

**OFFICIAL REPORT OF PROCEEDINGS****Thursday, 8 November 1984****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 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 ALAN JAMES SCOTT, C.B.E., J.P.  
SECRETARY FOR TRANSPORT

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

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

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, O.B.E., J.P.

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

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

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

THE HONOURABLE CHAN KAM-CHUEN, O.B.E., J.P.

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

THE HONOURABLE KIM CHAM YAU-SUM, J.P.

THE HONOURABLE KEITH LAM HON-KEUNG, J.P.

THE HONOURABLE CARL TONG KA-WING

#### **ABSENT**

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

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

THE HONOURABLE HU FA-KUANG, J.P.

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

#### **IN ATTENDANCE**

THE CLERK TO THE LEGISLATIVE COUNCIL  
MR. LI WING

**Government business****Motion****Motion of thanks****Resumption of debate on motion (7 November 1984)**

SECRETARY FOR SECURITY:—Sir, several Members commented on our efforts to fight crime. Miss TAM and Mrs. FAN in particular emphasised the importance of enforcing law and order, in the interests of maintaining a stable society.

I would like to assure honourable Members that as a government we are tackling the question of crime as vigorously as we can. We are also aware that a recent opinion survey among residents of public housing estates rated crime as the most important problem which the Government should tackle urgently. But it is a notoriously difficult subject.

To this end, there are now some ten sub-committees and working groups under the Fight Crime Committee examining ways and means of giving further support to the Police Force. The Committee reports to you, Sir, every six months. It has got through a fair amount of work in the last six months as is recorded in its latest report the Committee will be submitting to you, Sir, next week. As Members will be getting copies, I will not go into the details here today. But I would like to mention that one of the working groups is currently examining the issue which Mr. Peter C. WONG mentioned, the infiltration of triads into schools. This problem is not an easy one, and we are still some way from finding an effective solution. I agree with Mr. WONG that co-operation from schools and parents is absolutely essential, and I endorse his appeal to them not to turn a blind eye to the problem. Another working group has already identified an issue to which both Miss TAM and Dr. IP referred, the extent to which legal immigrants become involved in crime.

Members have also made suggestions on ways to deal with criminals. We value these suggestions, and will be giving them careful thought. Mrs. FAN and Mr. Peter WONG favoured the introduction of heavier penalties. This is certainly one way of helping to combat crime. Mrs. FAN and Miss TAM reaffirmed the support of the community for the increased penalties for firearms offences introduced in the Firearms and Ammunition (Amendment) Ordinance enacted in July this year. The Fight Crime Committee is also examining other possibilities and has, for example, endorsed a proposal to introduce further restrictions and penalties on the possession of imitation firearms by banning the possibility of possessing them. It is proposed that a bill to give effect to this proposal will be considered by this Council in this session.

Mr. CHEUNG Yan-lung pointed to the dramatic increase in crime in the New Territories since 1979. He linked this increase quite rightly with the dramatic

increase in the population there resulting from the rapid development of the new towns. The object of the Commissioner of Police has been to expand the Force presence ahead of the growth in the population. This sensible tactic seems to have worked well. This year there is likely to be only a 2 or 3 per cent increase in overall crime levels in the New Territories in spite of the continued expansion of the population there.

Mr. CHEUNG also expressed concern about the policing of the K.C.R. In June this year the police completed a thorough review of the K.C.R.'s requirements. The Commissioner concluded that the level of crime and the demands for general assistance from the police were not such as to justify establishing a dedicated police unit for the K.C.R., a unit which would have been costly in terms of manpower and general logistical support. He has instructed that the situation should be carefully monitored and reviewed every six months so that such a unit could be formed quickly in response to any deterioration in the present situation. The police patrol on the trains during the rush hours and the busiest stations (Hung Hom, Lo Wu and Mong Kok) have policemen there all the time. All of the new permanent railway stations, unless covered from an adjacent police facility, have been designed to allow for some form of police presence. The policing of the stations themselves comes under the responsibility of the local District Commanders who deploy their beat patrols to cover them as necessary. What is the position in respect of reported crime on the K.C.R.? Between the end of 1982 and the end of 1983 the number of passengers a day nearly doubled while reported crime was down by 15 per cent. Worrying was that pick-pocketing was up by around 40 per cent, predictable I'm afraid with the K.C.R. coaches designed in the way they are rather than as one long corridor in the M.T.R. style. So far this year, it looks as if a further increase in passengers is being accompanied by a really substantial drop in crime including pick-pocketing.

I would like to thank Mrs. FAN for stating so firmly that the Government should give its fullest support to the police and provide the Force with adequate manpower, equipment and facilities to enable it effectively to protect the public against crime. Increased manpower will be a matter for next year's Estimates. But I can report now good progress in respect of buildings and equipment. Subject to the decision of the Public Works Sub-Committee at its next meeting, construction work on the first phase of a new Police Headquarters at Arsenal Street will start in 1985. This project will provide purpose-built accommodation for the modern equipment and computer-based technology that is progressively being introduced into police work. In particular it will house a new computerbased command and control system which will greatly improve the effectiveness of the beat radio network. It will provide instant information on the whereabouts of policemen so that they can be deployed quickly to maximum effect to deal with incidents, and information on various other matters that will help the police to be more effective on the ground. The new equipment will be introduced at the end of this decade and will result in the extension of the beat

radio network to the New Territories. Meanwhile a programme for introducing local beat radio systems as a temporary expedient in the major population centres of the New Territories is being pursued.

Turning finally to Hong Kong's immigration problems, in the context of the Government's efforts to tackle squatters Mr. CHAN Ying-lun hoped that the Government would keep immigration at a low level. Legal immigration is now carefully controlled. We are under no pressures to change this policy; and as proof of our confidence in it, the revised population projections about to be published assume that the present controlled level will continue. Also, illegal immigration is firmly under control. The new identity card is making it virtually impossible for illegal arrivals to remain here undetected. You, Sir, stated that our policy in respect of illegal entrants when they are discovered will remain unchanged. They will be repatriated and there can be no amnesty.

Sir, with these remarks I support the motion.

SECRETARY FOR HEALTH AND WELFARE:—Sir, my friend, the Director of Medical and Health Services, is not speaking in this debate. I believe he will wish me to say that it is only right that we should make due allowance for members of the weaker sex, and I shall therefore respond to Dr. Henrietta IP's criticism of double standards in medical qualifying examinations in a gentle manner.

I fear that in making her criticism Dr. IP over-looked the fact that the university examinations are intended to establish whether an undergraduate is fit to be awarded a degree in medicine. The licentiate examinations, by contrast, are intended to assess whether a doctor who has already completed his basic training and passed the examinations of a medical school, but whose qualifications are not recognised, is fit to practice in Hong Kong. She should not be surprised, therefore, that the university examinations last longer, and are tougher, than the licentiate examinations. And for the same reason, she should not be surprised that the internship required of medical students involves longer working hours than the externship required of doctors seeking licentiateship.

Dr. IP went on to suggest that fees at government outpatient clinics should be raised to a level that would enable these clinics to break even. These fees are in fact regularly reviewed, and they were last increased in May this year. I think there is much to be said for Dr. IP's suggestion. But we need to remind ourselves that, apart from meeting the needs of those who cannot afford to attend private clinics, government outpatient clinics serve wider aims for the benefit of the whole community. These clinics are the means of identifying persons who have contracted communicable diseases, with a view to their isolation. These clinics enable the incidence of different types of illnesses to be monitored, and acute cases to be identified so that they may be referred to hospitals and other institutions for further examination and follow-up treatment. For these reasons, it is important to ensure that there is no financial disincentive to persons presenting themselves at government outpatient clinics.

Three separate medical issues were raised by Dr. Harry FANG. First, he welcomed the establishment of a steering committee to oversee the review of the delivery of medical services in hospitals. Dr. FANG and Dr. IP are both valuable members of this steering committee, which has already met several times to consider proposals from various consultants who are prepared to conduct the review. The committee will shortly be making a recommendation to the Central Consultants Selection Board as to which consultants would be the most suitable choice.

Second, Dr. FANG suggested that low-interest or interest free loans might be made available to assist new dental graduates in setting up their own practices. Evidence has not been forthcoming to support the view that private practice is no longer viable and that such loans are therefore necessary. It will be appreciated that loan facilities on these terms would be a form of subsidy. Very careful consideration would need to be given to the justification for providing such a subsidy on health care grounds, and to the priority that such a new facility would command in competing for limited resources. Meanwhile, the possibility is being explored, with the Hong Kong Dental Association, of establishing dental clinics in new housing estates on similar lines to the Estate Doctors Scheme. This scheme has helped to improve the distribution of doctors' practices, and I believe that similar arrangements could help to bring dental clinics to the under-provided districts.

Dr. FANG'S final suggestion was that the Government should encourage the establishment of a Hong Kong Academy of Medicine to validate higher qualifications for clinical specialties and to maintain internationally accepted standards. This is an interesting suggestion, and one which will be given the most careful consideration. The problems inherent in the present arrangements for post-graduate medical training were in fact only recently discussed by the Medical Development Advisory Committee, which Dr. FANG chairs, and it was resolved that a working party should be established to consider what changes to the present arrangements are needed. Work on this should start fairly soon.

Sir, I am grateful to Mr. Keith LAM for acknowledging the improvements which are planned in regard to social welfare services, and I fully share his view that the public, guided by community leaders, has an important role to play in assisting those in need. I believe that not a few civic-minded members of our community already give generously of their time and effort.

Miss Maria TAM also gave encouragement in her remarks about the community service order scheme. She was right to express concern over the resources that may be required for this scheme, and no doubt as a member of the Finance Committee she will be scrutinising very closely its financial implications.

