-JONES, C.M.G., J.P.
SECRETARY FOR DISTRICT ADMINISTRATION

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

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

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

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

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

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

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

THE HONOURABLE ALAN JAMES SCOTT, C.B.E., J.P.
SECRETARY FOR TRANSPORT

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

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 TRADE AND INDUSTRY

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

DR. THE HONOURABLE HO KAM-FAI, O.B.E., J.P.

THE HONOURABLE ALLEN LEE PENG-FEI, O.B.E., J.P.

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

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

THE HONOURABLE HU FA-KUANG, J.P.

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

THE HONOURABLE DONALD LIAO POON-HUAL, C.B.E., J.P.
SECRETARY FOR HOUSING

THE HONOURABLE CHAN KAM-CHUEN, J.P.

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

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, J.P.

DR. THE HONOURABLE HENRIETTA IP MAN-HING

THE HONOURABLE PIERS JACOBS, O.B.E., J.P.
SECRETARY FOR ECONOMIC SERVICES

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

THE HONOURABLE HENRY CHING, C.B.E., J.P.
SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE CHAN NAI-KEONG, J.P.
SECRETARY FOR LANDS AND WORKS

THE HONOURABLE RONALD GEORGE BLACKER BRIDGE, J.P.
COMMISSIONER FOR LABOUR

THE HONOURABLE CHAN YING-LUN

THE HONOURABLE MRS. RITA FAN HSU LAI-TAI

THE HONOURABLE MRS. PAULINE NG CHOW MAY-LIN

THE HONOURABLE PETER POON WING-CHEUNG, M.B.E., J.P.

THE HONOURABLE JAMES NEIL HENDERSON, O.B.E., J.P.
SECRETARY FOR EDUCATION AND MANPOWER

ABSENT

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

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

THE HONOURABLE WILLIAM CHARLES LANGDON BROWN, O.B.E., J.P.

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

THE HONOURABLE YEUNG PO-KWAN, C.P.M.

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:	
Inland Revenue Ordinance Inland Revenue (Interest Tax) (Exemption) (Amendment) (No. 7) Notice 1983	345
Import and Export (General) Regulations Import and Export (General) Regulations (Amendment of Second Schedule) Order 1983.....	346
Public Health and Urban Services Ordinance Public Health and Urban Services (Public Markets) (Designation and Amendment of Tenth Schedule) (No. 5) Order 1983	347
Public Health and Urban Services Ordinance Declaration of Markets in the New Territories (No. 4)	348
Employment (Amendment) Ordinance 1983 Employment (Amendment) Ordinance 1983 (Commencement) Notice 1983	349
Tax Reserve Certificates (Fourth Series) Rules Tax Reserve Certificates (Rate of Interest) (No. 2) Notice 1983	350
Inland Revenue Ordinance Inland Revenue (Interest Tax) (Exemption) (Amendment) (No. 8) Notice 1983	351
Merchant Shipping Ordinance Merchant Shipping (Fees) (Amendment) (No. 2) Regulations 1983	352
Public Health (Animals and Birds) Ordinance Public Health (Animals and Birds) (Amendment) Regulations 1983.....	353
Public Omnibus Services Ordinance Schedule of Routes (China Motor Bus Company) Order 1983	354
Public Omnibus Services Ordinance Schedule of Routes (Kowloon Motor Bus Company) Order 1983	355
Drug Addiction Treatment Centres Ordinance Drug Addiction Treatment Centres (Hei Ling Chau) Order 1983	356
Prisons Ordinance Prisons (Hei Ling Chau) Order 1983	357
Probate and Administration Ordinance Non-Contentious Probate (Amendment) (No. 2) Rules 1983.....	358
Tax Reserve Certificates (Fourth Series) Rules Tax Reserve Certificates (Rate of Interest) (No. 3) Notice 1983	359

Sessional Papers 1983-84:

No. 16—Supplementary provisions approved by the Urban Council during the second quarter of the financial year 1983-84.

Government Business

Motion

MOTION OF THANKS

Resumption of debate on motion (26-27 October 1983)

SECRETARY FOR ECONOMIC SERVICES:—Sir, in your opening address to this Council Your Excellency referred to the Chinese Government's proposal to build a nuclear power station in Daya Bay. You indicated that the Government was ready to support Hong Kong's involvement in the project subject to it being satisfied that such involvement would ultimately prove to be in the interests of the Hong Kong consumers.

Yesterday, the Governor in Council decided that the China Light and Power Company should be informed that the Government would be willing, in principle, to endorse an appropriate offtake agreement; and that, as soon as practicable, steps should be taken with other interested parties to form the Hong Kong Nuclear Investment Company, which will be the Hong Kong partner in the joint venture with the Guangdong Power Company, to build, commission and operate the proposed nuclear power station at Daya Bay. The Chairman of the China Light and Power Company has been so informed, and he has advised that his company is in a position to respond without delay to the decision that the Government has taken on the project.

For some months the Government has been evaluating the project. The purpose of the evaluation has, of course, been to establish that Hong Kong's participation will prove to be in the interests of the consumers. You have indicated, Sir, that there are a number of issues that still need to be discussed with the Chinese authorities. These issues concern the commercial and fiscal arrangements that must be agreed prior to the conclusion of an offtake agreement. The Government is confident that satisfactory arrangements can be made so that the purchase of nuclear power will, indeed, prove to be an attractive option for Hong Kong.

Mr. BROWN suggested that a decision be made quickly. He will appreciate, of course, that the issues have been extremely complex, but I am happy that I have been able to respond to him this afternoon. He has mentioned public concern over the environmental and health aspects that might arise in relation to this project. The Government is conscious of these matters and clearly a prime consideration of all parties involved will be to ensure that the highest safety standards are adopted for the construction and operation of this station. The Government is confident that these standards will be attained.

I should add that the Government fully subscribes to Mr. BROWN's view that this project offers Hong Kong an opportunity to demonstrate our desire to cooperate fully with China in its four modernizations programme. Furthermore, the decision taken yesterday is yet another clear indication of the Government's confidence that additional electrical energy will be required to meet the future requirements of a growing and prosperous Hong Kong.

Sir, the power companies are frequently the subject of public comment, and with this in mind, Mr. WONG Po-yan and Mr. Stephen CHEONG have remarked upon the cost of electricity, tariff increases and the Government's monitoring of the companies' activities. Members of this Council will, of course, recollect that on 24 November last year this subject was debated at some length upon the motion of Mr. Andrew So. I hope that Mr. WONG and Mr. Stephen CHEONG will forgive me if this afternoon I do not answer in as much detail as before all the interesting points they have made. I shall, however, try to deal with the main issues that are of public concern.

In your address Your Excellency commented that the cost of electricity to the Hong Kong consumers is amongst the lowest in Asia and is falling in real terms. Mr. CHEONG has said that the companies' claims in this connection have not been backed adequately by any detailed analysis published so far. I can assure him that the figures contained in a comparative table included in an advertisement published by China Light and Power Company were, in fact, verified by the Financial Monitoring Unit of my Branch. And as far as I am aware, no one has challenged those figures. I might add that, having regard to different tariff structures used in various countries in the region, it is sometimes difficult to achieve the honour sought by Mr. WONG on our behalf of having the lowest unit costs in Asia. Nevertheless, the power companies in Hong Kong working within the framework of the Schemes of Control have succeeded in providing us with a reliable service at a reasonable price. That is the basic policy objective.

Mr. CHEONG has referred to the power companies' continuous record profits. No one would deny that the companies have made large profits in absolute terms in recent years. But it is important to remember that a substantial proportion of the profits made by the power companies does not go into the pockets of the shareholders. More than one third of the profit is retained by the companies for investment. Furthermore, the shareholders themselves continue to provide new capital for investment in the necessary expansion of the companies. Without this new investment the companies would be unable to meet the growing demand for electricity, a demand that is a measure of the overall prosperity that Hong Kong has enjoyed.

As to the manner in which profits are allowed under the Schemes of Control, instead of looking at the basis of calculation of profit, that is to say the average net fixed assets, it is better in my view to consider the cash flow needed to finance investment. It is in this latter connection that Mr. CHEONG's reference to the monitoring of the activities of the two power companies is particularly relevant.

What we try to ensure is that the financing plans presented by the companies do in fact contain the right mixture of equity and borrowings to provide money for investment and ultimately the best results for the consumer *both* in terms of reliability *and* cost.

Mr. CHEONG has described us as being light weight and complacent. As far as complacency is concerned, it is, of course, not the Administration that is the approving authority in relation to tariffs. Tariffs are approved by the Governor in Council, and Members of that Council would not for one moment tolerate any hint of complacency in the presentation of our recommendations. The examination of financing plans must be thorough and must be seen to be so. As to our being light weight, I thought that this was a little unkind, although I might have accepted middle weight (*laughter*). The description does, however, stand central to the issue of the consultancy on the monitoring of the power companies.

Mr. CHEONG has very rightly drawn attention to public expectations in relation to this consultancy. I can assure him that we are treating the consultancy very seriously. We do not see it purely as a public relations exercise. I made it clear to the consultants at the outset that what we were looking for were recommendations upon which we could build. Whilst we believe that our system of monitoring is effective, it would be foolhardy to work on the basis that there is no room whatsoever for improvement. As to fuel contracts and other operating expenses, Mr. CHEONG will be pleased to hear that I had already invited the consultants to consider the extent to which we should be involved in these matters as part of the monitoring process.

When I spoke last year on the subject of the Schemes of Control, I said that one of the purposes of the consultancy was to give reasonable assurance to the public. I very much hope that the results of the consultancy and the implementation of its recommendations will indeed give that assurance.

