

OFFICIAL REPORT OF PROCEEDINGS**Meeting of 30th June 1965****PRESENT**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR DAVID CLIVE CROSBIE TRENCH, KCMG, MC
HIS EXCELLENCY LIEUTENANT-GENERAL SIR DENIS STUART SCOTT
O'CONNOR, KBE, CB
COMMANDER BRITISH FORCES
THE HONOURABLE GEOFFREY CADZOW HAMILTON
ACTING COLONIAL SECRETARY
THE HONOURABLE MAURICE HEENAN, QC
ATTORNEY GENERAL
THE HONOURABLE JOHN CRICHTON McDOUALL
SECRETARY FOR CHINESE AFFAIRS
THE HONOURABLE JOHN JAMES COWPERTHWAITTE, CMG, OBE
FINANCIAL SECRETARY
THE HONOURABLE KENNETH STRATHMORE KINGHORN
DIRECTOR OF URBAN SERVICES
THE HONOURABLE ALEC MICHAEL JOHN WRIGHT
DIRECTOR OF PUBLIC WORKS
DR THE HONOURABLE TENG PIN-HUI, OBE
DIRECTOR OF MEDICAL AND HEALTH SERVICES
THE HONOURABLE WILLIAM DAVID GREGG
DIRECTOR OF EDUCATION
HONOURABLE PATRICK CARDINALL MASON SEDGWICK
COMMISSIONER OF LABOUR
THE HONOURABLE DAVID RONALD HOLMES, CBE, MC, ED
DIRECTOR OF COMMERCE AND INDUSTRY
THE HONOURABLE JOHN PHILIP ASERAPPA
DISTRICT COMMISSIONER NEW TERRITORIES
THE HONOURABLE DHUN JEHangIR RUTTONJEE, CBE
THE HONOURABLE KWAN CHO-YIU, CBE
THE HONOURABLE KAN YUET-KEUNG, OBE
THE HONOURABLE SIDNEY SAMUEL GORDON
THE HONOURABLE LI FOOK-SHU, OBE
THE HONOURABLE FUNG HON-CHU
THE HONOURABLE TSE YU-CHUEN, OBE
THE HONOURABLE KENNETH ALBERT WATSON, OBE
THE HONOURABLE WOO PAK-CHUEN, OBE
THE HONOURABLE GEORGE RONALD ROSS
THE HONOURABLE SZETO WAI
THE HONOURABLE WILFRED WONG SIEN-BING
THE HONOURABLE MRS ELLEN LI SHU-PUI, OBE
MR ANDREW McDONALD CHAPMAN (*Deputy Clerk of Councils*)

MINUTES

The minutes of the meeting of the Council held on 23rd June 1965, were confirmed.

HIS EXCELLENCY THE GOVERNOR:—May I at this point welcome Mr WONG back to this Council.

PAPERS

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

<i>Subject</i>	<i>LN No</i>
Report in accordance with regulation 10(3) of the Hawker Control Force (Welfare Fund) Regulations 1962.	
Public Health and Urban Services Ordinance 1960.	
Public Health and Urban Services (Public Pleasure Grounds) Order 1965	84
Resettlement Ordinance 1958	
Resettlement (Amendment) (No 2) Regulations 1965	85

QUESTION

MR KAN YUET-KEUNG, pursuant to notice, asked the following question: —

Sir, may this Council be informed how it was possible for a local newspaper to publish the recommendations of the Salaries Commission before its Interim Report was even considered by the Executive Council?

THE COLONIAL SECRETARY replied as follows:

Sir, I regret that I do not know how a portion of the contents of the Interim Report of the Salaries Commission came to be published in the local press before public release.

The Report was received on Monday, 14th June, and normal precautions to preserve the security of its contents were observed. The Chairman of the Salaries Commission has informed me that strict precautions were also taken in respect of his office, and that the Members of the Commission were aware that the Report was a confidential document until published by Government. Despite these precautions, some

person revealed the recommendations to the Press; but the inquiries that I have instituted have so far produced no concrete evidence as to who it was.

MR KAN YUET-KEUNG:—May I ask a supplementary question, please? Sir, may this Council have the assurance that every precaution will be made to prevent any similar occurrence in the future?

THE COLONIAL SECRETARY: —Yes, Sir.

TENANCY (NOTICE OF TERMINATION) (AMENDMENT)

BILL 1965

THE ATTORNEY GENERAL moved the First reading of a Bill intituled “An Ordinance further to amend the Tenancy (Notice of Termination) Ordinance 1962.”

He said: —Your Excellency, under the Tenancy (Notice of Termination) Ordinance 1962, the minimum length of notice required to determine a tenancy to which the Ordinance applies is six months. The Ordinance provides that this shall not affect any right arising out of a breach of any express condition or other term in a tenancy, but tenancies from month to month or for a shorter period are often entered into orally and therefore do not contain express conditions or terms. Thus, if the tenant under an oral monthly tenancy to which the 1962 Ordinance applies fails to pay the rent, the landlord cannot terminate the tenancy by giving a month's notice as he could have done but for the provisions of the Ordinance nor can he forfeit the tenancy for the breach of an express condition for payment of the rent.

Sir, this Bill seeks to meet this situation by providing that a covenant for the payment of rent and a condition for forfeiture for non-payment will be implied into every contractual tenancy to which the Ordinance applies, as well as in a tenancy continuing by virtue of the Ordinance.

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: —

It was decided, in a case before the District Court in 1963, that the covenant to pay rent, and the condition for forfeiture for nonpayment, implied by subsection (4) of section 3 of the Tenancy (Notice

of Termination) Ordinance 1962 is to be implied only in a tenancy which is continuing by virtue of the Ordinance.

2. It is considered that such a covenant and condition ought to be implied in every contractual tenancy to which the Ordinance applies, as well as in a tenancy which is continuing by virtue of the Ordinance.

LOTTERIES FUND

THE FINANCIAL SECRETARY moved the following resolution:—

Resolved—

1. that with effect from the 30th day of June, 1965, there shall be established a fund styled the LOTTERIES FUND;
2. that the Fund or any part of it may be held in Hong Kong dollars or in such securities as may be approved by him;
3. that there shall be credited to the Fund—
 - (a) a sum of \$7,418,920 to be appropriated from the general revenue of the Colony with effect from the date of creation of the Fund;
 - (b) such appropriations from the general revenue of the Colony as may from time to time be made by this Council;
 - (c) such sums as may be required by or under any Ordinance to be credited thereto;
 - (d) all sums received by way of repayment of loans or advances granted from the Fund;
 - (e) all sums received by way of interest or dividend on investments, deposits, loans or advances of the Fund;
 - (f) such donations as may be offered to the Fund and which have been approved by the Finance Committee of this Council;
4. that the Financial Secretary may from time to time appropriate from the Fund monies for the purpose of financing by way of a grant, a loan or an advance, the support and development of such social welfare services in the Colony as may be approved by the Governor, after receiving and giving consideration to the advice of the Social Welfare Advisory Committee, provided that the amount of any appropriation, and

the terms and conditions of the grant, loan or advance, shall in every case be subject to the prior approval of the Finance Committee of this Council.