Encouragement came also from Mr. F. K. Hu, who welcomed the announcement of a review of the public assistance scheme. As one who has

struggled, as he also clearly has, to understand all the intricacies of this scheme, I too wish it could be much simplified.

Dr. Ho Kam-fai, however, appeared to think otherwise, for he described the scheme as being already 'simple in structure' and advocated the introduction of yet another two categories of supplementary benefits. This difference in views perhaps exemplifies the difficulty of designing a simple scheme capable of meeting a variety of needs.

Dr. Ho suggested the addition of a widowhood supplement and a chronic sickness supplement. This suggestion has been considered before, but it will be further considered, and advice will be sought from the Social Welfare Advisory Committee of which Dr. Ho is now the chairman. But my own initial reaction is that these two suggested new categories of supplementary benefits are probably unnecessary. Chronically sick persons and widows with young children are, of course, already eligible for public assistance insofar as their essential needs are concerned. Such special needs of widows with young children as child-minding and domestic help would seem to be more appropriately met by the provision of services rather than by cash grants. And for the chronically sick, the scheme already provides for such special expenses as the cost of medically-approved diets to be met by discretionary payments.

The review of the public assistance scheme, which has already begun, will give sympathetic consideration to those in special circumstances with special needs. A great deal of thought has already been given, for example, to ways in which an elderly person might be helped to maintain a degree of financial independence and dignity, instead of being regarded simply as a member of the household for public assistance purposes; and to ways in which a young person might be encouraged to seek employment and yet remain as a contributing member of his family, without the family's level of public assistance being reduced to fully offset his earnings. In formulating proposals as a result of this review, every effort will be made to achieve as even a balance as possible between comprehensiveness and simplicity.

I wish that the term 'street sleeper' were less comprehensive and less simple. I might then be able to understand more clearly why Mrs. Pauline NG regards those who sleep in the streets as a problem, and why she thinks they need management.

In a recent exercise, nearly 1 000 so-called street sleepers were located and interviewed. Over half of them were found to be in normal health. 15 per cent of them said that they sleep in the streets because they like sleeping in the streets; while another 50 per cent claimed that they sleep in the streets because they cannot afford to rent accommodation. 30 per cent of them were employed or self-employed, with average monthly earnings of just over \$1,000 each.

Of course there are people who sleep in the streets who have welfare needs, just as there are unfortunate and needy members of our community who enjoy

the privacy of off street sleeping. And I would remind Mrs. NG that at least some of the vagabonds she sees during the day time, when they are most evident, have shelter to return to at night.

A distinction must be drawn between what are basically street management matters, on the one hand, and what are welfare matters on the other hand. Welfare assistance is available to those who sleep in the streets who need such assistance. The lack of a residential address does not disqualify. 30 per cent of those located in the recent exercise are receiving assistance from public funds. If they are at the same time untidy in appearance, and if they choose to beg to supplement the assistance they receive, that does not mean that their essential welfare needs are not being met.

Mrs. NG particularly drew attention to 'vagabonds with mental problems'. She suggested that they pose a threat to pedestrians, and proposed that the Government should enact legislation to reduce their numbers and to provide means by which they would be required, irrespective of their human rights, to stay in special institutions on a compulsory basis.

In the recent exercise I earlier referred to, about 15 per cent of those contacted had unspecified mental problems. Even then, it would be wrong to suppose that, by virtue of their condition, they present a threat to the safety of the public, such as to justify their compulsory incarceration in institutions. As long as they do not pose a danger either to themselves or to the public, I can see no justification to deprive them of their personal liberty. Every effort will, of course, continue to be made to improve upon the services and help given to those of them who are in need and who cannot help themselves.

Sir, I support the motion.

DIRECTOR OF EDUCATION:—Sir, ever since the Sino-British Joint Declaration was initialled in September, I have sought the views of a great number of educationalists on the section of the Joint Declaration which deals with the future of education in Hong Kong. The very first sentence of that section reads, 'The Hong Kong Special Administrative Region shall maintain the educational system previously practised in Hong Kong'. To date, I have not heard a single dissenting voice. I think that this is not only a great tribute to the negotiators of the Joint Declaration; it is also a great tribute to the educational system that we now have in Hong Kong.

Over the past three and a half decades, our educational system has developed at a breath-taking pace. Rapid growth, however, is not its only, or main, hallmark. Much more significant is the system's ability to respond to challenge and to change. My department has had the happy responsibility to guide its development, but our work would not have been half as successful had we not always paid a great deal of attention to the criticisms and suggestions which came our way. Sir, it is in the same spirit that I shall be responding to the remarks made by my Unofficial colleagues in this policy debate.



With so much attention being focussed on the future of Hong Kong, it is not surprising that a large number of Unofficials have spoken on the promotion of civic education and the strengthening of the teaching of Chinese.

As far as promoting civic education in schools is concerned, I am happy to assure Members that the plans which were announced in such detail in this Council on 25 July this year are well in hand. As an extension of the current policy of developing civic consciousness in primary and secondary schools, the development of the new subject of Government and Public Affairs is proceeding on schedule; the Curriculum Development Committee will shortly be invited to advise how the civic education element in existing subjects and in extracurricular activities can be strengthened; seminars seeking the views of secondary and primary school heads have been scheduled; and there has been a great deal of preliminary thinking for a comprehensive set of guidelines which will be issued to help schools to do more in promoting civic and political awareness among students.

Mr. CHAN Ying-lun, Mrs. Rita FAN, Mrs. Pauline NG and Mr. Keith LAM have quite rightly pointed out that civic education should be directed at not only school children but also the community at large. Let me assure them that the vigorous strategy outlined last July, and reported today, has this very much in mind. What has been planned for schools is aimed also at parents, teachers and the community. We have the mechanisms within the department and the Government not only to heighten public awareness of civic responsibilities but to put that awareness to the test by active personal involvement. Obvious examples are to be found in the District Boards and Green Paper plans for further democratisation in which there has been such gratifying, widespread community interest.

The need for, and the means of, strengthening the teaching of Chinese including Putonghua, the need to preserve the importance attached to English, and the need to resolve the question of medium of instruction in schools were raised by Mr. Peter C. WONG, Dr. Ho Kam-fai, Miss Maria TAM and Mr. Keith LAM. Apart from reminding these Members of the multi-million dollar package of measures which we have already introduced to improve the teaching and learning of the languages, I should like to reassure them that most of the issues they raised have been dealt with in the First Report of the Education Commission, which is now with you, Sir, and which will be submitted to the Executive Council very soon. Meanwhile, I am happy to report that with the establishment of the Institute of Language in Education, the appointment of several hundreds of additional language teachers in standard secondary schools, the reform of language curricula at primary and secondary levels and the launching of extensive research programmes into language problems three years ago, there has been a decided improvement in the teaching and learning of both Chinese and English in our schools. I have every reason to believe that this progress will continue.

Another issue which has been dealt with by the Education Commission is the future of the Junior Secondary Education Assessment (J.S.E.A.), which Mr. Peter C. WONG and Mr. Keith LAM commented upon. I can only say that I share their sentiments and very much appreciate their suggestions, but let me add that we have taken much of the pain and strain out of the selection and allocation arrangements of the J.S.E.A. and will continue to explore avenues for further alleviating any stress occasioned by it. Parents are more frightened than their children of the J.S.E.A., but even parents appreciate the necessity for just and efficient selection and allocation procedures when there is not a subsidised senior secondary school place for every child who wants one. Quite apart from any recommendations which may come from the Education Commission, I am confident that the reform of the senior secondary curriculum and examination system initiated by my department a year ago, with suggestions for making craft education more attractive and available to post-Form 3 children, will go a long way towards making self-selection possible after Form 3 so as to obviate the necessity for the J.S.E.A.

Mr. CHEUNG Yan-lung spoke about the problems arising from the shortage of primary school places in some of the new towns. I should like to assure him that the programmes of providing alternative playgrounds for converted schools is progressing smoothly, and that new planning standards and guidelines have been devised and implemented and that these should ensure that in future housing developments there will be adequate provision of primary school places for the inhabitants.

Mr. Allen LEE commented upon the speed with which computer studies is being introduced into our schools, suggesting that an early review be made. Let me assure him that a second and final review of the pilot scheme on computer studies has in fact been completed. It shows that the scheme has been most successful. My department is now seeking approval to extend the subject to all publicsector secondary schools, hopefully in not more than two years if funds are available. However, no decision has yet been taken on whether computer courses should be introduced in primary schools because there are many options for further developing computer education in the schools, and a working group under the Curriculum Development Committee has been set up to examine this matter in detail.

Sir, my regard for Dr. IP is matched only by that of my friend the Director of Medical and Health Services, who was as pleased as I was when Dr. IP said she wasn't going to talk about medicine or education in this debate. Of course she went on to talk about nurses and teachers, in the curious context of sex discrimination. Nurses are not my direct concern, but teachers are.

Dr. IP proposed that we make greater use of teacher resources during the schools' summer vacation periods. She reminded us that these holidays are meant for the students rather than the teachers. This being so, I cannot see merit in any great increase in more formal learning, including even remedial work in

school subjects, by using the summer vacation period as she suggested. Let us not forget the criticisms frequently levelled against our system that we overemphasise formal academic learning and that there is undue pressure on our young people.

But for a number of years now we have been encouraging, with considerable success, the participation of our young people during the summer holidays in as wide a range of recreational and cultural activities as possible. The annual summer activities programmes have been very well supported by schools and students. Added to these programmes have been those of individual schools run for their own students. Teachers participate in the running of these programmes. For example, last summer over 16 000 teachers assisted in the running of activities for children, including camping, swimming and a whole range of sports and interest groups.