Mr. Andrew SO has suggested that the Government should intervene to stop utility charge increases and to freeze price increases in the public sector. Members of this Council will recollect that on 12 October 1983 I answered Mr. SO's question on this general subject in some detail. On that occasion I mentioned that the most likely cause of an increase in the rate of inflation was the depreciation in the exchange rate of the Hong Kong dollar, but I declined to elaborate on the steps which Government might take in this area. As Mr. SO has acknowledged, measures have now been introduced. I firmly believe that in relation to prices whether in the public or private sector those measures make it unnecessary even to contemplate a price freeze, which in any event would be bound to lead to distortions elsewhere in the economy. I might add that prices do not always go up. Fuel prices have come *down* twice over the past three weeks, once on 19th October and again yesterday.

Mr. SO has also mentioned the Consumer Council. I am happy to be able to pay tribute to that Council, which has been making considerable efforts to educate and inform members of the public in relation to prices. The Consumer

Council has invited members of the public to report cases of unusually high prices being charged and it continues to monitor the situation closely. Nevertheless, I am grateful to Mr. So for his remarks, which I shall certainly convey to the Chairman of the the Consumer Council for his consideration.

Mr. WONG Po-yan's thoughtful and interesting remarks concerning the importance of credit facilities existing between traders, particularly medium and small traders, certainly deserve further study. I agree with Mr. WONG that in difficult times some of these traders are vulnerable to malpractice and default. I do not think that Mr. WONG is suggesting that the Government should intervene in transactions between traders, but it is possible that there is room for improvement in our legislative framework in relation to insolvency. Whilst it is true that the Companies Ordinance and the Bankruptcy Ordinance lay down procedures dealing with insolvencies, it is often more appropriate to take steps that stop short of the actual closing down of a business.

In the Report of the Review Committee on Insolvency Law and Practice published in the United Kingdom, there is a chapter dealing with the appointment of administrators. The Committee describes the power of a holder of a floating charge to appoint a receiver as having been of outstanding benefit to the general public and to society as a whole, and recommends that legislative provision be made for the appointment of an administrator with all the powers of a receiver even in cases where there is no floating charge over the assets of the company. The administrator's main role would be to consider whether the business could be restored to profitability and how best assets could be realized. The basic idea behind this recommendation is that in many cases creditors would be afforded better protection if the debtor's business could continue to be run or transferred as a going concern instead of being placed in liquidation. As far as I am aware, the recommendation has not yet been implemented in the United Kingdom, but I believe that it could provide an answer to some of the problems Mr. WONG has mentioned.

Finally, Sir, I turn to the remarks made by Mr. Peter POON Wing-cheung concerning the regulation of the financial sector. With regard to the proposed amendments to the Banking Ordinance and the Deposit-Taking Companies Ordinance, I am informed by the Secretary for Monetary Affairs that progress is being made, and it is hoped that the two amendment bills introduced in the last session of this Council will be enacted within this year.

The subject of disclosure of shareholdings and dealings has had a long and tangled history. The arguments are well known and are finely balanced. In your address, Sir, you informed this Council that the matter was recently considered by the Securities Commission and that proposals had been made and approved in principle by the Executive Council.

Following upon a press announcement Members will be aware that the Commission recommended that steps should be taken immediately to tackle the problem of adequate disclosure through listing rules to be made by the

Commissioner for Securities under the Securities Ordinance. These rules would require a greater degree of disclosure of shareholdings and the timely disclosure of commercial information. The Commission has invited comments and proposals from interested parties on the formulation of listing rules. I should emphasize that this approach through the listing rules is regarded as an interim measure. It is the intention to submit new legislative proposals to Executive Council for consideration within approximately three years. During that period we will have received reports from inspectors appointed in relation to the affairs of two companies and we will have learned more about how the proposed listing rules work in practice. Mr. POON has commented that the manner and extent of disclosure should be determined by what is suitable and necessary in Hong Kong and need not be unduly stringent as in some parts of the world. I entirely agree with him. Legislation in this area should be acceptable to the community and be seen to be beneficial to the health and reputation of Hong Kong as a financial centre.

Sir, with these remarks I support the motion.

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, as an official of a caring, open-minded and responsive Government, I am most grateful for this opportunity to reply to comments, fair or unfair, by my Unofficial Colleagues on the medical and health services.

First of all, I have to thank Miss DUNN for her reminder that the systems and procedures in Government hospitals should be reviewed and updated. I should like to assure her at once that clearly defined systems do exist at clinical level in Government hospitals. Each clinical unit under its Head draws its own guidelines on specific situation or diseases which its clinical staff may observe. The formulation of guidelines which govern ward practices is the prerogative of the individual hospital unit which should have the professional freedom to prescribe the manner in which its patients are treated. This is because the attending physician or the unit is in the best position to make judgment on the individual condition of their patients.

I agree that such guidelines should be updated and reviewed on a regular basis in the light of the actual situation by those working in hospitals. This is being done and will be a continuing practice. However, the best of systems and procedures are not substitutes for the assessments and judgment of the professionals working in the field which are also essential to the efficient working of the system itself. I am sure that the coroner's court has also taken into account the human factors in coming to a verdict of 'accidental death' in the cases mentioned by Miss DUNN.

While I do appreciate and in fact share Dr. IP's concern for the medical and health services in Hong Kong, it is incumbent upon me to clarify and put matters in their true perspective so as to dispel any misconceptions which may have been created by some of her remarks.

The Medical and Health Department is very complex with its varied and numerous services and grades of staff. It is therefore necessary for us to conduct internal studies and surveys in various areas under its purview from time to time in order to keep abreast with the changes that are occurring constantly so that departmental organization is adequate to carry out its functions smoothly and efficiently. Among the methods used by Government departments is that of the services of the Management Services Department (M.S.D.) which is now under the jurisdiction of the Finance Branch. In the course of its normal duties, the M.S.D. carried out numerous assignments throughout the years in Government departments either at the request of the departments themselves or the policy Branches, which some are initiated by its parent Branch.

The survey under reference was in fact done at my personal request and was intended primarily to advise on the next phase of the regionalization of the Medical and Health Department. This was nothing more than an in-house look into my Department by the M.S.D. which was then expected to report with recommendations or suggestions for my directorate staff and me to consider. Thus, this is but a normal exercise carried out in a normal way and whose results were reported normally to us. There is certainly nothing sinister or secretive about the whole exercise and its recommendations.

My senior staff and I would be remiss if we had set out to implement the recommendations without first examining them in depth to see whether they are feasible and practicable, and, above all, whether these do contribute to the smooth operation and efficiency of the Department. In the event, it was found that while the majority of the recommendations are considered workable, and were implemented, some cannot be so because of cogent and practical reasons.

Clearly, there is no substance in my friend's suggestion that 'it is the habit of the M.&H.D. to have surveys and reviews but never to implement recommendations from them'.

With the above background clarified, I should now like to take up the detailed points as mentioned by Dr. IP.

In regard to the proposal for a single Deputy Director structure:

After detailed examination into the pros and cons of this proposal, the conclusion reached was that it is neither feasible nor practical to have one single Deputy Director to replace an existing multiple Deputy Directors structure no matter how attractive the theoretical possibilities are for the former. Firstly, to concentrate the functions of three Deputy Directors and telescope them into one, would so overwhelmingly increase the responsibilities of the single Deputy Director that there could only be unfortunate and detrimental consequences not only to the Deputy Director himself but also to the service as a whole. Secondly, it must be realized that there are still two major and distinct specialties in the medical and health field, i.e., public health and preventive medicine on the one hand, and clinical and curative medicine on the other. While there may be some areas of overlap, these are recognized and separate specialties in their own

rights. Doctors have to specialize in one or the other specialty by not only acquiring working experience but also in obtaining the requisite post-graduate academic qualifications before they may be recognized as specialists in their respective fields. Thus, in the regionalization scheme, medical and health functions may be integrated to an extent, and up to a certain level in the periphery, in the Regions. Beyond that it is essential that those at central level who are responsible for directing and monitoring the implementation of policies and procedures, should be properly qualified and possess the special knowledge and skills in their respective specialties. Hence, the necessity for the two separate posts of Deputy Director (Medical Services) and Deputy Director (Health Services and Planning). This distinction between the preventive and health field and curative medicine is particularly relevant to us in Hong Kong as we are always susceptible to the importation of dangerous communicable diseases owing to our geographical location. The prevention of such diseases calls for the services of experienced specialists in preventive medicine. That our health indices are among some of the best in the world and that we are relatively free from major epidemics are in no small measure due to the correct emphasis on preventive medicine and are vindications of our preference for the present structure of multiple Deputy Directors.

Thirdly, in order that those general administrative functions which do not require professional background knowledge is carried out efficiently without placing undue burdens on the professional Deputy Directors, a third post of Deputy Director (Administration) is necessary.

From experience to date this structure has been found to be the most practical and efficient one for the operation of the M.&H.D. It is therefore my considered opinion that this system does not need any change, especially to one that may entail theoretical advantages but no practical benefits for the smooth and efficient running of the Department. In a nutshell, it is no use undertaking an operation which may be technically successful but the patient died as a result.

In regard to the proposals for nurse aids and ward assistant: A study was carried out in the Princess Margaret Hospital with a view to examining the feasibility of restructuring the management of minor staff and to improve the control over them. As a result the suggestions were to create two new grades of personnel called ward assistants and domestic supervisors. In the meantime, however, the Standing Commission on Civil Service Salaries and Conditions of Service in its 5th Report recommended the replacement of Hospital Orderlies and Amahs who provided a personal service to the patients, by a new grade known as Ward Attendants. Since then, my Department had regraded most of the Amahs and Hospital Orderlies to Ward Attendants while the remaining staff who chose not to be engaged in services relating to patient care, are being regraded to Workmen. The introduction of Ward Attendants had therefore superseded the intention to create Ward Assistants. Thus, my friend has been misinformed when she concluded that recommended divisions between these categories of staff do not exist.

