

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 10 July 1985****The Council met at half past two o'clock****PRESENT**

HIS EXCELLENCY THE ACTING GOVERNOR (*PRESIDENT*)
THE HONOURABLE THE CHIEF SECRETARY
SIR DAVID AKERS-JONES, K.B.E., C.M.G., J.P.

THE HONOURABLE THE FINANCIAL SECRETARY (*Acting*)
MR. PIERS JACOBS, O.B.E., J.P.

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

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

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

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

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

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 ANDREW SO KWOK-WING, O.B.E., J.P.

THE HONOURABLE HU FA-KUANG, 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 DISTRICT ADMINISTRATION

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 CHEUNG YAN-LUNG, O.B.E., J.P.

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

THE HONOURABLE MARIA TAM WAI-CHU, O.B.E., J.P.

DR. THE HONOURABLE HENRIETTA IP MAN-HING

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

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

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 YEUNG PO-KWAN, C.P.M.

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 JOHN WALTER CHAMBERS, J.P.
SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE MICHAEL LEUNG MAN-KIN, J.P.
DIRECTOR OF EDUCATION

THE HONOURABLE PETER TSAO KWANG-YUNG, C.P.M., J.P.
SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION

THE HONOURABLE DAVID ROBERT FORD, L.V.O., O.B.E., J.P.
SECRETARY FOR HOUSING

THE HONOURABLE IAN FRANCIS CLUNY MACPHERSON, O.B.E., J.P.
SECRETARY FOR TRANSPORT

THE HONOURABLE GERALD AIDIAN HIGGINSON, A.E., J.P.
SECRETARY FOR ECONOMIC SERVICES (*Acting*)

DR. THE HONOURABLE RUDY KHOO KIAN-KANG, J.P.
DIRECTOR OF MEDICAL AND HEALTH SERVICES (*Acting*)

THE HONOURABLE DARWIN CHEN, J.P.
COMMISSIONER FOR LABOUR (*Acting*)

ABSENT

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

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

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

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

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

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

THE HONOURABLE CARL TONG KA-WING

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL
MR. LI WING

Affirmation

MR. DARWING CHEN made the Affirmation of Allegiance and assumed his seat as a Member of the Council.

HIS EXCELLENCY THE PRESIDENT:—I should like to welcome Mr. CHEN to this Council.

Papers

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

Subject *L.N. No.*

Subsidiary Legislation:

Inland Revenue Ordinance.	
Inland Revenue (Interest Tax) (Exemption) (Amendment) (No. 6) Notice 1985 -----	178
Tax Reserve Certificates (Fourth Series) Rules.	
Tax Reserve Certificates (Rate of Interest) (No. 6) Notice 1985 -----	179
Interpretation and General Clauses Ordinance.	
Declaration of Change of Title (Colonial Treasurer Incorporated) Notice 1985	180
Bills of Sale Ordinance.	
Bills of Sale (Fees) (Amendment) Regulations 1985 -----	181
Corrupt and Illegal Practices Ordinance.	
Legislative Council Election Expenses Order 1985 -----	182
Revised Edition of the Laws Ordinance 1965.	
Annual Revision 1984 -----	183
Companies Ordinance.	
Companies (Interest on Investments) Notice 1985 -----	184
Banking Ordinance.	
Specification of Specified Liquid Assets -----	185
Oaths and Declarations (Amendment) Ordinance 1985.	
Oaths and Declarations (Amendment) Ordinance 1985 (Commencement) Notice 1985 -----	186

Sessional Papers 1984-85:

No. 63—Customs and Excise Service Welfare Fund—Income and Expenditure Account with Balance Sheet and Certificate of the Director of Audit for the year ended 31 March 1985

No. 64—Changes to the approved Estimates of Expenditure approved during the Fourth (Final) Quarter of 1984-85— Public Finance Ordinance: Section 8

Oral answers to questions

Valuation of land property for estate duty purposes

1. Mr. CHEUNG Yan-lung asked in Cantonese:—

本人曾於一九八三年三月九日在本局詢問，為徵收遺產稅，當局通常需用多少時間去評估新界地產的價值，請問政府可否根據最新資料，對同一問題作出聲明？

(The following is the interpretation of what Mr. CHEUNG Yan-lung asked.)

Further to my question asked in this Council on 9 March 1983, can Government make a statement on the latest position regarding the average length of time taken for land property values in the New Territories to be assessed for estate duty purposes?

THE FINANCIAL SECRETARY:—Sir, the reply the Financial Secretary, Sir John BREMRIDGE, gave in this Council in 1983 still holds good today. Simple cases can be completed within as little as one month, but complex cases may take up to six months or more to complete.

While the Commissioner for Estate Duty and others involved do their best to complete valuations as quickly as possible, personal representatives and their professional advisers can do much to help by fully disclosing in their estate duty affidavits all landed property with realistic estimates of the open market value.

MR. CHEUNG YAN-LUNG asked in Cantonese:—

閣下，如果有案件已經超過兩年，而仍未辦妥，政府可否列為特別個案來從速處理呢？

(The following is the interpretation of what Mr. CHEUNG Yan-lung asked.)

Sir, if there are cases which are still not completed after two years can the Government treat them as special cases and finish them as soon as possible?

THE FINANCIAL SECRETARY:—Sir, I am not this afternoon aware of any cases that have taken over two years. I imagine that Mr. CHEUNG does have particulars. But I can only repeat, Sir, what the Financial Secretary said before: if Mr. CHEUNG is aware of any complaints, perhaps he can forward them to us.

Boat-dwelling illegal immigrant wives

2. DR. HO asked:—*Will the Government make a statement on its decision to repatriate some Hong Kong fisherment's wives to China and explain the reasons why?*

SECRETARY FOR SECURITY:—Yes, Sir, it is *not* true that some Hong Kong fishermen's wives are being returned to China.

For some years now, in respect of fishermen's wives, it has been the Government's practice to make an exception to the general rule. The general rule is that wives from China wishing to join their husbands in Hong Kong permanently must come to Hong Kong by means of the one-way permit system. But, because of the nature of fishermen's work, we allow their wives to enter Hong Kong in their boats for fishing activities outside the permit systems provided that the wives are included in a Chinese Mobile Fishermen's Census Record, hold valid Chinese Fishermen's Identity Cards, and provided they stay on the boats and leave when the boats leave.

But the Government has told 14 illegal immigrants from China who have been found living on dwelling boats in the Yau Ma Tei Typhoon Shelter that they must return to China. They are *not* fishermen's wives. They are recently arrived illegal immigrants.

DR. HO:—*Sir, can the Secretary for Security explain how these fishermen's wives whose household registration has been cancelled can be accepted back into their communities in China?*

SECRETARY FOR SECURITY:—Sir, it is not true that these particular 14 wives cannot be accepted back into their communities in China. The agreement between Hong Kong and China is that only those holding one-way permits can be considered for settlement in Hong Kong. There is no reason to believe that those not holding one-way permits will have their household registration in China cancelled. Even if some may have deliberately cancelled their own registration in China, there should be no problem for them to re-register when they return to China. China, Sir, has been accepting back illegal immigrants from here for years. In fact, we have recently repatriated six boat-dwelling illegal immigrant wives to China. That, Sir, was earlier this year. There is no evidence whatsoever that they were not accepted back in the place from which they came.

DR. HO:—*Are these fishermen's wives ever allowed to go ashore? And if so, can the Secretary for Security inform this Council what are the conditions for granting their shore-leave?*

SECRETARY FOR SECURITY:—Yes, Sir, as genuine fishermen are only here for fishing activities, their period of stay in Hong Kong waters is relatively short, and the need for their wives to go ashore will occur only occasionally, in cases of emergency, such as sickness, the fact that they have to go to hospital, there is a typhoon and it would be dangerous for them to remain in the typhoon shelters, or their children are sick. The system for these wives to obtain permissions to go ashore is very simple: all their husband has to do is to ring the Immigration Department's Harbour Control Office which operates 24 hours a day, and ask permission to go ashore. In extreme emergencies, the Immigration Department would accept a report that they've already been ashore and returned. If the wife is subsequently ashore, has got permission, and is stopped by the police, all she has to do is to tell the police that she's rung up and got the permission, and the police will verify with the Immigration Department's Control Centre.

DR. HO:—*Would the Secretary for Security consider liaising with the Chinese Authorities asking them to accord higher priority to these boat wives' applications for a one-way permit to Hong Kong for family reunion?*

SECRETARY FOR SECURITY:—Certainly, Sir, if these 14 wives do what they are required to do by Hong Kong law—leave voluntarily—we will certainly put their case to the Chinese Authorities for them to get priority in the issue of a one-way permit to come back to Hong Kong legally.

MRS. CHOW:—*Sir, apart from those 14 illegal immigrant wives, how many wives of fishermen have been allowed to enter Hong Kong waters under paragraph 2 of the Secretary's reply?*

SECRETARY FOR SECURITY:—Sir, we have at the present time, as far as we (that is the Immigration Department) know, about 840 genuine fishermen's wives who are allowed into Hong Kong waters and are allowed to remain on their boats while they are here.

MRS. CHOW:—*Is it true that some of these wives are appealing to the Hong Kong Government for permission to land, as a result of their husbands' change of occupation?*

SECRETARY FOR SECURITY:—Sir, these 840 are the wives of genuine fishermen, that is people who live on boats and go out and fish regularly. We have no indication whatsoever that any of their husbands are turning towards other jobs and we have no representations from them to be allowed to land in Hong Kong.

MR. CHAN YING-LUN:—*Sir, some of these 14 wives are living in dilapidated boats in the Yau Ma Tei Typhoon Shelter; could not the Government make some arrangement for them to stay on land?*

SECRETARY FOR SECURITY:—No, Sir, we do not see why illegal immigrant wives living with boat squatters in Yau Ma Tei Typhoon Shelter should be treated any better than illegal immigrant wives with husbands living anywhere else, Tsuen Wan or Kwun Tong for example. Illegal immigrant husbands and illegal immigrant wives found living on land in Hong Kong are returned to China, even those who have been reunited with their families for some time. The fact of the matter is, Sir, that these wives in the Yau Ma Tei Typhoon Shelter are in Hong Kong illegally, arrived here relatively recently, and perhaps the most important point of all, have jumped a long queue of people who are trying to come here legally using the one-way permit system. And I might add that between 8 000 and 9 000, I repeat, 8 000 and 9 000 wives a year, are coming to Hong Kong legally by this means. If these 14 wives were allowed to stay, typhoon shelters, instead of being places where legitimate working boats can shelter in emergencies or when they are not working, would become a boat squatters' paradise as a loophole for getting wives illegally into Hong Kong. That the husbands of some of these wives may once have been fishermen is irrelevant. The fact that when some of their husbands were fishermen they were allowed to stay on board their vessels certainly does not lead to an argument that when the husbands cease to be fishermen the wives should be allowed on land.