It should also be remembered that almost all teachers are expected to give some assistance with the many administrative tasks in their schools during the summer holidays. Many teachers, too, use the summer vacation to up-date their knowledge and to prepare material for the coming session. Last summer over 3 000 teachers attended seminars, workshops and conference and some 4 500 attended exhibitions for this purpose. I trust that these statistics will dispel any notion that our teachers do nothing in the summer vacation.

In brief, Sir, I am not convinced that there is any justification for a major increase in the workloads of teachers as proposed by Dr. Ip or that the deployment suggested would significantly improve our education provision.

Sir, this is my last policy debate but I look forward to hearing stirring news of further strides in education when and if the recommendations of the Education Commission are approved. We now have the mechanism for great and exciting educational change, and while I believe that our system of education is sound, I am certain that it can be improved. The Education Commission will see to that.

At the outset of this speech I said that educationalists had universally welcomed the Joint Declaration on the future of Hong Kong. They did so because they see that it provides a sound basis for us to continue to develop an educational system which will ensure that our population will have the freedom, skills and expertise required to enable Hong Kong to maintain and improve its position and way of life in a fiercely competitive economic and trading world.

Sir, I am happy to support the motion.

SECRETARY FOR EDUCATION AND MANPOWER:—Sir, if I may start by referring to the Education Commission, the latest position is that the Commission has submitted its first report to the Government. This report will be presented to the Executive Council shortly for consideration. May I take this opportunity to thank, on behalf of the Government and of myself, the Honourable Q. W. LEE,

the Commission's Chairman, and all members of the Commission, for preparing such an important report within a very limited time.

I should, Sir, like to take this opportunity to stress that the Education Commission is a standing body and it has not discharged its functions by submitting this report. The Commission is very conscious of its continuing role and the vast amount of work that remains to be done in further refining its own recommendations, if accepted, and tackling a large number of problems that were not covered in its first report. I have no doubt, Sir, that they will be taking a keen interest in the sort of broad educational policy issues referred to by Mr. Alex WU, that is, what changes, if any, would be introduced to our education system in the light of Hong Kong's changing relationship with China. The draft agreement on the future of Hong Kong has made it clear that our present education system will continue after 1997, providing—and I quote from the explanatory notes contained in the White Paper on the draft agreement—and I make no apology here for any over-lap with what the Director of Education has already said—'a sound basis for Hong Kong to continue to develop an educational system which will ensure that the population will have the skills and expertise required to enable Hong Kong to maintain and improve its position in the fiercely competitive economic and trading environment within which Hong Kong operates'. It would be in China's as much as in Hong Kong's own interests that this is so. Naturally, our education policy which includes the provision of academic educational services and industrial training facilities will not remain static but—if I may also reassure Mr. WONG Po-yan on this score—it will evolve, with the advice of our various educational advisory bodies, namely, the Education Commission, the University and Polytechnic Grants Committee, the Board of Education and the Vocational Training Council, to meet the demands of the future and to keep pace with the latest technological developments. As far as Mr. Keith LAM's specific point on the provision of evening places for technical education and industrial training is concerned, I can assure him that the number of evening places in the Vocational Training Council's technical institutes will rise significantly in the next few years. There are at present over 25 000 part-time evening places in the existing five technical institutes. This figure will increase to over 30 000 in 1986-87 with the completion of the Tuen Mun and Sha Tin technical institutes and to over 36 000 in 1987-88 with the completion of the Chai Wan technical institute. I should perhaps also mention the two Industrial Training Centre complexes shortly to be opened in Kowloon Bay and Kwai Chung. Although these will mainly provide full-time training, over 1 800 evening part-time places will also be provided in 1985 for upgrading training in the electronics and electrical industry. More evening places are expected to be provided in subsequent years.

Mr. Peter WONG, Mr. WONG Po-yan and Mr. Peter POON all referred to the need for a third university. I share their concerns that our young people should be given more opportunities to go to a university in Hong Kong. Whether a third university should be built depends, among other things, on whether we

need one to meet our student targets. Whether we can afford it is another very important factor. At present we provide about 3 per cent of the mean 17 to 20-year-old age group with first-year first-degree places. Looking at the longer term, the Government is committed to providing such places for 6 per cent of the same age group by 1989-90, rising to 8 per cent by 1994-95. We are confident that these targets are achievable. To maintain the 8 per cent target in the late 1990s and beyond we may require the establishment of another university, but expanding our existing institutions of higher education is the first step and this is proceeding. We must not lose sight of the fact that university education is expensive, as was rightly pointed out by Mr. Peter WONG. The average annual cost to the taxpayers in Hong Kong ranges from approximately \$53,000 for an arts undergraduate student to \$150,000 for a medical student; and this merely refers to recurrent expenditure; capital costs have not been included. Nevertheless, as you, Sir, mentioned in your opening address, we have identified some suitable sites for this university to facilitate planning. However, a decision to proceed further than this will require a very rigorous analysis of our student target requirements in the light of the latest population projections, as well as an assessment of other factors such as optimising our financial investment in higher education and finding the best balance of general and vocational or professional education in our tertiary sector. These factors will all have to be considered in an assessment to be put to the Governor in Council next year for a decision as to whether further planning work should be undertaken in 1986 and beyond.

I am grateful to Mrs. Pauline NG, Mr. Peter POON and Mr. YEUNG Po-kwan for supporting the proposed establishment of a local body to validate degree courses to be offered at our non-university institutions. I fully agree with Mrs. NG and Mr. POON that it will be imperative for this committee to maintain internationally accepted standards if the degree courses passing its validation are to be internationally recognised. To this end, it is proposed that this committee consist of distinguished academics appointed both locally and from overseas. The committee, if set up, is also expected to maintain close links with other overseas validating bodies such as the Council for National Academic Awards whose service to Hong Kong has hitherto been most valuable.

I am also grateful to Mr. POON for his remarks about the Government's achievements in the field of higher education. As regards his point about distance learning, I would like to assure him that the Government considers open education to be an important facet of our education system. Indeed, the Government has sought the advice of the University and Polytechnic Grants Committee on the feasibility of widening the scope of such education in Hong Kong and this will be one of the subjects covered in the First Report of the Education Commission.

I am pleased that Mr. Alex WU, Dr. Ho Kam-fai and Mr. YEUNG Po-kwan supported the production of Chinese textbooks for both secondary and primary schools as recommended by the Working Party on the Development of a

Chinese Language Foundation. The report of this working party will be submitted to the Executive Council shortly and subject to the Governor in Council's approval, the Government will ensure that the production of these textbooks is given top priority to fill, as you, Sir, mentioned in your address, a long felt need. Mr. Alex WU's comments on other potential activities for the Foundation are timely and will be taken into account as the actual form of the Foundation is considered.

I fully agree with Mr. Peter POON that the speedy establishment of the City Polytechnic of Hong Kong, formally opened by you, Sir, on 22 October 1984, is a truly remarkable achievement. Mr. Allen LEE will be interested to note that the City Polytechnic will be expanded as quickly as is practicable to meet the needs of our community. In its temporary premises at Argyle Centre, the City Polytechnic is expected to provide places for some 2 500 full-time students and a similar number of part-time students over the next four years. By then, in October 1988, its permanent campus in Kowloon Tong should be ready for occupation and for the first intake into its heavy engineering courses, the equipment needed for which cannot be provided at Argyle Centre. The City Polytechnic is planned to reach its initial capacity of 8 000 full-time-equivalent students in 1994-95 with a potential for expansion to accommodate a further 5 500 full-time-equivalent students.

With regard to Dr. Harry FANG's three points concerning rehabilitation, I am happy to report, first of all, that the regulations on access for the disabled to buildings were made by the Governor in Council on 23 October 1984. They will come into effect in respect of buildings for which plans are submitted for approval, or for which consent to commence works is sought, on 1 August 1985. The regulations will apply to the majority of buildings except domestic premises and, briefly, require the provision of access ramps, doors, corridors, lifts and W.C. cubicles, sufficiently wide for the manoeuvring of wheelchairs; and hand-rails, lift buttons, wash-basins and W.C. flushing arrangements all at a suitable height for use by the occupants of wheelchairs. Furthermore, it has been decided that funds be allocated to the Committee on Public Education in Rehabilitation to launch a publicity campaign in 1985-86 to promote public awareness and understanding of the problems of the handicapped, in particular the mentally ill. The point about the rebus service, Sir, will be taken up by the Working Party on Transport Needs for the Disabled.

Finally, Mr. F. K. HU has asked about Government's present attitude to a Hong Kong central provident fund. There are no plans at present for such a fund. As the Secretary for Health and Welfare stated in an earlier reply to Mr. HU in this Council, the Government's social security strategy is to concentrate assistance on those least able to help themselves. We therefore have a noncontributory social security system mainly funded from general revenue, of which the public assistance scheme and related special needs allowance are the chief features.

A central provident fund which can benefit only its contributors, therefore, needs to be viewed separately, outside a purely social security context. It needs to be considered in the context of labour policy generally, which is the reason why I am now speaking to Mr. HU's question. I must say that I doubt whether either employees or employers in Hong Kong would be prepared to accept the level of contributions necessary for a viable central provident fund. Contributions to the Singapore Central Provident Fund scheme, which is generally cited as a model for any Hong Kong scheme, can amount to as much as 25 per cent of wages from each side. It is also possible that contributions to a Hong Kong central provident fund would have significant economic effects, either in terms of lower spending patterns or in demands for higher wages.

If there are indications in future of widespread support for such a scheme, I would have no objection for a working party to be set up to examine the feasibility of any proposals put forward and whether any viable option emerges in which the benefits are sufficiently attractive to merit investment without requiring a 'penal' rate of contribution.

