OFFICIAL REPORT OF PROCEEDINGS

Meeting of 28th March, 1956.

PRESENT:

HIS EXCELLENCY THE GOVERNOR (PRESIDENT)

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

THE HONOURABLE THE COLONIAL SECRETARY

MR. EDGEWORTH BERESFORD DAVID, C.M.G.

THE HONOURABLE THE ATTORNEY GENERAL

MR. ARTHUR HOOTON, Q.C. (Acting).

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS

MR. BRIAN CHARLES KEITH HAWKINS, C.M.G., O.B.E.

THE HONOURABLE THE FINANCIAL SECRETARY

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

THE HONOURABLE THEODORE LOUIS BOWRING, C.M.G., O.B.E.

(Director of Public Works).

DR. THE HONOURABLE YEO KOK CHEANG, C.M.G.

(Director of Medical and Health Services).

THE HONOURABLE DAVID RONALD HOLMES, M.B.E., M.C.

(Director of Urban Services).

THE HONOURABLE PATRICK CARDINALL MASON SEDGWICK

(Commissioner of Labour).

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

THE HONOURABLE CHARLES EDWARD MICHAEL TERRY, O.B.E.

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

THE HONOURABLE NGAN SHING-KWAN, O.B.E.

THE HONOURABLE DHUN JEHANGIR RUTTONJEE.

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

THE HONOURABLE KWOK CHAN, O.B.E.

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

MR. CHARLES RAYMOND LAWRENCE (Deputy Clerk of Councils).

ABSENT:

HIS EXCELLENCY THE COMMANDER BRITISH FORCES
LIEUTENANT-GENERAL WILLIAM HENRY STRATTON, C.B., C.V.O., C.B.E., D.S.O.

MINUTES.

The Minutes of the meeting of the Council held on 21st March, 1956, were confirmed.

PAPERS.

The Colonial Secretary, by Command of His Excellency the Governor, laid upon the table the following papers: —

Subject. G. N. No

Sessional Paper, 1956: —

No. 13—Annual Report by the Director of Education for the year 1954/55.

Merchant Shipping Ordinance, 1953.

Merchant Shipping (Control of Ports) (Amendment)

Regulations, 1956 A. 18.

Ferries Ordinance.

REPORT OF THE SELECT COMMITTEE ON THE ESTIMATES FOR 1956-57.

Resumption of Debate.

Dr. Yeo Kok Cheang: —I wish to thank my honourable Colleagues, the Senior Unofficial Member and Dr. A. M. Rodrigues, for the interest they have shown in my Department. They may rest assured that the question of training the necessary specialists and other staff for the new Kowloon Hospital is already receiving attention. The nurses training school is being expanded so that when the time comes the necessary staff will be available. Arrangements will also be made for suitable members of my medical staff to obtain the necessary qualifications and experience in order to provide the specialists required for the new hospital.

It has not proved possible to obtain a qualified hospital physicist as yet, either locally or abroad, but inquiries are still being pursued and there are indications that an Australian candidate may be forthcoming for a limited period. The question of

arranging for local University graduates with Honours Degrees in Physics to proceed abroad for specialized training is under consideration.

The suggestion that private practitioners should be recruited on a part-time basis to provide a better service in the out-patient clinics would not solve the present problem of congestion. In my view the existing clinics are fully staffed and cannot accommodate any additional staff, so that before the service to the public can be improved it will be necessary to provide additional accommodation.

On the other hand I do agree that it may be possible to utilize private practitioners in the school health service and this proposal is at present under investigation by Government. My honourable Colleagues may rest assured that every consideration will be given to this suggestion.

Mr. T. L. Bowring: — Your Excellency, the honourable the Senior Unofficial Member and the honourable Ngan Shing-Kwan have raised the question of the deficiency of our water supply, and the possible use of distillation of sea water was mentioned.

I can assure honourable Members that the limited supply of water in the Colony is a continual source of worry to my Department and that methods of augmenting it, including the possible use of distillation of sea water, are constantly being studied.

Unfortunately, Sir, no system of distillation has yet been evolved which can compete in cost, on the scale required in Hong Kong, with the storage of rain water. As honourable Members are aware, in Hong Kong, unlike some places where distillation has been adopted, there is usually plenty of rain fall available—the deficiency lies in facilities for storing, filtering and distributing it.

Honourable Members will be interested to know that information obtained from the Department of Water and Power of the City of Los Angeles shows that the minimum cost of supplying water in that City by distillation processes is some ten times greater than that of obtaining fresh water from impounded rainfall. There is no reason to believe that the relative cost in

Hong Kong would differ to an appreciable extent, and bearing in mind the value of land in the Colony it might cost even more than ten times as much.

It is possible, Sir, that the position may remain the same until nuclear power is available on a commercial basis, and from information to hand in a White Paper issued by the United Kingdom Government in February 1955, this may well be fifteen to twenty years ahead.

Meanwhile, therefore, it is obvious that the only method of increasing our water supplies without a large increase in unit cost to the consumer is to develop our surface resources, and investigations to this end, as honourable Members are aware, are now in hand. It will be appreciated, however, that no definite statement can be made until the investigations on Lantao Island are completed, but honourable Members may rest assured that these investigations will be pursued with the utmost despatch.

The honourable Nagan Shing-Kwan referred also to Stage III of the Central Reclamation Scheme and recommended that it be commenced as soon as practicable.

The preparation of the plans and contract documents for the construction of the seawall and for the dredging and sand filling of the foundation trench will be put in hand immediately the estimates have been approved.