MR. BROWN:—*Sir, could the Secretary state whether any of the 14 ladies in question have given birth to children during their illegal stay in Hong Kong and if so, do such children have the right of stay here?*

SECRETARY FOR SECURITY:—Yes, Sir, some of them have given birth to children while they were in Hong Kong. Provided their husbands were Hong Kong residents and provided their children were born in Hong Kong, which could have been in Hong Kong waters as well as on Hong Kong land, their right to land in Hong Kong will not be affected by the fact that their mothers return to China. They may remain in Hong Kong or if their mothers choose to take them with them to China, they would not lose their right of land and the Immigration Department would assist the children by getting them to the border.

MR. BROWN:—*Does Government know whether any of these children are of school age?*

SECRETARY FOR SECURITY:—As far as I can recall, Sir, from all records I have seen of each of these cases, none of them is yet of school age.

Bought Place Scheme

3. MRS. FAN asked:—*Could Government inform this Council:*

- (a) *how much advance notice has been given by the Government to the 17 private schools which will not be included in the Bought Place Scheme from September 1986; and*
- (b) *what criteria are used for determining whether a private school is fit to participate in the Bought Place Scheme?*

DIRECTOR OF EDUCATION:—Sir, (a) Each of the 17 schools was informed in writing in March this year that the Government will cease to buy Form I places from them as from September 1986. This means that the schools concerned have been given 18 months' notice. In addition, the arrangements were fully discussed with the Private School Associations Advisory Board in one of my regular meetings with them in the same month. The same board was consulted as early as December 1982 as regards the amount of advance notice required in the event of Government's phasing out of bought places. All members agreed that 18 months would be sufficient.

(b) The criteria used by the Government to determine whether a private school is considered acceptable to join the Bought Place Scheme are the school management and administration, the teaching staff, the premises, the facilities, its provision of extra-curricular activities and its popularity among parents and students. It is from an overall assessment of the school in all these areas that decisions are made on whether places should be bought from the school. This assessment is made through inspections of the school and is reviewed annually to see if continued buying is justified.

MRS. FAN:—*Sir, can the Director of Education inform this Council when assessments are made on schools whether these schools concerned are informed of the result of such assessments, and in particular, of the area where improvement is considered necessary? Furthermore, do the inspectors give any advice to the schools on how to achieve such improvements?*

DIRECTOR OF EDUCATION:—Yes, Sir, normally several inspections are made of the school by both the District Inspectors and by the Subject Inspectors. In the case of the District Inspectors, discussions are held on the facilities in the school, the records kept by the school, the equipment and other facilities in the school and ways and means of improving such facilities and equipment. As for the Subject Inspectors, their main job is to look at the subjects and to give advice to teachers as regards how best to improve performance. Overall then, every school so inspected has plenty of time to be advised by our inspectors on how to improve their performance.

MRS. FAN:—*Sir, in view of the fact that the private schools do have a role to play in our education system and the various suggestions and criticisms recently expressed by the Private School Association towards Government policy on this matter can the Director of Education inform us whether there is any intention to conduct a review of the existing policies?*

DIRECTOR OF EDUCATION:—*Sir, the policy on private schools has been widely known since 1976 when Government started to buy places from the schools. It is Government's intention to help all schools in Hong Kong to improve their qualities and standards. The phasing-out of bought places applies only to those schools which are not up to the standard. Indeed, as late as January this year the Government has reconfirmed its position when mentioning the Report No. 1 of the Education Commission that the Government will buy places in Forms IV and V from the schools which have better facilities and standards. This means that private schools will in future have a role to play in the Government's provision of education both in the secondary and the post-secondary sectors. It is also our intention, Sir, to conduct a review under the Private School Advisory Board on how best to help these schools to improve standards. A working group is now being formed under this board and will be meeting some time next week.*

MRS. FAN:—*Following from the answers given by the Director of Education just now, could the Director outline the positive assistance that are being offered to private schools at present to improve their standards?*

DIRECTOR OF EDUCATION:—*Yes, Sir, I can certainly list all these services and facilities available to private schools and indeed to all schools in Hong Kong. In the first place, our inspectors have been giving advice to all schools in Hong Kong on how to improve their performance, their curriculum and teaching methods. Secondly, we have been running a number of courses on a subject basis for all teachers in Hong Kong to help improve their teaching methods. Thirdly, we're providing audio-visual aids for all schools in Hong Kong to help improve teaching. In addition the Media Production Services Unit also gives schools the chance to make and improve teaching aids. The ETV Service is available free of charge to all private schools with bought places in Hong Kong; so is the wire-free induction loop system to help improve language learning. We have the School Social Worker Scheme available to private schools with bought places. We also run special centres and resources centres for private schools, and finally, we give training to teachers in private schools to help improve their qualifications and standards.*

Prevention and control of malaria

4. DR. IP asked:—*Could Government inform this Council whether there has been an increase in the number of malaria cases in Hong Kong in recent years and, if so, what preventive measures have been taken?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, the answer to the first part of Dr. Ip's question is yes. The increase in the number of malaria cases notified in Hong Kong corresponds with the global situation of malaria, particularly among Asian countries. However, I should like to add that in Hong Kong the increase occurred mainly among the imported cases which occupy about 90 per cent of all the malaria cases reported. Thus, in 1981, 1982, 1983 and 1984, the number of imported cases were 61, 77, 94 and 101 respectively, whilst the number of indigenous cases were one, one, 30 and ten respectively. In the first six months of this year, there were 72 imported cases and one indigenous case of malaria.

Since October 1983, an Inter-departmental Co-ordinating Committee on Malaria, consisting of consultants and senior administrators in my department as well as representatives from the Urban Services Department, the Government Information Service and the Headquarters British Forces, has been established to monitor the situation and co-ordinate control measures on malaria. The committee has, inter alia, prepared an 'Operational Manual on the Investigation and Management of Malaria' for the guidance of the medical and other staff. It has also made recommendations on the prevention and control of malaria. The measures that have been recommended by the committee and have since been implemented by my department and the Urban Services Department are:

(1) *Intensified surveillance*

As mentioned previously by Dr. THONG in this Council in April this year, a surveillance system consisting of a network of public hospitals and clinics is already working efficiently in Hong Kong for the detection, reporting, investigation and treatment of all communicable diseases, including malaria. The professional staff in both the public and private sector have been alerted to watch out for malaria cases and to report promptly to my department for early control measures. All notified cases are thoroughly investigated and follow-up actions taken to prevent the spread of the disease.

(2) *Vector mosquito control*

All urban areas and most new towns are covered by the vector mosquito control programme operated by the staff of the Urban Services Department and the Regional Services Department. The programme includes weekly oiling of the potential breeding sites to destroy the mosquito larvae and the spraying of insecticides in areas where conditions are conducive to mosquito breeding. Other environmental control measures to prevent mosquito breeding in natural conditions, such as streams, are also conducted whenever possible.

(3) *Health education*

Health education is one of the major malaria control and preventive measures. The activities include territory-wide publicity through the press,

television and radio networks as well as local publicity in certain areas of the New Territories where malaria cases have been reported including the distribution of pamphlets, posters, health talks, slide shows at the villages and in schools. Health education is aimed at advising the general public to take personal protection measures against mosquito bites and also to attend doctors promptly whenever signs and symptoms of malaria are suspected.

Since March this year the department has mounted a health publicity campaign advising the public to take the necessary precautionary measures when visiting the malaria receptive areas such as Sai Kung and the border area or when travelling to malaria endemic countries.

(4) *Laboratory facilities and staff training*

Since June 1984, the department has organised a training programme on the diagnosis of malaria for the laboratory staff. Two such courses had been held for laboratory technicians from the government, subvented and private sectors. Seminars on the prevention and control of malaria were also organised for the medical, nursing and the health inspectorate. Staff had also been sent to Singapore, Malaysia, Philippines and Thailand to acquire the latest knowledge and technique in laboratory diagnosis and prevention and control of malaria.

Since August 1984, a central reference laboratory on malaria has been established at the Sai Ying Pun Institute of Pathology. This reference laboratory provides consultative services to other laboratories as well as serving as a reference and monitoring centre for the diagnosis of malaria.

(5) *Liaison with the World Health Organisation*

Experts on malaria had been invited from the W.H.O. Western Pacific Regional Office to visit Hong Kong to assess the malaria situation and to advise on staff training and other aspects of malaria control. Their visits have confirmed that all the measures that we are taking in Hong Kong are appropriate and adequate. The experts' recommendations on staff training have all been implemented while advices on other measures have been or are being implemented whenever practicable.

The Inter-departmental Co-ordinating Committee and my department will continue to monitor the situation closely and further recommendations may be made by the committee as and when necessary.

DR. IP:—Sir, I would like to start off by complimenting the Director of Medical and Health Services for such a long and complete reply and obviously they have had a lot of success with the endemic cases. I would like therefore to ask the Government to inform the Council what are the malaria endemic areas, particularly those which contributed to our imported case which appears to be the cause of the matter.

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, the World Health Organisation annually publishes a list of malaria endemic countries worldwide. Countries from which we have experienced imported cases are Pakistan, India and China. Other countries on the list are e.g. Philippines, Thailand and Indonesia, etc.

DR. IP:—*Sir, would Government consider publicising a list of malaria endemic areas periodically for public awareness?*

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

DR. IP:—*Could Government advise this Council what recommendations they would give to those travelling to these endemic areas so that we can have as much success in preventing the imported cases, as in preventing the endemic cases?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, as the anopheles mosquito is largely found in the rural areas and feeds at night, anti-malaria medication prophylactically is not recommended for travellers who will visit only urban centres of Asia or will have only daytime exposure in rural areas. However, such travellers should be advised to observe general precautions to minimise mosquito contact and to seek prompt medical attention in the event of febrile illness either during or after their trip. Travellers who veer from the usual tourist routes of these areas and who have outdoor exposure in rural malarious areas during evening and nighttime hours should be given anti-malarial medication. In case of doubt, the Port Health Office will give advice to individual travellers.