He said: —Your Excellency, it will be recalled that in my Budget speech in February this year I mentioned the unsatisfactory nature of the present arrangements for utilizing the proceeds of the Government Lotteries and in particular for demonstrating how these proceeds were utilized. The main problem had been to devise a system whereby proceeds of the lottery would go to meet a special purpose which could rely almost completely on the lottery and eschew other sources of public funds, so as both to avoid the confusion that would arise from the provision of funds for a particular purpose from a multiplicity of sources, and to demonstrate clearly and unequivocally the purpose for which the proceeds had been used or were to be used. I said that a scheme had been worked out in consultation with the Social Welfare Advisory Committee, the principal feature of which would be the establishment of a special fund from which money would be allocated for social welfare projects of a capital nature and I expressed the hope that I would be able to bring this scheme before Council at any early date for approval.

The resolution now before Council establishes a Lotteries Fund to which it is intended that the net proceeds of Government lotteries should be credited in future. This does not include unclaimed prizes, which under the present provisions of the Ordinance remain a contingent liability on general revenue. Consideration is, however, being given to amending the Ordinance in such a way that unclaimed prizes may be paid into the Fund and the contingent liability for future claims transferred from general revenue to the Fund. Amendment of the Ordinance will in any case be required to provide for the crediting of the net proceeds direct to the Fund rather than by a roundabout route through general revenue, for the Ordinance at present provides that the proceeds of Lotteries must be paid into the general revenue of the Colony. When this amendment has been made, we will ask Council to vote into the Fund, under paragraph 3(b) of the Resolution, the net proceeds of all lotteries held between then and now. It is desirable in the meantime that the Fund itself be set up as soon as possible and this is the purpose of the Resolution before Council.

The Fund is to be employed for the support and development of social welfare services in Hong Kong and allocations from it will be made to voluntary agencies in the form of capital grants or of capital loans repayable with or without interest. Although it seems undesirable in general that a fund of this sort should be used to any substantial extent for recurrent subventions, because they may accumulate in such a way as to pre-empt a high proportion of the fund's future income, it is the intention that recurrent subventions of limited duration may also

be granted from the Fund, particularly if associated with capital projects financed from the Fund. In addition to social welfare projects narrowly defined, the Fund will be available for specialized medical and educational projects which have a welfare element in them. Government projects of this kind will also be eligible except those which are connected with the carrying out of statutory departmental duties, for example, probation homes.

The figure of almost \$7½ million which it is now proposed to appropriate as an initial fund represents the net proceeds of Lotteries held in the years, 1962, 1963 and 1964, less the capital expenditure actually incurred during this period on projects which would have been eligible for allocations from the Fund had it been set up earlier. It does not include prizes unclaimed during the six months period statutorily allowed; these amount to \$925,000 at present.

The Social Welfare Advisory Committee will be responsible for advising Your Excellency on the allocations which should be made from the Fund and in exercising this function will have the expert advice, where appropriate, of representatives of the Director of Medical and Health Services and of the Director of Education, acting as consultants to the Committee. All proposed allocations will, of course, be subject to the specific prior approval of the Finance Committee of this Council. A number of recommendations for allocations from the Fund have already been received from the Social Welfare Advisory Committee and are under consideration by Government.

I take the opportunity today to pay tribute to the work of the Lotteries Management Committee, under the Chairmanship of Mr Q. W. LEE. I hope that the setting up of this Fund and the clearer connexion thereby shown between the Lotteries and the welfare projects they will finance will make their task easier and more rewarding.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

EDUCATION POLICY

HIS EXCELLENCY THE GOVERNOR:—We shall now resume the debate on the Resolution that the White Paper on Education Policy be adopted as a basis for future action, it being understood that this Resolution does not imply the taking of any decision on salaries and terms of service or on any other matter on which Government has expressed reservations in Appendix I to the White Paper. The Resolution is now open for debate.

THE COLONIAL SECRETARY:—Sir, my colleague the Director of Education will reply to the various points made by Members during this Debate, and the Financial Secretary will speak on financial matters.

I shall confine myself therefore to two subjects only.

Presentation

The first of these is the method of presentation of this White Paper, which has been criticized by some Members. This rather confusing form has resulted from the method of public consultation adopted in this important matter.

As a first step we called in two independent educational experts, Mr MARSH and Mr SAMPSON, and then published their Report in order to ascertain public reaction to it. Then a Working Party was appointed, with a majority of non-Government members, to examine the Report and to make specific recommendations for its implementation and modification. We published the Report of the Working Party and announced that we accepted the great majority of its recommendations, and had indeed felt able, in some matters, to advance beyond what they had proposed. We put these proposals to the Board of Education, which approved them.

The final result is that we have a whole series of recommendations and comments. We could, it is true, have written a final comprehensive report listing, and arguing, all the final recommendations, but this would have taken considerable time and have added to the bulk of papers which Members have had to study. We consequently adopted this rather briefer approach, and I apologize if Members have found it unsatisfactory.

One Member criticized the fact that there are a number of reservations in Appendix I to the White Paper. There are in fact only 16 items reserved out of a total of 181 recommendations, and some of these are reserved only in order that practical details may be worked out. I do not think that this is unreasonable.

Salaries

The question of teachers' salaries is not to be decided today, but it is desirable that I should say something on this subject to remove the misconception that Government is proposing to be unfair to teachers.

The Marsh Sampson Report considered that the present salary structure was unsatisfactory in that it relates salary to the paper qualifications of the teacher rather than to the job which he is doing. A teacher, who may be competent and experienced but who does not hold the

prescribed qualification, may be denied the salary appropriate to the post in which he is serving; and a fully qualified teacher, serving in some less responsible post, may receive a salary appropriate to his qualifications, but higher than that appropriate for his post.

The Report noted moreover that salaries in Government schools were much higher than those in aided schools. Marsh/Sampson consequently recommended a new scheme, which would be common to both Government and aided schools, consisting of a basic scale, to which would be added “a range and quantity of additional payments to those who make a success of their career and who accept the burden and responsibility of the more senior posts.” They considered it vital that some financial inducement should be offered to encourage officers to aspire to promotion and to greater responsibility. Such a scheme, although new to Hong Kong, has of course been in operation in the United Kingdom for a number of years.

The Working Party accepted the scheme in principle, but proposed rather higher salaries.