Tenders will be invited for the construction of the seawall, but as there is now only one firm of contractors in Hong Kong with the necessary equipment for the dredging and sand filling of the foundation trench a contract for this work will have to be negotiated.

All this will take time, Sir, but provided that the requirements of the Kai Tak Airport contract will permit of the dredging equipment being made available when the planning and preliminary work has been completed, it is hoped to commence the construction of the seawall towards the end of this year.

With regard to my honourable Friend's comments in connexion with the provision of kerbs and railings to lessen the risk of vehicles running into the harbour, I have this matter under active review and would hope to find a compromise acceptable not only to the Port Committee and Traffic Advisory Committee but also to my colleague the Honourable Financial Secretary.

The Honourable Cedric Blaker has urged that the new Building Regulations be expedited in every way.

The position is that all the recommendations of the Buildings Regulations Committee have been drafted and are now with the Secretariat for placing before Executive Council at an early date, but in view of the time required in connexion with the printing of new forms and other stationery requirements, it will not be possible to bring the new Buildings Ordinance and Building Regulations into force before the 1st June.

It is proposed, however, that once the draft Regulations have been approved, the Building Authority will consider tentative plans submitted under the new Ordinance, although of course no formal approval of the plans can be given until 1st June.

Dr. the Honourable A. M. Rodrigues referred to the preparation of a master plan for the Colony, but I would ask, Sir, what is a master plan? If by a master plan the honourable Member means a blue-print of an expanded and redesigned Hong Kong ten, fifteen or twenty years ahead, I would venture to suggest that had such a plan been prepared four or five years ago it would now be out of date due to many factors. These factors include the building of large blocks of flats for the resettlement of squatters on sites where fires have occurred, such as Shep Kip Mei and Tai Hang Tung, the re-siting of the runway at Kai Tak, the proposal to build a cross harbour vehicular tunnel, and the decision to proceed with several reclamation projects during the past few years.

Furthermore, had a master plan been prepared in 1948 based on the report of Sir Patrick Abercrombie which envisaged an utimate population of two million, and could not foresee the phenomenal rate of development in the succeeding years it would have been out-moded several years ago, and I am of the opinion that the same would happen to a plan for Hong Kong prepared today.

If there is too much planning, Sir, which might be the case were a large planning department set up, it is doubtful whether the Colony could afford to implement the proposals, or whether the public would tolerate the disturbances which enforced planning would create. If on the other hand there is too little planning, as may be the case at present, development is likely to be retarded or proceed along undesirable lines.

Government is of the opinion that somewhere between these two courses lies the most suitable planning organization for Hong Kong.

The present small section of the Crown Lands & Survey Office has achieved much in the way of physical planning since it was formed in 1953, but as at present staffed it is hard-pressed to deal with the volume of work that is necessary if planning is to keep ahead of development; it may be necessary therefore to augment the staff of this sub-department from time to time. With this object in view provision has been made in the Estimates for the appointment of an Engineer to draw up an overall plan for road improvements, and further staff may be required in the near future.

In conclusion, Sir, I should like to thank my honourable Friend Dr. Rodrigues for his reference to the cost of the Star Ferry Piers. During the past five years the Public Works Department has carried out work costing a little over \$238 million. Owing to unforeseen circumstances some works have been under estimated, whilst on others anticipated difficulties have not materialized and there has been a saving on the estimated cost; but I am confident that if all the estimates for works carried out by the Department during the past five years were added together the total would very closely approximate \$238 million.

THE ATTORNEY GENERAL: —Your Excellency, I am happy to have this opportunity of making a few comments upon certain matters which have been touched upon by my honourable Friend, Mr. M. W. Lo.

Sir, he urged that the new Traffic Regulations which are being drafted should be given top priority in my department. I can assure him that, notwithstanding numerous other calls for the drafting of legislation, they are indeed receiving such priority. In September last year it was planned to replace the existing regulations with 6 new sets of regulations as follows:

- (1) Construction and Use Regulations;
- (2) Driving Regulations;
- (3) Driving Licences Regulations;
- (4) Registration and Licensing Vehicles Regulations;

- (5) Roads and Signs Regulations;
- (6) Public Vehicle Regulations.

Sir, drafts of the first 4 sets of these regulations were prepared before the end of January this year and these are now being scrutinized by other interested departments. It is not practical to start drafting the remaining 2 sets of regulations until some measure of approval has been given to those already drafted.

Sir, I think it must be accepted that it is necessary to enforce Traffic Regulations. It is essential to keep traffic on the move and unauthorized parking and obstruction has got to be prevented in order to achieve this aim. However, I think my honourable Friend's statement that the Police Force is too prone to regard every breach however trivial as worthy of a summons is somewhat exaggerated, and not supported by the figures. In the first two months of this year whilst 3,999 summonses for alleged traffic offences were applied for, 1,201 written warnings and 1,431 verbal warnings were issued. Reports of police officers are vetted by a responsible traffic officer, one on the Island and one in Kowloon. This officer, having regard to all pertinent factors such as the prevalent conditions in the road where the reported offence took place and the other circumstances of the commission of the offence, decides whether a summons should be applied for or not.

Further, whenever during the past 6 months it has been decided that, in the interest of keeping the traffic moving parking must be prohibited in certain roads or section of roads, forms are prepared for issue to drivers parking their cars in those roads and, in the case of residential areas to all householders living there, informing them where parking is permitted and requesting their co-operation by parking only in the allotted areas. A polite reminder is added to the effect that prosecution may ensue if illegal parking is continued. Such action has been taken in respect of, for example, Nathan Road, Chatham Road, Hennessy Road, King's Road, Macdonnell Road, Robinson Road and Conduit Road. The period of warning in this fashion is a minimum of one week.