Sir, I beg to support the motion.

SECRETARY FOR DISTRICT ADMINISTRATION:—Sir, Mr. CHAN Ying-lun, Mrs. Rita FAN, Mrs. Pauline NG, Mr. P. K. YEUNG, Mr. Keith LAM and Mr. Carl TONG all made penetrating and constructive remarks about various aspects of district administration, and life in the districts of Hong Kong. They spoke of District Boards, Management Committees, Area and Mutual Aid Committees. These are the flesh and bones of district administration, and together they constitute an integral part of an emerging political structure. I shall try to reassure Members on the issues which they have raised.

Mutual Aid Committees were Hong Kong's particular response to the problems of management and security in densely populated, high-rise buildings in multiple ownership; buildings in which there was no collective concern and care for the management of the buildings as a whole and the problems that were created by defective management, or simply the lack of it altogether. The committees were started by City District Officers about ten years ago and they are an essential component of district life and administration. I cannot imagine a situation in which we could afford to neglect the importance of having lively and effective Mutual Aid Committees, for, without them, the buildings of our city would rapidly deteriorate into festering slums, breeding places for crime and degradation. Obviously some committees are better than others, and some, when the essential tasks of security and maintenance and management of the common parts of the building have been satisfactorily resolved, have a reduced function. As a community, however, we must become increasingly concerned about those buildings where, for one reason or another, effective management has broken down; whose light wells are knee-deep in rubbish, festooned with wire and tin sheet excrescences, spalling concrete, broken windows and blocked

staircases. Some of these buildings have Corporations of Owners, who are unable to develop the collective will to put things right, in others a mixture of tenants and sub-tenants live in surroundings of gathering neglect. Attempts have been made with some success in some buildings to reverse this process. It requires enormous and continuing effort but the results are rewarding. We must now mobilise resources at all levels, in building organisations, Area Committees, District Boards, and, so far as is practicable, within the Government itself, to tackle this growing problem. But let me hasten to add that where there is good management, it is not the intention to interfere with it or to weaken its position.

Altogether there are now 5 400 tenants and owners organisations serving a population of 3.4 million. And, although they are primarily concerned with management of their buildings, they are also a means through which the ordinary citizen and family, living alone, many storeys above the street, can communicate their fears, hopes and worries to the chairman of their committee, and thence to their Area Committee, and ultimately the District Board. These organisations have thus become important as a representative voice, and they are essential to the consultative process. There is no intention, therefore, to neglect them, indeed, during the past two to three years, steps have been taken to strengthen the links between them and Area Committees.

Area Committees roughly represent a population of 50 000 and although there is no organisational link between the Area Committees and the building-based organisations in the area, I shall certainly try to devise a system whereby there is a formal periodic meeting of Mutual Aid Committee chairmen and members of their Area Committee.

At the next level there is a working relationship between District Boards and the Area Committees, but here again perhaps this relationship could be made more effective by means of regular periodic meetings and possibly an element of over-lapping membership.

Members are right to ask a question in passing, whether there is any risk that district administration will crumble and disintegrate when the District Officer is replaced as chairman of the District Board by an elected member next year. The answer is clearly 'no'. Next year 19 unofficials will take their seats as chairmen of the boards; as chairmen, they will walk the streets of their districts and they will have a direct personal interest in the quality of life of the residents. I cannot imagine that this is a situation that will lead to atrophy and neglect, neither can I imagine that District Management Committees will become less effective and responsive when there are more members of the public in positions of authority and importance. The public servants will, as their name implies, respond sensibly and responsibly to public wishes.

Mr. Keith LAM has asked about community centres. Ideally each district should have its share of facilities, community centres and so forth, which the



people can use and take pride in. We are attempting this in the new towns, but in the older urban areas it is not always possible to find sites. With regard to the standard to which they are built, this is being reviewed and I hope to present proposals to the Executive Council in a few weeks' time.

Sir, next year the District Boards in the New Territories will be linked by elections to the Regional Council; this will give the boards a say in regional affairs; at the same time, district sub-committees will be formed so as to enable representatives of the local community directly to join in the running of district facilities and in district management. This method of linking the Council with the Districts will be breaking new ground, and it will be exciting to see how effectively this new Council with a growing population under its charge, new facilities and the new environment of the new towns, as well as the serious degradation of many parts of the rural area, will grapple with these problems.

Next year there will be more elected members on District Boards; they will elect their chairman; the officials will step down; next year the provisional Regional Council will take office; and next year members of these bodies will elect members to this Council. Next year will be a year of great change in the representative character of our government structure at all levels. In practical terms there will be a direct link between this Chamber and the remotest part of Hong Kong. In political terms this integrated system must surely be reflected in the way people respond to next year's District Board elections and in the numbers of candidates who present themselves for election and the number who turn out to vote. With so much at stake, this surely is an opportunity that the Hong Kong people are not going to neglect, for it is the future that is in their hands.

Sir, I support the motion.

THE ATTORNEY GENERAL:—Sir, during this debate, many Unofficial Members have spoken of the major issues that arise over the future political development of this territory and I should therefore like to begin by addressing the immediate legal implications of the Joint Declaration. I do not mean by that the shape of the legal system after 1997 on which I have already spoken in the earlier debate. I mean the legal tasks that face the Administration now, or as soon as the agreement is ratified, as a consequence of the negotiations. These are matters which I and others in the Legal Department are actively engaged in assessing in order to devise and present firm plans for action in the next few years.

Mr. Peter C. WONG spoke of the need to make our legislation self-standing; independent of United Kingdom legislation and he cited the major areas of merchant shipping, civil aviation and patents. He also mentioned the need to modify our legislation to ensure a smooth transition in view of the impending constitutional change.

Sir, the point is well made. Several important areas of our law are presently contained, not in Hong Kong legislation, but in United Kingdom Acts and Orders in Council. In many cases, this United Kingdom legislation was not made especially for Hong Kong but was extended to this territory with modifications. The result is that the law in these fields is not readily accessible and is often difficult to read in the context of Hong Kong unless one is a lawyer and moreover, a lawyer with a sound knowledge of Hong Kong and British legislation. This is obviously undesirable for purely practical reasons. Having regard to the constitutional changes mentioned in the Joint Declaration, the progressive localisation of all legislation will be essential.

The fields of law mentioned by Mr. WONG are especially important. A great deal of work to draft and enact Hong Kong legislation in these areas will be required. The drafting of a code to cover merchant shipping is a major task in itself. The administrators estimate that this single task will take five years using two draftsmen. But it is necessary work, not merely to make Hong Kong's laws self-sufficient, but also to promote those autonomous policies for registration and certification of shipping that are set out in section VIII of Annex I of the Joint Declaration. Similar work is already under consideration to enable Hong Kong to have greater control over its own affairs in relation to civil aviation. This will enable Hong Kong to take advantage before 1997 of the policies for limited autonomy set out in section IX of Annex I of the Joint Declaration. This is a less complex task than that for merchant shipping, but it is still bound to take a year or two. Work on patents and copyright is at an early stage, but we have already had a preliminary meeting with some of those outside Government who specialise in these areas and the Secretary for Economic Services will soon have the benefit of our legal advice. The laws of copyright, we think, would be a worthwhile topic for consideration by the Law Reform Commission.

But those items mentioned by Mr. WONG are not by any means the only legal tasks which face the Administration in the coming years. May I outline just a few areas of work that may need to be tackled:

- (1) We need to give effect to the agreed objective that the resolution of legal disputes and the interpretation of laws should conclude here in Hong Kong. I agree with the Chief Justice and others that it is desirable that a final court of appeal should be established well before 1997 in order to ensure a smooth transition. In the interests of Hong Kong such a court ought to have the opportunity of working out its composition, its procedures and its jurisprudence well before 1997 so that it may build quickly a reputation for authoritative judgments and thus enjoy the confidence of Hong Kong people and the international business community.
- (2) Each treaty, each multilateral and each bilateral agreement, both those now in force and those to be made, will have to be scrutinised to ensure that they are in accordance with the Joint Declaration and that they will

continue in force beyond 1997 with the concurrence of the other parties, notwithstanding the proposed change of flag. The arrangements made for a Joint Liaison Group are particularly well suited to this task. There is an obvious need for close cooperation with the P.R.C. in this area.

- (3) It has also been borne upon me that there would be much advantage to be gained if some parts of the Common Law that are presently derived from the reports of judicial decisions, could be codified in clear and systematic terms. I have in mind especially those which most concern ordinary people. It is a massive task which though consistently advocated by law reformers, often fails to see the light of day. Dare I say that history shows that it needs a Napoleon to make a real impact. In his absence, the Law Reform Commission has already underway a pilot study of the resource implications of codification taking first two small areas of the law, the laws relating to bail and custody of children in matrimonial cases. It is far too early to make any commitment to specific goals, but I hope that this study will be a valuable first step towards substantial progress in this field. There are many who think that work in this direction to clarify the laws of Hong Kong where they presently depend heavily upon the Common Law is a task of prime importance.
- (4) In addition, we are faced with the need for legislation in the next few months to implement the forthcoming proposals for the development of representative government which in turn will require changes in the Letters Patent and Royal Instructions.

Sir, this list of tasks is not exhaustive. Members could readily add to it. I have only mentioned a few major areas of work that have come to my attention to assure Members that the Government is fully aware of the work that lies ahead. I also assure Members that Government has the determination to tackle these tasks.

At the same time, because there is a great deal of work to do and because we are faced with financial considerations and the difficulties of recruiting and retaining skilled and experienced lawyers, particularly legislative draftsmen, I must say that it will take time to produce results.