Under this scheme, teachers in Government and aided schools will receive the same—a proposal which has been welcomed by the Grant Schools Council; no serving officer will suffer a reduction in salary since his personal position will be protected; and many teachers in aided schools—particularly those holding more responsible posts—will receive increases. It is true that there has been opposition to the system in some quarters, but I think that, for the reasons given above, opposition is less widespread than Mr WATSON supposes, and I cannot agree with his proposal that we should abandon the scheme and thus save a lot of money; I do not think that this would be welcomed by the many teachers in aided schools who now receive less than their Government counterparts. Moreover I do not share his fear that a Bumham scale structure would lead to corruption amongst head teachers in Government and aided schools.

Now it is obvious that a scheme of this magnitude, which would change the terms of service of thousands of teachers, cannot be put into effect without detailed examination and close consultation with the officers concerned. The Director of Education has already had discussions with the Teachers' Associations and Staff Associations, and it will be some time before a final decision can be reached. To impose this new salary structure recommended by the Working Party, without full consideration of the effects on individual officers and consultation with the representatives of those affected, would not be an acceptable procedure.

That is why it was necessary to reserve our position on the salary structure. I see no satisfactory alternative to this procedure.

There is indeed a very respectable precedent for taking decisions on educational targets separately from decisions on teachers' salaries. The British White Paper which formed the basis of the 1944 Education Act provided for very far-reaching changes in the educational system in the United Kingdom, but it did not deal with the salary structure changes which had to be considered in consequence. These were disposed of subsequently.

MR K A. WATSON:—Your Excellency, I rise on a point of personal explanation. My honourable Friend, the Colonial Secretary, has referred to what he calls *my* proposal that we abandon the scheme relating to teachers' salaries. I made no such proposal. What I suggested was that if it were found that the teachers were in fact unanimously opposed to it. Government could gracefully bow to superior numbers.

He also referred to *my* fears that a Burnham scale structure would lead to corruption amongst head teachers in Government and aided schools.

I would like to explain that I expressed no personal opinion in this matter. I was expressing the views of a large number of teachers who have written to me. I said, “There appears to be almost unanimous opposition ...”, that “It is argued that”, and “The big fear is.....”.

I suggest that in none of these phrases is there any indication of my own personal views. I shall be grateful therefore if my honourable Friend will withdraw the reference to my fears.

THE COLONIAL SECRETARY: —I certainly do so, Sir.

THE FINANCIAL SECRETARY: —Your Excellency, while I do not for a moment suggest that the non-financial aspects of education are not of the greatest importance, I should like to speak briefly about some of the financial aspects of the new policy. They are, I am afraid, points I have made frequently in the past in one context or another and I apologize for being repetitious.

As my honourable Friend, MR WATSON, supposes, I regard education as a good thing. But we must still ask what a good thing costs, how much of it we can afford and who is going to pay for it.

In relation to our wealth, our state-aided educational system is very expensive, particularly that part of it directly operated by Government. Salary costs, for example, which are a high proportion of the total of education costs, are relatively very high. Although our wealth per head is considerably less than a third of Britain's, the salaries of non-graduate teachers in Government and aided schools are about three quarters of

those in Britain; and in Government schools there are a substantial number of promotion posts, not carrying special responsibilities, where salaries go higher at the top than those of their counterparts in Britain. Graduate teachers are relatively even more expensive; they start on salaries substantially higher than in Britain and, particularly in Government schools, go very much higher indeed at the top, (I should however add, before I am correct by my honourable Friend, Mrs LI, that these comparisons are not quite so startling for women teachers because in Britain they have already achieved equal pay). I believe too that if the same comparisons are made with most other countries, particularly but not only in the West, the same disproportion can be observed. Our unusual salary structure in relation to national wealth is to a large extent the result of history and of the past development both of our society and of our educational system. That system was originally a limited one for an elite, a high proportion of teachers were expatriate and the qualified local teacher scarcer than to-day. This was, and still is, a feasible situation so long as subsidized education is made available for the few only; but now that we are aiming at subsidized primary education for all, a different situation arises and we can achieve it, without serious strain on our resources, only if costs are reasonably related to our means. In the field of secondary education, too, I do not think it is quite realized how high an aim subsidized education for 20% of primary school leavers is. This is higher than Britain aspired to only a few years ago, although she now exceeds it.

For these reasons, I sympathize with members who have found difficulty in reaching a conclusion on the policy in the absence of a firm decision on teachers' salaries, although their anxiety appears to be connected with the question whether salary scales will attract enough teachers whereas my anxiety is whether we will be able to afford them in relation to our expanded aims.

The public do not seem to me to appreciate fully the very great increase in recurrent (and capital) expenditure involved. The White Paper gives some information about the cost of the policy in five years time, although not complete information. I reckon that, on present salary scales, it means an increase of something like \$150 million a year in all by then. Perhaps the relative remoteness of this has softened the impact. It also seems that many people (including my honourable Friend MR WATSON—and I do not blame him for it in the circumstances) have been misled into thinking that the table of expenditure and savings at the end of the Working Party report (Table 25) represents the total cost, to-day, of the new policy. In fact this table is a theoretical one which only shows the effect on the existing subsidized sector of education of the various adjustments in costs and fees proposed compared with those proposed by the Commission. It does not take any account of the cost of the proposed expansion of subsidized education.

Perhaps a better way of looking at the effect of the proposals is to suppose that by a touch of a magic wand we could introduce the full policy overnight. This would, I estimate, increase recurrent expenditure alone by something of the order of at least \$100 million immediately and would bring the percentage of total expenditure represented by education rather above the 20% suggested by some people (not that I think this way of measuring expenditure has any merit; it would be absurd if we had to open more schools just because we had opened a new clinic or increased the staff at the airport). The fact that it will take time to bring the policy into full operation is some consolation to me as there will be time to find out whether or not we really can afford it; but that makes it none the less important to make as sure as we can that we do not set costs so high as to imperil our present aims—and the possibility of improving on them as soon as possible.