Sir, my honourable Friend has referred to the congestion in the Magistrates' Courts and has suggested that before creating further Courts another approach be considered, namely, that warnings should be issued, instead of summonses being applied for, in the majority of cases where petty offences are committed.

As I said when I introduced the Administration of Justice (Miscellaneous Provisions) Bill last October, I had already considered in conjunction with the Commissioner of Police whether it would be justifiable substantially to reduce the number of prosecutions instituted even when there was, *prima facie*, evidence of the commission of an offence.

I then stated that the fact that an offence may appear to be a minor one does not mean that it is not in the public interest to enforce the law; many such offences, if not effectively checked would rapidly become major nuisances. spoke also of the dangers of inconsistency in the enforcement of the law if one prosecuted in some cases and not in others and said that experience had shown that whilst a system of warnings can be justified in certain limited categories of offence, any wide extension tended to encourage rather than to discourage the commission of offences. It is pertinent to ask how it can be hoped that warnings will deter repetition of minor offences when prosecutions often fail to Another objection to a general warning system is that it may be said to presuppose the guilt of a person without trial. One must not forget that the Legislature has prohibited the doing of certain acts under penalty of fine or imprisonment. If it is considered that those acts are not serious enough to merit penalty, the proper course is for the Legislature to amend the law. It is no part of the duty of a policeman to modify the law by administrative action.

However, Sir, I do not say of course that a prosecution has to be instituted automatically every time there is a breach; there may be circumstances in the manner of the commission of the offence which justify not proceeding. What I do say is that one cannot lay it down as a rule that certain classes of offences or that the majority of cases where minor offences are committed should be dealt with by warning rather than by prosecution. It is the circumstances in which a minor offence is committed to which one must look for justification of a warning being issued instead of prosecution being instituted. The congested state of the Courts is quite irrelevant to these circumstances and is no reason for not prosecuting in any case where the offence merits prosecution.

Sir, I think it would be a wrong approach to attempt to cure congestion in the Courts by imposing upon the Police any kind of rationing system as to the number of prosecutions they may bring. That number must depend upon the number of offences committed and the circumstances in which they are committed. To attempt to cure congestion in such a manner might well result in a general failure to enforce the law, particularly as to be really effective as a remedy for this malady it might well mean reducing the number of prosecutions by something like a third or even a half of those brought last year.

Sir, it is of course fundamental that no prosecution shall be instituted lightly or without reasonable or probable cause. It would be totally wrong for any police officer to make arrests or to take out summonses without proper evidence or under a mistaken idea that he was thereby demonstrating his efficiency. Strict instructions to this effect have been issued by the Commissioner of Police and the prosecution machinery of the Force has been reviewed and safeguards instituted to prevent the bringing of bad prosecutions. I am aware that it is not possible to eliminate completely the factor of human fallibility and that there will at times be brought cases which should never have been brought. However, I trust that in future such cases will be few.

To sum up this aspect, I cannot see the slightest prospect of a substantial decrease in the number of cases brought before the Magistrates' Courts; indeed with the normal increases in population which are to be expected one cannot eradicate from the realm of possibility an increase in the number of prosecutions.

It will be of interest to Members to know how the Administration of Justice (Miscellaneous Provisions) Ordinance, which was enacted last October with a view to the relieving of pressure upon the Magistrates' Courts, is working. It will be recalled that that Ordinance allows persons summonsed for certain traffic offences to plead guilty and pay a prescribed fine without appearing in Court. That Ordinance came into force on the 28th October, last year, and the figures from that date until the 7th March this year are as follows. Summonses in prescribed form under that Ordinance had been issued in almost 2,000 cases and just over 700 (or about 34%) of persons so summoned have taken advantage of this procedure whilst the remainder have preferred to appear in Court. Consideration is being given to extending the offences which may be dealt with in this manner.

My honourable Friend Mr. Lo has also urged that free legal aid be provided to the victims of traffic accidents. In principle it is of course undesirable that lack of means should ever be a bar to the obtaining of proper redress. practice my honourable Friend the Secretary for Chinese Affairs has taken up a number of deserving cases with insurance companies and compensation has been There is of course, although it is not perhaps very widely known, provision in our law for legal aid in civil cases in this Colony. Any person who is not possessed of property to the amount or \$500, excluding his wearing apparel, may apply to the Supreme Court for leave to bring or defend an action as a pauper. Upon such application the Registrar has a duty to nominate a solicitor to consider whether or not such person has reasonable grounds for suing or defending. If the solicitor certifies that he believes the petitioner to have a good cause of action or defence, then the Chief Justice assigns counsel or solicitor to conduct the action on behalf of the pauper. A counsel or solicitor assigned are not at liberty to refuse their assistance unless they satisfy the Court that they have good reason for so refusing. No fees are payable to counsel or solicitor. Early last month I wrote to both the Hong Kong Bar Association and the Hong Kong Law Society requesting their views as to the adequacy of the present system and they are, I am sure, now giving earnest consideration to this matter. hardly say that the successful operation of a legal aid system is largely dependent upon the co-operation of the practitioners. When I receive their replies, it is my intention to submit the whole question of legal aid to Government for consideration.

Sir, my honourable Friend Mr. Blaker referred to another difficult problem, namely, the controls exercised under the Landlord and Tenant Ordinance, and suggested that the time was ripe for a further review of these controls. In principle indeed the fewer controls imposed by law the better, because controls inevitably lead to various abuses. Continuance of control can only be justified for so long as considerations of the public interest dictate that they shall continue. The principal danger from the public point of view is that too rapid decontrol of premises may result in persons being rendered homeless as a result of inability to afford the rents payable for uncontrolled premises. It may still be premature to consider any substantial measure of decontrol but it is the view of Government that some increase in permitted rents should now be considered and proposals to this end are being prepared and when prepared they will receive close examination.