I have already put in motion the machinery to set up a special unit in my Chambers that will be seized with the tasks which will arise from the Joint Declaration. This unit, I hope, will be supported by a strengthened Policy Division under the Solicitor General. These things will have to be done and, somehow, we must find the manpower and resources with which to do them.

Another aspect of the consequences of the Joint Declaration was mentioned by Dr. Ho Kam-fai. He drew attention to the need to improve the status of the Chinese language in the courts and in legislation. This was a timely reminder, even though it is not a new issue and it would have been desirable to consider it in any case on its own merits since the great majority of our citizens are Chinese-speaking.

In a recent letter to the Chief Secretary, the Bar Association and the Law Society also demonstrated a concern regarding the use of the Chinese language in legislation and legal proceedings.

In relation to legal proceedings, the professional bodies drew attention to the need for charge sheets and witnesses' summonses to carry a Chinese translation. It also called for greater use of Chinese in the courts, and for recognition of the importance of having predominantly Chinese jurors when Chinese defendants are charged. To me, these points made good sense and they will be fully considered by Government in consultation with the judiciary. The professions have also advised that the Advisory Committee on Legal Education should examine what changes in legal education might be desirable in view of the future. This is obviously a sensible suggestion and I shall see to it that this is forthwith referred to the Committee and given due consideration.

They also advocate the use of Chinese in our legislation. I am happy to assure Members that Government is fully aware of this important problem. In fact, a new effort to tackle it was launched in my Chambers early in September.

If Hong Kong is to continue as an international centre and a participant in the community of common law jurisdictions, the English language should be retained, and must retain its place particularly in our higher courts. But I agree that the Chinese language should have a greater prominence. In particular, my own view is that the Chinese language should have equal status with English in legislation and that both texts should be equally authentic in our courts.

But that ideal of the production of new legislation in both languages and the translation of existing legislation into Chinese represent enormous tasks. There are very difficult technical and staffing problems which were mentioned in the report of the Chinese Language Committee in June 1971. I accept that these problems must now be faced and must be overcome and Government is determined to do so.

A programme aimed at the enactment of all future legislation in Hong Kong both in English and in Chinese is now being put together in my Chambers. Broadly speaking, the task of producing an authentic Chinese version of Hong Kong legislation can be approached in two ways—by means of translating each original English version and by means of original drafting in Chinese. I have examined both approaches very carefully and I am convinced that the way towards progress in a reasonably expeditious and systematic way is to start with translation and gradually, with the benefit of experience, move on to the ultimately objective of drafting all new legislation in original Chinese versions as well as original English versions.

This, of course, will take time. Arrangements are in hand for special training to be given by officers in my Chambers, who have experience in the field of law drafting and are fluent in Chinese, to a selected corps of fully-qualified translators. It is hoped that the intake initially to the proposed course of

training will be sufficient to enable us to start work on new legislation, both ordinances and subsidiary legislation, in the session of 1985-86. The experience gained in that stage will determine the pace of progress in tackling the job of translating the existing body of ordinances and subsidiary legislation.

I am very conscious of the need to move as quickly as possible with this work, but it is not, I believe, either possible or prudent to let expediency rule our thinking. It is of the utmost importance that the quality and standard of the work should be acceptable in the courts and be seen by all who, directly or indirectly, have recourse to the Chinese version, to be no less adequate for their purposes than the English version. This will take time and experience to achieve and I have no doubt that, as sometimes happens even with the drafting of laws in English, we will find we have made mistakes here and there. But we will learn as we proceed.

The initial emphasis therefore is likely to be in the area of translating current legislation. If the intensive training which the translators will undergo is effective in the way I hope, and I would add that I am anxious to limit the intake to those who are already fully experienced as translators and are also holders of university qualifications, then the second phase of the programme, that is the task of translating the existing ordinances and subsidiary legislation, will hopefully get under way in the session 1986-87. Although there are a number of imponderables in calculating the time that this is likely to take, my best forecast is that it is not likely to be completed in less than six or seven years after it is begun. Everything depends on the success of our efforts to achieve the right standard and of course, in attracting people to do the work who have the ability to do it efficiently.

At this point in time, the actual method of work can only be a matter of surmise, however well-informed surmise. But the aim will be to have everything in place before 1997 and to have on our establishment law draftsmen who will by then be drafting all new legislation in original Chinese, in addition to draftsmen drafting in English.

Your Excellency mentioned in your address the problem of the trial of complex commercial crimes in respect of which my Chambers issued a discussion paper in July. The period of public consultation on the proposals is now complete and although some of the specific proposals contained in the paper have attracted criticism from some of those who responded, I think it is fair to say that they have also attracted a good deal of support, that there is a widespread recognition that this type of case is not really suitable for trial by a judge and an ordinary jury, and that it is unfair to place the burden of adjudication in long and intricate commercial crimes upon ordinary members of the public. I recognise that some of the points made during this period of public consultation by members of the legal professions and by the commercial community have merit, and these will be taken into account when I submit revised proposals for the advice of the Executive Council next month.

Sir, I should like to turn now to the tasks that arise in the ordinary course of administration. There is a danger that our preoccupation with the prospects of future political change will distract us from the routine problems of the present day. Hong Kong must be governed effectively this year and next year no less than in the years to come.

In that context, I should like to reply to problems with a legal implication raised by three of our lady Members—not let me say at once because I discriminate in favour of their charm and appeal, but because they were each reflecting general concerns which call for an answer by Government.

Mrs. Rita FAN has raised the problems of pornography, especially in the form of 'video nasties' and cheap locally-produced magazines with an explicit sexual content. By common law standards, we have in Hong Kong a severe standard for objectionable publications. The difficulty of applying that standard in any particular case that is prosecuted, is ultimately discharged by a magistrate, sometimes Chinese, sometimes expatriate. Except in the most obvious case, there is bound to be controversy of where the line should be drawn. Cultural standards themselves do not stand still and Hong Kong lives by and benefits from exposure to international trends, which again influence the standard of what is tolerable. The conservatives in our community would have everything erotic banned while some would say that it is the fact that many in Hong Kong are voting for a change in traditional attitudes by buying these magazines and creating a thriving market for video nasties and sex magazines. For both the Government and the legislature, these developments pose problems. Members of my Chambers have been working with Home Affairs Branch and others to examine policy options.

So, in this difficult area, a practical approach is called for. Trends in pornography come and go. But at least the law must be ready to meet changing political needs. In 1980 to 1982 there was the problem of salacious newspapers reporting the attractions of individual ladies of the street. It was countered by sentences of imprisonment. Last year there was an upsurge in video tape pornography. The indiscreet and indiscriminate selling of objectionable tapes has been countered by firm law enforcement. The current problem is cheap Chinese language magazines, whose contents are not wholly sex orientated. Medical features, including discussion of the problems of sexual aberration become a vehicle for pornographic articles served up in a tasteful cover. Wide distribution and easy availability present the particular problem.

A practical approach in my view would embrace two main elements. Firstly, there would be merit in establishing a permanent and more broadly-based tribunal, reflecting different cultural backgrounds, and developing a consistency of approach to decide whether particular articles submitted to it, by law enforcement agencies or by members of the public, are in themselves objectionable. The tribunal might be given power to impose conditions that indecent material should not be freely available for sale or display to children.

Secondly, a quick and summary method of establishing, at least provisionally, whether or not a publication is objectionable, must be devised so that stocks of such magazines could be seized and held pending a final hearing on whether they are objectionable.

A scheme with these two aims in mind is being examined in consultation with the Secretary for Home Affairs, with a view to strengthening the law in this difficult and sensitive area.

Sir, I listened with interest to Dr. the Honourable Henrietta Ip's comments on the lack of race and sex legislation in Hong Kong. She told us that married women cannot have separate taxation. She obviously does not think that the Financial Secretary's 1983 changes to the Inland Revenue Ordinance go far enough. That is a matter for him and I do not intend to trespass upon his province.

I accept that in family affairs and in some social organisations there is discrimination between the sexes. Indeed one of the leading Gaelic fringe societies will not allow women of the appropriate ancestry to become members. In some other cases the ladies discriminate against the men, although that usually arises from the origins of the club concerned, such as that over which Dr. Henrietta Ip is counted as president. But in respect of employment opportunities, my impression is that Hong Kong is well ahead of the international norm. Certainly in the composition of its Legislature, Hong Kong is well ahead of the United Kingdom. In the United Kingdom Parliament there are only 23 women MPs, which amounts to 1 in 30 of the whole. On this Council, Sir, there are six women out of 30 Unofficial Members, which is 1 in 5 of the total. In the factory, I am informed that there is equal pay for equal work. My own impression is that in business and in the professions, there is equal opportunity for dedicated and talented members of both sexes to flourish. While many educated and talented women will continue to put family before career, it is very apparent that in Hong Kong others will continue with notable success to manage to do both.

My conclusion is that Hong Kong has progressed very well without discrimination laws. While I believe strongly that a framework of relevant law is essential for any dynamic society, I also take the view that Hong Kong should not be burdened with unnecessary legislation. One unnecessary law is a law too many, and I've got other work for my draftsmen to do.

Sir, I believe too that there is no racial problem in Hong Kong calling for legal intervention. There may be some unjustifiable discrimination as well as some justifiable discrimination. The overall result is separate but equal groupings where different interests lie, and an optimum and satisfactory level of cross-cultural contact between racial groups, all of which enjoy equal status. Dr. Ip thinks this situation would be improved with race relations legislation. I would suggest, on the contrary, that these matters depend on the degree of

change in society. It is always a fallacy to believe that you can legislate for the hearts and minds of men and women. The experience of the United Kingdom and other countries which have such legislation underlines this and tells against Dr. Ip's view. By all means let Government set an example in its dealings and let us persuade business and social organisations to keep up with progressive views on these matters. Let social and economic change, aided by good sense and friendly persuasion, make the running. But do not let us embrace the alluring siren of race or sex legislation and the bureaucracies that go with them.