Now comes the question who is to pay. I notice that most people, including a number of my honourable Friends during this debate, speak of the cost to *Government*; the cost does not fall on the Government, but on the community; it is the community that must pay, more specifically the taxpayer. I have pointed out in the past that a community can pay for public services either in the form of fees for actual services received or in the form of taxes—or in some combination of the two. I have frequently expressed the view that, with our economic and social structure, a full fee structure with remissions for those who cannot afford the fees is preferable in many cases to heavily subsidized or free services and high taxes. This is both because of the need to keep commerce and industry as free as possible from oppressive tax burdens and because of the well-known public opposition to a full personal income tax. It is true that, unlike most other public services, it is commonly held that a free education is the birthright of every child—but, I would suggest that it is not the birthright of every parent, irrespective of his wealth. We have here a tax system which is certainly not progressive in its incidence—I have sometimes wondered if it is not regressive—and also an expensive education system relatively to our wealth; it is also an education system, where for historical reasons, the most expensive parts of it, the secondary schools, have admitted and still admit the well-to-do in disproportionate numbers, although this feature is now being considerably modified. If we are to have a system of universal primary education and substantial secondary education, then we must either have an adequate fee structure with remissions only in relation to need; or we must introduce a progressive form of direct personal tax so that means are taken into account in the assessment of tax, even if they cannot be taken into account in the assessment of fees. One way or another there must be a proper relationship between the parent's means and what he is called upon to pay in fees or tax. The lower the general level of fees is and

the higher the costs are, the more certain is it that the quantitative policy we are introducing (and which I personally support in its quantitative aspects, if we can afford them) means the introduction of a new form of taxation—and the sooner it must be introduced. I should like to illustrate my point by an example. A man earning, say, \$3,000 a month (which puts him very high up in our income scale), if he has one child at an aided secondary school and one at an aided primary school, pays less direct tax at present than he receives in educational subsidies. This is grossly inequitable at present while nearly half our school places are unsubsidized, but the inequity will still remain even if we give subsidies to all—unless we introduce a revolution into our present tax structure. I fear that this will be politically even more unpalatable than some of the aspects of our expanded education policy which have been criticized, but it is in some sense a decision we will be taking to-day, if the policy in the White Paper is endorsed. I do not say this in an attempt to terrify members into voting against it, but so that the cost which the community, not I repeat the Government, is taking upon itself and the very great importance of keeping costs as low as possible, to the extent compatible with a sound education, may be fully understood; as well as the extent to which our fiscal policies may have to be changed to achieve the desired progress equitably and without danger to the economy.

MR W. D. GREGG:—Your Excellency, in spite of the criticism which has been levelled at certain aspects of the White Paper, it must be a source of some satisfaction both to the Working Party and to the Board of Education on whose advice Government has relied in the formulation of its policy, that honourable Members have not allowed their misgivings on certain items to obscure the great advances in the public education system of Hong Kong which this policy seeks to carry out. The speeches made last Wednesday without exception recognized the solid merit of the main policy proposals which this White Paper embodies, in particular in the sphere of primary education, vocational training, teacher training and the resulting implications in the secondary sphere.

In my reply to the debate this afternoon I will endeavour to deal with the points on which doubts have been expressed, and some modifications of policy will be proposed. I do not intend to deal further with any of the main features on which there is no disagreement: these have already been most ably re-stated by honourable members in their earlier speeches and I am confident that they will not allow the broad prospect to get out of focus.

Before I deal with some of the more specific points which have been raised both by honourable members in the course of this debate and also by various individuals and organizations in letters to the

Government, I would like to deal first of all with the general pattern of education. The kind of criticism to which I refer runs something like this:—

“A few years ago we had a course of primary education lasting six years, then it was changed to five years, now it's to be six again. Originally our children went to school at six years old, then the starting age was raised to seven, now it's to go back to six again. Aren't our children being used as guinea pigs to try out one fancy scheme after another? What is happening to their education in the meantime?”

If it were true that we were moving backwards and forwards in the actual system of education, it would indeed be a source of genuine anxiety amongst parents, but I am going to show that this is not really so. In fact the only feature in which the Government is proposing to depart from previously approved policy for the first six years of a child's education is in the matter of age of admission. As members are aware, the Government has decided in response to public representations to revert to entry at the age of six in government and aided primary schools. It must, of course, be acknowledged that in the modern world education cannot remain static in the face of social, economic and population changes which are constantly affecting the lives of the community, but it is equally important that educational changes should be evolutionary and not revolutionary. No doubt many of us look back nostalgically to our own education, which appeared to suit contemporary conditions very well, but it would be as futile to try and reintroduce them nowadays as to bring back the horse-drawn carriage and the sedan chair.

At the beginning of 1963 the Government embarked upon a policy of re-organizing the present primary school curriculum. I quote from the White Paper “to enable pupils within five years to attain approximately the same standards in language and in number work as they now reach in six”. Now these proposed changes in the curriculum have already taken place. Next September pupils will be entering upon the third year of the re-organized course. We cannot put the clock back now. It would be grossly unfair on the pupils if we attempted to upset the course and in any case there is no real evidence to suggest that the new course is not succeeding in its aims. I do not pretend there are no problems in adjusting to a new syllabus, but I am quite certain that these can and will be overcome when more experience of its operation is gained.

The 1963 White Paper went on to propose that in 1968, when these pupils had finished their five year primary course, they should all be given one year of secondary education. At the conclusion of this sixth year of education, pupils would be eligible for entry by selective examination into the government and aided secondary schools proper.

Section 10 on page 3 of the present White Paper does no more than endorse and reaffirm this policy with respect to primary education. I have already mentioned the decision to bring back the original age of entry to primary schools. Apart from this the policy does not seek to change anything, and in my opinion it would be a disruptive and retrograde step to do so. Otherwise all it does is to add an additional year of vocational training at the end for the younger members of the age group, who do not go on to full secondary education. Surely it must be obvious that if the original policy was meant to ensure universal education until the age of fourteen, then by reducing the age of entry, we are adding a year's education and not reducing anything at all.

Now, Sir, the 1963 White Paper went on to suggest in very definite terms that as soon as the new type sixth year had been established in all primary schools call it Form I or Junior VI or what you will—then the government and aided secondary schools should all be restricted to the last four years of the School Certificate Course and for matriculation work where appropriate.

The recent Working Party gave a great deal of thought to this problem, which is briefly summarized in Section 253 of their Report. Whilst it advocated a measure of experimentation with the ablest of pupils, subject to proper safeguards, it had this to say on the problem in general: —

“We think it would be wrong to establish four year courses to School Certificate level in aided and government secondary schools as a general rule until there is evidence to show that a reasonable proportion of the pupils would obtain good results in the School Certificate Examinations after a four year course.”

Reports in the press have accused Government of suddenly springing upon the public an ill-conceived plan to shorten the secondary school course by one year. The truth is that existing policy published two and a half years ago directs that if possible by 1967-68 secondary school courses be limited to four years. The present White Paper on the other hand supports a policy of very great caution in this respect. In other words the recent Working Party began its consideration against the background of a declared Government policy that, if possible by 1967/8, the combined primary and secondary course up to School Certificate will be reduced to ten years. The proposals now under debate are to the effect that until there is clear evidence that the new syllabuses which are being gradually put into operation in the primary schools and which will in turn affect the secondary programmes, justify a reduction of one year, an eleven year course should remain in operation. It will be eight years from now before the first pupils following

the new course will have reached the tenth year of their education. In my opinion the beginning of the tenth year (September 1973) is the earliest date when a valid judgement can be made on whether the average pupil will be ready to take School Certificate in June 1974 or whether he will still need an extra year.