Ambulance service

5. MR. CHEUNG YAN-LUNG asked in Cantonese:—

政府可否告知本局

- (a) 本港現有救護車總數及救護車站分佈地點；
- (b) 救護車由停泊地點駛往意外現場平均所需時間；及
- (c) 有關救護電單車支援計劃的最新發展？

(The following is the interpretation of what Mr. CHEUNG Yan-lung asked.)

Can the Government inform this Council of:

- (a) *the total number of ambulances in Hong Kong and where they are stationed;*
- (b) *the average time taken for an ambulance to reach the scene of an accident; and*

(c) *the latest position regarding the motorcycle ambulance support scheme?*

SECRETARY FOR SECURITY:—Sir, (a) The Ambulance Service of the Fire Services Department has a fleet of 198 ambulances. These are presently stationed at 18 ambulance depots and 17 fire stations distributed throughout the territory. 43 ambulances are deployed in the Hong Kong region, 77 in the Kowloon region and 72 in the New Territories region. Six ambulances are in the Ambulance Training Division.

The St. John's Ambulance Association and Brigade has a total of six ambulances. They are largely used for moving patients to and from hospitals and treatment centres. Two are stationed in Hong Kong and four in Kowloon. Of the four in Kowloon, one serves the Tsuen Wan area. The Association has indicated that it would consider favourably any request from the Government to make use of the ambulances in an emergency.

A few private hospitals in Hong Kong have their own ambulances. These are unlikely to be available in an emergency.

(b) I do not have a figure for the average time taken for an ambulance to reach the scene of an accident. The reason is that the Fire Services Department does not have the staff necessary to analyse the 850 calls a day which the Ambulance Service now receives. But from time to time the department analyses samples of calls in order to check on operating performance. The department did the last analysis on a sample of 850 emergency calls answered in June this year comprising 50 calls from each of 17 depots distributed over the whole territory. They found that attendance times in respect of 90 per cent of the emergency calls were within the target attendance times the Government uses for planning purposes, that is ten minutes in urban areas and 20 minutes in rural areas. As it will never be possible to achieve the target times in 100 per cent of cases, given such uncontrollable factors in Hong Kong's particular environment as traffic congestion, this result is considered satisfactory.

(c) The trial period of the motorcycle ambulance support scheme which began in December 1982 came to an end in January 1985 when the two motorcycles in use reached the end of their serviceable life. For a number of reasons, but basically because the motorcycles can get to the scene of an accident minutes ahead of ambulances often in circumstances where seconds may count in saving a person's life, we believe the scheme to have been highly successful. But partly because of the current financial climate and partly because of the policy of zero growth in the civil service, funds could not be made available for the capital and recurrent costs of continuing or expanding the scheme for the time being. Our intention is to revive the issue as soon as the financial situation improves. Meanwhile we are making use of the time available to have another look at the motorcycle ambulance support scheme in the context of a general review we are undertaking of the ambulance service as a whole.

DR. IP:—*Sir, as regards the motorcycle ambulance support scheme, is the department considering a more sophisticated medical training scheme for such motorcycle ambulancemen if they were to be revived? I believe there had been once a terminology called 'Paramedic' that was suggested at some stage.*

SECRETARY FOR SECURITY:—Yes, Sir, the question is whether one ambulanceman on a motorcycle should be trained up to what is termed 'paramedic' level. It is actually quite a tricky question to answer; it is a question of balancing some quite expensive training costs with the benefits to be gained by a man on a motorcycle, literally minutes ahead of an ambulance, having quite a high level of training. It is actually a tricky balancing exercise. What we are doing, Sir, is asking the consultant who will be undertaking a review of the ambulance services as a whole to have a look at this particular question. It may well mean that he will have to refer back to other authorities to get medical advice.

Evening clinics in densely populated areas

6. MRS. NG asked in Cantonese:—

政府可否告知本局，是否有計劃在人口稠密的地區增設夜間診所服務？

(The following is the interpretation of what Mrs. NG asked.)

Could Government inform this Council whether there are plans to provide more evening clinics in densely populated areas?

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, with the movement of population to new areas, additional day clinics will be developed in the first instance which are sufficient for the local need in most cases. In a number of areas, where such clinics are observed to be over-subscribed, introduction of evening clinic sessions will be considered subject to the availability of finance and staff resources. They are provided with the basic objective of relieving excessive pressure on the day clinics or as the case may be, on the accident and emergency departments.

There are now 15 government clinics providing 44 doctor sessions in the evening. These are divided into—

Five clinics on Hong Kong Island with 15 sessions per evening; Six in Kowloon Region with 19 sessions; and Four in the New Territories with ten sessions.

The department has monitored the utilisation pattern of government clinics and there are now evidence that additional evening clinic service ought to be provided in two densely populated areas, namely Wong Tai Sin and Sha Tin.

Plans are in hand to introduce evening clinic sessions in Wu York Yu Clinic in Wong Tai Sin and Lek Yuen Health Centre in Sha Tin, hopefully in the last quarter of this year, subject to availability of resources.

MR. SO asked in Cantonese:—

閣下，請問沙田怎可以形容為一個人口稠密的地區？

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

Sir how can Sha Tin be described as a densely populated area?

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, according to our population figures in 1985, the population in Wong Tai Sin numbers 435 330 and we would all agree that Wong Tai Sin is a populous area. The figure that I have for Sha Tin is 323 390, and furthermore, Sir, whereas there are four day-clinics in Wong Tai Sin, Sha Tin is only served by two day-clinics, the Lek Yuen Health Centre, and the Sha Tin Clinic and Maternity Home. There is evidence that these day centres are under undue pressure and there are justifications for an evening clinic to be established in Sha Tin.

MRS. CHOW:—*Sir, I note in the Director of Medical and Health Services' answer that evening sessions will be introduced in the last quarter of this year but subject to availability of resources. Now being only about three or four months away from the last quarter of this year, one would have thought that the availability of resources for this quarter would have been studied. Would he please ensure that there should not be any hindrance there due to non-availability of resources and that we will be seeing these evening clinics installed in the last quarter of the year?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, our planned date for the introduction of these two clinics at the same time is October this year.

Statement

Changes to the Approved Estimates of Expenditure Approved during the Fourth (Final) Quarter of 1984-85—Public Finance Ordinance: Section 8

THE FINANCIAL SECRETARY:—Sir, in accordance with section 8(8)(b) of the Public Finance Ordinance, I now table for Members' information a summary of the supplementary provision for the fourth quarter of the financial year 1984-85. Supplementary provision of just over \$1.5 billion was approved. \$1.1 billion of this sum arose from the 1984 civil service and subvented sector pay adjustments.

Sir, I am pleased to record that there is no net increase in expenditure resulting from the supplementary provision covered by the summary. The supplementary provision under each head was offset either by savings under the same head or other heads of expenditure or by the deletion of funds under the additional commitments votes.

Government business

Motion

HONG KONG ROYAL INSTRUCTIONS 1917 TO 1985

THE ATTORNEY GENERAL moved the following motion:—That the Standing Orders of the Legislative Council of Hong Kong be amended—

(1) in Standing Order No. 1—

(a) in paragraph (1) by deleting ‘the oath or affirmation of Allegiance’ and substituting the following—

‘an oath or affirmation’;

(b) in paragraph (2) by deleting ‘Except as otherwise provided in paragraph (1) of Standing Order No. 6 (Proceedings at First Sitting of Session), the’ and substituting the following—

‘The’;

(c) in the marginal note by deleting ‘of Allegiance’;

(2) in Standing Order No. 6(1) by deleting ‘the oath or affirmation of Allegiance’ and substituting the following—

‘an oath or affirmation in accordance with the provisions of the Oaths and Declarations Ordinance,’;

(3) in Standing Order No. 11(1)(a) by deleting ‘of Allegiance’;

(3) in Standing Order No. 63 by inserting after ‘shall not’ the following—

‘except in the case of sittings of the committee held in public,’.

He said:—Sir, the purpose of the resolution before the Council is twofold. *First* it provides for amendments to Standing Orders 1, 6 and 11 in order to enable Members to take the alternative form of oath provided for in the Oaths and Declarations (Amendment) Ordinance recently enacted by this Council and which was brought into force by a notice in the *Gazette* for 5 July. This amendment is designed to permit the swearing in of new Members at the first sitting of the new session, in accordance with the revised procedures.

Second, the resolution provides for an amendment to Standing Order 63 in order to provide that when sittings of a Select Committee are held in public, evidence and documents may be published before the committee has presented its report to the Council. This amendment requested by the Select Committee on the Trial of Commercial Crime at its meeting on 4 June 1985, will be of assistance to its work when it wishes to take evidence in public. It will remove the restriction that exists presently upon the reporting of such evidence before the committee has presented its report to the Council.

Sir, it is recognised however that further changes to Standing Orders will be required in order to meet the need of the enlarged and partly elected Legislative Council which will come into being on 30 October of this year.

Some thought has already been given to these changes as part of the review of all the legislative arrangements affecting this Council. But it is now clear that there is not sufficient time left this session for Members of the Council to come to any decisions. Accordingly, Sir, later this year I have no doubt that the President will consult members of the new Council upon the procedures that they wish to adopt for reviewing Standing Orders, including the possibility of setting up a select committee. In the meantime, if members of the public have any comments to make on the existing Standing Orders which are included in the laws of Hong Kong and are available for purchase at Government Publications Centres, or on the need for amendment, they are invited to make these in writing to the Clerk of Councils in the Government Secretariat.

Sir, I beg to move the resolution standing in my name in the Order Paper.

MR. CHAN KAM-CHUEN:—Sir, you may recall that when the Oaths and Declarations (Amendment) Bill was debated in this Council in May this year, I abstained from voting on the Bill. The reasons for my abstention were set out in my speech delivered in this Council on May 15. As a matter of principle, I shall also abstain from voting on this motion.

Question put and agreed to.

