

OFFICIAL REPORT OF PROCEEDINGS.**Meeting of 4th May, 1960.****PRESENT:**HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT (*PRESIDENT*)

MR. CLAUDE BRAMALL BURGESS, C.M.G., O.B.E.

THE HONOURABLE THE COLONIAL SECRETARY

MR. DAVID CLIVE CROSBIE TRENCH, M.C. (*Acting*).

THE HONOURABLE THE ATTORNEY GENERAL

MR. ARTHUR RIDEHALGH.

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS

MR. JOHN CRICHTON McDOUALL.

THE HONOURABLE THE FINANCIAL SECRETARY

MR. JOHN JAMES COWPERTHWAITTE, O.B.E. (*Acting*).

THE HONOURABLE ALLAN INGLIS

(Director of Public Works).

DR. THE HONOURABLE DAVID JAMES MASTERTON MACKENZIE, C.M.G., O.B.E.

(Director of Medical and Health Services).

THE HONOURABLE COLIN GEORGE MERVYN MORRISON

(Director of Urban Services).

THE HONOURABLE ROBERT MARSHALL HETHERINGTON, D.F.C.

(Commissioner of Labour).

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

THE HONOURABLE KWOK CHAN, O.B.E.

THE HONOURABLE HUGH DAVID MacEWEN BARTON, M.B.E.

THE HONOURABLE DHUN JEHANGIR RUTTONJEE, O.B.E.

THE HONOURABLE FUNG PING-FAN, O.B.E.

THE HONOURABLE RICHARD CHARLES LEE, O.B.E.

THE HONOURABLE KWAN CHO-YIU, O.B.E.

THE HONOURABLE GEORGE MACDONALD GOLDSACK.

MR. ANDREW McDONALD CHAPMAN (*Deputy Clerk of Councils*).**ABSENT:**

HIS EXCELLENCY THE COMMANDER BRITISH FORCES

LIEUTENANT-GENERAL SIR EDRIC MONTAGUE BASTYAN, K.B.E., C.B.

MINUTES.

The minutes of the meeting of the Council held on 20th April, 1960, were confirmed.

PAPERS.

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

Sessional Papers, 1960: —

No. 10—Annual Report by the Commissioner of Labour for the year 1958/59.

No. 11—Report of the Hong Kong Housing Authority for the year 1958/59.

FOOTBALL POOL BETTING BILL, 1960.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance to provide for the carrying on under licence of football pool betting businesses, to impose a duty on bets made by or with such businesses and to provide for matters connected with the purposes aforesaid."

He said: Sir, for some years now, the Government has been urged to amend the law relating to gambling so as to allow the operation of football pools in the Colony. Our law on the subject of gambling generally is very much more stringent than the corresponding law in the United Kingdom—in particular, in the present context, pool betting on any form of competition amounts to a lottery—and some time ago a Committee was appointed to consider the extent to which it might be possible to relax some of its provisions. The desirability of permitting the operation of football pools was one of the matters which fell within the Committee's terms of reference. The Committee is still considering its recommendations but in consequence of further representations which were made to the Government towards the end of last year, the question whether or not to promote legislation to permit the operation of football pools was considered separately, and the Chairman of the Committee indicated that it would probably recommend that pools should be allowed. It was then decided that the necessary legislation to permit their operation should be introduced into this Council.

Now, Sir, one of the most material factors in considering the question whether or not the operation of football pools should be permitted is the comparative ease with which their operation can be controlled—a factor which does not exist in the case of certain other forms of gambling which might otherwise be permissible.

At this point I might just mention certain other matters which are material also in the consideration of the question whether betting on football pools should be legalized. There is, Sir, always a possibility that football pools may at some time be operated from neighbouring territories and become popular here. Indeed it is suspected that at present some money goes from Hong Kong to the United Kingdom for investment in the British football pools. If pools operated elsewhere became really popular, we should be faced with the alternative either of amending the law to permit participation in them—in which case we might as well have had them here—or of attempting to enforce our laws which prevent participation. Further, there is the point that a luxury like betting is expected to make some contribution to the local revenue, and this Bill proposes a duty of 25% of each bet. If the money goes outside the Colony there is a loss of potential revenue.