The Financial Secretary: —I think that the strongest impression left with me after listening to the speeches last Wednesday, was that my honourable Friends are all keen on pressing on with our programme, and on spending more public money; almost as keen indeed as some of my official colleagues. None of them seemed really to worry about a large deficit; rather would they make it larger. But I am very glad to learn that Government's financial policy is acceptable, and I shall take as little time as possible in dealing with the few points which are my concern.

First and foremost, trade and trade promotion.

The Honourable Dhun Ruttonjee would like more trade promotion. question was raised last year by the Honourable Mr. Blaker, and I mentioned in my reply that the possibility of further visits abroad by Government representatives would not be lost sight of. I repeat that assurance. At the present moment an officer of the Department of Commerce and Industry is visiting Saigon and Phnom Penh to discuss with the appropriate authorities in those places the easing and clearing away of certain difficulties which have presented themselves there over trade with this Colony. Government is prepared to suggest, to help, to encourage, but I feel that it is really a case of "God helping those who help themselves." Trade promotion is primarily for the trade itself, and the sort of trade that relies on Government initiative for its prosperity is hardly worth having. This year, in collaboration with our traders and manufacturers, we shall be exhibiting again at Seattle, and will break new ground by exhibiting at Frankfurt.

I might add that a great deal of the help that Government gives to trade and to industry is given in a manner which is probably not realized by the public, or indeed by most of the Members of this Council. For example quite recently a senior member of the Foreign Economic Relations Department of the Indonesian Foreign Ministry spent a few days in the Colony, and had some discussions with the Director of Commerce and Industry, and also with myself. The discussions were quite informal and on a friendly and personal basis, and I think I can say with all confidence, that trade will benefit in consequence.

My honourable Friend talked about sending a Government servant round the world as a sort of super-salesman. It may come to that sometime, but perhaps he is not aware that many Government servants who visit other countries either on holiday or business, do their part as a matter of course, and often at some inconvenience and expense, in the way of publicity and trade promotion. He may even have forgotten that you yourself, Sir, not long ago lectured in the United States, and reported subsequently to this Council. A senior officer followed in Your Excellency's footsteps. Even I myself, in the course of a holiday last year, was drawn into discussions on trade and business in the course of a short stay in Djakarta. As a point of interest, among other things I learned that business was being lost by us because Chinese businessmen there could obtain Hong Kong entry visas only with great difficulty and after long delays. When I mentioned the matter to the Commissioner of Police I found him most sympathetic, and he promptly improved matters. The immediate result was that one of the persons who had complained to me, came here for a fortnight's visit, and in addition to placing large orders during his stay, took back with him smaller items of goods to the value of over \$20,000. This is the type of "tourism" which in my view ought to receive encouragement more than anything else; it represents a genuine contribution to the Colony's economy.

As for the embargo, I am afraid that Government has nothing to add to the reports on discussions in Washington which have appeared in the Press, but I can assure my honourable Friend that Hong Kong's views on this problem are well known in London.

I am glad to see that the suggestion made last year for a general increase in the price of water has not been repeated. On the other hand it has been suggested that water consumed over a certain amount should be charged for at a higher rate. I am not quite sure if my honourable Friend realized what his proposals involved. Water is measured and charged by meter. Now there may be a case of a comparatively small flat with only 3 or 4 people living there; that flat is served by one meter. Another case may be a floor of a tenement accommodating perhaps 50 people, also served by one meter. If the proposal is that any water passing through the meter over a figure of, say, 1,000 gallons a month should be charged at a higher rate, would it not be unfair, grossly unfair, that the 1,000 gallons at the lower rate in the one case should be for the benefit of 3 or 4 people, and in the second case

for 50 people? In the first case the individual gets 250 gallons at the cheap rate; in the second case he gets only 20. And it is to be expected that this latter class of person would be the least able to pay. Unless and until some means can be found to relate the amount of water passing through a meter to the number of people who are paying for it I am afraid that the graduated rate method would not work. Nor do I agree with the suggestion that industry should have a special rate. Honourable Members are on record as being opposed to Government subsidies for industry, as for example in the case of land at reduced terms; is not my honourable Friend being a little inconsistent in suggesting that domestic consumers of water should be asked to subsidize industry's water costs when Government refuses to subsidize industry in other ways?

The question of the adequacy of the Fire Brigade has been raised. The question arose in the Public Works Sub-committee during the past year in connexion with applications by the Fire Brigade for more sub-stations, and it was then discovered that there existed no comprehensive overall plan for fire fighting either for the island of Hong Kong or for Kowloon. Pending the production of such a plan the provision of one additional fire sub-station was deferred, but I am glad to say that plans for both the island and the mainland have now been received. They will be put before the Public Works Sub-committee in due course. Perhaps my honourable Friend Mr. Blaker would prefer me to say "at leisure".

My honourable Friend Mr. Lo mentioned sand, and said that he understood that the sand resources of the Colony would last only another two years. I may say that when this matter was brought to my attention over twelve months ago, the forecast was not two years; it was six months. But since then intensive searches all over the Colony for suitable building sand have been carried out, and the particular deposit to which I referred four weeks ago looks as if it will keep us going for some little time yet. I am all in favour of his suggestion that sand should be imported, and if he knows of good sand outside the Colony's borders, I hope he will let it be known that we shall be very pleased indeed if somebody can go and get it. As I said before, no difficulties will be placed in the way.