As for the ward clerk system, a full scale trial scheme was conducted in the Princess Margaret Hospital for a period of no less than six months in 1981. Unfortunately, at the end of this extensive exercise, the ward clerks were found to be unable to adapt themselves to the ward environment and at their own requests had to be re-posted. Not being deterred by this setback, again a special departmental working group was formed in October 1982 which included members of the Management Services Unit to examine the alternative of deploying suitable Hospital Foremen to perform the duties of ward clerks. A trial scheme was launched after a full programme of induction and training for the prospective candidates. The methodology for selection of candidates, selection of venue, the lines of authority, the criteria of evaluation and the method of assessment were also carefully mapped out.

However, inspite of all the herculean efforts and the best intentions in the world, this trial scheme was again aborted because the new Ward Foremen chose to withdraw from the programme.

It is thus clear that no efforts have been spared in our attempt to alleviate the burden on our busy doctors and nurses but the central problem remains to discover a workable and acceptable system with staff who must be dedicated and in possession of the requisite professional background as well as having the right attitude before such a scheme could be successfully implemented. From the above account, it will be seen that my friend was quite incorrect when she said that 'this scheme had only been given an inadequate trial and that the people involved did not get proper induction, training and supervision.'

I now turn to the subject of part-time nurses. Dr. IP, I fear, was again wrong when she said that part-time nurses was a non-entity. This was a subject which we in the Department have addressed ourselves to seriously from time to time. In the hope that trained nurses who have left the service could be attracted back to the service, recruitment exercises for part-time nurses have been undertaken since 1981 but so far only 24 have taken up appointment. The response by any standards cannot be said to be encouraging, bearing in mind that the present establishment for nurses is almost 9 000. It must be understood that basically nurses who have resigned from the service did so because of family commitments and this is the very reason which is in the maim discouraging them from returning to work, even on a part-time basis.

My friend is no doubt aware of the arguments for and against the provision of a career path for the clinical staff in nursing. As mentioned by her it was the 1979 Report of the Royal Commission on the National Health Service which stated that career prospects for nurses in clinical work should be improved. The Management Report itself explained that little had been done even in the United Kingdom towards constructing a career structure in the clinical field and that there was apparently a large body of opinion among senior nurses that this would be difficult to do and it was not particularly desirable. Arguments for the against the creation of higher posts in clinical nursing are continuing and are still unresolved not only in Hong Kong but elsewhere as well. This is a case

where there should be no hasty jumping without proper looking and we are still looking.

In regard to the nurse: bed ratio in a hospital, it is my Department's policy to take into consideration the true occupancy rate including the use of temporary beds. This is done by taking the average number of beds in actual use over a period and staff are then provided to the limits which are placed upon the Department's resources.

The M.S.D. Report recommended that the present appointment system for specialist clinics under which patients are given appointment by dates only should be modified to include the times. Thus, in accordance with the recommendation, an appointment system which included both dates and times was considered. However, this did not appear to offer significant advantage over the present system whereby patients could turn up any time within the dates given to them and no patients were turned away for the day. On the contrary, if definite times were given also to individual patients, there are bound to be those who will turn up at the wrong time or not at all, resulting in unnecessary delays and frustration to the staff and patients alike.

An appointment system for the general out-patient clinics is an old problem which has been revived from time to time. The demand for this service is such that any missed appointment by patients would result in loss of appointment time and ultimately in less patients being seen. Also, the nature of illnesses seen in these clinics are normally minor such as coughs and colds, stomach cramps, headaches etc. and are such that if patients are booked to see the doctor some days ahead as suggested, it may well be that they do not need to see the doctor at all or the illnesses may become more serious at the end of the waiting period, such that they will have to turn up at the Accident and Emergency Departments. Further, in the Hong Kong context, an appointment system for such clinics is not popular with patients who would want to retain the flexibility to attend clinics any time they wish. Thus, the present system whereby a quota of patients are set for each clinic session seems to be a compromise that is at least workable in the present circumstances. This is a problem which does not lend itself to an easy solution but we are doing the best we can.

Dr. Ip suggested that patients in the open wards should be allowed to wear their own night clothes. This is an attractive but again not an innovative idea. In fact, a pilot study was carried out by the Department some years ago. The result unfortunately was discouraging. The patients strongly resented the suggestion that they had to take home their soiled clothes and do their own laundry. However, I am prepared to conduct another poll in our hospitals to test the reaction of the patients again.

My friend suggested that the services rendered at the Accident and Emergency Departments should be free only for accident victims and emergency cases which warrant hospitalization. Other patients should pay. She may be interested to know that the issue of imposing charges for accident and

emergency cases have been taken up on several occasions in the Medical Development Advisory Committee (M.D.A.C.) meetings.

In studying this problem, the main difficulties in implementation of charges for this special service are to identify what constitute exactly an emergency case and who are the abusers of the service. Pilot studies at the Accident and Emergency Department of the Queen Elizabeth Hospital showed that it is extremely difficult, if not impossible, to do this. Furthermore, there are many instances where patients may misuse the service unknowingly but not abusing it deliberately. On the other hand, any attempts to categorise patients would also inevitably impose additional responsibilities on the already hard-pressed medical officers and other supporting staff in the Accident & Emergency Departments. Also, a whole range of criteria for exemption has been considered, e.g., ambulance/police cases and traumatic cases and non-traumatic cases requiring admissions, but the adoption of these criteria would also lead to other administrative difficulties and generate problems of various nature including the possible abuse of the ambulance service. In short, many of the cures suggested may be worse than the disease itself.

One further alternative considered was to charge both emergency and non-emergency cases alike and to decide on refunds later. This, however, will not only be an extremely difficult exercise involving considerable staff time and resources but is likely to generate undue ill-feelings among patients. Thus, having regard to the political and administrative problems involved, the balance of opinion among the M.D.A.C. members was that the status quo should be maintained, i.e., not to charge. Of course, being always open-minded, I am still prepared to consider any constructive and workable ideas which present themselves at anytime in the future.

Attendances at the evening clinics have always been and are constantly monitored to ensure a reasonable and fair distribution of patients over the facilities provided. For example, a low utilization rate at the Violet Peel Polyclinic was noticed when it was first moved to its temporary site at Admiralty East resulting in a decision to shift one of its doctor sessions to the Tang Shiu Kin Hospital where there was a higher demand. I can assure my friend, therefore, that a even and fair distribution of our clinic services is always our goal and no efforts will be spared in achieving a good balance.

Dr. Ip concluded that patients who discharged themselves against medical advice did so because of dissatisfaction with our hospital service. In perspective, I should like to draw my friend's attention to the more positive fact that of our 675 581 in-patients treated in our public hospitals in 1982, relatively few have resorted to this course of action.

Treatment refusal and patients taking their own discharges against medical advice are not unknown in hospital practice. Those of us who have worked in hospitals and administered hospital services will know that this phenomenon is not unique to Hong Kong hospitals, or, indeed, to any hospital. The truth is

that the reasons for discharges against medical advice are in fact many and varied but the basic fact remains that patients must enjoy the freedom of choice. They should be at liberty to opt for the form of treatment, the institution in which their treatment should take place, and above all, the freedom to terminate their association with their doctors or medical institutions of their first choice. These are basic rights of the individual and quite in accordance with medical ethics. This subject is also well documented in medical literature.

Doctors resign from the civil service for various reasons and the M.&H.D. does compile statistics on this subject. It is a departmental practice to invite doctors who are leaving the service to state their reasons for leaving. According to the statistics for the last five years, there was an average of 30% who indicated their intention to enter into private practice and very few doctors in this group indicated that they left because of lack of job satisfaction. I must point out that a shift of doctors from the public sector to the private sector is a universal phenomenon in the world. It will be difficult to conclude that there is a lack of job satisfaction among doctors in public service throughout the world.

I now turn to the subject of a paediatric medical centre/hospital which has in fact been thoroughly ventilated and debated upon at different times and levels in public. This issue was also discussed in depth in this Council at the Annual Policy Debate in 1978 and again commented on last year. As five years have elapsed since the time when this matter was first brought up in this Council, I should like to take this opportunity to redefine the issue.

Reduced to its simplest terms, there appears to be two views in regard to this matter.

On the one hand, there is a view which advocates that a specialist paediatric hospital with modern facilities should be built as a separate entity in one location in Hong Kong. On the other, there is another view, subscribed to by the Government, that modern paediatric facilities should be provided in all major hospitals, evenly and fairly distributed throughout the territory. Thus, it is clear that there is a universal agreement that there should be provisions for modern paediatric facilities for the benefit of our children. However, it is equally clear that the basic difference between the two views lies on how and where such facilities are to be distributed so as to achieve the maximum benefit for those in need.

It would also appear that it is a matter of semantics that the 'modern paediatric facilities' referred to are by and large the same facilities, except that they may be known by different terms such as paediatric hospital/centre, paediatric unit, paediatric block, paediatric wing, or, for that matter, just paediatric facilities. Therefore, for ease of reference, I shall mention such facilities in the rest of my speech as just 'paediatric facilities'.

An erroneous impression may have been created in the confusion of the crossfire of the debates on this subject that only a purpose-built paediatric hospital can provide for the proper care of our children. Nothing can be further

from the truth as the policy of the Government is to provide for adequate up-to-date facilities for the needs of the children in Hong Kong but that these should *not* be concentrated in one institution or location but made as accessible and | convenient as possible to the users.