First reading of bills

PRIVILEGES AND IMMUNITIES (JOINT LIAISON GROUP) (AMENDMENT) BILL 1985

BUILDINGS (AMENDMENT) BILL 1985

MOTOR VEHICLES INSURANCE (THIRD PARTY RISKS) (AMENDMENT) BILL 1985

COMMODITIES TRADING (AMENDMENT) BILL 1985**CONTRACTS FOR OVERSEAS EMPLOYMENT (AMENDMENT) BILL 1985****EMPLOYEES' COMPENSATION (AMENDMENT) (NO. 2) BILL 1985****FACTORIES AND INDUSTRIAL UNDERTAKINGS (AMENDMENT) BILL 1985**

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

Second reading of bills**PRIVILEGES AND IMMUNITIES (JOINT LIAISON GROUP) (AMENDMENT) BILL 1985**

THE ATTORNEY GENERAL moved the second reading of:—‘A bill to amend the Privileges and Immunities (Joint Liaison Group) Ordinance 1985’.

He said:—Sir, on 1 May the Privileges and Immunities (Joint Liaison Group) Ordinance 1985 was passed by this Council. As its name suggests, the Ordinance provides appropriate privileges and immunities for the five Chinese members of the Joint Liaison Group for meetings in Hong Kong and on 17 April, when moving the adjournment of the second reading of that Bill, I informed this Council that some further provision might later have to be made for the experts and supporting staff of the Joint Liaison Group, as well as for the Chinese members and supporting staff of the Land Commission. I also said that discussions were continuing with the Chinese Government about those arrangements.

Sir, these discussions have now been completed. Although there is no stipulation in the Joint Declaration on the matter, it has been agreed that the work of the two bodies would be facilitated if appropriate privileges and immunities were provided for all participants on both sides. This is in line with normal international practice when representatives of different governments meet.

Thus it has been agreed that the Chinese experts and supporting staff, as well as the Chinese members of the Joint Liaison Group, will enjoy appropriate privileges and immunities when they go to London for the meetings of the Joint Liaison Group, the first of which, as you know, Sir, will take place later this month. Similarly, experts and supporting staff on the British side, including those from Hong Kong, will enjoy privileges and immunities when they go to Peking for meetings of the Joint Liaison Group held there.

The primary purpose of the Bill now before the Council is to make similar arrangements for meetings of the Joint Liaison Group and the Land Commission in Hong Kong. It does that by extending the provisions of the Privileges and Immunities (Joint Liaison Group) Ordinance 1985 to experts and supporting staff on the Chinese side of the Joint Liaison Group and to the Chinese members and supporting staff of the Land Commission.

The Bill also makes two further provisions. As stated in the Explanatory Memorandum, it includes the privilege of freedom of communication and makes a minor technical amendment to paragraph 5(3) of the Schedule to the principal Ordinance.

Sir, I move that the second reading of the Bill be now adjourned.

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

Question put and agreed to.

BUILDINGS (AMENDMENT) BILL 1985

THE SECRETARY FOR LANDS AND WORKS moved the second reading of:—‘A bill to amend the Buildings Ordinance’.

He said:—Sir, I move that the Buildings (Amendment) Bill 1985 be read a second time.

This Bill seeks to amend section 40 of the Buildings Ordinance to provide for a sanction against failure to comply with section 27(10) of the Ordinance.

Section 27(10) relates to notice of expiry of a closure order made in respect of a building and requires the owner to serve copies of such notice upon all former occupiers who have notified him of their addresses and to certify to the Building Authority that he has served such copies, the purpose being to protect the right of reoccupation by the temporarily displaced tenants.

At present, section 27(10) is without any sanction in the event of failure to comply with the requirements. Whilst there are no records of any prosecution in connection with section 27(10) for section 27(10) to be effective, there must be a sanction. Clause 2 of the Bill amends section 40 of the principal Ordinance to make it an offence for an owner who fails to comply with such requirements under section 27(10) to be liable on conviction to a fine of \$10,000 and to imprisonment for six months.

Sir, I move that the debate be now adjourned.

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

Question put and agreed to..

MOTOR VEHICLES INSURANCE (THIRD PARTY RISKS) (AMENDMENT) BILL 1985

THE SECRETARY FOR TRANSPORT moved the second reading of:—‘A bill to amend the Motor Vehicles Insurance (Third Party Risks) Ordinance’.

He said:—Sir, I move the second reading of the Motor Vehicles Insurance (Third Party Risks) (Amendment) Bill 1985.

The Motor Vehicles Insurance (Third Party Risks) Ordinance was enacted in November 1951 to provide for the protection of third parties against risks arising out of the use of motor vehicles. The present Bill has two main objectives. First, it increases the amount of deposit or security that must be lodged with the Director of Accounting Services by an owner of a motor vehicle or a fleet of vehicles as an alternative to obtaining a policy of motor insurance against third party risks. Second, it empowers the Governor in Council to provide by order that specified persons shall not be permitted to make a deposit instead of obtaining a policy of motor insurance.

Clause 2 of the Bill amends section 4 of the principal Ordinance to increase the deposit limit from \$400,000 to \$2 million. The existing limit was prescribed in 1968 and the increase is to reflect inflation over the years. Similarly, the security limit and undertaking limits as provided under section 7 are also increased by clause 4 to take into account inflation.

At the same time, clause 2 adds a provision to section 4 to prevent a specified person from opting for a deposit in lieu of obtaining a policy of motor insurance against third party risks. To tie in with this, clause 3 amends section 5 to provide for the return of the deposit to the owner of a motor vehicle or a fleet of vehicles if he is a person as specified in clause 2. These provisions will give Government greater power and flexibility in monitoring the insurance arrangements of the Kowloon Motor Bus Company (1933) Limited and the China Motor Bus Company Limited, which are the only ‘persons’ who have made such a deposit with the Director of Accounting Services as an alternative to obtaining a policy of motor insurance against third party risks.

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

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

Question put and agreed to

COMMODITIES TRADING (AMENDMENT) BILL 1985

THE SECRETARY FOR ECONOMIC SERVICES moved the second reading of:—‘A bill to amend the Commodities Trading Ordinance’.

He said:—Sir, I move that the Commodities Trading (Amendment) Bill 1985 be read the second time.

Under Standing Order 52, I withdraw the Commodities Trading (Amendment) Bill 1984, which was presented to this Council in August 1984. The provisions of that Bill have now been incorporated into the Commodities Trading (Amendment) Bill 1985.

The Bill now before Council has three main objectives: *first*, to facilitate the reorganisation of the Hong Kong Futures Exchange; *second*, to make provision for trading in financial futures; and *third*, to improve the operation of and the protection to be afforded by the Exchange Company’s compensation fund.

New definitions of ‘commodity’ and ‘futures contracts’ are provided in order to allow financial futures contracts, in general, to be brought within the ambit of the Ordinance. ‘Commodity’ now includes any item listed or specified in the First Schedule, whether or not capable of being delivered. Specified items, which can be traded on the Futures Exchange, will be included in Part I of the First Schedule to the Ordinance. Other items deemed to be a commodity for the purpose of this Ordinance are to be included in Part II of that Schedule. Any person trading in items specified or listed in the First Schedule will be required, under the Ordinance, to register as a commodity dealer.

The Bill proposes certain important changes to the structure of the Exchange Company. The management of the exchange will be vested in a properly constituted board of directors. In addition, the exchange will be able to use more than one clearing house and guarantee corporation in respect of different markets in the future, if it so wishes. However, the clearing houses and the guarantee corporations will be subject to the prior approval of the Commodities Trading Commission.

The Bill also removes the present disqualification against licensed banks and deposit-taking companies or their directors and employees, practising solicitors and professional accountants, from becoming shareholders of the Exchange Company. Corporations which are incorporated in Hong Kong and which engage in trading in commodity futures contracts on the Futures Exchange will be eligible for membership. Banks and D.T.C.s, potentially the major users of the financial futures market, will be able to participate in the exchange through subsidiaries incorporated for the purpose.

To safeguard the interests of investors, the Bill provides for the setting up of a new and self-sustaining compensation fund and for streamlining the procedures

in connection with the lodging, determining and settling of claims. The exchange will be called upon to contribute a maximum of \$100,000 to the compensation fund on behalf of each of its members. To provide regular injections into the fund, a levy, the rate of which will be fixed by the Commodities Trading Commission, will be charged on every contract traded on the Exchange.

The maximum payout from the compensation fund per defaulting shareholder is to be raised from the existing \$1 million to \$2 million. Clause 38 of the Bill limits compensation to claims arising from trading on the Hong Kong Futures Exchange. Claims will be determined by the exchange, but persons aggrieved by the Exchange's decisions will have a right of appeal to the Appeals Committee of the commission, in addition to their existing right to establishing their claims in court.

The new Compensation Fund will be established when the Exchange Company has completed its internal reorganisation and is ready to admit new members. Clause 51 provides transitional arrangements dealing with claims against the existing fund.

The considerable increase in the scope and the complexity of the commission's activities has given rise to the need to be able to enlarge the membership of the Commodities Trading Commission. Clause 3, therefore, provides that the commission shall consist of not less than seven members.

Lastly, under clauses 17 to 27, the Bill provides for the establishment of a five-member Commodities Trading Commission Appeals Committee for hearing any appeals under the Ordinance.

The provisions contained in this Bill have been drawn up in consultation with, and have the full support of, the Commodities Trading Commission and the Hong Kong Futures Exchange.

Trading in Hang Seng Index futures contracts, the first new contract proposed to be introduced in the Hong Kong Futures Exchange, will not commence until the Governor in Council is advised by the Securities and Commodities Trading Commissions that two important conditions have been met: first, that the exchange has been properly reorganised; second, that the commissions are satisfied with the safeguards introduced to deter, detect and prevent manipulation in respect of trading in the Hang Seng Index and to protect the investing public.

It continues to be our policy to permit only one futures exchange to operate in Hong Kong in which major interested parties be allowed to participate and be represented in its management. The Government will also continue to wish to be reassured that the exchange is properly managed and operated and that the interests of the public are fully safeguarded.

Sir, given the growing maturity of the futures industry in Hong Kong, the benefits to be gained from developing further Hong Kong's position as a major financial centre, and the experience gained from the successful operation of financial futures trading in the U.S.A., Sydney, Toronto, London and Singapore, we welcome the setting up of a financial futures market here.