Sir, lastly I welcome the opportunity to review progress on 'spent conviction schemes' which Miss Maria TAM has given me.

The common feature of all such schemes is that a convicted petty offender, after a specified number of years, is authorised by law to say nothing about his previous conviction in his business and social dealings, such as in application for jobs, hire purchase, insurance and the like. Members may think that is a justifiable encouragement to offenders who go straight to live down their past. But obviously the fact of a conviction cannot be wiped out for all purposes. If an offender is reconvicted, it is generally thought that the sentencing judge ought to be aware of all previous convictions.

I said last November that I hoped to publish a short report and a draft bill but that I wished first to take advantage of the publication of a report on the topic by the Hong Kong Organisation of Justice that was then in the pipeline. We received that report in April this year and it has been helpful in our deliberations. Since April, work has proceeded on following up two important lines of research, which partly arise out of consideration of the Justice proposals. The present position is that it is likely that we shall publish before the end of this year a consultative paper with firm proposals. Clearly this is a topic on which the public will wish to express views before legislation is introduced. Sir, I would however caution some enthusiasts in the civil liberties lobby who see this proposed reform in black and white terms that the public may not share their excessive enthusiasm. While such a measure may well help in rehabilitation and thus marginally reduce crime, some may see it as assisting criminals to the detriment of the law-abiding. I personally hope that view will not prevail.

But one thing I must make clear, because I believe that the proposal for a spent convictions scheme has already given rise to false hopes that it will smooth the way of those with past convictions who wish to emigrate. The first thing for them to realise is that the requirement for disclosures of past convictions, when applications are made for visas, will be primarily governed by the immigration laws of foreign countries. They may be obliged to demand full disclosure before processing emigration applications. The second point is that any legislation in Hong Kong that seeks to prevent disclosure of past conviction by those in possession of criminal records will make it more difficult for foreign countries and consulates to satisfy themselves that applicants are fit persons to be granted immigration papers. I believe that most foreign countries do apply good sense



and sympathy to those who have a past conviction for a minor offence, which they have since lived down. But they prefer to have the benefit of full disclosure and to apply their own views of spent convictions. It would be in my view a disservice therefore to aspiring emigrants to obstruct by legislation the processes of enquiry which foreign countries wish to pursue in applying their own standards for entry.

Sir, I have taken up too much time and said enough about the particular topics raised by Unofficial Members that caught my attention, as well as about the many tasks that lie ahead of the Legal Department. There is a very great deal to be done, and time does not stand still. I promise this Council that we shall take up Your Excellency's challenge with enthusiasm and determination and carry forward with vigour those programmes that will meet the future and the present needs of Hong Kong and its people.

Sir, the motion has my full support.

3.54 p.m.

HIS EXCELLENCY THE PRESIDENT:—At this point, Council might like a break.

4.08 p.m.

HIS EXCELLENCY THE PRESIDENT:—Council will resume.

THE CHIEF SECRETARY:—

### *Introduction*

Your address, Sir, opening the 1984-85 session of this Council has not stimulated a debate characterised by a critical emphasis on a few strategic themes. This year there have been no really fashionable subjects such as transport, or law and order, or education, or housing on which a majority of Members have focussed. Instead, they have ranged far and wide across a broad spectrum of subjects. Indeed, I counted 76 separate subjects. I believe this reflects a broad acceptance of the general thrust of the Government's policies and the relative priority accorded to each programme area. Those of my Official colleagues who have spoken thus far have endeavoured to pick up all the points in their programme areas requiring responses. In winding up this debate it falls to me to deal with the draft agreement on Hong Kong's future, constitutional development, various aspects of public administration, including the organisation of Government's internal administration, and the civil service.

*Draft Sino-British agreement*

Several Members, among them Dr. HO Kam-fai and Miss Maria TAM, drew attention to paragraph 4 of the Joint Declaration. That paragraph makes it quite clear, and this has been confirmed publicly by senior Chinese leaders, that Her Majesty's Government will retain responsibility for the administration of Hong Kong until 30 June 1997. As you yourself, Sir, and the Secretary of State, have repeatedly stressed, that responsibility will continue to be discharge, through the Hong Kong Government, conscientiously and effectively. Let there be no doubt about that. The so-called transition period is bound to throw up some unique situations and difficulties. That is to be expected, but our constant purpose and concern will be to secure the public interest, that is to say, to maintain and preserve Hong Kong's economic prosperity and social stability. The policies and programmes which you outlined, Sir, for the coming year reflect that purpose and concern. In welcoming your statement of the Government's intentions and the faith in Hong Kong's future which it demonstrates, Members have also recognised that building that future is not a task for the Government alone: it is a task for the whole community.

It is self-evident that the process, and developing structure, of government in Hong Kong over the next 13 years must have regard to the provisions in Annex I of the agreement relating to the policies of the Chinese Government for Hong Kong after 1997. In this connection, Miss DUNN asked for an assurance that it will be the aim of this Government, as of Her Majesty's Government, to administer Hong Kong, and to develop its system of government in such a way as to achieve that smooth transition in 1997 envisaged by paragraph 5 of the Joint Declaration. Self-evidently we must do so. We shall seek to develop our system of government in the coming years so as to forestall, as Mr.F.K. HU put it, 'abrupt and drastic change' in 1997.

Recognising the link between the draft agreement and the further development of representative government, Mr. LOBO wished that the White Paper on the further development of Representative Government could have been published earlier. We are aiming, Sir, to table the White Paper in this Council on 21 November with a view to a debate on 5 December. We could not have drafted it, consulted Executive Council and tabled it earlier without reducing the time allotted for public comment on the Green Paper and I question, Sir, whether this would have been acceptable.

*Constitutional development*

That brings me by a natural progression to those Members who dealt with constitutional development. All argued for a gradual and progressive approach and no one was in favour of immediate, let alone radical, change. This was the very basis of the Government's approach in the Green Paper, an approach which has been supported in the many submissions received from organisations and members of the public which will be, of course, carefully analysed in the White Paper.

Mr. S. L. CHEN said that we must have 'a solid foundation...[for] a sound governmental system to develop'. We must allow time, he said, for the system to evolve. Miss DUNN again repeated her view that, only by linking the people's elected representatives with the Administration *via* a so-called ministerial system would representative government have real meaning. There is force in this view but, as you, Sir, said in your address, (this) is not the only way of proceeding. I myself made the point, in the debate on the Green Paper in this Council on 2 August last, that we must avoid overloading the system with too many simultaneous reforms. The Green Paper envisages the introduction of a significant elective element into the Legislative Council and it is the Government's view that we must wait to see how this departure from the present system of nominated appointments settles down before we consider further the nature of the link between the Executive and Legislative Councils and the Administration provided by *ex officio* and Official Members.

Mrs. Rita FAN felt that a directly elected legislature was the natural outcome of the further development of representative government and Mr. WONG Lam called for direct elections in 1988. Mr. F. K. HU cautioned that the timing of the introduction of direct elections should not be decided at this stage. Again, if I may refer to the submissions received in response to the Green Paper, public opinion has been overwhelmingly in favour of indirect elections in the first instance. It is not my impression that direct elections are objected to in principle, but rather that direct elections should not be contemplated until the system of indirect elections envisaged has been firmly established. Members may be assured that full account will be taken of these views in the White Paper.

Mr. WONG Lam, Mr. Andrew So and Mr. CHEUNG Yan-lung favoured advancing the review of progress towards representative government from 1989, as proposed in the Green Paper, to 1987. The timing of the proposed review excited a good deal of public comment and due consideration will be given in the White Paper to all those views expressed.

Mr. F. K. HU commented on the need for the general public to be more 'civic-minded' and Mr. CHEUNG Yan-lung said that people should be encouraged 'to take an active role in the process of political development in Hong Kong' and again 'to pay more attention to current affairs'. Mr. LOBO urged 'all our people to participate to the full in the impending elections and in the administration of [Hong Kong]'. There can be no argument with these sentiments. We have already successfully completed a campaign to increase the number of registered voters. I am pleased to report that these now number 1 421 000, or 49 per cent of eligible voters as opposed to 892 000, or 31 per cent of eligible voters at the last District Board elections. On the broader issue of civic education in political and constitutional matters, called for by a number of Members, the development of government and public affairs courses in schools will continue (as was explained this afternoon by the Director of Education) and encouragement will be given to other educational institutions and organisations to provide more courses in civic education for the general public.

Mrs. Rita FAN suggested that Unofficial Members should be actually remunerated for their services (as opposed to reimbursed for expenses incurred) to encourage candidates from a wide variety of backgrounds and occupations to come forward for selection. The whole question of how best to recompense Members is now under active consideration (to coin a phrase immortalised by Sir Humphrey APPLEBY) and will be mentioned in the White Paper. I cannot honestly say I could support the alternative proposal, suggested by Mr. Carl TONG, of providing tax allowances for employers whose staff serve on District Boards. The sum involved would probably be disproportionate to the cost to the revenue of the concession and, besides, it has been a time-honoured tradition in Hong Kong that it is part of an employer's civic responsibility to accept the small financial burden involved in allowing their staff time to participate in public affairs. That responsibility employers have accepted willingly, in this low tax environment, in the wider interests of the community.