In this connection, it is already in the Government's plans to provide for fully-equipped, modern, up-to-date paediatric facilities which will include mother/child rooms, paediatric intensive care units, play areas, isolation rooms, short-stay wards etc. in all our approved and planned projects in our major hospitals. In fact, each and every paediatric project in such Government hospitals are to be built, staffed and equipped so that they may be regarded as centres of excellence by themselves.

Dr. IP has already stated her reasons for supporting the idea of a single and separate paediatric hospital to be built in one location. It therefore remains for me to put forward the reasons why it is Government's views that such facilities should be provided on a regional basis.

Properly equipped and staffed paediatric facilities are indispensable in any major hospital as such is meant, *inter alia*, to deal with accident and emergency cases of all types, irrespective of sex or age. Children presenting at the Accident and Emergency Departments nearest their homes may be found in critical conditions which require admission in the shortest possible time. Expertise from various specialties with up-to-date paediatric facilities should be available to deal with these acute cases. One can well imagine the tragic consequences of attempting to divert such cases for admission into a children's hospital far away from the patient's home. Even under normal circumstances, parents and their children should as far as possible be spared the necessity of having to travel long distances from one region to another which would be the case if a single paediatric facility is available in one location only.

Again, in accordance with the principles of good and modern medical practice and education, it is essential for the various specialties and disciplines, including paediatrics, to be brought together in one hospital so that the professional expertise as well as sophisticated equipment may be pooled to enable cross-fertilization of knowledge and ideas, resulting in better care for the patients. Further, a separate and purpose-built paediatric facility, over and above our present provision of adequate facilities, would entail wasteful duplication of equipment, manpower and expertise.

I am puzzled by Dr. IP's statements regarding 'trends' in hospital development. In fact, modern trends in the advanced countries should not be too lightly dismissed, per se, as such trends have been set in many cases at the expense of costly mistakes. Advanced countries, while developing their medical care system, have treaded through thorny paths and come to realize more and more the disadvantages of establishing expensive and sophisticated separate children hospitals. To say the least, it will be quite unwise on our part to still follow the

same path when we can now derive the benefit of the wisdom of hindsight from other people's bitter experience.

I have been fortunate to be able to meet an eminent authority in paediatrics from the Great Ormond Street Hospital for Sick Children in London who came to Hong Kong in May 1983 at the request of the University of Hong Kong. The Professor was here to advise on the development of the academic and service activities in paediatrics, especially in relation to the newly proposed Queen Mary Hospital paediatric expansion programme. When he was asked specifically regarding the controversy on the provision of paediatric facilities, he was quite definite in saying that he recognized that the debate still smouldered and he thought it appropriate for him to state that he regarded the expansion at the Queen Mary Hospital as the preferred option. He went on to say that there were considerable disadvantages in a children's hospital on a separate site and that the main reason for his preference was that advances in medicine often arose from interaction between various disciplines and that therefore geographical or other barriers between departments and disciplines tended to interfere with progress. He is not the only one of the many authorities on this subject to hold this view, both locally and abroad.

Sir, I hope that what I have just said have clarified any doubts on the wisdom of the Government's preference on this matter and hopefully we can now concentrate on the more productive and concrete activities in our efforts to bring about paediatric facilities which are so necessary for the well being of our children.

However, not all may be lost for Dr. IP's proposal and perhaps she may take heart in the fact that notwithstanding what I have just said, it is approved Government policy in respect of acquisition of land to encourage private nonprofit making and charitable organizations to build hospitals. Within this approved policy there may be room for consideration of proposals to acquire land for building a paediatric hospital/medical centre in addition to, but not at the expense of Government's own plans to provide for such facilities.

Sir, we in the Department recognize that there must always be room for improvements in a service as complicated and complex as ours. There is no doubt that our medical and health services are very hard pressed because of severe population pressure which is basically beyond the control of this Department. No one is more acutely aware than I of the fact that our staff, from those who are administering the service, to those working in our hospitals and other institutions, do work under great pressures. These can have detrimental effects on staff morale. In such circumstances, I can well understand and sympathise entirely with staff who naturally will give vent to their feelings from time to time. In order to give opportunities for staff feelings and suggestions to be aired, we have established not only a Staff Development and Relations Division under a directorate grade officer but also a whole network of staff and professional consultative and monitoring committees at all levels. In this

connection, I can assure my friend that no one has ever been victimized for expressing their legitimate views and no one will ever be in my time.

I reiterate that we have and will always welcome and appreciate practical and useful suggestions for the improvement of our services. It is essential therefore that comments in this regard should be balanced and be based on adequate research and accurate information in order that these may be genuinely helpful to us in achieving our objectives. Otherwise, it is less than fair and even demoralizing to those who are struggling so valiantly to provide a good and efficient service to the community.

Sir, I have great pleasure in supporting the Motion.

SECRETARY FOR HEALTH AND WELFARE:—Sir, before I take up the policy aspects of medical issues raised, I should like to thank Mr. F. K. HU for his interest in a number of social welfare topics.

Mr. HU referred to the recent establishment of more private homes for the elderly, and pointed to the need for legislative controls. These homes meet a community need, particularly for relatively better-off families, and such private initiative should be encouraged provided the welfare of their elderly residents is not placed at risk. There is no cause for immediate concern, but the situation will be closely watched and controls will be proposed should developments indicate that they are necessary.

I can also assure Mr. HU that the Government is committed to maintaining the purchasing power of public assistance grants. An index of prices provides the basis for reviewing the rates of such grants, and since the introduction of the public assistance scheme in 1972 the rates have been increased by 310%. This in fact exceeds the movement in the index, as the rates were increased in real terms in 1981. The last increase, of 29%, was in June 1982 and recent shifts in the index indicate that another increase is due. Proposals are being examined.

The question of the establishment of a central provident fund is not exactly new. The Government's strategy, which has been explained on a number of occasions, is to concentrate on those least able to help themselves, and this is accomplished by means of the non-contributory social security system funded from general revenue. It has been stated more than once in this Council that we believe these arrangements would be undermined by the introduction of a contributory social security system. It has also been explained that our public assistance scheme and related special needs allowance should remain the central pillar of our social security system. I see no reason to depart from these views. In the absence of new arguments in support of a contributory system, I shall not reiterate what is already a matter of record. But I would remind Mr. Hu of our Home Ownership Scheme, which is being expanded and which, together with the provision of public housing on a vast scale, provides a more certain alternative to the home purchase facilities he suggests would be a spin-off of a compulsory central provident fund.

I am grateful to Dr. Harry FANG, Mr. Alex WU and Mr. Charles YEUNG for acknowledging our not inconsiderable achievements in the medical and health field. It is worth reminding ourselves of these, if only for the sake of maintaining a balanced view. Despite our crowded conditions, and the daily comings and goings of thousands of people from all over the world, Hong Kong remains a remarkably healthy place where high standards of medical care are within the reach of everyone.

But I entirely agree with Dr. FANG that 'we cannot be complacent'. It is, in fact, difficult to be so under the searchlight of public scrutiny which so often sweeps the medical scene. Far from being complacent, I would assert that there must always be room for improvement. Constructive suggestions are to be welcomed, not least because of their scarcity value. It is therefore all the more disappointing that the Director of Medical and Health Services cannot view with enthusiasm Dr. Henrietta IP's suggestion in regard to patients' pyjamas. (*laughter*)

But Dr. IP, in making a number of other suggestions, set many elusive hares running in different directions. I was much relieved when she confirmed that, in the absence of in-depth consideration of her questions, 'nobody can answer them'. I agree.

But I disagree with her assertion that the Government 'while trying to provide every type of medical service for too many ... has ended up by not providing enough and satisfactorily for anyone'. This ill-considered remark is patently not true, as the many members of our community who have benefitted from our heavily subsidized medical and health services will be quick to confirm.

The Government's aim is, and always has been, to provide to the best of its ability the medical and health services which the community requires. To withdraw any one of those services would be to neglect those in need of that service. It is not surprising that Dr. IP stopped short of naming candidates, although it is safe to assume she would not place paediatrics high on the list.

Understandably, Dr. IP was concerned that room should be found for her suggested improvements 'within the existing financial confines'. In contrast, Dr. FANG expressed concern over the relatively modest share of expenditure devoted to medical services, and what he perceived to be a restricted rate of development. This is not borne out by the facts, and in any case I must confess that I fail to understand how the measurements of progress in the housing and education fields quoted by Dr. FANG can be meaningfully applied to hospital beds; nor indeed can the share of public expenditure devoted to the medical and health services by itself represent some magic measure of the overall health of our population. But as Chairman of the Medical Development Advisory Committee, Dr. FANG is ideally placed to have such theories developed to the benefit of the medical planning process as a whole. As it is, the targets towards which we are working, in terms of such things as the number of hospital beds and clinic consulting rooms, are those established on the advice of that Committee.

Both Dr. IP and Dr. FANG called for a review of our medical and health services. But both seemed somewhat unclear as to the precise matters they wished to see reviewed, and both caused further confusion by linking the suggested review to the Medical Development Advisory Committee.

I think that Dr. IP, in particular, has misunderstood the role of that Committee which is required, by its terms of reference, 'to keep under continuous review ... the development and phased implementation of medical and health services ... It was given a special remit in 1973 'to advise on what programmes of improvement and expansion would be appropriate over the next ten years ...' The Committee has retained the concept of a ten year planning period, and is currently engaged in planning for the next ten years ending 1993. This is not just an annual up-dating exercise. The Committee in effect produces a fresh plan, for a ten year period, every year. It is incorrect therefore to say that no 'blue-print for the development of medical and health services' has been produced since 1973. Dr. FANG, on the other hand, is fully aware of the role of the Committee, and in calling for a review of our medical and health services has been more careful in recognizing that the Committee 'is not well placed to undertake such a review'.