My honourable Friend, Mr FUNG Hon-chu, asked why if the primary course is now of five year's duration, pupils are being forced, to remain an extra year in the primary schools. This is of course in accordance with Government's declared policy of providing every child in the government and aided system with at least one year of secondary education. The remainder of the secondary course will be completed by those who qualify in the regular secondary schools.

The whole keynote of the policy so far as the educational pattern is concerned is to avoid changes which do not evolve naturally. The policy is being misunderstood if it is accused of leading to any other conclusion.

The proposal which seems to have given rise to the largest amount of adverse comment is that relating to proposed increase in the standard secondary school fee. Nobody likes suggesting increases in school fees and, of course, nobody likes paying increases. No one had any illusions that this would be a popular proposal. But in considering the unpopularity, one must examine the reasons and arguments behind the criticism. In their speeches in this debate members have alluded to most of these reasons which have been given wide publicity and it all seems to boil down to this. First of all it is said that the measure will cause hardship to a great many people and might even deprive pupils of their chance of secondary education. Secondly it is likely to set off a chain reaction of fee increases in the private schools and thirdly some people feel that any increase in educational revenue from parents ought to be ploughed back into some specific educational project for the benefit of parents.

Turning to the first point—hardship. Two facts must be noted. Public secondary education is already highly subsidized and with rising costs this subsidy is likely to increase in the future. Nevertheless, although the provision of places for 15-20% of all primary leavers is generous by general world standards, it still only caters for a comparatively small proportion of the age group. A much larger group in private schools obviously has to pay much higher fees. It would be a serious mistake to imagine that the only pupils who seek and obtain places in public secondary schools come from poor and needy families. These places are keenly sought after by all sections of the community and a very large number of them are secured, on competitive merit, by the children of well-to-do families. I am not suggesting for one moment that they do not deserve the places, but it is clear that this

small minority who receive the best education that is available at only a fraction of the cost are a highly privileged community compared with the rest. Is it not reasonable that those who are able to pay should pay a fee which is rather higher than the present but still well below what the majority have to pay. So far as the poorer parents are concerned, under the proposed arrangements 45% need pay no fees at all. But as Mr SZETO Wai points out people do not conveniently divide themselves into those who can pay full fees and those who can pay nothing. A system of partial remission alongside full-remission as recommended in the Report is preferable. Thus one might well finish up with an arrangement under which only 25% paid full fees, 20% three quarter fees, 30% half fees and the remaining 25% nothing at all. Under such an arrangement 75% could benefit if this arrangement best met a need. It must also be clear that a high remission rate even if fees are raised benefits the poor, whereas lower fees accompanied by a lower remission rate has the reverse effect under which the poor are really subsidizing those in better circumstances. At the present proportion of children in aided schools and with 45% remission rate, the increases affect 8% of our children only, and that is the most privileged 8%. I am sure it is not really the intention of this Council to support privilege to this extent; yet that is what opposition to these proposals amounts to.

Other expressions of opinion have taken the line that a full secondary education is after all the birthright of all, and that all fees are retrogressive. My honourable Friend, the Financial Secretary has dealt with some of the general questions and I can only repeat that no education anywhere is ever free. In one way or another it is paid for in full by the community here and everywhere else. But the distribution of that burden falls at present very inequitably and it is this inequity we are anxious to try to do something about.

Some members have mentioned that the trouble with fee remission is that it is too much a matter of luck. With respect I do not think this is so. When the fees were increased some years ago with a corresponding increase in remission rates Government gave an assurance that if the new remission rates were inadequate to cover all cases of genuine hardship they would be revised. In the event however my Department has no record of any case in which a pupil has been awarded a place and has had to turn it down because the parent failed to obtain remission of fees. Government is prepared in this instance too to give an undertaking that if the proposed remission rates result in any genuine hardship amongst the poorer section of the community, individual cases will be dealt with immediately and the general level of remissions will be subjected to review. I might also add for the benefit of the Honourable Mr F. S. LI that the remission scheme applies equally to all selected

pupils whether they obtain places in government and aided schools or assisted places in private schools.

The second objection I have mentioned suggests that if the Government fees go up, the private schools will follow suit.

As several members have mentioned no variations in the fees at any school may be made unless the changes are duly approved by the Director of Education and published in the *Official Gazette*. I would very much like to give an assurance that henceforth no further fee increases will be approved, but this would be both unfair and impracticable. In private schools rising costs, whether in the form of rent increases or teachers' salaries must be met from school fees which in many cases are the schools principal, if not only, source of revenue. These applications are always most carefully scrutinized and often alternative suggestions are accepted by proprietors. I am quite prepared for the Board of Education to appoint a standing sub-committee to assist me in considering such applications, as Mr RUTTONJEE suggested; indeed I would welcome it.

Mr P. C. Woo has said that he cannot see how the Director of Education could possibly refuse approval, if a private school owner came along to the office with a request to increase his fees on the ground that Government had seen fit to increase fees in the public sector. Let me say at once that if that were the only reason alleged the request would most certainly be rejected out of hand. In short, as is the case now, unless a private school owner is able to offer convincing proof that he has incurred highly desirable or inescapable commitments which existing fee revenue cannot meet, the requests for increases in fees will not be entertained.

I now turn to the third objection, which has been mentioned by a number of honourable members but chiefly developed by the Honourable C. Y. KWAN. If I understand it correctly the argument seems to be that if Government finds it necessary to increase its revenue from educational sources it is proper that this additional revenue should be applied for educational purposes. Mr KWAN, of course, realizes that the expansion of education envisaged in this White Paper will cost the Government enormous sums of money to achieve and that therefore it would be perfectly easy and correct for Government to reply that the whole of the revenue from increased fees and a very great deal more will be used in order to implement those parts of the expansion which are set out in some detail in the White Paper and its appendices. But he has already said that this will not satisfy him and he is seeking something additional. In fact something additional has been added which does not appear on Table 25 and that is the increase in the standard building grant for secondary schools from 50% to 80% which is proposed. If over the next five years our school building programme

achieves the aims we have set ourselves then the increased rate of capital grant to secondary schools will more than use up the whole of the savings from increased fees over this period. In general I think that Government would find it very difficult to accept the principle that any particular section of its general revenues had to be earmarked for use against specific items of expenditure. However in this controversial issue and bearing in mind the main purpose of fee increases it is prepared to go some way towards meeting the wishes of honourable Members. Mr C. Y. KWAN has suggested that additional aided places should be provided with the money.

Later on in my speech I will be indicating how great a task it will be for Government to maintain during the next few years even its minimum target for fully aided secondary places, and that to seek to implement a programme which is substantially more ambitious would be unrealistic. Unless therefore there were a real and genuine prospect of our being able to achieve and surpass the maximum percentage indicated, there would seem to be little point during this stage of development of inserting a new ceiling figure which is artificially high and unlikely to be achieved.