I am not quite clear as to the purpose of the proposed Sand Board, but I gather that it may be intended as advisory, or supervisory, to the Controller of Stores. If my honourable Friend would be kind enough to elaborate his ideas on the subject, Government will consider the proposal.

Two honourable Members suggested that the Government subvention to the University should be, as it is in the United Kingdom, fixed for a five year period. The University has already informally approached Government on the matter and has been told that an official approach is awaited. I need hardly add that any commitment of public funds for five years in advance will necessarily be subject to the approval of the Finance Committee of this Council.

I am fully in sympathy with the view of my honourable Friend Mr. Terry that savings, particularly in the case of capital projects, should be treated as savings and should not be regarded as windfalls to be expended in other directions. I am afraid it is only too true that heads of departments who manage to, save a little on one subhead feel that they have the right to spend more than their ration on another. But with the Unofficial Members pressing for more spending and more expansion of Government activities it is becoming more and more difficult to show overall savings, and the best we can do is to try to see that all projects are carried out at the minimum cost consistent with efficiency. The attainment of this object is a perennial problem. I came into close contact with it during the course of the last week or so in connexion with the removal of the Stamp Duty Office to Printing House. The experience of the old Stamp Duty Office in Princes Building, confirmed by direct observation by the Inland Revenue Department in the week or so before the transfer, was that the average number of people at the counter at any one time was about 25, although on rare occasions it might be double that number. In the new office accommodation we accordingly allowed for space for about 50 people. Now it is a remarkable fact, that since the transfer the number of people waiting at the counter has risen to something like 100, the increase, I am advised, being due to the recent revival of trade generally, and this seems to be confirmed by the revenue figures. The revised estimate of revenue which I gave as \$20 millions four weeks ago, was exceeded over a fortnight ago, and it looks as if the final total by tomorrow afternoon, the last working day of the financial year, may reach \$22 millions. It is this sort of thing that is apt to throw out the

best and most careful planning, and I fear that if this state of affairs continues we shall have very quickly to find larger premises and to incur more expense fitting them out. It almost looks as if, when planning for anything in this Colony, we should allow for the maximum present need, and then make provision for double that need. In most cases this would be far too costly, but planning on generous lines is obviously necessary. Whatever we do, I have no doubt that when we are dead and gone, our successors will say that we were cheeseparing, we were short-sighted, we were lacking in vision, just as we tend to criticize our predecessors.

The Colonial Secretary: —Your Excellency, I have heard it suggested that honourable Members who spoke on this Resolution at the last meeting of the Council have been in some way remiss in not addressing their remarks primarily to the Budget for the forthcoming year. I think, Sir, this viewpoint is mistaken. Firstly it is clearly desirable that honourable Members should be free on this occasion when it is customary to take stock of the Government's activities over the previous year as well as to review plans for the forthcoming year, to call attention to any matters which are of public concern irrespective of whether there are items in the Estimates which concern those matters. Secondly the Budget itself is fully examined in the Select Committee whose report we are now debating and the object of referring the Estimates to a committee is to avoid the detailed examination having to be conducted in full Council. Where from the examination in Select Committee any matters have emerged which merit public comment honourable Members have made that comment.

One example is the provision inserted in next year's Estimates for new launches. Concern has been expressed by my honourable Friends Mr. Terry and Mr. Blaker regarding the adequacy of existing facilities for the proper maintenance and repair of the Government's marine fleet and they urged that this question should be further examined. The possible alternative methods of improving the existing provision for maintenance and repair appear to be either to increase the amount of work now put out to contract which would entail an increase in the staff of the Marine Department to exercise adequate supervision over this work, or to extend the present Government slipway at Yaumati which at the moment is quite inadequate. As honourable Members may be aware there is one serious drawback to the latter

solution in that it is planned in due course to reclaim the Yaumati typhoon shelter on to which the present slipway fronts. The whole problem will however be examined with a view to finding the most satisfactory and practical answer.

My honourable Friend Mr. Terry also referred to the provision made for a new shallow draught fire-float and criticized the fact that the "Alexander Grantham" draws too great a draught to operate in the two typhoon shelters. suggested that this should have been considered when the craft was designed. is, however, necessary to have two types of fire-floats in Hong Kong; one must be capable of being used in all normal weather conditions in the deeper waters of the harbour and available if necessary to extinguish fires on ships within territorial waters outside the harbour—in other words sea-going craft. other type of vessel required is a shallow draught fire-float capable of being used in the very congested and shallow waters of the typhoon shelters. It would not be possible for one vessel to fulfil both these requirements. Moreover in a harbour of the size and importance of Hong Kong it is also desirable that there should be a stand-by fire-float in case for one reason or another the "Alexander Grantham" was temporarily out of commission and the float for which provision has been made in the Estimates is to replace an existing float of which the useful life has now come to an end.

Several honourable Members drew attention to Your Excellency's remarks regarding the risk of smoke hazards to the new Kai Tak Airport from industries at Kun Tong and they cited this difficulty as an example of lack of co-ordinated planning. I do not think, Sir, it was your intention to suggest that the report of the inter-departmental committee to which you referred was the first occasion on which the Government had been made aware of this risk. As my honourable Friend Mr. Kwok Chan noted, the risk was referred to in the debate last year and was appreciated at the time. It has in fact always been realized that this potential hazard existed. What is new and occasioned Your Excellency's reference to it is the serious extent of this potential risk which has come to light as the result of the committee's examination of the detailed lay-out of the area in accordance with the applications received, if proper steps were not taken to control it. It has always been appreciated that adequate steps would have to be taken to avoid this risk and to provide safeguards to ensure that the smoke from this area would not constitute a hazard to aviation and investigation into this matter was one of the terms of reference

given to the inter-departmental committee. As Your Excellency said, the committee having drawn attention to the extent of the potential risk in the light of their earlier examination is now engaged in examining ways and means of controlling it and I understand that they see no insuperable difficulty in doing so. The committee has been in close touch with the Director of the Royal Observatory regarding weather conditions and with the Director of Civil Aviation and I understand that their recommendations in the matter will be submitted to Your Excellency at an early date.