I do not see that what is required is a review of the development of our medical and health services; for as I have explained, the Medical Development Advisory Committee carries out such a review annually. What I believe chiefly gives the community cause for concern is the manner of delivery of our medical and health services, particularly in hospitals. I think Miss DUNN came nearer the mark when she attributed the cause of the problems in our hospitals to weaknesses in administrative procedures.

I also do not think we need have any doubts about the standards of our medical care as such, and indeed I would like to pay a deeply-felt tribute to the dedication of our doctors, nurses and other medical staff who are so often required to work in unsatisfactory conditions, but who nevertheless succeed generally in maintaining high medical standards.

But, I believe, Sir, that the general thrust of Dr. FANG's remarks reflects widespread public concern. This is not the first time that he has proposed a review of our medical and health services, and with the impetus provided by his previous comments, the conclusion had already been reached within the Administration that a 'new look' is needed. The review I have in mind would cover the management system of our medical services, with particular reference to hospitals, their organization and their administration. Detailed proposals are being worked out for such a review, and we shall of course need to consider carefully whether it would be more cost-effectively conducted in-house or by suitable external consultants, or by a combination of the two.

I would hope that such a review would also assist us in determining the most appropriate roles for the subvented and private sectors. Our objective must be to get the equation right, so that adequate medical facilities remain available

for those who cannot afford to meet the full cost, while subsidies are not unreasonably provided for those who can pay for their medical care. We need to encourage the responsible development of private hospitals without diverting to them by such devices as tax exemptions and free land, an unreasonable share of the community's resources.

Mr. WU referred to 'reports of differences between the universities and the Medical and Health Department over the use of teaching hospitals', and went on to deplore 'squabbling' between the two. I claim to speak from some experience, Sir, when I say that squabbling is a long-established pastime amongst civil servants, (*laughter*) and I would not be surprised if it is also popular amongst academics. But what some might describe as squabbling, others might regard as the constructive antagonism and healthy disagreement that are so essential to progress.

Nonetheless, Mr. WU'S point is well taken. The Government is aware of the difficulties inherent in a situation where a medical institution is used for a dual purpose. Clinical training facilities are presently provided in hospitals with a primary service role. In the past, when our medical services were smaller, it was easier for systems to be more informal and for problems to be ironed out by individuals. In our changing circumstances a shift of emphasis is needed, and the time has come to recognize that the primary role of a teaching hospital must be to provide clinical training facilities for medical students. I am attracted by Mr. WU'S suggested 'hospital authority' as a possible solution to this particular problem, and this will certainly be considered. There are obviously many parties with an interest in this issue, and I believe that the University and Polytechnic Grants Committee may well have sound advice to offer.

I assure Mr. WU that the Government is alive to the problem and will strive to find an acceptable solution, to ensure the adequacy and good management of clinical training facilities.

Sir, I support the motion.

DIRECTOR OF EDUCATION:—Sir, one of the happiest features of your Opening Address to this Council was the high priority you gave education, and this was applauded by all my Unofficial friends responding to the Motion of Thanks. Even the spirit of the Reverend Joyce BENNETT was invoked, to the sound of heavenly music, and I am particularly grateful to have this opportunity to underline the priority. I am happy also to reassure Members that the school system is in good order and one of which we can be proud, notwithstanding areas of concern requiring further attention indicated in the Overall Review of Education.

I am particularly indebted to Mrs. Rita FAN for the manner in which she referred to the education system, stressed the importance of education and the social and economic demands for education in Hong Kong. She said that our system must be flexible and responsive to suit the varying and changing

aspirations of the population and suggested that in deciding the priorities for implementation of improvements in the system we should bear in mind that the aim is to develop useful and contributing members of the community. I am happy to tell Mrs. FAN that this is precisely what we are doing.

Even the most cursory glance at what is going on in our schools with the active encouragement of my Department will demonstrate that what is being cultivated is a sense of belonging—hence responsibility—to the community, a positive and pragmatic attitude towards life and the pursuit of knowledge which makes the person useful.

I am encouraged that Mrs. FAN agrees with the Education Department's belief that moral education should permeate the whole curriculum, that it should be linked to extra-curricular activities and that it should be the responsibility of all teachers. I shall keep her suggestion for research in mind.

The proposal for a General Studies course at Form VI is an interesting one. There is no reason why schools should not implement it if they wish since they have freedom over their own curricula. Indeed I believe a number of schools do provide general courses of one kind or another to encourage broader perspectives among their Sixth Form students, although the time available for such programmes is of necessity limited. I have some doubt, however, whether a formal system of continuous assessment is feasible at this time, particularly if the results are to be taken into account by the tertiary institutions in admitting new students.

Mrs. FAN's remarks concerning continuing education are noted. In particular her proposal for the development of student-centred self-learning programmes will be borne in mind.

Mrs. Pauline NG obviously subscribes to Mrs. FAN's enthusiasm for our school system because she would like to see it extended to include subsidized education for all who want it at least up to Form V; and in this context she asked for the abolition of the Junior Secondary Education Assessment procedures (J.S.E.A.) by which over 60% of Form III leavers are selected for subsidized education, with the balance left free to seek the completion of their education in private schools or to take up vocational education in the Technical Institutes.

It is difficult to reconcile the abolition of the J.S.E.A. with the powerful plea of Mr. S. L. CHEN to retain it. Mr. CHEN is as worried as I am that Form III leavers just do not seem to be going to our Technical Institutes, as we hoped in the 1978 White Paper. They are voting with their feet and going, for the most part, to private schools, to attempt the Hong Kong Certificate of Education Examination. And, as Mr. CHEN pointed out, too many repeat their attempts to get a worthwhile Certificate. We have been looking at this problem since it first became apparent and we think the solution is obviously to make craft education in the Technical Institutes more attractive, while reforming the curricula for senior secondary education in Forms IV and V so as to make it more relevant to

the interests, needs and ability of the less academic. I have made proposals in this area which are being looked at carefully by the Director of Technical Education and Industrial Training, and by my Curriculum Development Committees. Having said this, I do not think I can subscribe to Mr. CHEN's belief that the only yardstick to be applied to senior secondary education must be the ability to proceed to Form VI and higher education with an appropriate Certificate of Education. Surely we must face up to the fact that a great number of our children will not be proceeding any further than Form V, and it is to this end that the curriculum reform I have proposed is essential.

I mention the difficulty of reconciling the views of Mr. CHEN and Mrs. NG not because I wish to play one Member off against another, but because I think their opinions are not untypical of the diverse views held by responsible people in many communities at about the time when their education systems reached the same stage of development as ours. I know of no community where there is major disagreement about the desirability of providing universal primary education and universal junior secondary education. But I know of many communities where the question of general education versus vocational education at the senior secondary level has been the subject of heated debate, central to which are the issues of what the community needs, what the community wants and what the community can afford. I firmly believe that in the context of the overall review of our education system, it will be possible for Hong Kong to arrive at a strategy for further development which will be best suited to our circumstances.

Having said this, I must correct the impression which Mr. CHEN might have given Members that the quality of education in Hong Kong has been suffering as a result of our quantitative expansion. It is important, I think, to distinguish between 'quality' and 'academic standards'. Compared with, say, ten years ago, our schools now have much better facilities, more and better-trained teachers, a broader and more relevant curriculum and much greater financial support. They can now also benefit from an expanded Education Television service, systematic retraining programmes for teachers, the School Social Work Scheme and of course the multi-million dollar Language Package, to name but a few of the many initiatives taken by the Government in recent years.

I therefore find it difficult to accept the view that the quality of education in Hong Kong has been deteriorating. I do agree however that overall academic standards may appear to be lower simply because some children who would have been denied a junior secondary school place are now in school. Even so, let me assure Mr. CHEN that there is no evidence that the standards of the academically more able students are deteriorating.

In my view, therefore, the retention or abolition of the J.S.E.A. ought not be argued on the grounds of quality of education, the maintenance and improvement of which is stated Government policy and a matter of public record.

This leads me to Mr. Alex Wu's observations on the need to improve language teaching in the schools as a matter of priority. I share his views fully and particularly the need to improve standards in both Chinese and English. Among the various measures for quality enhancement which I mentioned is our Language Package. I am pleased to report that most of the elements of the package have been implemented successfully. With additional teachers provided to primary and secondary schools in September 1982, remedial teaching in the languages has started at both levels and reaction from the school heads so far has been most favourable. Additional audio-visual teaching aids including a wire-free induction loop system have been provided to the schools, and again it has been reported that these are very useful in language teaching. The new Institute of Language in Education retrained 200 teachers of Chinese and English in 1982-83 and is doubling its intake this year. In addition, the British Council is continuing to help with retraining by offering courses of its own for other teachers. I should like therefore to assure Mr. Wu that a good start has been made and that my Department will continue to make every effort to keep up the momentum.

Quality in education is also related to what is taught both inside and outside the classroom and how it is taught. I should point out that the development of our young people into useful and contributing members of the community is a strong feature of the existing curricula, and many extra-curricular and community-involvement activities such as Community Youth Clubs in which all students are encouraged to participate. My Department will continue to give full support to this very important aspect of education.

All of us share Mrs. Selina CHOW's concern over the apparent increase in the involvement of young people in the 14 to 20 year age group in criminal activities. The problem is recognized and steps are being taken to solve it.

Recent years have seen a greater awareness of the need for a more positive approach in the inculcation of moral principles and social attitudes among the young. Nowhere has this awareness and the desire for more positive action been greater than in the school system. I fully realize that the school is only one of the many factors which shape the intellectual, emotional and ethical development of our young people. It is, however, undoubtedly a major factor. This being so, the recent awareness of the need for more positive, effective measures has, I am pleased to say, resulted in real, co-ordinated action within the system. There is now a definite programme which covers moral education, improved counselling and guidance services to meet more adequately the requirements of individual children, and increased opportunities for pupils to participate in activities involving community services.