Another honourable Member has suggested that the additional revenue should be used to increase the rates of remission. I have already given an assurance that Government will do this if it proves necessary, but I do not think that Mr KWAN and other members who hold similar views would accept this alone, since they appear to be looking for something additional outside the scope of the present or proposed fully aided sector.

May I therefore make an alternative suggestion. Paragraph 4 of page 1 of the Introduction to the White Paper accepts in principle the proposal that Government should continue to supply aid over and above the 15%—20% to non-profit-making private schools, but suggests that suitably defined limits to the extent of such aid will need to be devised. Government is already spending some \$2,600,000 per year on such aid, and I am sure we must consider increasing our aid in this sector. This increase, however, cannot be directly related to the increased revenue to be derived from fees since, as I have said, this has already been taken up by the provision for increased capital building grants. But, nevertheless, we will consider increased aid to this sector because it is much needed here and it will, of course, have the added advantages not only of benefitting non-profit-making private schools and school teachers, but also of lessening any possible legitimate need to increase private school fees.

I have one final, but very important point to make on the question of fees. It is one thing to say that the standard fee in government and aided schools shall be so much, but the public well knows that in practice

the full fee charged by most aided schools is higher than the standard fee (in some cases very much higher). This is due to two reasons. Firstly many of the schools are repaying loans for their school buildings. Secondly the present system of recurrent aid does not in practice cover all the essential recurrent expenditure of a school. Consequently additional subscriptions from the parents have to be sought. On the first point, the parents of pupils in those aided schools which already have a loan commitment of over \$20 per pupil per annum will not be required to pay the first \$20 of the proposed fee increase. On the second point the future policy of aid, stated in the White Paper, is that aided schools should receive an amount which when added to the normal fee income will enable them to operate efficiently and to pay their staffs the salaries that are prescribed. Proposals are also made for stricter control over the collection of fees in excess of the standard fee. These three measures, will have a considerable effect on the fee which is actually charged in aided schools. In future, I must remind honourable Members we are proposing to increase the standard building grant from 50% to 80% which will again tend to reduce the need for these extra fees in the future. In this particular connexion I would like to draw to the attention of honourable Members a statement which they have received from the Grants School Council, a fully independent and highly responsible body. The Council introduced its statement as follows: —

“This Council made representations to Mr MARSH and Mr SAMPSON during their visit, commented fully to the Working Party and has carefully studied the implications of the White Paper. We are therefore able to offer, with confidence, these opinions of experienced educationalists”.

I now quote their comments on secondary school fees: —

“We note considerable public disquiet on secondary school fees. We draw attention to the fact that 75% of the children provided with secondary education at public expense are in aided schools, where as a result of policies proposed, fees will not be radically changed. In future a parent's contribution to his child's education will be approximately the same whether his child attends a government or an aided school”.

The statement concludes:—

“We therefore urge your support for the acceptance of the Government White Paper”.

I suggest, Sir, that the judgement of this body, one of the most highly regarded and expert in the educational field ought not to be lightly ignored.

Whilst on the subject of secondary education I should like to deal with a different point namely the quantity of public secondary education.

Certain honourable Members have echoed the criticism which has been made in various quarters at Government's declared policy of providing secondary places for 15 to 20% of school leavers is inadequate. It may be that by expressing its objectives in this way. Government has given the impression that secondary education is to remain static and not expand.

At present, the total number of fully aided secondary places is about 45,000 and it was possible last September to admit about 10,000 pupils to Form I. This Form I intake will reach Form V in 1969 and by that time it is estimated that the total number of pupils to be catered for on the basis of 15% admission to Form I will have risen to 15,000.

It will be appreciated that even if it were possible to hold down the rate of admission to Form I places to this 15,000 figure for the five ensuing years thereafter it would be necessary to have a secondary government and aided system capable of dealing with a secondary population of 75,000 pupils. This means in effect that at a very minimum figure of expansion of 15% provision there is a commitment to increase in the very near future the number of places presently available from about 45,000 to 75,000, an increase of 30,000 places, or 66%. If anything much over 15% is provided, we should have to double the numbers of places in about five years. This could hardly be called a static system.

To achieve an increase of this order will impose severe demands on all concerned. There is clearly a need to build many more new schools and this will involve finding suitable sites in our crowded urban areas and sufficient school sponsors who are able and willing to come forward and assist. But, perhaps, the greatest problem of all will be to find the skilled manpower needed to staff these schools. Our two universities will be able to supply new graduates in the coming years, but it is not possible to start off a completely new school with recently recruited graduates. A nucleus of skilled and experienced teachers must be found and these can come, in the main, only from the existing manpower now available.

We consider therefore, that the proposed aim of providing sufficient secondary school places to accommodate between 15 and 20% of the total number of pupils completing the primary course represents a considerable advance from our present position and that far from setting our sights too low we have rather gone to the limits of what is likely to be physically possible.

This leads me to one more topic in which much criticism has been offered—staffing ratios. This measure has been variously represented as a cheese-paring operation, which will place an intolerable burden on already hard-driven teachers, as a result of which the standards of

schools will collapse. Perhaps we might look at it from a slightly different stand point. When Government invited the Education Commission and later the Working Party to examine in detail its educational housekeeping, it did so not because it hoped to save money, but because it realized that it was bound to spend increasingly large sums on a vast expansion of educational facilities, and it was vital to try and ensure that its resources both in men and money were being deployed to the maximum advantage. I am afraid I am unconvinced that the relatively minor modifications that have been suggested will seriously affect either our educational standards or the welfare of teaching staff. So far as secondary schools are concerned it means for example that in a standard 24 form school including sixth forms 34 staff plus the Head would be allowed. This gives an average teaching load of 28/29 periods for a five day 40 period week or more than two free periods every day. Even in the school without any sixth forms the teaching load on average is only marginally just over 30 per week out of 40. This is not unreasonable and I do not consider that the Colony, in view of its extensive commitments would be justified in concentrating a greater number of teachers in individual secondary schools either from the expenditure or the manpower point of view. I would like to point out too for the benefit of MR WATSON that in the secondary sphere Government staffing proposals are more generous than those suggested by the Marsh/ Sampson Commission and that neither did the Commission nor is Government proposing any variation in the maximum size of classes.

Mr P C. Woo also raised a specific question about Chinese middle schools. The description "Senior Middle 3" only occurs in the Marsh/Sampson Report because at that time this was the form which sat for the Chinese School Certificate Examination. After this year the term will be obsolete in government and aided schools. These schools will in future present candidates for School Certificate in Form 5 and offer Matriculation Courses in Form 6. These Chinese middle school sixth forms will, of course, qualify for the same staff as any other sixth forms. The staffing ratio suggested by Mr Woo in his speech is therefore exactly what Government is proposing for these schools.