*Open government*

I share the view expressed by Mr. LOBO and Mr. Stephen CHEONG that the more open our system of government the easier it will be to achieve a greater level of involvement by the public at large in the administration of Hong Kong. The decision by the Public Accounts Committee to hold its hearings in public is a major step in this direction—and one which has been warmly welcomed by Mr. CHEONG, Mr. P. K. YEUNG and Mr. Carl TONG. The meetings of Finance Committee to examine the draft Estimates before the annual Appropriation Bill proceeds to the committee stage of the whole Council were opened to the public for the first time this year—and I believe successfully. I am pleased to be able to announce to-day that, subject to Standing Order 60(3) being appropriately amended, all meetings of Finance Committee will be open to the public with effect from March next year. However, whether advisory boards and committees, as opposed to committees related to the Legislative Council or to the District Administration Scheme, should be held in public, as suggested by Mr. TONG, is arguable. Certainly, there are some committees which advise the Government on a strictly confidential basis (e.g. the Banking Advisory Committee or the I.C.A.C. Complaints Committee). There are others, the proceedings of which, though not a highly confidential nature, nevertheless do not lend themselves to open-forum meetings. So the further extension of this aspect of open government will need, Sir, further and careful consideration.

Mr. WONG Lam and Mrs. Pauline NG asked that the Government should pay more attention to the wishes of the people in introducing its policies. Frankly, I was not entirely clear what they were driving at: can it really be said that, these days, the Government does not seek out and listen to the views of the community it serves? Of course we do. We invest heavily in staff time and other resources to seek out those views—through our intricate network of advisory boards and committees extending downwards and outwards from the Executive and Legislative Councils, and through our monitoring of public opinion as

expressed in the media and collected by the C.N.T.A. and other regionalised departments. I would not claim that the system is perfect but we do seek to put the community's expressed wishes into practice. Sometimes, of course, to do so is not practical politics or practical administration and, anyway, in the final analysis, it is the Governor in Council which must decide how best to administer Hong Kong in the interests of the community as a whole. Inevitably, at times, this must mean that decisions are taken which may be unpopular with, and therefore criticised by, some particular group.

Mr. WONG Lam and Mrs. NG also implied that policies can be introduced at the insistence of what Mr. WONG Lam rather tartly described as 'opinionated officials' who choose to ignore public opinion. With respect, I think there is a basic misunderstanding here of the decision-making process. Even the most senior officials do not actually *make* policy. They formulate ideas and make recommendations on policy, but it is for the Executive Council, and ultimately the Legislative Council when legislation is involved, to decide whether that advice is acceptable, bearing in mind the wider interests of the community.

Echoing a favourite melody of hers, Miss DUNN advised civil servants to be more responsive and, at the same time, less defensive. In being the former, we are often accused of being the latter. Even so, I readily acknowledge the wisdom of Miss DUNN's advice, but I think she is being a little less than fair. Very considerable efforts are devoted to explaining our policies to the public — through G.I.S. and R.T.H.K., at District Boards and in advisory boards and committees and, of course, in this Council as the bulky Hansard records of our proceedings amply demonstrate. That said, I entirely accept that we have an obligation to explain as well as defend, to modify as well as to persuade. As we move to an increasingly open style of government, I would like to think that the mechanics of our two-way system of communication with the public will improve and that there will be a better appreciation of the complex issues which the decision-making process, which indeed is a highly argumentative process in the public sector, has to resolve.

#### *Organisation of government*

Miss DUNN called yet again for a reappraisal of the machinery of government and censured me in particular for having failed, over a period of some six years, to answer the question she has persistently put: 'Is the system itself the right one?'. I have read and re-read the relevant Hansard reports carefully and cannot agree that Miss DUNN was not answered—certainly she was never ignored, that would be living dangerously—but I am happy to rehearse previous arguments, in the possibly forlorn hope that I can, on this occasion, get them across to her in her absence. (*laughter*)

Miss DUNN was sure 'that none of us want(s) a highly centralised government' and declared that 'flexibility and responsiveness demand decentralisation'. Now the Government has recognised the validity of this argument, as instanced by

the regionalisation of several major departments and by the expansion and strengthening of district administration. However, it must also be accepted that a geographically compact community, with a multitude of competing demands for limited resources of land and finance, requires a certain degree of control at the centre to ensure proper evaluation of priorities and fair allocation of resources. The only question is how that central control should be organised.

Miss DUNN said she found, 'no particular virtue in [our] present [central machinery]' although she failed to elaborate on its perceived failures and shortcomings. She admitted that she is unclear as to the authority and responsibility of policy Secretaries and their relationship with heads of departments. For this I can only apologise since, if this is the case, I am at fault; for, by now, the rationale of the organisation of Government's internal administration ought to be understood. The main duties of a Secretary are *first* to formulate policies in his (or her) programme area or areas. I would stress that this is *not* 'based on a fundamental misunderstanding of...our constitution'. Acting on the advice of Executive Council, the Governor ultimately decides, in the wider public interest, what policies shall be followed, but it is the responsibility of each policy Secretary and his branch to work up policy alternatives, to offer advice and to make recommendations. The *second* duty of a Secretary is to ensure that policies in his programme area or areas are effectively co-ordinated and implemented and this is what Miss DUNN correctly calls the staff officer function. The *third* duty of a Secretary is to support, objectively, his heads of departments' annual and supplementary Estimates submissions. I would add that each Secretary is accountable for results in his programme area(s).

To ensure that coherent and consistent policies are developed at the administrative level in the various programme areas, and generally to assist in the decision-making process, there is the Chief Secretary's Committee. Specifically, its terms of reference are *first*, to ensure that all Secretaries are kept informed of the overall progress of Government's policies, and of any internal or external political and economic developments which could affect them; *Secondly*, to be advised of progress or delays, and of any problems which arise, or which are likely to arise, in any of the programme areas; *thirdly*, to consider any current issues which might influence future planning; and, *fourthly*, to discuss matters of public concern which could affect the morale and well-being of the community and/or of the civil service. In addition, from time to time, the Chief Secretary's Committee has assumed a role in the determination of priorities between policies, for available resources of finance and manpower are always relatively scarce, quite apart from those macro-economic considerations relating to the acceptable size of the public sector which are of such concern to the Financial Secretary.

As for the relationship between Secretaries and heads of departments, both policy and resource branch Secretaries are authorised to give directions from

time to time, or as they see fit, to a head of department except in those cases where, by law, the ultimate responsibility is vested in a head of department (although, even then, a head of department is expected to consult the Secretary concerned where the action to be taken is likely to lead to political or social difficulties, or to significant opposition). The rationale for this exercise of authority by a Secretary is quite simple: a head of department is answerable to the *Governor* for the proper running of his department, for it is the *Governor* who is constitutionally responsible for every executive act of the Government (with a few strictly defined exceptions). The *Governor* exercises his authority largely speaking through the Chief Secretary, as head of the civil service, and a head of department is, therefore, answerable to the Chief Secretary. The Chief Secretary delegates his authority over a head of department to the appropriate Secretary (because obviously, these days, he cannot exercise it all himself). A head of department, therefore, is obliged to comply with such instructions as a Secretary may give him, not because the Secretary is necessarily senior to him—and there are four heads of departments who are equal in rank to Secretaries—but because they are, in effect, the *Governor's* instructions. Operational control, that is to say, the way in which agreed policy is implemented day by day, and control over expenditure from vote provision is the responsibility of the head of department.

Miss DUNN offered no alternative to our present system; nor, indeed, has she done so since she first took an interest in this all-important subject in 1979. But, in the absence of a central organisation along the lines of the present Government Secretariat, there would have to be instead some other arrangement for the exercise of administrative control. One possibility, which, indeed, we looked at several years ago, would be to dismantle the Government Secretariat completely and devise a system around the Governor's three principal advisers: the Chief Secretary, the Financial Secretary and the Attorney General. The basic features of such a system would be a self-contained Office of the Governor making him quite independent of the collective resources of the non-existing Government Secretariat; the equivalent of a Cabinet Office headed up by the Chief Secretary; a Treasury headed up by the Financial Secretary; and with the Attorney General's Chambers being a separate office at the centre of the legal group of departments. The Cabinet Office would comprise the Councils and Administration Branch, the Civil Service Branch, the Security Branch and perhaps the bulk of the Home Affairs Branch. The Treasury would comprise under this sort of arrangement three divisions: the Finance Branch together with the Accounting Services Department would form a public finance division, the Economic Services Branch and the Trade and Industry Branch would form an economic policy division, and the Monetary Affairs Branch would form a monetary policy division. The Economic departments such as the Trade Department and the Census and Statistics Department would be, as it were, grouped around the Treasury. Other policy Secretaries would be blistered on to the relevant executive departments (e.g. the Housing Branch on to the

Housing Department and the Transport Branch on to the Transport Department) or would be established as independent offices in close administrative proximity as it were to their main departments.

Such a system might well work. But—and this is a very *large* but—in the absence of any real evidence that the present system does *not* work well, or rather that faulty performance is due to inherent defects in the system itself rather than the occasional shortcomings of those who man it, and given that the present system has lent itself fairly easily to adaptation, modernisation and fine tuning to meet changing circumstances, and as there is no virtue in change for the sake of change, I see no reason for a major organisational upheaval, particularly at a time when stability and continuity in the civil service are paramount considerations. As I have said before, organisational (and procedural) reforms are best devised and introduced progressively and the record shows that we do adapt to meet changing requirements; and, in anticipation of the establishment of a second ‘regional’ Council, I shall be announcing shortly yet another adjustment to the organisation of the Government Secretariat and a recasting of relative departments.