In conclusion, Members may wish to note that the Government is aware of the need for an overall review of the principal Ordinance in the light of the rapidly changing characteristics of the futures industry. Further amending legislation will be presented to this Council after completion of this review.

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

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

Question put and agreed to.

CONTRACTS FOR OVERSEAS EMPLOYMENT (AMENDMENT) BILL 1985

THE COMMISSIONER FOR LABOUR moved the second reading of:—'A bill to amend the Contracts for Overseas Employment Ordinance'.

He said:—Sir, I move that the Contracts for Overseas Employment (Amendment) Bill 1985 be read a second time.

In July 1984, following publicity about a dispute affecting Hong Kong workers in Sri Lanka, Dr. Ho Kam-fai asked a question in this Council about the adequacy of the Contracts for Overseas Employment Ordinance.

Subsequently, a review of this Ordinance was undertaken. The present Bill is the result of this review and provides for a number of amendments.

The main weakness of the present Ordinance is that it does not provide for any penalties for non-compliance. The Bill seeks to meet this point by providing for a maximum penalty of a fine of \$50,000 for an employer or his agent who either fails to comply with the Ordinance himself or solicits or induces a worker to leave Hong Kong to take up employment without complying with the Ordinance.

Because of the difficulty of taking legal action against employers who are not resident in Hong Kong, it is proposed that the Ordinance shall also apply to employers' agents in Hong Kong, and their liability to prosecution is made clear in the Bill. Persons migrating for employment are to be excepted but in such cases the Commissioner for Labour must certify that he is satisfied that the employee will be accepted for permanent settlement in the country in which he will be employed.

The Bill also provides for the amendment of a number of expressions which are either out-of-date or misleading. These provisions include:

- (a) retitling the Ordinance as ‘the Contracts for Employment Outside Hong Kong Ordinance’, in order to remove any possible ambiguity in the expression ‘overseas’;
- (b) a number of other amendments which are either consequential or replace other out-of-date expressions.

The Labour Advisory Board has been consulted on these proposed amendments and has endorsed them.

Sir, I move that the debate be now adjourned.

Motion made. That the debate on the second reading of the Bill be adjourned—
COMMISSIONER FOR LABOUR.

Question put and agreed to.

EMPLOYEES’ COMPENSATION (AMENDMENT) (NO. 2) BILL 1985

THE COMMISSIONER FOR LABOUR moved the second reading of:—‘A bill to amend the Employees’ Compensation Ordinance’.

He said:—Sir, I move the second reading of the Employees’ Compensation (Amendment) (No.2) Bill 1985.

Experience has shown that there are a number of points where the Employees’ Compensation Ordinance needs further clarification.

Section 9 of the Ordinance provides that certain specific injuries are considered to result in a specific degree of loss of earning capacity as listed in the First Schedule to the Ordinance. If an injury is not listed in the Schedule, the degree of loss of earning capacity has to be decided by an Assessment Board appointed under section 16. Difficulties have been experienced by the boards in the assessment of certain non-scheduled injuries and the Bill seeks to spell out more clearly the principles guiding the boards in such cases.

For scheduled injuries compensation is based on the percentage of loss of earning capacity specified in the First Schedule, whether or not the injured person has managed to find a job at a salary equivalent to what he was earning before the injury. However, it appears from a recent Appeal Court case that under the existing Ordinance, if an injury is not listed in the First Schedule, the injured person may lose his entitlement to compensation if he obtains employment at a salary equivalent to what he was earning before he was injured. This is felt to be unfair, since there is still the likelihood that the injured

person's ability to keep his job has been reduced. Thus in the long run his earning capacity is likely to be reduced.

To deal with this anomaly the Bill provides that the board may, but is not obliged to, give weight to any actual earnings after the injury.

The Bill also seeks to make it clear that compensation can cover loss of earning capacity, present or future.

For injuries specified in the First Schedule the Ordinance already provides that where loss of earning capacity from a combination of injuries amounts to more than 100 per cent, the incapacity is deemed to be total. The present Bill seeks to apply the same principle to a combination of injuries not specified in the First Schedule, and to a combination of scheduled and unscheduled injuries.

The Bill further seeks to make it clear that partial loss of a member or its use should be assessed in proportion to the total loss of that member as provided for in the First Schedule.

Sir, the amendments are intended to clarify the principles to be followed by the Compensation Assessment Boards and should not lead to any major change in their current practice. These amendments therefore should not have any adverse effect on the rates of premia for employees' compensation insurance.

The proposals have the unanimous support of the Labour Advisory Board.

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

Motion made. That the debate on the second reading of the Bill be adjourned—
COMMISSIONER FOR LABOUR.

Question put and agreed to.

FACTORIES AND INDUSTRIAL UNDERTAKINGS (AMENDMENT) BILL 1985

THE COMMISSIONER FOR LABOUR moved the second reading:—‘A bill to amend the Factories and Industrial Undertakings Ordinance’.

He said:—Sir, I move the second reading of the Factories and Industrial Undertakings (Amendment) Bill 1985.

The purpose of the Bill is to replace the existing system of registration of workplaces by a notification system which is much simpler and will reduce the amount of paper work for both proprietors of workplaces and the Factory Inspectorate of the Labour Department.

The purpose of the registration system, first introduced in 1955, is to ensure that the workplace is inspected and that adequate safety, health and welfare standards are maintained.

Developments since then have considerably reduced the usefulness of the registration system. During the last two decades 21 sets of safety regulations have been enacted under the Factories and Industrial Undertakings Ordinance, and it is now no longer necessary to rely on enforcement of the registration requirements to maintain safety, health and welfare standards in workplaces.

The registration system requires the Factory Inspectorate of the Labour Department to carry out a number of time-consuming procedures which divert resources from more important work such as accident investigation, factory inspection and safety and health promotion. It also places an unnecessary burden on the proprietors of workplaces, particularly those of new factories.

The Bill therefore proposes that this registration system be replaced by a notification system. Under this proposal, the person having management or control of a notifiable workplace is required to notify the Commissioner for Labour before the workplace begins operation. The definition of 'notifiable workplace' is the same as the existing definition of 'registrable workplace'.

If the Commissioner for Labour considers that a notifiable workplace cannot be operated with due regard to health, safety and welfare standards, he may issue a notice to prohibit its operation. The Commissioner may cancel a prohibition notice but in doing so may give directions as to the operation of the workplace concerned. A proprietor may apply to the Commissioner to lift a prohibition notice. He may also appeal to the Governor in Council against the Commissioner's decision.

To save unnecessary paper work, it is proposed that all workplaces which have been registered or provisionally registered under the existing Ordinance will be deemed as having been notified to the Commissioner for Labour. It is further proposed that all other notifiable workplaces which are already on the Factory Inspectorate's records before the new Bill comes into operation will be exempted from notification and the proprietors will be so informed individually within six months.

The change of the term 'registrable workplace' to 'notifiable workplace' will require consequential amendments to the Federation of Hong Kong Industries Ordinance, the Public Health and Urban Services Ordinance, and subsidiary legislation under the Radiation Ordinance and the Factories and Industrial Undertakings Ordinance.

The Labour Advisory Board has been consulted and supports the proposed amendments. I am confident, Sir, that they will lead to an improvement in the administration of industrial safety and health, and will be beneficial for both employers and employees.

Sir, I move that the debate be now adjourned.

Motion made. That the debate on the second reading of the Bill be adjourned—
COMMISSIONER FOR LABOUR.

Question put and agreed to.

REGIONAL COUNCIL BILL 1985

Resumption of debate on second reading (26 June 1985)

Question proposed.

MR. F. K. HU:—Sir, the Provisional Regional Council was set up in April this year to prepare the way for the establishment of a full Regional Council commencing from 1 April 1986. During the short period of one year up to 31 March 1986, the Provisional Council has to discharge all the important functions assigned to the Provisional Council and at the same time, build up the experience of its *ex officio* members, appointed members and nine representative members elected from District Boards in the execution of their duties. If such valuable experience can be carried forward to the new council, it will greatly benefit the new council in the exercise of its power in the performance of its designated functions.

The Chief Secretary mentioned in his speech in this Council on 26 June 1985 that ‘to ensure a smooth transition ... some, if not all, of the appointed members serving on the Provisional Regional Council should be the appointed members of the Regional Council ... This would ensure a degree of continuity of membership on the council...’ For the same reason, it is advisable for the nine representative members to the Provisional Council to continue to serve on the Regional Council upon its inception.

I understand that the great majority of the District Boards were advised of such intention before election of representative members to the Provisional Council. It is really regrettable that a few District Boards were not advised of such intention. Since the publication of this Bill, there have been representations from some District Board members who raised objection to clause 60 of the Bill which deals with the automatic extension of tenure of office for the nine representative members on the Provisional Council for another two years in the new council on the ground that it deprives District Board members of their right to elect their own representative members. These District Board members emphasised that such objection was a matter of principle and was not directed at their own elected representative members serving on the Provisional Council at present.

The Unofficial Members dealing with this Bill consider that there is no justification of such objection for those District Boards which were advised of the intention of extension before election of representative members to the Provisional Council, but the objection from those District Boards which were not advised of such intention is understandable. The Unofficial Members agree that District Boards with no understanding of the Administration's intention should not be deprived of their right to elect their first representative members to the new council, while the majority of District Boards which were fully briefed of the Administration's intention should automatically allow their representative members in the Provisional Council to continue service in the new council for two years. For the sake of continuity and effective functioning of the new council, I would suggest that those District Boards which opted for new election of representative members for the new council should consider seriously the re-election of the same representative members, and naturally it will be up to the District Boards concerned to decide. The Administration has accepted this point of view, and I am pleased to report that I shall shortly propose deletion of clause 60 and introduce necessary amendments in the committee stage to achieve this arrangement.