As my honourable Friend, Mr RUTTONJEE, knows the Working Party gave a good deal of anxious thought to the question of staffing ratios in primary schools. We were not unmindful of the strain imposed upon staff by having to concentrate all their teaching either in the morning session or the afternoon and other difficulties. We were also impressed by the strong recommendation, which I personally endorse, for a change of emphasis in the classroom and less concentration on written test and examination and I would include written homework in this connexion. In paragraph 114 of its Report the Working Party expressed its doubts about whether the teaching needs of a school could adequately be expressed in a simple mathematical formula based on a

class/teacher ratio and indeed both the 1.2 figure and the proposed 1.1 figure do produce certain anomalies when applied to schools of different standard sizes.

The broad effect of the present proposals will be that if the Director of Education exercises his discretion in marginal cases to the schools' advantage (which he will do) primary school teachers will on average enjoy one free period on every day of the week except one. In his speech last week the Honourable TSE Yu-chuen mentioned that at present primary teachers take on 34 or 35 periods a week. The average load to which I have referred is based on 36 periods out of a possible of 40 in a five day week. I cannot but feel that the ill-effects on the teacher of having to spend an additional one or two periods of 35 minutes with his class per week have been over-exaggerated.

The particular difficulties of very small schools of up to 6 classes have been noted and it is not proposed to make any changes in existing staffing arrangements. Moreover the single stream school of 6 classes is eligible for the same number of teachers under the new formula as under the old.

In referring to the teaching load I have been treating the problem on the basis of a five day week. In order to avoid possible misunderstanding I should perhaps point out that bi-sessional schools also have a shorter session on every alternate Saturday morning, but even in the long weeks, the proportionate amount of free time would be the same.

I turn now to the age of entry into primary schools. First of all Chinese schools. Government's decision to reduce the minimum age from 7 to 6 has, of course, been universally welcomed, but misgivings have been expressed on the proposed phasing of the exercise. There were two fairly obvious reasons for this. The first was educational.

In order to give reasonable opportunities in accordance with established practice to the slightly older pupil it is necessary to set the upper age limit for primary I in the coming year at eight years. If we went immediately down to six at the other end we should have an undesirably large age spread of two years in Primary I which would present educational difficulties. I have noticed indeed that many people seem to be worried whether the new syllabus which was designed for seven year olds will be suitable for six year olds. In my opinion an age spread of about one year or a little over is of no great significance so far as the content of a course and appropriate teaching methods are concerned, but the further suggestion that the sixes, the six and a half, the sevens, the seven and a half and the eights should now all be bundled together in primary I is out of line with normal educational theory and practice.

The second reason is not educational at all, but simply one of fair treatment. If you suddenly double the number of pupils eligible for admission to a given number of places, you halve their chances of success. This is particularly hard on those in the upper end of the age bracket, because if they are deprived of their chance this year by a younger boy, they will be too old next year.

Sir, I have given provisional instructions for this year for schools to admit primary I pupils between the ages of 6½ and 8. I do not think that we should go beyond this at the moment. If, however, it happens in any school after these ages have been admitted—and they must have absolute priority—that there are vacancies in existing classes, they may be filled by pupils between the ages of six and six and a half. This may well be the case in parts of the New Territories and areas where redevelopment is still in its early stages.

In 1966 and thereafter I am prepared to consider in the light of the enrolment pattern for this year and in consultation with the Board of Education how many further stages are desirable to complete the changeover. So much for the Chinese schools.

Almost all honourable Members have spoken in favour of retaining the existing age of entry in the Junior English Schools. They have eloquently echoed the very reasonable and cogent arguments submitted by the various Parent Teacher Associations on this subject and it appears that an equitable principal of starting all children at the same age is not as much desired by public opinion as we thought it might be. Government accepts the view that provided no additional charge on public funds is involved these courses should follow as closely as possible the pattern of United Kingdom state system of primary education. I will not therefore take up further time except to say that Government will not disturb the existing age of entry to these schools.

Mr C. Y. KWAN has asked for an assurance that this modification I will not involve any increase in the common rate of subsidy. As certain other members have already pointed out, there can be no difference in cost between providing a six year course from five to eleven and one from six to twelve. Government does not therefore propose to make any further adjustment to the proposed tuition fee.

May I now turn again to the matter of private schools. I must deal with primary schools and secondary schools separately because Government policy is different in each case.

When Government's proposed policy for primary education is proceed with, it is expected that a considerable number of schools which are now classified as private will in practice move over to the fully aided sector. To this extent these schools, both the staff and the pupils, will

benefit greatly. One cannot yet define this quantitatively because there is no question of compulsion and some sponsors may prefer to retain the degree of independence which private status gives them. Moreover in view of Government's primary education policy every encouragement will be given to sponsors to establish new schools in suitable areas where there is a need. In some cases it may be appropriate to give capital assistance by way of grants or loans to suitable schools which prefer to remain non-profit-making private schools, while otherwise conforming to the general conditions applied to aided schools. I do not rule out also the possibility of some form of partial recurrent aid being extended to these schools.

Turning to the secondary schools the position is rather more difficult. In addition to the Government and aided sector which is likely to be fully committed for some years. Government has agreed in its White Paper to continue to extend aid both capital and recurrent to non-profit-making secondary schools but the precise extent of such aid has yet to be defined. The two aspects are closely inter-related because if Government heavily commits itself in the private sector, it will obviously have a considerable bearing on any possible future expansion in the fully aided sector. I am, however, preparing suggestions on these matters for submission to Government as soon as possible, which will certainly include provision for expanding the aid to teachers scheme.

I am very conscious of the difficulties faced by many private schools, which try to operate in buildings not really designed for the purpose and I have a good deal of sympathy with Mr SZETO Wai's suggestion on these matters, which are being re-examined at the present time.

The ideal solution would, of course, be to get everybody out of unsatisfactory premises and into proper schools. The main difficulty of course is that in the urban areas where private schools are best able to flourish available sites are scarcely sufficient to satisfy the needs of government and aided schools, which must have the prior claim. The situation is however less desperate in the newly developing areas and I am sure that the need to make available a reasonable number of suitable sites for private schools in these areas is fully accepted.

Your Excellency my reply to this debate has of necessity been somewhat lengthy, since I have tried to deal as fully as I could with what are generally acknowledged to be the more controversial aspects of the White Paper. I am conscious that I have not dealt with every single point or argument which was made during the course of the eleven previous speeches. It isn't that I do not regard them as important in themselves, but rather that they did not perhaps have quite such a close bearing on the main policy issues which have been the theme of this debate. I hope therefore that honourable Members will not feel that any really critical matter apart from the reserved topics has been neglected.

In my speech I have suggested a number of modifications which will affect the White Paper as at present drafted and some which may not in fact require any change of wording. Where changes are needed, it will be necessary for these to be formally incorporated later by means of an amendment to the printed version.