I would make one further, and simple, point. Miss DUNN’s main, and only, substantive argument against the central secretariat system is that it has grown larger. This does not mean, as she implied, that the system has not made good, or better, use of scarce manpower. Miss DUNN herself, perhaps inadvertently, referred to ‘the consequential growth of the Secretariat’ and this is precisely what has occurred. Since the present-day Government Secretariat was established in 1974, there has been very considerable expansion in Government activities and ambitious policies and programmes have been introduced. As a consequence, improved productivity notwithstanding, the establishment of the Government Secretariat has increased. In any case, as I said in my speech in this same annual policy debate in November last year, I find it difficult to accept that the Government Secretariat can truly be described as over-centralised or overlarge in relation to its own functions and the number and size of the executive departments it must service, control and coordinate.

Let me, Sir, update the factual position I presented then to support this contention: the Government Secretariat comprises 11 policy branches and two resource branches, staffed by just under 2 000 officers of all ranks. Do these figures really reflect an over-centralised system, when it is remembered that there are some 55 executive departments and more staffed by about 170 000 civil servants, most of whom are in very close and regular contact with the people they serve? Nor can the charge that the Government’s bureaucracy is top-heavy be substantiated by the facts: the total strength of the civil service at 1 October this year was just under 172 000, comprising 900 directorate scale officers and 1 500 officers at senior management/professional level and 169 600 officers at all other levels. Put simply, 2 400 senior officers are in charge of 169 600 staff of all other ranks: I would have thought that these overheads were meagre rather than lavish.



*Civil service*

I shall now turn to the civil service as such and, in passing, I must thank Mr. LOBO, Miss DUNN and Mr. WONG Po-yan for the warm tributes they have paid to the civil service. Mr. F. K. HU, Mr. WONG Po-yan and Mr. Peter POON commended us for restraining the growth of the civil service. It is our intention to seek to stabilise the size of the civil service as you yourself, Sir, said, in 1985-86. This will not be at all easy to achieve, for cutbacks in some areas will be necessary to offset the additional posts required for high priority areas of activity. These cutbacks will be achieved by the deletion of vacant posts and the wasting out of other posts as they fall vacant. Resources so freed will be redeployed. That, Mr. POON will be pleased to hear, means redeployment across boundaries.

Few would disagree with the general principle of controlling the growth rate of public expenditure, particularly on recurrent account now that the funding of the capital account is again as dependent on recurrent revenue as it used to be prior to the late 1970s. Indeed, as Mr. F. K. HU reminded us, the Government has to be mindful of the role of essential services and the requirements of revenue-earning departments and socio-political pressures. There will thus be many competing demands for available manpower and funds.

So I would make one important point: while it is possible to some extent to meet bids for additional staff resources by redeployment, improved productivity and the streamlining of procedures, the size of the civil service is essentially a function of public policy. Even so, it is of interest to note in passing that, whereas over the nine year period ending 1984-85 the average annual growth rate of expenditure on Consolidated Account in real terms was 10.6 per cent, the average annual growth rate of the civil service establishment was only 5 per cent.

Mr. POON also called for a review of fringe benefits for civil servants and Dr. Henrietta Ip has commented on what she perceives as an unfair distribution of such benefits within the civil service. The terms and conditions of employment of the civil service have evolved over many years under the guidance of past salaries commissions. The advice of Executive Council has been sought and the Finance Committee of this Council has then been invited to accept the financial implications of Executive Council's advice, normally in the context of the annual Estimates. In more recent years, two independent commissions, the Standing Commission on Civil Service Salaries and Conditions of Service and the Standing Committee on Directorate Salaries and Conditions of Service, have been tasked to advise on all matters relating to the pay and the conditions of service of the civil service.

If the civil service is to remain a viable organisation, its conditions of service must be sufficiently competitive to maintain our ability to attract and retain staff at all levels of a high calibre, without which the efficiency and stability of the service would be jeopardised. The Hong Kong Government is a good employer—that, in my view, is indisputable—but I do not consider the rates of

pay offered to be *over*-generous. Nor do I think it is helpful to single out particular fringe benefits, such as housing and Overseas Education Allowance, for comparison with the private sector without examining the considerations which led to these particular fringe benefits being introduced in the first place and without looking at the overall remuneration package.

Mr. POON and Dr. Ip commented upon the seemingly automatic award of annual increments to public servants. Increments are awarded in recognition of service given and experience gained. The private sector has a system of merit payments, and many companies have profit sharing arrangements. Increments in the public service may be stopped or deferred on grounds of misconduct or lack of diligence, but I would say this: there is a case for making the award of increments dependent upon a positive recommendation of an officer's supervisor, and this idea is now being examined.

Dr. Ip queried the rationale for nurses and teachers being on the same pay scale. Pay scales for individual grades are examined and assessed by the Standing Commission on Civil Service Salaries and Conditions of Service, which takes into account a wide range of factors including the conditions under which officers in individual grades are obliged to work. Currently, Registered Nurses are on a scale one point higher than Certificated Masters/Mistresses and in money terms earn \$270 to \$530 per month more. Dr. Ip also implied that we find it difficult to fill vacancies for nurses. In fact, there are only 26 vacancies at present, out of a total nursing establishment of 9 505—a very low vacancy position by any criterion.

Miss DUNN argued that 'localisation must be speeded up' in view of the apparently limited opportunities there will be in the future for serving expatriate officers; and she called for 'a more systematic approach [to localisation]'. I suspect Miss DUNN does not realise just how small and declining is the expatriate element in the civil service. The number of expatriate officers in the civil service at 1 October 1984 was a mere 3 067 or 1.8 per cent out of a total strength of 171 909. By comparison, the number of expatriate officers in the civil service at 1 April 1980 was 3 025 or 2.3 per cent out of a total strength of 129 217. Furthermore, of these 3 067 expatriate officers in post at 1 October 1984, only 818 were on the permanent and pensionable establishment. The rest were on agreement terms. There were 907 officers in directorate posts at 1 October 1984 and they were fairly evenly divided between locals and expatriates (48 per cent were locals and 52 per cent were expatriates, compared with 40 per cent and 60 per cent respectively at 1 April 1980); and only half of the 472 expatriate officers in the Directorate were on permanent and pensionable terms. Of the 1 510 officers in senior management and professional level posts at 1 October 1984, 977 (or nearly 65 per cent) were locals and, of the 533 expatriates, only 145 were on permanent and pensionable terms. Over the next few years, the number of directorate and senior management posts held by local officers will increase further as local officers move up the promotion ladder and as the effect of localisation at the recruitment level is felt.

Even in the Administrative Service, where the 100 per cent localisation policy at the recruitment level does not apply, local officers comprised 57 per cent of the total strength of 391 as at 1 October 1984 compared with 49 per cent at 1 April 1980. Again in the Inspectorate and gazetted ranks of the Police Force, where the 100 per cent localisation policy at the recruitment level also does not apply, local officers comprised 62 per cent of the total strength of 2 399 at 1 October 1984 compared with 55 per cent at 1 April 1980.

In brief, then, the expatriate element in the civil service has been falling in recent years both absolutely and relatively. The Government's recruitment policy has been, and will continue to be, based on the appointment of suitable and qualified *local* candidates if available. Recruitment of expatriates is only undertaken when such local candidates are not available or are available in insufficient numbers. Generally speaking agreement terms for a limited period only are offered to expatriates. In addition, small numbers of expatriates are presently recruited, as a matter of policy, into the administrative service and the police inspectorate on both permanent and pensionable and agreement terms.

Our recruitment policy will have to be reviewed before very long, bearing in mind the terms of the second paragraph of section IV of Annex I to the Joint Declaration. However, I must emphasise that all serving members of the civil service, be they locals or expatriates—and, indeed, be they on permanent and pensionable or on agreement terms—are promoted and posted on the basis of objective criteria, that is to say, seniority, performance, potential ability, character and so on. This will remain the case. But the paragraph in Annex I to the Joint Declaration to which I have just referred also has certain implications for the career prospects of non-Chinese officers after 1997. For them, therefore, at an appropriate time, we shall have to devise fair and equitable arrangements.

Dr. Ho Kam-fai pointed out that the social status of the Chinese language in Hong Kong should be improved and greater emphasis placed on proficiency in Chinese in the conduct of public business. Miss Maria TAM emphasised the need for both Chinese and English to continue to be official languages post-1997. The draft agreement on Hong Kong's future caters fully for this, in that section I of Annex I clearly states that, in addition to Chinese, English may be used in the conduct of public business after 1997. Given Hong Kong's position as an international financial and commercial centre, I am sure that English *will* continue to be widely used—indeed, Hong Kong's international position would be in my view very seriously damaged if it were not. In the years ahead, therefore, we must ensure that the proficiency of Hong Kong people in *both* languages is further developed. In the civil service, steps are being taken to review the requirement for proficiency in both Chinese and English for appointment purposes and to consider how the in-service training capability for these two languages should be expanded. As regards Dr. Ho's suggestion that proficiency in Chinese should be a pre-requisite for promotion, I can only say that an officer who lacks proficiency in the language, be it Chinese or English,

required for the effective discharge of his duties is unlikely to progress very far under existing promotion policy.

*Conclusion*

Sir, in moving this motion which has provided the occasion for a wide ranging policy debate, I was very conscious of the burden placed upon Members these past few weeks. Only three weeks ago we had a three day debate on the draft Sino-British agreement on Hong Kong's future and early next month there will be a major debate on the White Paper on representative government. Meanwhile, there is much routine business to be transacted in this Council, in the myriad of boards and committees and in the UMELCO Office. But such are the eventful times we live in and, in expressing our thanks to you, Sir, for your guidance for the coming legislative year, may I commend, on your behalf, Unofficial Members for their conspicuous sense of public duty.

Sir, I beg to move.

*Question put and agreed to.*

**Adjournment and next sitting**

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on 21 November 1984.

*Adjourned accordingly at six minutes to five o'clock.*