

OFFICIAL REPORT OF PROCEEDINGS**Meeting of 30th December, 1953.****PRESENT:**

HIS EXCELLENCY THE GOVERNOR (*President*).

SIR ALEXANDER WILLIAM GEORGE HERDER GRANTHAM, G.C.M.G.

HIS EXCELLENCY THE COMMANDER BRITISH FORCES

LIEUTENANT-GENERAL SIR TERENCE AIREY, K.C.M.G., C.B., C.B.E.

THE HONOURABLE THE COLONIAL SECRETARY

MR. ROBERT BROWN BLACK, C.M.G., O.B.E.

THE HONOURABLE THE ATTORNEY GENERAL

MR. ARTHUR RIDEHALGH, Q.C.

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS

MR. RONALD RUSKIN TODD.

THE HONOURABLE THE FINANCIAL SECRETARY

MR. ARTHUR GRENFELL CLARKE, C.M.G.

THE HONOURABLE THEODORE LOUIS BOWRING, O.B.E.

(*Director of Public Works*).

THE HONOURABLE DOUGLAS JAMES SMYTH CROZIER

(*Director of Education*).

THE HONOURABLE KENNETH MYER ARTHUR BARNETT, E.D.

(*Director of Urban Services*).

DR. THE HONOURABLE JAMES MALCOLM LISTON

(*Acting Director of Medical and Health Services*).

DR. THE HONOURABLE CHAU SIK NIN, C.B.E.

THE HONOURABLE CEDRIC BLAKER, M.C., E.D.

THE HONOURABLE CHARLES EDWARD MICHAEL TERRY.

THE HONOURABLE LO MAN WAI, O.B.E.

THE HONOURABLE NGAN SHING-KWAN.

THE HONOURABLE DHUN JEHANGIR RUTTONJEE.

THE HONOURABLE KWOK CHAN, O.B.E.

DR. THE HONOURABLE ALBERTO MARIA RODRIGUES, M.B.E., E.D.

MR. ROBERT WILLIAM PRIMROSE (*Deputy Clerk of Councils*).

MINUTES.

The Minutes of the Meeting of the Council held on 16th December, 1953, were confirmed.

PAPERS.

THE COLONIAL SECRETARY, by Command of His Excellency the Governor, laid upon the table the following papers:—

	<i>Subject</i>	<i>G.N. No.</i>
The Stamp Ordinance, Chapter 117.		
	The Stamp (Bank Authorization) (No. 3) Order, 1953	A. 178
The Defence (Finance) Regulations, 1940.		
	The Possession of Gold (Goldsmiths) (Amendment) (No. 11) Order, 1953	A. 179

MIDWIVES (AMENDMENT) BILL, 1953.

DR. J. M. LISTON moved the First reading of a Bill intituled "An Ordinance to amend the Midwives Ordinance, Chapter 162". He said: The purpose of this Bill, Sir, is fully set forth in the Objects and Reasons to which I feel that there is nothing I can profitably add.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a First time.

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows:—

1. It is desired to amend the regulations governing the training of midwives and in particular to make provision for suitable training schools. The Bill, therefore, amplifies the powers to make regulations in this matter.

2. Under section 4 of the principal Ordinance, the Board may after inquiry decide to remove from the roll the name of any midwife. Since this inquiry is of a quasi-judicial nature, it is desirable that appeals under section 6 from the Board's

decision should go to a judge of the Supreme Court instead of to the Governor in Council. Clause 3 of the Bill makes this amendment to the Ordinance.

3. The Bill further provides that the enrolment fees for women wishing to practise as midwives in the Colony shall be the same as for nurses.

PHARMACY AND POISONS (AMENDMENT) BILL, 1953.

DR. J. M. LISTON moved the First reading of a Bill intituled "An Ordinance to amend the Pharmacy and Poisons Ordinance, Chapter 138". He said: The purpose of this Bill, Sir, is also clearly stated in the Objects and Reasons.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a First time.

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows:—

1. Section 18 of the Ordinance imposes restrictions on the sale of poisons in Part I and Part II of the Poisons List. The Poisons Regulations also divide poisons into seven lists. The First List consists of poisonous substances which are subject to more stringent provisions than are applicable to other poisons. It is the poisons in this List to which the provisions of section 19(2) of the Ordinance are intended to apply.

2. The purpose of this Bill is therefore to make the provisions of section 19(2) applicable to the First List of poisons rather than to the poisons in Part I of the Poisons List.

SUPPLEMENTARY APPROPRIATION (1952-53) BILL, 1953.

THE FINANCIAL SECRETARY moved the Second reading of a Bill intituled "An Ordinance to authorize a supplementary appropriation to defray the charges of the financial year ended the 31st day of March, 1953".

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Second time.