This programme which has been introduced over the last five years is broad-based and has enhanced provision in a number of areas. In 1978 we introduced the Student Guidance Officer scheme and School Social Worker scheme in primary and secondary schools respectively. The allocation of staff in all public sector schools has been increased to enable more remedial teaching, pupil

guidance and counselling, and more time for the organization and development of extra-curricular activities. There have been a number of seminars, conferences and exhibitions on moral and ethical education, mainly organized by the Education Department but with a number of joint ventures involving teacher associations and other Government departments. All of these have been well supported by the schools, teachers and pupils.

To assist schools further and to increase co-ordination of effort in this area a Religious/Ethical Education Section has been established in the Advisory Inspectorate of the Education Department. A Standing Committee on Unruly and Delinquent Behaviour in Schools, chaired by the Deputy Director of Education, has been set up to assess and monitor the situation in the schools and to assist in the development of more effective programmes in all schools. This Committee, and of course the Education Department as a whole, maintain constant liaison with the Fight Crime Committee chaired by the Chief Secretary, to ensure that school-based activities are integrated into wider schemes and programmes.

Finally, since the introduction of universal education up to the age of 15 and with increased numbers of young people remaining in schools for senior secondary education, the need for wider, more varied curricular offerings in our schools has become more apparent. It is accepted that curricular reform is required if we are to cater successfully for the wide range of interests, abilities and activities of our young people.

I trust, Sir, that the foregoing will reassure Members that certainly in the school system a positive programme of moral and social education exists. I am confident that this programme, improved and adapted to meet changing circumstances, together with the many other programmes run by the Government for the healthy development of the youth within our community, can effectively combat bad influences brought to bear on the young by the undesirable, anti-social elements in our society. Here I must not forget to mention how we cater for the extraordinary enthusiasm demonstrated by our young population for culture and recreation in all its forms. We have the biggest school music, drama and dance festivals in the world, phenomenally successful youth orchestras and dance teams thanks to the remarkable work of the Music Office of the Recreation and Culture Department, and a multiplicity of healthy activities and programmes for boys and girls of all ages. This, in sum, is the strategy for Youth at Risk demanded by Mrs. CHOW.

I remarked at the outset of my speech that we have a system of education of which we can be proud. Why then bother to review it?

Every system however good needs a periodic review because it can be improved, and this is why we have set such high store on the Report of the Panel of Visitors led by Sir John LLEWELLYN. Which brings me to a particularly apposite conclusion.

My Unofficial Friends have displayed considerable erudition and ingenuity in quoting amongst others Oscar WILDE. I too would like to quote a famous Irishman—Father Patrick MCGOVERN, who, Members will recall, was responsible for a memorable motion in this Council to which we all subscribed.

In the words of Father MCGOVERN—'This Council receives with approbation the report 'A Perspective on Education in Hong Kong' and commends it to Government as a basis on which the *continuing* improvement of education in Hong Kong should be implemented'.

Sir, with these remarks, I support the motion.

SECRETARY FOR EDUCATION AND MANPOWER:—Sir, you referred to the comments sought on the report 'A Perspective on Education in Hong Kong' drawn up by the Panel of Visitors. The position now is that these comments have been received though some of the more weighty responses were not received until September or early October. Not I think, Sir, that anyone has any doubts about the over-riding interest of our people in education, but if one did, the sheer volume of comment that this report has stimulated would soon convince. We have received a total of 544 comments from 305 organizations or individuals. These included 176 direct written submissions, 226 news reports of comments made in seminars, and public speeches and 112 editorials/feature articles in all, totalling 2 280 pages! Probably more words than contained either in the Bible or the Complete Works of Shakespeare! (*laughter*) Sir, the analysing of this material for presentation to Executive Council is no small task but I would hope to meet the timing referred to by you, Sir, in your opening address.

The next step is seeing our way as to how the planned implementation of those strategies in the Overall Review that prove acceptable to the public and to the Government can be achieved. The Executive Council will be consulted on the best machinery to further this aim expeditiously. The timing, priority and budgetting of implementation plans are absolutely vital. It is as well to bear in mind that the Overall Review contains not a single HK\$ sign, nor does it relate its ideas to the human and material resources required to carry them out. Only is it referred to briefly in the penultimate paragraph in the report—the vital matter of financing education. You, Sir, have already referred to this issue in your address, and clearly a detailed study of this is necessary, and I am currently considering how this might best be accomplished. Sir, in the Overall Review we have something like a sweet-shop full of 'goodies' for all—even including a few acid-drops for some—but gorge them all at one go, we cannot, without the most dire consequences to our digestive system. An orderly consumption programme is called for, and we must have the best framework in which to prepare this programme.

The Administration shares Mr. TIEN's concern that it could be counterproductive to have an Education Commission whose introduction interferes with co-ordination rather than improves it. The Board of Education, University

and Polytechnic Grants Committee, Vocational Training Council and public comments on this proposal express similar concern. The feasibility of smoothly interfacing a Commission with the existing consultative machinery is presently being given most careful consideration by the Government so as to avoid such undesirable consequences.

I thank Mr. Francis TIEN for drawing our attention once again to the importance of vocational training. The Vocational Training Council which he chairs has made an excellent start to its work. 1984-85 should see the completion of both the Kowloon Bay and Kwai Chung Training Centres. Two further Technical Institutes are being planned and should open for students in 1985-86. We thank the Council for its dedicated work, the importance of which the Administration is well aware.

Mr. Alex Wu can be reassured that the Government takes the arts seriously, and evidence for this must surely be the establishment of a Council for the Performing Arts and the planned commissioning of an Academy for the Performing Arts in September 1985. This is, of course, in addition to the encouragement of the arts in the school curriculum on which my friend the Director of Education has spoken. As regards the 'art of administering the arts', the Government looks forward to receiving the report of the deliberations and recommendations of the Third Conference of Commonwealth Arts Administrators. Turning to a different matter raised by Mr. Wu, I can confirm that the Report of the Working Party on the proposed Chinese Language Foundation will be submitted to the Executive Council for consideration soon. I should like to take this opportunity to thank Mr. Wu for chairing the Working Party. I am grateful for the dedication he and the other members had shown towards their task.

Mr. Peter WONG referred to the need to accord high priority to the development of our human resources through an effective education system. I could not agree with him more. I am glad that Mr. WONG supported the idea of a third university which would be essential if Hong Kong was to continue to provide a reasonable proportion of its young people with first degree places beyond the mid-1990s. I should add that progress is being made in the identification of possible sites, and a short-list should be determined quite soon.

Dr. Ho and Dr. IP mentioned the open university and Dr. Ho went on to discuss other modes of distance-learning. I thank them both for their thoughtful pieces, although I must say I had some doubt if Dr. IP's remarks were in order, since she appeared to be speaking in place of Revd. Joyce BENNETT. Now, however present in spirit she may be, the newly agreed practice resulting from the revision of Standing Orders is that speeches delivered by one Member on behalf of another—however absent—will not be allowed! (*laughter*) As you, Sir, have pointed out, the University and Polytechnic Grants Committee (U.P.G.C.) has been asked to examine the need for, and the feasibility of, developing such other forms of education as an open university and the extension of Education

Television. The Government's intention is, of course, to provide our people with more—as Dr. HO put it—second chances. I understand the U.P.G.C. has appointed an internal working group to prepare a detailed proposal. This group will be consulting relevant institutions and individuals both in Hong Kong and in the United Kingdom. I would certainly draw the Chairman, U.P.G.C.'s attention to Dr. HO's and Dr. IP's suggestions so that the U.P.G.C. can take account of them when considering the detailed advice to the Government. I would just like to add that I am slightly concerned about the use of the term 'Open University' in the context of distance learning discussions because it implies education only at degree level—we would be unwise to so limit our options at this early stage of consideration.

In the meantime, consideration is being given to the University of Hong Kong's proposal to introduce an external degree programme, which is one of the options suggested by Dr. Ho. Dr. Ho will also be aware that the Chinese University of Hong Kong has been offering a part-time undergraduate degree programme since 1981 in accordance with the 1978 White Paper on the Senior Secondary and Tertiary Education. It started off with a modest enrolment of 24 students. To-date, 194 students have enrolled and there are plans to increase the enrolments to between 500 and 600 by 1986-87. I would point out, however, that if they are to attain, as they should, the same academic standards as their full-time counterparts, external or part-time degree courses are not cheap to maintain. The graduate costs per student in this category could be between 50 and 100% of the costs for full-time studies for direct teaching costs and about 70% for indirect costs. The likely costs of operating an open university are by no means insignificant either. Information available from the U.K. Open University and the Department of Education and Science suggests that when student maintenance costs for full-time students are *included*, the Open University costs are about half those at conventional universities. When student maintenance grants are *excluded*, Open University costs become about three-quarters, and if the research elements in conventional universities are extracted, the full-time student unit cost becomes almost comparable.

Mrs. Rita FAN's suggestion that an Education Development Fund be set up with suitable encouragement for private donors is certainly worth consideration. Taxation, however, is a matter for the Commissioner for Inland Revenue but I am sure that should such a Fund be established, it will be considered a charitable trust of a public character under the Inland Revenue Ordinance. This means that any public donations to the Fund would receive appropriate tax exemption.

I am grateful to Mr. Peter POON for his remarks about the Government's efforts in the field of education. I share his view that Hong Kong should make available more higher education opportunities and this is precisely why we are planning a considerable expansion of our tertiary education sector. And it will be clear from what I have already said that it is not just a question of more opportunities but also a greater range of options in higher education is needed.