My honourable Friend Dr. Chau asked for information on what was being done regarding the proposal for fluoridation of the Colony's water supply. Honourable Members will recollect that when this matter was originally raised Government decided that it would be premature to embark on this proposal until more information had come to hand regarding the progress of experiments in other parts of the world. Subsequently when the question was raised last year an undertaking was given that it would be re-examined. Such information as it has been possible to obtain indicates that opinion in this matter even in America where fluoridation has possibly reached its most advanced stage is by no means Moreover if fluorides were added to the water supply of the Colony it would be a number of years before it could be satisfactorily established whether its effects were sufficiently beneficial to justify the expenditure involved and it would similarly be a number of years before any detrimental effect would This is not therefore a project on which it is desirable to embark without the very fullest consideration. Information is now being obtained about a scheme of this kind which it is understood has recently been introduced in Singapore and the whole question will be reviewed by Government at an early In the matter of cost the estimates prepared as long ago as 1953 indicated that the capital cost would be \$130,000 and the annual recurrent cost some \$245,000. With the new reservoir at Tai Lam Chung and future additions to the Colony's water supply which it is hoped will be provided during the next few years the figure for annually recurrent cost will rise very substantially and this is a factor which has to be weighed against other calls upon the public purse in the field of health.

I turn now, Sir, to matters affecting the Public Service. My honourable Friend Dr. Chau raised the question of the retiring age for locally domiciled staff and suggested that the compulsory

retiring age, which is at present 55, should be raised to 60. This question has recently been under discussion with Staff Associations and I hope it will be possible to take an early decision on it. In the same connexion my honourable Friend Dr. Rodrigues referred to the present provision in the pensions law whereby officers who have had ten years or more service and are not pensionable nonetheless do not qualify for a gratuity under the age of 55, unless they are retired on medical grounds or their services are terminated owing to retrenchment. Since it is normally open to pensionable officers to take their pensions if they retire with permission at the age of 50—and currently at the age of 45—I agree with him that this provision is an anomaly and consideration will be given to amending it.

My honourable Friend Dr. Chau also referred to the scheme for assisting local officers through co-operative housing schemes. As he said, \$10 million has been allocated for this purpose. This is, of course, only one aspect of the housing problem in the Colony and only limited funds are available for housing schemes generally. Including the \$10 million to which I have referred some \$60 million has already been allocated for this purpose. If further funds can be made available for local civil servants' housing it is considered that the money can in general be more economically and fairly spent by further allocations to groups of officers formed into co-operative societies on the present lines than by making loans available to individual officers as he suggested. With regard to the size of the groups of officers concerned there is no objection in principle to these being reduced as he proposed but there are of course practical difficulties. Firstly the capital expenditure involved in site formation might be quite considerable and it is of advantage for this expenditure to be as widely spread as possible from the point of view of its incidence on the individual officer and, secondly, the Government has to ensure that the site concerned is adequately developed and this can usually be more satisfactorily assured if the scheme is sponsored by a sizable group of officers.

Reference was made to another aspect of housing by my honourable Friend Mr. Ngan Shing-Kwan when he mentioned encouragement to employers to provide housing for their employees. As honourable Members are aware, Government has for some time been encouraging such schemes by making land available by private treaty at half upset price to employers who

are prepared to erect a substantial number of flats and to accept restrictions on user. I see no reason why similar concessions should not apply at Kun Tong and at any other areas which may be set aside primarily for industry.

Still on the subject of accommodation, reference was made by my honourable Friend Mr. Blaker to premises still under requisition by the Services. As honourable Members will recall it was necessary to resort to requisitioning when the Garrison was reinforced in 1949. Since 1950 the number of premises requisitioned both by the Army and by the R.A.F. has been considerably reduced. I am assured by the Services that buildings are de-requisitioned whenever administrative re-arrangement makes this possible. It is true that some of these premises are occupied by families but it is clearly very difficult to differentiate between the various uses to which requisitioned property may be put and it would not be reasonable to deny Service personnel the opportunity to have their families with them in Hong Kong. I do assure honourable Members, however, that the matter will be kept closely under review by Government and I am sure that the Services will do everything possible to release requisitioned properties as soon as it is possible for them to do so.

One requisitioned property on which there is still particular public concern is La Salle College. While I regret that I cannot report any substantial progress towards a solution of this particular problem the matter has been under discussion with the Military Authorities during the past year and various proposals have been examined which it was hoped might lead to the release of these buildings. One of these appeared promising but on detailed examination serious difficulties were encountered and consideration is currently being given to a new solution to the problem and I can assure honourable Members that the matter will not be allowed to rest.

My honourable Friend Mr. Ruttonjee suggested the possibility of Government selling the General Post Office and other departmental buildings in the centre of the City and of re-providing for the present occupants in more modern up-to-date offices on a new site. This idea has not been overlooked and will

be further examined when plans for extending the central reclamation are being considered. Stage II of this reclamation must await completion of the Star Ferry piers but Stage III, as my Learned Friend the Director of Public Works has just stated, may be begun during the course of the next financial year.