This Bill seeks to provide for a limited form of pool betting on the result of certain football matches. I would emphasize, at once, that the aim which has been predominant in its preparation has been to ensure that an adequate measure of control is vested in the Government, and I venture to suggest that this aim has been achieved. It is in this respect that the Bill differs most from the Pool Betting Act, 1954, which is the corresponding legislation in the United Kingdom. That Act provides merely that pool betting businesses must register with the appropriate local authority. The Bill provides for the operation of pool betting businesses only under licence from the Governor in Council. These licences, which may be granted only to companies to which the Companies Ordinance applies, will be subject to such conditions as may be imposed on their grant or at any time during their continuance in force. The grounds on which a licence may be cancelled are to be found in clause 4, sub-clause (6) and include grounds which will enable the Governor in Council to maintain control over those responsible for the operation of the businesses. A licence may, furthermore, be cancelled at any time upon the giving of one year's notice.

The technical provisions contained in clause 5 with respect to the promotion of competitions have been taken directly from the United Kingdom Act, as, with minor amendments, have the provisions of clause 6 which are designed, *inter alia*, to provide members of the public with certain information about the financial operation of the businesses and, in particular, the percentage of stake money which has been paid by way of prizes.

In contrast again to the United Kingdom, which leaves the proportion of the stake money which is paid in prizes to the discretion of the football pool promoter, the Bill provides that not less than 60% of the stake money must be so paid. So that after deducting 25% duty, this leaves a maximum of 15% for expenses and commission. For

purposes of comparison, the average retained by promoters in the United Kingdom is, I understand, slightly in excess of 20%. In that way I think I have summarized the main provisions of the Bill.

THE COLONIAL SECRETARY seconded.

**ADDRESS BY HIS EXCELLENCY THE OFFICER
ADMINISTERING THE GOVERNMENT.**

H. E. THE OFFICER ADMINISTERING THE GOVERNMENT: — Honourable Members, on the 23rd December last year, Government with the approval of Executive Council announced its intention to introduce legislation to permit the operation of Football Pools in the Colony. Since that time Unofficial Members of the Executive Council and of this Council have informed me that in their view there is a large body of opinion in the Colony which is opposed to this measure, and certain Unofficial Members have expressed their own personal misgivings as to the desirability of proceeding in the manner proposed.

Government has, however, made public its intention to introduce into this Council legislation on the lines of the Bill now before Council; and I therefore propose that this Bill should now be read a first time. As honourable Members are aware the Standing Orders of this Council allow a debate on the general merits and principles of a Bill on the occasion of the second reading. Honourable Members will, therefore, if the Bill is read a first time today, have an opportunity of expressing their views fully at a further meeting in approximately four weeks' time.

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: —

This Bill seeks to authorize to a limited extent pool betting on the results of certain football matches. Clause 4(1) of the Bill provides for the grant by the Governor in Council of licences to carry on a football pool betting business, and pool betting on the results of those football matches is authorized if the bet is placed with a licensed football pool promoter. The Bill also seeks to impose a duty, to be known as the football pool betting duty, on all bets made by or with such a licensed promoter.

2. Some of the clauses of the Bill are modelled on the corresponding provisions of the Pool Betting Act, 1954 of the United Kingdom. That Act, however, applies to numerous forms of pool betting and

permits the promotion of competitions on events other than football matches. This Bill deals with a limited form of pool betting on the results, as already stated, of certain football matches only. The form of pool betting which is permitted is specified in clause 2(2).

3. Part II of the Bill provides for the licensing and control of football pool betting businesses. Licences to carry on such a business will be granted only to companies within the meaning of the Companies Ordinance (Chapter 32), and clause 4(2) provides accordingly. A licence, once granted, will continue in force, subject to the payment of the continuation fee provided for in clause 4(7), until it is cancelled by the Governor in Council. The grounds on which a licence may be cancelled are specified in clause 4(6). Clauses 5, 6, 8 and 9 contain detailed provisions as to the carrying on of football pool betting businesses and as to the competitions promoted by such businesses. The only football matches on the results of which competitions may be promoted are those played in Great Britain or the Commonwealth of Australia or in such other places as the Governor in Council may prescribe, and the proportion of the stake money paid out in prizes must be not less than sixty per cent.

4. Under the provisions of the United Kingdom Act, local authorities are required, in agreement with the pool promoters, to appoint a qualified auditor in relation to each pool promoter carrying on business within the area for which they are responsible. Broadly speaking it is the duty of the auditor so appointed to ensure that the business in relation to which he is appointed is carried on in accordance with the Act, and, in order to assist him to do so, the Act provides that the person carrying on the business must send certain statements to him after each competition and other statements annually. This system has not been adopted in the Bill. Instead, the Commissioner of Inland Revenue will be responsible for the oversight of football pool betting businesses in Hong Kong, and subclauses (1) and (3) of clause 6 provide that statements similar to those required to be sent to the appointed auditor under the United Kingdom Act must be sent to the Commissioner. Clause 6(5) provides that the statements must be accompanied by a certificate of a qualified auditor as to their correctness. The powers which the Commissioner will require to enable him to ascertain whether or not the provisions of Part II are being complied with are vested in him by clause 7(2).