Heung Yee Kuk, which has three members among 12 appointed members in the Provisional Council, has requested clause 6(c) to be amended to the effect that 12 appointed members should include three members from the Kuk. The Regional Council has to perform many functions vested on it by this Bill. It is important to have a balanced composition of members in the Regional Council in order to ensure that there will be an adequate number of knowledgeable and dedicated members to look after every function. One of the main advantages of the appointment system is that the Administration can decide and choose the right type of appointed members in order to achieve the balanced composition of the Regional Council to cover evenly every aspect of the functions and duties to be performed by the council. Many members of the Heung Yee Kuk could be elected to the new council through direct election or election through District Boards, and the new council may have already adequate representation of rural interest. Therefore, I am in full support of the view of the Chief Secretary in his speech on 26 June 1985 in this Council that out of 12 appointed members three members will, as circumstances require, be members of the Heung Yee Kuk especially chosen to represent the three constituencies of the Kuk. Such flexibility is practical and realistic.

Clause 25(b) refers to the Authority by the Public Health and Urban Services Ordinance without reference to the Regional Council area which may cause unnecessary confusion. I understand that the Public health and Urban Services Ordinance will be amended shortly, and the Authority within the Regional Council area and urban area will be the Regional Council and the Urban Council respectively.

Sir, with these remarks and subject to the agreed amendments, I support the motion.

MR. CHEUNG YAN-LUNG:—Sir, being the chairman of the Provisional Regional Council, I wish to take this opportunity to represent the views of my council colleagues.

Members of the Provisional Regional Council have already indicated their support for the Bill. However, there has been a controversy concerning the membership composition of the Regional Council on whether or not the three appointed seats which were once understood to be designated for Heung Yee Kuk members shall be written into the Regional Council Bill 1985. Some members of the Provisional Regional Council have suggested that these three appointments should be written into the law.

As chairman of the council, I agree that such an arrangement will give the Heung Yee Kuk a positive recognition of its contributions to the public affairs of the New Territories, not only in the previous years, but in the future development of local administration. The composition of the council can then sufficiently reflect the weight of the views of the Kuk.

Although the Government acknowledges the necessity of appointing three Kuk members to the Regional Council at present, it should not be presumed that this necessity will not continue to exist in 1987 and I believe an access for the indigenous population to participate in the Regional Council is also essential. Hence, a piece of legislation that can ascertain the link between the Kuk and the Regional Council is always desirable.

Towards the end of the last year, there was a communication from the Chief Secretary's Office addressed to the Heung Yee Kuk which indicated that sufficient weight and special memberships would be given to the Kuk in the new Regional Council. Responsible government in Hong Kong rests partly on trust and continuity of policies whether they are made orally or committed in writing by the predecessors. Therefore, I personally consider that we should give the appointment of the Kuk members to the Regional council a legal footing now, and amend such provision at a time when the necessity ceases to exist.

I shall now turn to the question of whether absolute privilege against slander and libel should be granted to members of the Regional Council. I think we have to recognise that the Regional Council conducts open meetings and that members of the council are recognised speakers for local interests. Therefore, in order to enable members to speak up and to encourage genuine exchange of ideas in its deliberation, some kind of protective immunity must be granted to them. If members of the Urban Council are provided with qualified privilege under section 51 of the Urban Council Ordinance (Chapter 101) which gives protection to members from personal liability for 'any matter or thing done' by them bona fide for the purposes of the council, it should be logical and reasonable that members of the Regional Council should be 'privileged' accordingly.

It is amply understood that the qualified privilege does not exempt members from malicious defamation or ill-will statements which I think eminent people in the public service would not indulge themselves into, and I believe that when they speak on a matter of interest in the locality they do honestly believe what they say is true.

With regard to the financial position of the Regional Council, I have little optimism in expecting the expenditure to be adequately met from revenue generated from rates levied on the Regional Council area, and an adjustment of rates to a higher level would bring about much controversy. The Government will have to prepare for adequate support to afford the Council a healthy autonomy when it is established.

As to the function and powers of the Regional Council, I appreciate that the Bill does not seek to limit the Regional Council's power to the 'Regional Council area' and I hope that a similar amendment will be made to the Urban Council Ordinance. This provision will allow more flexibility and enable an amicable cooperation between the two councils to work together under appropriate circumstances.

Finally, I would like to convey the thinking of the Provisional Regional Council on the matter concerning the name of the Regional Council in Chinese.

Dr. Ho Man-wui, a member of the Council had suggested '區域市政局' as the proper name in Chinese. This suggestion has the blessing of the council. I myself also agree that this is a more appropriate name. We appreciate that 'Non-Urban Areas' have been changed to 'Regional Council Areas'. We would further appreciate if the names in Chinese can be modified accordingly. Is it not true that there is a Chinese saying which goes: 'If titles are not right, the opinions carry no weight'? (名不正，言不順) .

Sir, with these remarks, I support the motion.

MR. YEUNG PO-KWAN:—Sir, the purpose of the Bill is to provide for the establishment, membership, functions, powers and proceedings of the Regional Council. While I am in favour of the Bill in general, there are two points I wish to address.

My first point is on clause 6(c). The Provisional Regional Council has suggested that clause 6(c) be amended to the effect that the three appointments from the Heung Yee Kuk should be written into the law. While I fully appreciate the valuable contribution that the Heung Yee Kuk has made over the years and have no intention to undermine its role in the future, I agree with the Administration that the arrangements for the appointment of members to the Regional Council should retain an element of flexibility. The Administration has assured that the three appointments from the Heung Yee Kuk would be considered as 'circumstances require'; I am confident that this undertaking will ensure that the interest of the Kuk be adequately represented in the Regional Council. Sir, I support clause 6(c) in its present form.

Secondly, I support the proposal to repeal clause 60 which stipulates that District Board representatives elected to the Provisional Regional Council should automatically serve on the Regional Council until 31 March 1988. Certain District Boards have expressed dissatisfaction towards this proposed arrangement and alleged that they had elected their representative to the Provisional Regional Council on the understanding that their tenure of office would expire in one year's time. Under these circumstances, I support the addition of Part IX which gives a District Board an option to elect at a meeting held not earlier than 1 March 1986 or later than 31 March 1986 one of its members to be the first representative member of the Regional Council. This option will give those District Boards which so wish to hold fresh elections. District Boards which wish to let their present representatives stay in office may choose not to hold elections thereby enabling their representatives to continue their service in the Regional Council until 31 March of the year in which the next ordinary election is held for districts.

The success of the Regional Council depends heavily upon the support rendered by District Boards towards their representatives on the Regional Council. The selection of District Board representatives is essentially an internal administrative matter for District Boards, and should be left to the discretion of the District Boards themselves. Clause 60 limits the choice of District Board members and should accordingly be repealed. In making their decision, however, District Board members should bear in mind that both the continuity of service and the experience of the incumbent District Board representatives on the Provisional Regional Council are important for the efficiency of the new Regional Council.

Sir, with these remarks, I support the motion.

MR. KIM CHAM:—Sir, the establishment of a Regional Council seeks to improve the environment as well as to enrich the cultural and recreational life of residents in the Regional Council area. However, the establishment of a Regional Council with functions and powers similar to the Urban Council does have significance for both councils. While this Bill will, in the main, follow the format of the Urban Council Ordinance, it does differ from the existing Ordinance in a number of respects. As the Urban Council is presently considering proposed amendments to its own Ordinance, this may result in the need for amendments to resolve any inconsistencies between the two Ordinances. Amendments may also be suggested to enable the two councils to work together more effectively for it is surely in the best interests of the people of Hong Kong that the two councils can work together harmoniously for the common good.

It is therefore important for the Legislative Council to recognise the possible need to further amend this Bill even after enactment.

Sir, I do recognise the importance for this Bill to be passed today to set in motion the electoral machinery which will culminate in elections to the Regional Council next March, I support the motion subject to the above remarks.

SECRETARY FOR DISTRICT ADMINISTRATION:—Sir, on behalf of the Chief Secretary, I wish to thank Mr. HU, Mr. CHEUNG, Mr. YEUNG and Dr. CHAM for their support and valuable comments on the Regional Council Bill 1985.

The Provisional Regional Council was set up to allow some working experience to be gained before the Regional Council comes into being in 1986. It is intended that such valuable experience should be carried forward to the Regional Council, and clause 60 of the Bill is a transitional arrangement designed to maintain such continuity. I should stress that this intention was and still is based on logical and sensible grounds.

This continuity clause has been well received by the majority of District Board members. However, some have argued that District Boards should have the right to elect their representatives to the Regional Council if they wish to do so. Having carefully balanced this argument against the need to provide for continuity, the Administration agree that provisions should be made to give the nine District Boards concerned the option of holding another election of their representatives to the Regional Council in March 1986. Such election is however not mandatory and District Boards may decide that their current representatives should hold office on the Regional Council by not having another election.

I turn now to the proposal that there should be statutory provision for three appointed Regional Councillors to be members of the Heung Yee Kuk in addition to the three *ex officio* members from the Kuk. In this connection, I would simply like to reiterate that the arrangement agreed between Government and the Kuk is to ensure that the interest of the rural community is being adequately taken into consideration. As long as this understanding is observed it would not be appropriate to adopt a dogmatic approach during the formative period of the Regional Council and I can assure Mr. CHEUNG that the present arrangement will be reviewed in the light of future developments.

Question put and agreed to.

Bill read the second time.

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

CUSTOMS AND EXCISE SERVICE (AMENDMENT) BILL 1985

Resumption of debate on second reading (26 June 1985)

Question proposed.

Question put and agreed to.

Bill read the second time.

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

ELECTIONS (MISCELLANEOUS AMENDMENTS) BILL 1985

Resumption of debate on second reading (26 June 1985)

Question proposed.

MR. PETER C. WONG:—Sir, in introducing the second reading of this Bill, the Secretary for Administrative Services and Information explained at some length the purpose of the proposed amendments.

Unofficial Members have examined these provisions and are satisfied that to a large extent they are both necessary and justified.

However, discussions with the Administration have resulted in the following amendments, the majority of which may be described as fine-tuning—

1. Clause 9 amends section 12 of the District Board Ordinance. It provides for notice of resignation by a member of the District Board to be given to the Designated Officer instead of to the chairman as presently stipulated in the principal Ordinance. This change was considered inappropriate, especially when the District Boards are now chaired by unofficial members. To meet the Administration's argument that provision should be made for contingencies where, for example, no chairman has yet been elected, it has been agreed that such notice may be given to the chairman or the Designated Officer.
2. Clause 11(b) amends section 14 of the District Board Ordinance. This sub-clause will be suitably amended along the lines as agreed for clause 9. I will not bother Members with details.
3. Clause 19(a)(ii) amends section 14 of the Electoral Provisions Ordinance. The word 'next' in the phrase 'the next following year' appears to be redundant and will therefore be deleted.
4. Clause 26 amends section 3 of the Corrupt and Illegal Practices Ordinance. Unwittingly, a relevant provision in this section has been omitted. For obvious reasons, Sir, an amendment to rectify the omission would be in order.