Council then went into Committee to consider the Bill clause by clause.

Clauses 1 and 2, the Schedule and the Preamble were agreed to.

Council then resumed.

THE FINANCIAL SECRETARY reported that the Supplementary Appropriation (1952-53) Bill, 1953 had passed through Committee without amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Third time and passed into law.

COMPULSORY SERVICE (AMENDMENT) BILL, 1953.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Compulsory Service Ordinance, 1951".

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Second time.

Council then went into Committee to consider the Bill clause by clause.

Clauses 1 and 2 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Compulsory Service (Amendment) Bill, 1953 had passed through Committee without amendment, and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Third time and passed into law.

VEHICLE AND ROAD TRAFFIC (AMENDMENT) BILL, 1953.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Vehicle and Road Traffic Ordinance, Chapter 220".

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Second time.

Council then went into Committee to consider the Bill clause by clause.

Clauses 1 and 2 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Vehicle and Road Traffic (Amendment) Bill, 1953 had passed through Committee without amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Third time and passed into law.

URBAN COUNCIL (AMENDMENT) (No. 2) BILL, 1953.

MR. K. M. A. BARNETT moved the Second reading of a Bill intituled "An Ordinance to amend the Urban Council Ordinance, Chapter 101".

THE COLONIAL SECRETARY seconded.

MR. LO MAN WAI:—Sir, I have a few remarks to make on this Bill, not because I oppose the enlargement of the franchise for the election of members of the Urban Council.

If the franchise is to be widened, the case for the inclusion of those persons specified in Section 2 Subsections (i), (ii) and (iii) of the Bill seems pretty obvious. I feel there is no need for me to say anything on this part of the Bill.

I desire to confine my observations to Section 2 Subsection (iv) of this Bill.

Sir, I have to admit I was a bit puzzled by this clause. My Honourable Friend, the Chairman of the Urban Council stated in his speech in introducing the Bill on its first reading, that this clause was to give effect to one of the recommendations of the report of the Unofficial Members of the Urban Council, with certain modifications. At the first reading, I had not a copy of this report. When I tried to understand this clause simply in the light of my Honourable Friend's speech, I found myself in a difficulty.

My difficulty is with the words "personal tax". That it has reference to a tax under the Inland Revenue Ordinance is clear because the persons paying such a tax under this clause have to obtain a certificate from the Commissioner of Inland Revenue. Now we are all aware that the taxes payable under this Ordinance are classified under five categories, namely:—

1. Corporation Profit Tax.
2. Business Profit Tax.
3. Salaries and Annuities Tax.
4. Interest Tax.
5. Property Tax.

What then is a personal tax? Clearly it cannot mean a tax on a person as such, like a poll tax, for we have no such tax in Hong Kong. As all the taxes payable under the Inland Revenue Ordinance are ultimately borne by persons except taxes deducted on shares owned by a corporation, it may be argued that the personal tax would include all taxes paid under the Inland Revenue Ordinance except the Corporation Profit Tax. And I am not sure one cannot obtain an opinion from eminent counsel that, as a corporation is a legal person, Corporation Profit Tax is also a personal tax.

Having not a clear idea of the meaning and effect of this clause, I therefore called upon my Honourable Friend, the Chairman of the Urban Council. He was kind enough to give me the background which led to this Bill being introduced before this Council and referred to me the report of the Unofficial Members of the Urban Council. Having studied this report, it seems to me what is meant by "personal tax" in the report is personal assessment under Section 41 of the Inland Revenue Ordinance. This being the case, I trust that to remove any doubt or misconception, this clause will be amended at the Committee Stage accordingly.

However, even with the suggested amendment, there are several features of this clause on which I feel bound to comment.

This clause is an attempt for the first time to extend the franchise to persons paying tax under the Inland Revenue Ordinance. But the amount of tax paid under the Salaries and Annuities Tax comes to less than 9% of the total and the amount of tax paid under personal assessment comes to less than 2%.

Then again a proprietor of a large firm does not get a vote under this clause while his employee will be enfranchised. Let me illustrate this point by an example. A proprietor of a firm employs a manager at a salary of \$2,000 a month. The firm makes a profit of \$1,000,000. He pays a tax amounting to more than one lakh under the Business Profit Tax. He does not choose to be taxed under the Personal Assessment because under Personal Assessment he would have to pay more than the

standard rate of 12½%. His manager pays a salary tax. The proprietor therefore has no vote while his employee is given the vote.

Another thing which struck me about this clause is that the majority of the persons who pay a salary tax would be eligible to vote under Section 3 of the Principal Ordinance as amended by the present Bill.

Sir, while making these comments, I fully appreciate the difficulties inherent in any legislation, the object of which is to base the franchise on payment of taxes.