5. Part III, some of the provisions of which have been adapted from section 6 of, and the Fifth Schedule to, the Finance (No. 2) Act, 1947 (which is the Act which first imposed the pool betting duty in the United Kingdom) provides for the football pool betting duty and for its payment and management. Clause 10(1) provides that the duty payable in respect of each bet shall be twenty five per cent of

the stake money paid. This subclause also provides that the rate of duty may be varied by resolution of the Legislative Council. Clause 11 provides for the deposit by licensed football pool promoters of security for the payment of the duty, and for the manner in which the sum so deposited may be dealt with. Clause 12 vests in the Commissioner of Inland Revenue the care and management of the duty, and provides for its payment within fourteen days of the event to which the bet in respect of which it is payable relates. Clauses 15 and 16 provide for the keeping of books in connexion with the payment of the duty and vest in the Commissioner such powers as he will require to enable him to ensure that the duty is duly paid.

6. Offences and penalties therefor are dealt with in Part IV, and clause 22, in Part V, provides that the Gambling Ordinance (Chapter 148) shall not apply to the football pool betting business carried on by a licensed football pool promoter or to bets made by or with such a promoter and that certain provisions of the Post Office Ordinance (Chapter 98) which place restrictions on the sending of lottery tickets by post shall not apply to documents relating to bets made by or with a licensed football pool promoter.

ADOPTION (AMENDMENT) BILL, 1960.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance to amend the Adoption Ordinance, 1956."

He said: Sir, it is considered generally desirable that the Adoption Ordinance, 1956, should be kept in line with the United Kingdom legislation so far as local conditions do not make such action undesirable, because this gives us the benefit of the guidance of United Kingdom case law in adoption cases here. It is therefore proposed that section 4 of the Ordinance should be amended to bring the restrictions on persons who may apply for an adoption order into line with the current United Kingdom legislation.

In addition, clause 4, sub-clause (c) of the Bill provides that the notice of intention to adopt, which has to be served by the applicant upon the Director of Social Welfare, shall be in a prescribed form, and it goes on to provide further that no order shall be made by the Court unless the applicant makes his application to the Court within 4 months of the lodging of his notice of intention. This provision is considered necessary because in the past many an applicant has taken no further action for a long time after the notice of intention has been lodged. It is obviously desirable that there should be a time limit after which the applicant will have to commence the proceedings all over again.

It is also considered desirable to make provision for the recognition of adoption orders made in any place outside Hong Kong according to the law of that place. It appears that New Zealand is the only other Commonwealth country which has enacted such legislation, and clause 7 of this Bill is based on the New Zealand Act of 1955.

Sir, the opportunity has also been taken to make a number of minor amendments which are described in the last paragraph of the statement of 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: —

The principal object of this Bill is to amend, by clause 4, the restrictions contained in subsection (1) of section 4 of the Adoption Ordinance, 1956 on the persons who may apply for an adoption order and to bring these restrictions into line with current U.K. legislation as set out in section 19 of the Children Act, 1958. Under the present law which follows section 2(1) of the Adoption Act, 1950 (now repealed) an applicant for an adoption order, or in the case of a joint application one of the applicants, has to be—

- (a) at least twenty five years of age and at least twenty one years older than the infant; or
- (b) at least twenty one years of age and a relative of the infant; or
- (c) the mother or father of the infant.

2. By clause 4 it is proposed to substitute for these restrictions the restrictions set forth in the new subsections (1) and (1A) of section 4. The principal difference is the elimination of the age difference of twenty one years in the case of applicants neither of which is a relative of the infant. By clause 4, in addition, provision is made for the notice of adoption given to the Director of Social Welfare in accordance with the provisions of section 4 (6) (b) of the principal Ordinance, to be in writing in a form prescribed by rules.

3. By clause 7 there is added to the principal Ordinance a new section 15A based on section 17 of the New Zealand Adoption Act, 1955 providing for the recognition in Hong Kong of adoption orders made in other countries in the circumstances set forth in the new section.

4. The opportunity has been taken to make a number of minor amendments to the principal Ordinance. By clause 2, a definition of "Director" to mean the Director of Social Welfare has been inserted

and by clause 6 consequential amendments are made to sections 13, 19 and 21. By clause 3 the Director is given specific powers of delegation. By clause 5 certain documents are enabled to be completed in the presence of a Commissioner for Oaths as an alternative to a Justice of the Peace. Clause 8 enables fees to be charged by the Director.