Sir, the proposed amendments to clauses 9 and 11(b) would entail consequential amendments to clauses 16 and 20 of the Regional Council Bill 1985, which was debated earlier on this afternoon. With your permission, Sir, may I indicate now that at the committee stage of the Regional Council Bill, I shall be moving the relevant amendments as well as a technical amendment to clause 8(1)(d).

In conclusion, may I say that the Bill now before Council, though not involving important points of principle, is nevertheless fairly complex, containing no less than 28 clauses and six schedules, and amends a number of ordinances and items of subsidiary legislation. The passage of this Bill, Sir, will clear the way for elections to the Regional Council which will be formally established if the Regional Council Bill receives its third reading this afternoon.

Sir, subject to the agreed amendments, I support the motion.

SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION:—Sir, I am grateful for the careful study of the Bill by my Unofficial colleagues and for the constructive suggestions that have been so ably advanced on their behalf by Mr. Peter C. WONG.

The amendments to which Mr. WONG has referred will serve to improve the Bill, not least by removing the possibility of misunderstanding, and I am happy to say that they are supported by the Administration.

Sir, I beg to move.

Question put and agreed to.

Bill read the second time.

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

WATER POLLUTION CONTROL (AMENDMENT) BILL 1985

Resumption of debate on second reading (12 June 1985)

Question proposed.

DR. FANG:—Sir, a Legislative Council Ad Hoc Group has been set up under my convenership to study the Water Pollution Control (Amendment) Bill 1985 and the draft Water Pollution Control (General) Regulations. Having scrutinised these in great detail, we come to the conclusion that the Bill itself appears to be a straightforward, tidying-up exercise which seeks to clarify certain provisions of the Water Pollution Control Ordinance and we agree that this Bill should be allowed to proceed.

The Federation of Hong Kong Industries has, nevertheless, expressed concern about the possible impact that the proposed legislation will have on the oil industry, especially in the case of oil spillage. We have consulted the Administration which confirms that the Amendment Bill will not have any immediate effect on the oil industry.

With your permission, Sir, I would now like to speak on the draft Water Pollution Control (General) Regulations, which the Secretary for Health and Welfare had requested for comments when he introduced the Bill into this Council on 12 June 1985.

The Ad Hoc Group feels that the draft regulations would have wide-ranging implications and we have great reservations in its introduction. We have invited industrialists, factory owners and the public to present their views on the draft regulations. So far, only three representations have been received and they are from the Federation of Hong Kong Industries, the Hong Kong Printers and Dyers Association Ltd. and the Conservancy Association. The Federation of Hong Kong Industries maintains that the Water Pollution Control (General) Regulations 1985 should be further clarified and refined so that while the objectives of environmental protection are achieved, such regulations should not damage the flexibility of the manufacturing industry or inhibit industrial investment and re-investment. The Federation also presses that there should be close consultation with industry prior to the designation of additional Water Control Zones as the cost impact varies from one Water Control Zone to another. The Hong Kong Printers and Dyers Association Ltd. is of the opinion that the draft regulations are impractical; it is concerned about the extension of the Water Pollution Control Scheme to other parts of Hong Kong and requests that the passage of the draft regulations be deferred. On the other hand, the Conservancy Association supports the draft regulations and urges that they should be passed as soon as possible to prevent further deterioration of water quality in the territory.

The ad hoc group considers the present response to the draft regulations disappointing. We attribute the unenthusiastic response to the complicated procedures and technical terms in the draft regulations, which most people find it difficult to grasp. We are also given to understand that many industrialists and factory owners have the false impression that the regulations would only apply to Tolo Harbour. Since the pollution control in Tolo Harbour on industry would not be substantial, some industrialists do not take the trouble to respond when consulted.

In view of the above, Sir, may I request the Administration to carry out wider consultation and to report to this Council on the result of such further consultation before the definitive regulations are tabled. Such consultation should not be confined to industrial concerns but should include the general public who should be asked to study and comment on the draft regulations. It should also be pointed out clearly that while the draft regulations will only

apply to Tolo Harbour and Channel Water Control Zone initially, the only zone so far declared under the Ordinance, it is the intention of the Administration to declare Water Control Zones in other parts of Hong Kong.

Sir, depending on the response of the wider consultation, Unofficial Members would like to reserve the right to comment further on the regulations at a future date.

Sir, with these remarks, I support the motion.

SECRETARY FOR HEALTH AND WELFARE:—Sir, I am grateful to Dr. FANG and his colleagues on the Ad Hoc Group for their support for the Water Pollution Control (Amendment) Bill 1985.

Dr. FANG referred to the effect of the proposed deletion of section 8(3)(b) of the Water Pollution Control Ordinance, and I would like to make it clear that it is not the intention to replace existing controls on marine oil pollution under the Shipping and Port Control Ordinance by the Water Pollution Control Ordinance. The Director of Marine will remain the control authority under the former ordinance, under which all discharges containing oil are subject to control regardless of their concentration and source. However, the controls under the Shipping and Port Control Ordinance are only effective in practical terms in relation to the protection of the sea from discharges from ships, oil terminals, oil storage tanks, marine oil transfer operations, oil spills and so on. The proposed amendment aims to seal a loophole which makes the Water Pollution Control Ordinance incapable of controlling industrial discharges containing small concentrations of oil through the exemption and licensing system.

As regards Dr. FANG's comments on the draft Water Pollution Control (General) Regulations, I would like to reiterate what I said when proposing the second reading of this Bill on 12 June that extensive consultations were conducted with industrial organisations and individual firms which would be affected by the regulations. However in view of the Ad Hoc Group's comments I propose to arrange for further publicity to be given to the proposals to ensure that there is no doubt in the minds of those likely to be affected about what is intended both in the Tolo area and elsewhere.

With reference to Dr. FANG's request for a further report to this Council, I shall need to take advice on the most appropriate means of achieving this.

Sir, the state of the rivers and marine waters of the New Territories, as I explained in my answer to a recent question in this Council gives rise to a great deal of concern, and it is important that early action should be taken to improve the situation. I would like to assure Members however that the Government is conscious of the need to weigh very carefully the economic consequences of pollution control measures and accepts that a balanced approach is necessary. I believe that the draft regulations meet this requirement.

Sir, I beg to move.

Question put and agreed to.

Bill read the second time.

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

Committee stage of bills

Council went into Committee.

REGIONAL COUNCIL BILL 1985

Clauses 2 to 7, 9 to 15, 17, 18, 19, 21 to 59, 61 and 62 were agreed to.

Clauses 1 and 60

MR. F. K. HU:—I move that clause 1 be amended and clause 60 be deleted as set out in the paper circulated to Members for the reasons stated in my earlier debate.

Proposed amendment

Clause 1

That clause 1 be amended—

- (a) by being renumbered as subclause (1) thereof;
- (b) in subclause (1), by inserting after ‘and’ the following—
‘subject to subsection (2),’;
- (c) by inserting after subclause (1) the following—
‘(2) Part IX shall come into operation on 1 March 1986.’.

Clause 60

That the Bill be amended by deleting clause 60.

The amendments were agreed to.

Clause 1, as amended, was agreed to.

The deletion of clause 60 was agreed to.

Clauses 8, 16 and 20

MR. PETER C. WONG:—I move that clauses 8, 16 and 20 be amended as set out in the paper circulated to Members for the reasons stated in my speech.

Proposed amendments

Clause 8

That clause 8(1)(d) be amended by inserting after ‘30 April’ the following—
‘of the year’.

Clause 16

That clause 16 be amended by deleting ‘Secretary’ wherever it occurs and substituting the following—
‘Chairman or Secretary’.

Clause 20

That clause 20 be amended by inserting after ‘Chairman’ the following—
‘or, if no Chairman has been elected under section 22, the Secretary’.

The amendments were agreed to.

Clauses 8, 16 and 20, as amended, were agreed to.

New clause 63. ‘Interpretation.’

New clause 64. ‘District Board may elect first representative member.’

New clause 65. ‘Voting Procedure.’

New clause 66. ‘First representative member where no election held under section 64.’

New clause 67. ‘Tenure and acceptance of office of first representative member.’

Clauses read the first time and ordered to be set down for second reading pursuant to Standing Order 46(6).

MR. F. K. HU:—In accordance with Standing Order 46(6) I move that new clauses 63 to 67 as set out in the paper circulated to Members be read a second time.

Question put and agreed to.

Clauses read the second time.

MR. F. K. HU:—Sir, I move that new clauses 63 to 67 be added to the Bill.

Proposed Addition

New Clause

New Clause 63 to 67

New Part. IX That the Bill be amended by inserting after clause 62 the following—

‘PART IX
FIRST REPRESENTATIVE MEMBERS

Interpretation.
(Cap. 366.)

63. In this Part—

‘District Board’ means a District Board established under section 5 of the District Boards Ordinance.

‘Regional Council’ means the Regional Council referred to in section 3;

‘Regional Council area’ has the meaning assigned to it in the District Boards Ordinance;

‘representative member’ means a person who has been elected to act as a representative member of the Regional Council under section 8.

District Board may elect first representative member.

64. (1) A District Board in the Regional Council area may at a meeting of that District Board held not earlier than 1 March 1986 or later than 31 March 1986 elect 1 of its members to be the first representative member of the Regional Council in accordance with the voting procedure specified in section 65 and, subject to this part, according to such procedure as the District Board may determine by its standing orders.

(2) In any election held under subsection (1) a District Board in the Regional Council area shall not elect more than 1 of its members to be a first representative member of the Regional Council.

(3) The chairman of a District Board which holds an election under subsection (1) shall as soon as practicable give notice in writing to the Governor of the result of that election.

(4) Notice of the election of any person under this section shall be published in the Gazette.

(5) In an election under this Schedule no person shall have a casting vote in addition to a deliberative vote.

(6) Notwithstanding anything in this Ordinance, a person elected under this section shall be deemed to be a first representative member of the Regional Council.