Turning now, Sir, to the subject of education and the remarks of my honourable Friend Mr. Ngan Shing-Kwan on the primary school expansion programme, I am happy to say that an up-to-date survey of new private and subsidized schools already planned for completion during the forthcoming year indicates that there is every likelihood of these schools providing their quota of the desired expansion. Government will certainly take all possible steps to press on with new primary schools at Fook Wing Street, Tai Hang Tung and either at Po Hing Fong or at some alternative site which may be available earlier during the same period and to keep up with its share in the programme.

The adult education programme in the Colony has been expanded during the past year both by an increase in the number of classes provided and in the variety of courses. There are now evening classes in English, General Elementary Education, Woodwork, Knitting and Sewing, Housecraft and Dressmaking. In addition the Evening Department of the Technical College organizes Preliminary Classes for those whose general education is not of sufficiently high level for entry to the evening technical classes. A full range is also provided in Building, Electrical and Mechanical Engineering, Naval Architecture and Commercial subjects. The Evening School of Higher Chinese Studies provides courses in General Arts and Commerce. The total number of adult evening classes of all types now organized by Government is 251 compared with 191 in 1954/55, and the total number of adults now attending Government evening classes is 7,583.

As the demand for further and different types of evening courses grows, an attempt will be made to meet it, as far as staff, accommodation and funds permit. At the present all Government schools are fully used in the evenings, but the new Government primary schools which will be completed during the coming years will not only add to our primary school accommodation, but will be most valuable for expanding the adult education programme.

A new feature of considerable interest which was started during the past year was the Adult Reading and Recreation Centre, opened in October, 1955, on the premises of the Li Sing Government Primary School. This Centre is open five nights a week from 7 p.m. to 9 p.m. and provides facilities for a variety of recreational activities such as folk-dancing, gymnastics, dramatics, musical appreciation and choir singing. In addition a library and reading room is available, with Chinese and English books and a variety of periodicals. supervisor is in attendance in this reading room to assist visitors with any problems. In addition the Centre provides a weekly film-snow of educational value, and weekly talks and short courses on a wide variety of general interest topics such as Citizenship, Baby Care and Health, are now being planned. Members are drawn from the neighbourhood and from the adult classes run at the school, and range in age from 20—50, with the majority in the 20—30 age group. The total membership is now about 750, and some 150 or more attend the Centre every evening. In February of this year a second Centre was opened at Island Road Government School, Aberdeen, and it may be possible to open one or two more Centres in the near future, but the staff has to be specially selected and trained for this work, so that rapid expansion is not possible although the Centres are very popular and appear to be meeting a great need.

Several honourable Members made some interesting and valuable suggestions in connexion with the promotion of the tourist trade. As Council is aware, Your Excellency appointed a committee in August last year to consider and recommend to Government whether a Hong Kong Tourist Association should be established and, if so, to recommend its form of constitution, membership, methods of financing and so on. Although the members of this committee are very busy persons drawn from airline, shipping, travel agency and hotel interests, in addition to officials, the committee has met several times and I understand that its members have already agreed that a travel association is necessary and desirable. At the moment a draft constitution for such an association, which has been drafted by the committee, is now in the final stages of consideration and I understand that this, together with its full recommendations on the subject of tourism, will be submitted to Your Excellency within the next few weeks. I assure honourable Members that there will be no delay in considering this report as soon as it has been received.

In connexion with the tunnel proposal and the present congestion of traffic using the vehicular ferry my honourable Friend Dr. Chau suggested that consideration should be given to the possibility of utilizing landing craft to supplement the existing service. This suggestion will certainly be investigated but I have doubts as to whether it would prove either economical or practicable. I understand that such a craft has very limited accommodation, a slow speed and would only be capable of carrying one or two vehicles. There might also be difficult in finding suitable loading and off-loading points. If these are to be of value in relieving the traffic congestion they should if possible be away from the central area. Finally it is doubtful whether this suggestion would lead to any immediate relief as it is not thought that sufficient numbers of such landing craft would be readily available for a scheme of this kind.

In connexion with this general problem of traffic congestion in the central area my honourable Friend Dr. Rodrigues raised the question of parking and it is true that this problem will become very much more acute when work is begun on the new City Hall and part of the present parking area in Statue Square has been lost. A working party has recently been appointed to consider all aspects of this matter including such questions as the installation of parking meters and to suggest remedies both in the short and in the long term. The aim of the short term proposals will be to find some immediate palliatives while the long term proposals will, of course, cover such questions as multi-storey parking. I understand that the installation of parking meters is also at this moment under consideration by the Traffic Advisory Committee.

Finally, Sir, certain honourable Members referred to the importance of improving conditions in the rural areas of the New Territories. My honourable Friend Mr. Ruttonjee underlined the need for adequate grants for local public works in these areas. It is probably no exaggeration to say that the small public works carried out from funds in this vote are of vital importance to those areas and the tremendous amount of good which results from this type of assistance far outweighs the actual cost to Government. This vote has been increased in the provision for the District Administration in the Estimates for next year. Considerable funds have been and are being made available also from Colonial Development and Welfare sources. During the year a programme of irrigation schemes at a cost of some \$400,000 was

completed. These schemes brought many hundreds of acres of new agricultural land under cultivation or vastly improved the yield from existing cultivated land. A further scheme of a major character has recently been approved incorporating two smaller schemes connected with irrigation and with preliminary work on the improvement of communications. The new grant which will be spent over a period of 2 or 3 years is for \$4,216,000 to which the Hong Kong Government will be required to add expenditure in the proportion of \$15 for every \$85 provided from Colonial Development and Welfare funds. Various projects to be financed under this scheme will directly or indirectly benefit the residents of the New Territories. This scheme was mentioned by Your Excellency in addressing the Council at the end of last month.