CLEAN AIR (AMENDMENT) BILL, 1960.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance to amend the Clean Air Ordinance, 1959."

He said: This Bill proposes a very simple amendment to the principal Ordinance which I think is sufficiently explained in the statement of Objects and Reasons to which I have nothing to 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: —

The purpose of this Bill is to seek amendment of the Clean Air Ordinance, 1959, in order to enable approved devices other than a Ringelmann Chart to be used for gauging the density of smoke.

2. The need for this amendment arises from the fact that since the enactment of the Ordinance information regarding certain other devices for measuring the density of smoke which are very much less cumbersome to use than the Ringelmann Chart, has been obtained and it is intended to make use of the most appropriate device obtainable. The degrees of density indicated by such devices will still correspond to those demarcated on the Ringelmann Chart.

THE QUARANTINE AND PREVENTION OF DISEASE (AMENDMENT) BILL, 1960.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance further to amend the Quarantine and Prevention of Disease Ordinance, Chapter 141."

He said: Sir, although there have been no cases of smallpox in Hong Kong for a number of years, outbreaks of the disease in nearby countries on the main air and sea routes to Hong Kong makes special

vigilance necessary. This Bill will therefore empower the Governor to declare the Colony to be infected or likely to be infected with smallpox, whereupon persons not sufficiently protected against the disease may be subjected to vaccination or if they refuse vaccination, may be isolated or placed under surveillance for not longer than 14 days. Sir, the vaccination would of course be performed free of charge.

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: —

The health authorities have advised, following upon recent outbreaks of smallpox in neighbouring ports, that provision should be made, in the event of a threat or outbreak of an epidemic in this Colony, for the rapid vaccination and if need be the isolation and surveillance of persons insufficiently protected against this disease.

2. This Bill therefore proposes the amendment of the Quarantine and Prevention of Disease Ordinance, Chapter 141, to empower the Governor to declare the Colony to be infected or likely to be infected with smallpox, whereupon persons not sufficiently protected may be subjected to vaccination, or if they refuse, be isolated for the appropriate period, or to be placed in isolation or under surveillance.

CRIMINAL PROCEDURE (AMENDMENT) BILL, 1960.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Criminal Procedure Ordinance, Chapter 221."

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 4 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Criminal Procedure (Amendment) Bill, 1960, 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.

FOREIGN JUDGMENTS (RECIPROCAL ENFORCEMENT)

BILL, 1960.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to make provision for the enforcement in the Colony of Hong Kong of Judgments given in other parts of Her Majesty's dominions, certain other territories and foreign countries which afford reciprocal treatment to judgments given in the Colony of Hong Kong, for facilitating the enforcement in such dominions, territories or countries of judgments given in the Colony of Hong Kong and for matters connected therewith."

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 12 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Foreign Judgments (Reciprocal Enforcement) Bill, 1960, 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.

MEDICAL REGISTRATION (AMENDMENT) BILL, 1960.

DR. D. J. M. MACKENZIE moved the Second reading of a Bill intituled "An Ordinance further to amend the Medical Registration Ordinance, 1957."

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.

Clause 3.

DR. D. J. M. MACKENZIE: —Sir, I rise to move that a new clause 3 be added as set forth in the paper before honourable Members and that the existing clause 3 be renumbered as clause 4.

Proposed Amendment.

"Amend-
ment of
Section 7. 3. Paragraph (b) of section 7 of the principal Ordinance is amended by—

(a) the deletion of the full stop at the end thereof, and the substitution therefor of a colon; and

(b) the addition thereto of the following proviso—

"Provided that where in the place issuing such degree or diploma a Colony diploma is not accepted as entitling the owner to registration as a medical practitioner, the Registrar may require an applicant holding a degree or diploma issued in such place to produce evidence of registration with the General Medical Council of the United Kingdom".

Clause 3 as added, was agreed to.

Clause 4 was agreed to.

Council then resumed.

DR. D. J. M. MACKENZIE reported that the Medical Registration (Amendment) Bill, 1960, had passed through committee with certain amendments 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.

ADJOURNMENT.

H. E. THE OFFICER ADMINISTERING THE GOVERNMENT: —That concludes the business for today, gentlemen. When is it your pleasure that we should meet again?

THE ATTORNEY GENERAL: —May I suggest this day two weeks.

H. E. THE OFFICER ADMINISTERING THE GOVERNMENT: —Council will adjourn to this day fortnight.