He can rest assured that the Government will do its utmost, within the inevitable limits imposed on our available human and financial resources, to provide more and better education in Hong Kong.

Turning now to Rehabilitation and related matters and I thank my friend, Dr. HO Kam-fai, for drawing attention to the good job done by the Working Group on ex-mental patients. This report ranges much wider than rehabilitation matters but insofar as 'half-way' houses are concerned, the point specifically referred to by Dr. Ho, the Report calls for a re-examination not only of the planned expansion of half-way house facilities but also the role of this service in the rehabilitation and after-care of ex-mental patients. This re-examination is already underway.

Preliminary indications are that our present planning targets will enable us to meet the demand for places in half-way houses by 1988. I can assure Dr. Ho that the shortfall against the annual planning target for 1984-85 will be more than offset by the planned provision of an additional 200 places in 1985-86, 200 places in 1986-87 and 280 places in 1987-88 if this can be achieved.

I would also agree with Dr. Ho that if half-way houses are to fulfil a more positive role in the rehabilitation of mental patients with behavioural problems or a history of violence, a strengthening of their staffing will be required. However, even with improved staffing, the existing open hostel type of half-way house will not be suitable for the more difficult categories of patient. The Government has, therefore, accepted the need to plan a limited number of places in half-way houses specially designed to assist in the rehabilitation of that group of discharged mental patients most at risk of relapse into violent or antisocial behaviour. The new type of half-way house would need to be provided in separate purpose-built accommodation and would not, as is the case with the existing half-way house, be located in a public housing estate or private residential development. Close supervision of the residents would be carried out by a multi-disciplinary team and the staffing levels appropriate to this task are currently being assessed.

Staff in half-way houses act as an important link between the specialist staff in the psychiatric hospital from which the patient has been discharged and the doctors, nurses and social workers who will be responsible for the longer term aftercare of the patient once he returns to the community. Dr. Ho has, therefore, rightly drawn attention to the benefits to be derived from a strengthening of this service in terms not only of enabling some patients to be discharged from hospital earlier, but also of giving them a far better chance of rehabilitation.

Before leaving rehabilitation, I have noted with some pleasure Dr. FANG's remarks concerning the world-wide recognition of Hong Kong's services and sporting activities for the disabled. The Government is very conscious that this position could not have been achieved without the enormous amount of dedicated work put in by the voluntary sector over the years, not least by Dr.

FANG himself as Chairman of Rehabilitation Co-ordinating Committee and Chairman of Rehabilitation International. I am sure Members of this Council would wish to join me in wishing every success to the Beijing-Hong Kong Charity run for the disabled.

With regard to labour matters, I am glad that the proposed fund to assist workers in insolvency cases receives Mr. Peter WONG's support, and we will do our best to bring this onto the statute book next year. And I have noted his comment about contributory sickness insurance.

Mr. Stephen CHEONG has drawn attention to the concern of manufacturers with the effect on production costs of certain types of labour legislation conferring benefits to employees—although I am very glad to see that he has excluded industrial safety legislation from these strictures—and that these costs could ultimately affect the growth of the economy.

Naturally this Administration has these concerns in mind, too, when labour legislation is put forward, because if we were to go too far, too fast, the employees themselves might, as Mr. Stephen CHEONG says, lose out by contraction in the rate of growth and curtailment of employment opportunities.

The economic effects of labour legislation have always been taken into account in their policy consideration, but since acceptance of relevant recommendations of the Advisory Committee on Diversification, they have been treated in a more systematic way and examined by economists in the Economic Services Branch, and subsequently a summary of their findings must be included in the papers put to the Executive Council. Severance pay proposals will be considered in the same way.

I have said it before in this Chamber wearing a different hat—but I think it may bear repeating—that to some extent employers do themselves an injustice occasionally in the postures they get themselves into over labour legislation. My experience over the last ten years is that we have had the general support of employers in our measured progress in this field. And I would include in that the recent extension of paid sick leave, which had their general support from an early stage. There may have been some last minute fears of having opened up a paradise for malingering—not entirely realistic fears in my view—but nonetheless it was prudent to add the safeguards that are now included. In short, employers should take credit for supporting enlightened labour reform, rather than making it appear that manufacturers have just received a fatal sword-thrust from the Commissioner for Labour. I doubt whether Companies (Amendment) Bill treatment would be warranted. The order of complexity is quite different—that bill consists of some 260 clauses—whereas most labour legislation is comparatively simple in concept and sparing with clauses. If consultation can be improved—so much the better—and I am sure the Commissioner will bear this in mind.

Sir, I beg to support the motion.

SECRETARY FOR HOUSING:—Sir, I would like to respond to a number of points raised by my Unofficial Colleagues regarding public housing, home ownership and squatter area improvements.

Public Housing

Several Members have referred to our high level of public housing production, and the need for this to be sustained if our overall objective of decent housing for all is to be achieved. Mr. F. K. Hu refers specifically to the need to keep the balance between rental housing and Home Ownership Scheme flats under constant review. Sir, I can assure Members that public housing output will be maintained at the level of over 35 000 flats which we have achieved for the last three years, and that we will continue to be alert to the desirability of adjusting the balance between flats for sale and flats for rent in the light of the demonstrated demand for various types of housing.

Mr. HU also expressed concern over the redevelopment of old resettlement estates. Good progress is being made in this redevelopment programme. The programme which involves nearly half a million people is a massive one by any standards. Since it started in 1972, 48 blocks, out of a total of 240 blocks in the twelve original Mark I and Mark II estates, have been demolished to make way for new development and a further 26 blocks have been converted into self-contained living units. This had entailed the rehousing of about 150 000 people. In addition, well over 100 000 people have improved their living conditions by either moving into flats in other estates under the relief of overcrowding scheme, or by buying Home Ownership Scheme or private flats.

The population in these estates has been reduced to about 210 000, many of whom are living in blocks which have improved facilities and generally in very much less overcrowding conditions, awaiting their turn to benefit from redevelopment. In order to speed up the programme, the Housing Authority will consider setting aside an increased number of new flats each year to rehouse people living in these old estates. This will also enable much larger areas to be redeveloped at one time than has been possible in the past.

Home Ownership

Mrs. NG referred to the success and continuing demand for the Home Ownership Scheme, and expressed the hope that the Government would reintroduce such housing specifically for those in the middle income group.

Sir, I am glad of the opportunity to restate the reason why the Middle Income Housing Programme was halted. This was *not*, as Mrs. NG suggests, because of the poor response to the Melody Garden project at Tuen Mun. The Middle Income Housing Programme was conceived in 1980, at a time when high and rapidly rising private property prices made it difficult for families in the middle income bracket to buy a home of their own. By March this year, however, prices of private flats had eased, the mortgage interest rates had fallen from their peak of 21% in 1981, and longer mortgage loan periods had become available. This

meant that the people for whom the programme was originally designed could now afford to buy their own homes in the private sector if they wished, and there was no longer any reason for this group to benefit from a public subsidy. The programme was, therefore, halted.

Melody Garden is a fairly large project with a total of 2 240 flats. Because of the poor response from the original target group, the eligibility criteria were relaxed in August, and this has led to over 1 600 flats being sold. There are at present about 600 flats still available for purchase by families who wish to take advantage of this opportunity to buy a home at a price which represents extremely good value for money. Meanwhile, Government is considering whether to use some of these flats for its own purposes.

Private Housing

Notwithstanding our commitment to a high level of *public* housing output, the Government considers that a productive and stable *private* property sector is essential to help meet Hong Kong's housing needs. There is now a good supply of land readily available for development by the private sector to produce housing at prices which would be generally affordable. It is hoped that private developers will take advantage of this situation and continue to make their contributions.

Improvements to Squatter Areas

Sir, I am grateful for the support given by Mr. Peter WONG and Mr. CHAN Yinglun for our squatter areas improvement scheme. While I agree with Mr. CHAN that the programme should be speeded up, I must caution against expecting too much too soon because the squatter areas are scattered and our efforts would be fragmented. There are engineering constraints on most sites and in many cases extensive development would be technically very difficult and expensive.

Following the successful completion of three pilot schemes, we have worked out a priority list for the implementation of the programme as a whole. Initially our efforts will concentrate on more densely populated squatter settlements in the urban area where conditions are by far the worst. Work has already started in five areas and will be extended to 18 other areas next year. Much has been learned from the pilot schemes and I am sure we will be able to move faster in the future. Indeed, as many as 25 000 families will benefit in the first five years covered by this programme.

However, I would wish to stress that whilst every effort will be made to improve the living conditions in existing squatter areas in the short term, this is still a second best solution. Our longer term aim remains the clearance and rehousing of squatters in the urban areas. We must, of course, continue to prevent new squatting at the same time. We are now clearing about 15 000 families a year and if we can maintain or even better this figure, we should be able to improve the situation substantially by the end of the decade.

With these remarks, Sir, I support the motion.

THE CHIEF SECRETARY:—Sir, I move that the debate on this motion be adjourned.

Question put and agreed to.

First Reading of Bills

INLAND REVENUE (AMENDMENT) (NO.4) BILL 1983

ROAD TRAFFIC (DRIVING-OFFENCE POINTS) (AMENDMENT) BILL 1983

CITY POLYTECHNIC OF HONG KONG BILL 1983

HOLIDAYS (AMENDMENT) BILL 1983

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

Second reading of bills

INLAND REVENUE (AMENDMENT) (NO. 4) BILL 1983

THE FINANCIAL SECRETARY moved the second reading of:—‘A bill to amend the Inland Revenue Ordinance.’

He said:—Sir, I move that the Inland Revenue (Amendment) (No. 4) Bill 1983 be read a second time.