Voting

65. (1) The election of a first representative member procedure under section 64(1) shall be conducted by means of 1 or more secret ballots held—

(a) among those present and entitled to vote on the occasion of such election; and

(b) in accordance with the following subsections.

(2) Subject to subsections (4) and (5) a candidate who receives an absolute majority of votes shall be deemed to be elected.

(3) Where there are 2 candidates and each receives an equal number of votes a further ballot shall be held.

(4) Where there are more than 2 candidates and no candidate receives an absolute majority of votes then—

(a) the candidate who receives the least number of votes shall be deemed to have retired;

(b) if 2 or more candidates receive an equal number of votes and such number is the least number of votes a further ballot shall be held in respect of these candidates and the candidate who receives the least number of votes shall be deemed to have retired,
following which, in either case, a further ballot shall be held.

(5) If after a further ballot held under subsection (3) or (4) an equal number of votes is again received by the same candidates, lots shall be drawn and—

(a) the candidate on whom the lot falls shall be deemed to have retired; and

(b) if one candidate remains, that candidate shall be deemed to be elected, otherwise a further ballot shall be held.

- First representative member where no election held under section 64. (2 of 1985.)
- 66.** Where a District Board does not hold an election under section 64(1) the person who immediately before the commencement of Parts I to VIII of this Ordinance was a member of the Provisional Regional Council elected by that District Board under section 5(2) of the Provisional Regional Council Ordinance 1985 shall be deemed to be the first representative member for that District Board of the Regional Council.
- Tenure and acceptance of office of first representative
- 67.** A first representative member elected under section 64 and referred to in section 66 shall—
- (a) subject to this Ordinance, hold office from 1 April 1986 until 31 March of the year in which the next ordinary election is held for District Boards; and
 - (b) comply with section 15 (acceptance of office) as if April 1986 were the date of publication in the *Gazette* of the notification of his election to act as a representative member.’.

The addition of the new clauses were agreed to.

First to Fourth Schedules were agreed to.

CUSTOMS AND EXCISE SERVICE (AMENDMENT) BILL 1985

Clauses 1 to 11 were agreed to.’

The Schedule was agreed to.

ELECTIONS (MISCELLANEOUS AMENDMENTS) BILL 1985

Clauses 1 to 8, 10, 12 to 18, 20 to 25, 27 and 28 were agreed to.

Clauses 9, 11, 19 and 26

MR. PETER C. WONG:—Sir, I move that clauses 9, 11, 19 and 26 be amended as set out in the paper circulated to Members for the reasons stated in my speech.

Proposed amendments

Clause 9

That clause 9 be amended—by deleting ‘Designated Officer’ and substituting the following—

‘Chairman or Designated Officer’.

Clause 11

That clause 11(*b*) be amended by inserting after ‘Chairman’ where it secondly occurs the following—

‘or, if no Chairman has been elected under section 15, the Designated Officer’.

Clause 19

That clause 19(*a*)(*ii*) be amended by deleting ‘next’ where it secondly occurs.

Clause 26

That the Bill be amended by deleting clause 26 and substituting the following—

‘Amendment of. **26.** Section 3 of the third principal Ordinance is amended—
section 3.

(a) by inserting after paragraph (*ab*) the following—

“(ac) the Regional Council and to any election to fill vacancies for elected members of the Regional Council;”;

(b) *by being renumbered as subsection (1) thereof; and*

(c) by inserting after subsection (1) the following—

“(2) This Ordinance shall not apply to the election by members of a District Board of a representative member to the Regional Council.”.’.

The amendments were agreed to.

Clauses 9, 11, 19 and 26, as amended, were agreed to.

First to Sixth Schedules were agreed to.

WATER POLLUTION CONTROL (AMENDMENT) BILL 1985

Clauses 1 to 6 were agreed to.

Council then resumed.

Third reading of bills

THE FINANCIAL SECRETARY reported that the

CUSTOMS AND EXCISE SERVICE (AMENDMENT) BILL and the

WATER POLLUTION CONTROL (AMENDMENT) BILL

had passed through Committee without amendment and the

REGIONAL COUNCIL BILL and the

ELECTIONS (MISCELLANEOUS AMENDMENTS) BILL

had passed through Committee with amendments and move the third reading of each these Bills.

Question put on each Bill and agreed to.

Bills read the third time and passed.

UNOFFICIAL MEMBER'S BILL**LLOYDS BANK (MERGER) BILL 1985****Resumption of debate on second reading (26 June 1985)**

Question proposed.

MR. BROWN:—Sir, following the introduction of the Lloyds Bank (Merger) Bill into this Council on June 26, it has been suggested that the provisions of the Bill may have unintentional extra-territorial application. After careful consideration and detailed scrutiny, I accept that it is desirable that the original Bill should be amended to remove any possible doubts in this area. In order to enable this to be achieved, I shall move amendments in the committee stage to recognise, *inter alia*, the effect of the UK Lloyds Bank (Merger) Act.

Although, at first sight, the amendments may seem rather radical, especially since they leave only six of the original clauses untouched, I can assure Members they do little more than alter the way in which the original objectives may be achieved. The amendments to the definition of 'appointed day' and to section 3 simply ensure that Hong Kong will never be out of step with the United Kingdom. In other words, if Lloyds Bank appoints a day for purposes of the UK Lloyds Bank (Merger) Act, then that date will automatically be appointed for purposes of the Hong Kong Ordinance.

The new clause 4 gives effect to the vesting pursuant to the UK Act. In this connection, I should add that there are arguments in favour of the proposition that the UK Act is in itself sufficient for purposes of Hong Kong to effect the vesting. However, it is by no means certain that these arguments are correct and this is of course the reason for introducing the Bill into this Council. Other amendments, which I shall propose later on in the committee stage, are all minor and consequential.

Sir, I beg to move.

Question put and agreed to.

Bill read the second time

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

Committee stage of bill

Council went into Committee.

LLOYDS BANK (MERGER) BILL 1985

Clauses 1, 7, 9, 13, 14 and 15 were agreed to.

Clauses 2 to 6, 8, 10, 11 and 12

MR. BROWN:—Sir, I move that clauses 2 to 6, 8, 10, 11 and 12 be amended as set out in the paper circulated to Members.

Proposed amendments

Clause 2

That clause 2 be amended—

(1) in subclause (1)—

(a) by deleting the definition of ‘appointed day’ and substituting the following—
‘“appointed day” means—

(a) the day appointed for the general purposes of the UK Act under section 3 thereof; or

(b) in relation to any part of the undertaking, the day appointed under section 3 of the UK Act for that part;’;

(b) by inserting after the definition of ‘security’ the following definition—
 “‘UK Act’ means the Lloyds Bank (Merger) Act 1985;” and

(2) in subclause (2) by deleting ‘this Ordinance’ and substituting the following—

‘the UK Act’.

Clause 3

That the Bill be amended by repealing clause 3 and substituting the following—

‘Notice of appointed day. (3.) Lloyds shall give notice in the *Gazette* of the day appointed as the appointed day for the general purposes of the UK Act under section 3 thereof.’.

Clause 4

That the Bill be amended by repealing clause 4 and substituting the following—

‘Recognition of vesting of LBI’s undertaking in Lloyds. (4.) It is declared that—
 (a) subject to paragraph (b), on the appointed day for the general purposes of the UK Act, the undertaking shall, by virtue of the UK Act and without further assurance, be deemed for the purposes of Hong Kong law to have vested in Lloyds as if in all respects Lloyds were the same person in law as LBI;
 (b) if, pursuant to section 4(3) of the UK Act, Lloyds appoints a day for the vesting of any part of the undertaking which is later than the appointed day for the general purposes of the UK Act, that part of the undertaking shall, by virtue of the UK Act and without further assurance, be deemed for the purposes of Hong Kong law to have vested in Lloyds on such later day.’.

Clause 5

That clause 5 be amended in subclause (1) by inserting after ‘Any property’ the following—

‘deemed to be’.

Clause 6

That clause 6 be amended—

- (1) by deleting ‘in relation to the undertaking or any part thereof—’ and substituting the following—
 - ‘with respect to matters within Hong Kong or subject to the laws of Hong Kong—’.
- (2) in paragraph (*h*), by deleting ‘becomes’ and substituting the following—
 - ‘is deemed to become’.

Clause 8

That clause 8 be amended—

- (1) in subclause (1), by deleting ‘the LBI Pension Scheme’ and substituting the following—
 - ‘fund established in Hong Kong and known as’; and
- (2) in subclause (2)—
 - (a) by deleting ‘the Lloyds Bank Pension Scheme or any other pension fund established by’ and substituting the following—
 - ‘any pension fund of’;
 - (b) by deleting ‘LBI Pension Scheme’ and substituting the following—
 - ‘any pension fund of LBI’.

Clause 10

That clause 10 be amended—

- (1) in subclause (1), by inserting after ‘banker’s records of LBI’ the following—
 - ‘deemed to be’; and
- (2) in subclause (2), by inserting after ‘which’ where it firstly appears the following—
 - ‘are deemed to’.

Clause 11

That clause 11(2) be amended—

- (1) in paragraph (*a*)—
 - (a) in sub-paragraph (i), by inserting after ‘is’ the following—
 - ‘deemed to be’;
 - (b) in sub-paragraph (ii), by inserting after ‘is not’ the following—
 - ‘deemed to be’.

- (2) in paragraph (b)—
 - (a) in sub-paragraph (i), by inserting after ‘or liabilities were’ the following—
‘deemed to be’;
 - (b) in sub-paragraph (ii), by inserting after ‘were not’ the following—
‘deemed to be’; and
- (3) in paragraph (c), by inserting after ‘date so specified’ the following—
‘deemed to be’.

Clause 12

That clause 12 be amended by inserting after ‘The’ the following—
‘deemed’.

The amendments were agreed to.

Clauses 2 to 6, 8, 10, 11 and 12, as amended, were agreed to.

Council then resumed.

Third reading of bill

Mr. BROWN reported that the

LLOYDS BANK (MERGER) BILL

has passed through Committee with amendments and moved the third reading of the Bill.

Question put on the Bill and agreed to.

Bill read the third time and passed.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on Wednesday, 24 July 1985.

Adjourned accordingly at half past four o'clock.