It seems to me, having studied their report, the Unofficial Members of the Urban Council also realize these difficulties and it is for this reason that their recommendation is so restricted.

I know they have devoted a great deal of time and attention to this problem, and I feel it is beyond my capacity to improve on their efforts at this late stage. I shall therefore vote for this Bill provided it is amended in manner indicated above.

Sir, before concluding, may I refer to a small matter. Had I been furnished with a copy of the report on which this Bill is based at the first reading, my task in understanding this Bill would have been easier. May I express the hope that, in future, the Unofficial Members of this Council would not be so handicapped?

MR. K. M. A. BARNETT:—Sir, I should like to thank my Honourable Friend Mr. Lo for having pointed out the ambiguity in sub-paragraph (iv). An amendment to clarify the paragraph has been prepared and will be moved at the Committee stage. With regard to my Honourable Friend's concluding point I apologize, Sir, for having omitted when moving the First reading of this Bill to refer Honourable Members to the daily press of 27th October, 1952, in which the full text of the recommendations made by the Unofficial Members of the Urban Council was published.

The question was put and agreed to.

The Bill was read a Second time.

Council then went into Committee to consider the Bill clause by clause.

Clause 1 was agreed to.

Clause 2:

MR. K. M. A. BARNETT:—Clause 2 (*b*): Sir, I move the amendment of sub-paragraph (iv) of paragraph (*b*) of the new sub-section 4-A as shown in the paper, copies of which are in the hands of Honourable Members.

The clause, as amended, was agreed to.

Council then resumed.

MR. K. M. A. BARNETT reported that the Urban Council (Amendment) (No. 2) Bill, 1953 had passed through Committee without material amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Third time and passed into law.

ADDRESS BY THE GOVERNOR.

Honourable Members, I am sure that I am voicing the sentiments of every member of this Council, indeed of the whole Colony, when I express my sympathy to all those who have suffered from the terrible catastrophe at Shek Kip Mei. The only consolation that we have is that the casualties were low.

In a disaster of this magnitude the first essential is to feed the people and to care for the sick. This has been done and is being done. The second essential is to clothe those who are in need of it. This again has been done and is being done. The third essential is to house those who have been rendered homeless. This is the most difficult task of all in view of the numbers involved. The total is roughly equal to the whole of the population of Tsun Wan, or of a fair sized town in England. There is little accommodation immediately available, for we have no really large buildings that will be suitable, whilst the overcrowding that exists in all our domestic buildings is well known. Therefore all that is possible at the moment is to house the very young, the aged and the sick. This is being done. The rest will for the time being have to take shelter under verandahs. The necessary water, latrine and washing facilities are being provided. However, it is Government's intention to rehouse these people on the existing site at the earliest possible moment. This means that the site must be cleared, and clearing has already started. As soon as the site has been cleared and roads and drains provided rows of simple houses of fire-proof construction will be erected by Government and fire victims will be allocated to them. They will be required to pay a small rent, probably a good deal less than they were paying in those

dreadful dwellings that have just been burnt down. If there is not accommodation on the site for all, the balance will be rehoused elsewhere.

Those are the immediate problems and plans. They will require much effort and considerable money: probably as much as \$16 millions from Government funds. The greater part of this expenditure, of course, will be for feeding, site clearing and more particularly housing. None the less I am quite sure that this Council will vote whatever is necessary. Meanwhile there is still urgent need to help the victims in other ways and I therefore hope that subscriptions will continue to pour in from the public.

It has been a terrible disaster, but the help that has been given by all and sundry has been truly magnificent. Never before in Hong Kong have I seen such a display of neighbourliness. The way in which the voluntary organizations, the kaifong, the churches, the Army, private individuals, Government departments and officials, the way in which all these swung into action with speed and intelligence was most heartening and also most efficient. Truly it may be said that out of tragedy has come kindness.

DR. CHAU SIK-NIN:—Your Excellency, as Senior Unofficial Member and on behalf of my Unofficial Colleagues I wish to associate myself with your expression of sympathy which I know will be gratefully appreciated not only by the sufferers but by the whole Colony.

The community is gratified to learn of the swift relief that has been rendered by Government and the voluntary organizations to the victims of this tragic disaster and of the planned and practical measures that are being instituted to rehouse them with all possible speed. The stricken will be heartened by your words, Sir, just as they have been comforted by that kindness of which you have spoken—the spontaneous and overwhelming charity manifested by all sections of the community.

ADJOURNMENT.

H. E. THE GOVERNOR:—That concludes the business, Gentlemen. When is it your pleasure that we should meet again?

ATTORNEY GENERAL:—May I suggest this day fortnight?

H. E. THE GOVERNOR:—That will be next year, so I shall take this opportunity of wishing you all a very happy new year. Council will adjourn to this day fortnight.