The provisions of this Bill were brought into force by a Public Revenue Protection Order signed by Your Excellency last month. It is now necessary for the Bill to be enacted to replace that Order.

The depreciation of our currency in the recent past made it necessary for the Government to announce two counter measures: one was to require the note-issuing banks to pay the Exchange Fund for additional Certificates of Indebtedness, which they are required to hold as backing for any increase in their note issues, in foreign exchange at a fixed rate with redemption being treated similarly. This as Members know has been fully implemented. The other was the removal of interest tax on Hong Kong dollar deposits with financial institutions, which is the subject of this Bill. The removal of interest tax with effect from the 16 October 1983 has meant that apart from profits tax considerations there is now no longer any tax advantage in holding foreign currency deposits or in holding Hong Kong dollar deposits offshore.

The loss of revenue arising from the removal of interest tax is estimated at \$250 million for the balance of this financial year, and approximately \$450 million for a full year. To preserve the integrity of this year’s budget the Secretary for State has given approval under section 8 of the Exchange Fund

Ordinance for the deficit of \$250 million to be made good by a transfer from the Exchange Fund to general revenue. For the future the situation will form part of normal budgetary considerations.

I have mentioned on previous occasions that the removal of interest tax carries with it the risk of erosion of the yield from profits tax. This is a complex issue. Possible ways of preventing any serious erosion are now being examined carefully, and I hope to be in a position to address this subject further and to propose more lasting reforms in the budget next February.

This occasion provides also a suitable opportunity for me to comment briefly on our new currency stabilization scheme. Indeed such comments are properly made in this chamber. I say briefly for it seems to me sensible to allow unfolding facts to speak for themselves in a totally new situation, which is more subtle than many commentators even now appreciate. The scheme provides not a pegged rate but a banknote system which ensures equilibrium at the chosen exchange rate via an automatic adjustment mechanism. So far, so good. Things have gone well—indeed as planned. I am however by nature always cautious about economic forecasts, which may not allow for unpredictable psychological or other factors. This is therefore no time for conceit, the penalties for which can be considerable. We have nevertheless enjoyed for three weeks a stable exchange rate coupled with a significant downward movement in lending rates. This has clearly been highly beneficial to our community. These benefits will continue, though I am sure that the H.K.A.B. will share my views on the virtues of a conservative course with regard to interest rates.

Let me say again quite simply and clearly that Government does not intend that the Hong Kong dollar will fall below an exchange rate on the open market of about 7.80 to the U.S. dollar. It is conceivable in certain circumstances in the future that the fixed Exchange Fund rate may be improved or be linked to another criterion, for example a basket of currencies. I do not, however, believe that any change at all will be appropriate for a long time ahead. We must have stability. The whole purpose of our new policy is to ignore the past and to provide now and for the future absolute confidence in the new link at 7.80. Even an improvement must militate against stability, for there will be those who say what goes up must come down. I will not therefore easily be persuaded to change the present link, and I hope that confidence in our currency on the new basis will be encouraged by this firm assurance.

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

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

Question put and agreed to.

ROAD TRAFFIC (DRIVING-OFFENCE POINTS) (AMENDMENT) BILL 1983

THE SECRETARY FOR TRANSPORT moved the second reading of:—‘A bill to amend the Road Traffic (Driving-offence Points) Ordinance 1983.’

He said:—Sir, I rise to move the second reading of the Road Traffic (Driving-offence Points)(Amendment) Bill 1983.

At the committee stage of what is now the Road Traffic (Driving-offence Points) Ordinance 1983, two necessary amendments consequential upon an amendment accepted by this Council, were unfortunately overlooked. This Bill will rectify this oversight, before the Ordinance is implemented in August 1984.

Upon the advice of Unofficial Members, in order to mitigate the severity of the legislation, the period within which the specified offences have to be committed to attract disqualification, was reduced from three years to two years, in section 8(1) of the Ordinance.

Section 7(1) required consequential amendment so that the warning notice about disqualification which issues to motorists on the accumulation of ten or more but less than 15 points, refers to two years, not three years. Section 8(4)(c), which deals with the period within which no account is to be taken of circumstances already taken into account by a magistrate for the purpose of considering a shorter disqualification or no disqualification, should also refer to two years.

Sir, I beg to move that the debate be now adjourned.

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

Question put and agreed to.

CITY POLYTECHNIC OF HONG KONG BILL 1983

SECRETARY FOR EDUCATION AND MANPOWER moved the second reading of:—‘A bill to provide for the establishment of the City Polytechnic of Hong Kong and for matters connected therewith.’

He said:—Sir, I move that the City Polytechnic of Hong Kong Bill 1983 be read a second time.

In June last year, the Government appointed a Planning Committee under the chairmanship of the Honourable Sir S. Y. CHUNG to initiate planning work on a second polytechnic in Hong Kong. The Planning Committee eventually recommended, among other things, that the second polytechnic, now known as the City Polytechnic of Hong Kong, begin its first courses in October 1984 in temporary premises before its permanent campus at Tat Chee Avenue is

completed in 1988. Members are no doubt aware that the Government has accepted this recommendation and, indeed, all the other recommendations of the Planning Committee, and the introduction of the Bill now before Members is the final step required to bring the City Polytechnic of Hong Kong into being. That a new tertiary institution can be established and incorporated in less than one and a half years after the appointment of the Planning Committee speaks for the hard work and dedication of Sir S. Y. CHUNG and his colleagues, for which the Government and the people of Hong Kong are most grateful.

The governance of the City Polytechnic of Hong Kong will be modelled on that of the Hong Kong Polytechnic. Clause 9 of the Bill establishes a Council which will be the governing and executive body of the institution. It will consist of a maximum of twenty-eight official and unofficial members. Of the fourteen unofficials appointed under clause 10(1)(d), seven shall have experience in commerce or industry in Hong Kong. In addition, you, Sir, may appoint three more unofficials under clause 10(1)(e). Although not specified in the Bill, the intention is to fill these three seats with academics from the other tertiary institutions. The commercial, industrial and education interests will, therefore, be adequately represented, providing a balanced input into the management of the institution. Academic affairs of the City Polytechnic will be regulated by an Academic Board. This is provided for under clause 17.

Part VI of the Bill concerns the financing of the City Polytechnic. Funds will be allocated through the University and Polytechnic Grants Committee, to which the City Polytechnic will submit its programme of activities and estimates for grant assessment purposes.

It is intended that the provisions of this Bill, if enacted, be brought into force as soon as possible and that the Council of the City Polytechnic be appointed immediately thereafter to take over the work of the Planning Committee.

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

Motion made. That the debate on the second reading of the Bill be adjourned—SECRETARY FOR EDUCATION AND MANPOWER.

Question put and agreed to.

HOLIDAYS (AMENDMENT) BILL 1983

SECRETARY FOR EDUCATION AND MANPOWER moved the second reading of:—‘A bill to amend the Holidays Ordinance.’

He said:—I rise to move the second reading of the Holidays (Amendment) Bill 1983.

The Holidays (Amendment) Bill is basically for the Administration’s convenience, to simplify the operation of the Ordinance. The Bill proposes

firstly to replace the list of general holidays in section 3 of the Ordinance by a schedule to the Ordinance. At present there is no provision for direct amendment to the list of holidays, and all additions and substitutions to the list made under section 6 of the Ordinance by Resolution are separately recorded by additional, subsidiary legislation. The schedule which will replace this list can be directly amended by Resolution, thus avoiding an accumulation of subsidiary legislation.

Secondly, because the birthday of Her Majesty the Queen is not always celebrated on the same day every year in the United Kingdom, while in Hong Kong the date has been fixed as the second Saturday in June, the Bill provides for the Governor to appoint an alternative date by *Gazette* notification.

In this connection, I should add that the United Kingdom has just announced that the Queen's Birthday in 1984 will fall on 16 June, the third Saturday in June, so we will need to invite you, Sir, to exercise the power provided for by this Bill very shortly to appoint the same day for the Hong Kong holiday. The general holiday for the Monday following the second Saturday in June has been replaced in the proposed Schedule to the Ordinance by the Monday following the Queen's Birthday, to preserve the original purpose of grouping the two holidays together for a long weekend. This holiday should accordingly fall on 18 June in 1984, a week later than previously announced.

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

Motion made. That the debate on the second reading of the Bill be adjourned—SECRETARY FOR EDUCATION AND MANPOWER.

Question put and agreed to.

PENSIONS (INCREASE) (AMENDMENT) BILL 1983

Resumption of debate on second reading (12 October 1983)

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).

BUILDINGS (AMENDMENT) (NO. 2) BILL 1983

Resumption of debate on second reading (12 October 1983)

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).

**MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS)
(AMENDMENT) BILL 1983**

Resumption of debate on second reading (12 October 1983)

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

PENSIONS (INCREASE) (AMENDMENT) BILL 1983

Clauses 1 to 3 were agreed to.

BUILDINGS (AMENDMENT) (NO. 2) BILL 1983

Clauses 1 to 3 were agreed to.

**MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS)
(AMENDMENT) BILL 1983**

Clauses 1 to 8 were agreed to.

Council then resumed.

Third reading of bills

The ATTORNEY GENERAL reported that the

PENSIONS (INCREASE) (AMENDMENT) BILL

BUILDINGS (AMENDMENT) (NO. 2) BILL and

MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS)
(AMENDMENT) BILL

had passed through Committee without amendment and moved the third reading of each of the Bills.

Question put on Bills and agreed to.

Bills read the third time and passed.

Suspension of sitting

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now suspend the Council until 2.30 p.m., tomorrow afternoon.

Suspended accordingly at thirty minutes past four o'clock.