My honourable Friends Dr. Chau and Mr. Ruttonjee also commented on the need for Government to continue to raise the standard of living of farmers and fishermen in the Colony. Government constantly has the well-being of these two important groups in mind. The Honourable Dhun Ruttonjee advised that detailed information should be sought on the subject of farmers' indebtedness. In this respect honourable Members will be interested to know that consultations have been taking place with the Colonial Office with a view to carrying out a socio-economic survey of the New Territories and one of the particular problems which it is intended should be considered is that of indebtedness. I am also informed that this matter has been under investigation by the Rural Development Meanwhile, however, much is being learnt about the indebtedness of the farmers through experience and knowledge gained in the day to day working of the Kadoorie Agricultural Aid Association Loan Fund, the J. E. Joseph Trust Fund and the Vegetable & Marketing Organization Loan Fund which continue to do very good work. Consideration is now being given to increasing still further the amount of loan funds available to farmers. Nor is the benefit to the farmers from these funds by any means small. Although the Kadoorie Fund was started only last August already loans totalling nearly \$380,000 have been granted while during the past year from the other two sources to which I have referred loans totalling nearly \$1 million have been made at low interest rates. In the provision of loans for purchase of seed, implements and the like these funds are furnishing the type of agricultural credit to which my honourable Friend attaches such great importance.

In conclusion, Sir, may I say that Government is grateful for the valuable and constructive comments which have characterized this debate. Some of the suggestions made would involve additional expenditure and if they are pursued will accordingly come back to honourable Members of this Council to consider whether the necessary funds can be made available but whether or not they call for expenditure I assure honourable Members that those matters which call for further examination will, as already indicated in the official replies, receive careful consideration.

H.E. THE GOVERNOR: —Honourable Members, before I put this resolution to the vote there is one matter that came up in the course of the Debate to which I would refer, and that is Government House. The honourable Member Mr. Ngan Shing-Kwan is entirely correct when he says that with the growth in our population and the increasing number of visitors to our shores, —visitors who should be entertained at Government House, —that the public rooms are proving quite inadequate. A new Government House is required. Happily there is a suitable site available, that is the site at Magazine Gap which was earmarked for this purpose more than 25 years ago. The present Government House could not of course be vacated until the new one had been completed.

The question also arises, or then arises, what to do with the present Government House. I imagine that it would be extremely difficult to convert for any other purpose; it would probably have to be pulled down. What then to do with the site?

This leads me to the remarks that were made by the honourable Member Mr. Blaker on the subject of tourism and the need for more hotels here. I am assured by leading hotel authorities that the ideal site for a first class hotel on the island is Government House. I leave these thoughts to honourable Members. (*Laughter*).

The question was put and agreed to.

RESOLUTION REGARDING THE ESTIMATES OF REVENUE AND EXPENDITURE FOR 1956-57.

The Financial Secretary moved the following Resolution: —

Resolved that the Estimates of Revenue and Expenditure for 1956-57 as amended by the Report of the Select Committee be approved.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

APPROPRIATION (1956-57) BILL, 1956.

THE FINANCIAL SECRETARY moved the First reading of a Bill intituled "An Ordinance to apply a sum not exceeding four hundred and ninety-three million, two hundred and sixty-three thousand and ninety dollars to the Public Service of the financial year ending the 31st day of March, 1957."

THE COLONIAL SECRETARY SECONDED.

The question was put and agreed to.

The Bill was read a First time.

The Financial Secretary: —Sir, as this is the last meeting of Council before the close of the financial year, it is desirable that Standing Orders be suspended in order to enable this Bill to pass through all its remaining stages today. If, Sir, you are of that opinion I beg leave to move the suspension of Standing Orders to allow this Bill to be read a Second and Third time today.

H.E. THE GOVERNOR: —I am of that opinion.

THE FINANCIAL SECRETARY moved the suspension of Standing Orders to allow of the Appropriation (1956-57) Bill, 1956 being read a Second and Third time.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

THE FINANCIAL SECRETARY moved the Second reading of the Appropriation (1956-57) Bill, 1956.

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 Preamble and the Schedule were agreed to.

Council then resumed.

THE FINANCIAL SECRETARY reported that the Appropriation (1956-57) Bill, 1956 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.

DEPORTATION OF ALIENS (AMENDMENT) BILL, 1956.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Deportation of Aliens Ordinance, Chapter 240."

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 to 6 were agreed to.

Council then resumed.

The Attorney General reported that the Deportation of Aliens (Amendment) Bill, 1956 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.

POLICE SUPERVISION BILL, 1956.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the law relating to police supervision of certain persons."

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 to 11 were agreed to.

Clause 12.

The Attorney General: —Sir, I rise to move the amendment to Clause 12 as set out in the paper before honourable Members.

Proposed Amendment.

In subsection (1) substitute a semi-colon for the comma at the end of paragraph (c) and insert thereafter the following paragraphs—

- "(*d*) without reasonable excuse fails to produce his identification book when required to do so under the provisions of this Ordinance;
- (e) has in his possession an identification book which has, without lawful authority, been defaced or otherwise altered,".

Clause 12, as amended, was agreed to.

Clauses 13 to 15, and the First and Second Schedules were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Police Supervision Bill, 1956 had passed through Committee with one 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.

ADJOURNMENT.

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

The Attorney General: —I suggest this day fortnight, Sir.

H.E. THE GOVERNOR: —Council will adjourn to this day fortnight.