These modifications for convenience may be summarized as follows: —

- (1) In connexion with suggestions made for the use of increased secondary school fees, Government will consider extending additional assistance to private non-profit-making secondary schools, in preference to any further assistance being provided in the fully aided sector.
- (2) The entry age will be reduced to six and a half in 1965 and be subject to further consideration of the rate of reduction in 1966 and subsequently, in consultation with the Board of Education with a view to lowering the age of entry to six as soon as possible.
- (3) The proposed 45% and 50% fee remission rates will be exceeded in individual schools where necessary to meet any cases of genuine hardship. Periodic reviews of the fee remission rate will be made to ensure that it is adequate for the purpose.
- (4) The entry age for Junior English Schools will be left at five.
- (5) The proposed primary school staff-ratio will be so applied as to give schools the benefit of any part-time teachers for which they might be eligible to apply.

In the meantime in order that the points may be covered for purposes of this debate, I beg to move a further amendment to the resolution in the following terms:—

“that after the word 'action' the following additional words be inserted namely: “subject to the modifications proposed by the Director of Education in his speech to Council on 30th June, 1965”.

THE ATTORNEY GENERAL seconded.

HIS EXCELLENCY THE GOVERNOR:—The motion has been moved and seconded. Perhaps before we proceed. I may be allowed to give honourable Members a little procedural guidance at this point. Honourable Members who have spoken previously are free, if they wish, to speak again to this amendment, but are required under Standing Order 17(3) to limit themselves to the insertion of the new words proposed by the amendment. In my view, this does not preclude any speakers from

touching upon any of the points which have been made by the mover in his last speech, but speakers ought not, I think, to introduce any new matter otherwise than as has been covered by the mover.

We will then vote first on the amendment and an affirmative vote here, on this first vote, will merely denote agreement to amending the resolution and no more. If the amendment is agreed, it then becomes the main resolution and honourable Members who have spoken cannot then speak again. It will only remain for me to put the question as amended.

Honourable Members may welcome a break at this point and I shall suspend the sitting of Council until five minutes to four.

Council then recessed for fifteen minutes.

HIS EXCELLENCY THE GOVERNOR:—Council will now resume. The motion for the amendment of the resolution is now open for debate.

MR P. C. WOO:—Your Excellency, I will avail myself of the opportunity to make my position clear with regard to the amendments by the Director of Education. In my last speech I said that I was strongly against the increase of the secondary school fees; I am still strongly basically against it but, in view of the many proposals of the Director of Education which have in fact met most of the criticisms, comments and suggestions of my Unofficial colleagues, I think it would be a pity if I vote against the main resolution and, in the circumstances, I would abstain from voting on the main resolution.

MR S. S. GORDON:—Your Excellency, my honourable Friend, the Director of Education, has argued very ably in support of his figures of 15—20% of school leavers being provided secondary places. He has pointed out that even at the minimum of 15% this provides an extra 30,000 places. With respect, Sir, I consider that he is juggling with figures. It means that in the future only 15 children out of 100 will achieve a secondary place while at present 19 children out of 100 achieve a secondary place even although the total number is increased by 30,000. I trust that further consideration will be given to this aspect.

MR C. Y. KWAN:—Your Excellency, with regard to the second proposal on the part of my honourable Friend, the Director of Education, regarding the entry age which he says will be reduced to 6½ in 1965 and be subject to further consideration at the rate of reduction in 1966 and subsequently in consultation with the Board of Education with a view to lowering the age of entry as soon as possible. I take it that in any event the reduction will not be delayed beyond four years. I want clarification on this point. Sir, because you said as soon as possible'; does that mean as soon as possible even after the expiration of 4 years or within the period of 4 years?

HIS EXCELLENCY THE GOVERNOR: —Are there any further speakers before the mover replies?

MR DHUN RUTTONJEE: —Your Excellency, although it is not in the summarized amendments here, the Director of Education has given an assurance regarding the raising of school fees in private schools. I presume that before being raised they will be thoroughly discussed with the Sub-Committee of the Education Board which he proposes to establish.

HIS EXCELLENCY THE GOVERNOR: —Does the mover wish to reply?

MR W. D. GREGG: —Your Excellency, very briefly, I would like to make one comment on my honourable Friend Mr GORDON'S reference to the provision of secondary education. It was not my intention. Sir, to juggle with figures at all, but merely to demonstrate that what has been proposed is as far as we think we can go within physical limits. The figure of 30,000 was merely given to show the effect of maintaining the minimum percentage. I also went on to say that if there was any substantial increase above the minimum within the 15—20% bracket it would be greater than 30,000 and it would involve doubling.

It is not so much a matter of how many per 100, it is rather the physical provision of so many schools. Even 30,000 means 30 brand new secondary schools to be found, established and staffed within the period of 5 years. I think my honourable Friend will appreciate what a colossal undertaking that is and that to put higher figures would bring us a little in the realms of unreality.

As far as my honourable Friend, Mr C. Y. KWAN, is concerned, I take his point. By varying the wording of the White Paper it was not my intention to suggest an even longer stage but to examine carefully, in the light of our experiences this year, whether one further year is necessary or perhaps two or, in the extreme case, three, and I think, Sir, that when the final version of amendments take place we could make it quite clear that we rule out the possibility of any longer period.

I also agree with my honourable Friend, Mr RUTTONJEE, that any proposal to set up a sub-committee to advise on the application of increases in fees would first of all be submitted to and fully discussed by the Board of Education and their recommendations on the whole matter submitted to Government for a decision.

HIS EXCELLENCY THE GOVERNOR:—The question now is that the Resolution before Council be amended by the addition after the word “action” of the words “subject to the modifications proposed by the Director of Education in his speech to Council on 30th June, 1965.”

The question was put and agreed to.

HIS EXCELLENCY THE GOVERNOR:—The question now is that the following Resolution be approved. Resolved that the White Paper on Education Policy be adopted as a basis for future action subject to the modifications proposed by the Director of Education in his speech to Council on 30th June, 1965, it being understood that this resolution does not imply the taking of any decision on salaries and terms of service or on any other matter on which Government has expressed reservations in Appendix I to the White Paper.

MR P. C. Woo abstained from voting.

The question was put and agreed to.

HIS EXCELLENCY THE GOVERNOR: —Before we rise, I would like to remind honourable Members that this is the Honourable Mr SEDGWICK'S last appearance in this Chamber. I would like, therefore, on your behalf to thank him very warmly indeed not only for his notable work on this Council, but also for his manifold services to the Colony during the past 30 years. In this time he has served in a great variety of capacities and always with high intelligence and infinite care and consideration; such that he has earned the utmost respect and affection of us all. We are glad. Sir, that Hong Kong is not however entirely losing the benefit of your advice and help, and may we wish you and Mrs SEDGWICK every good luck in your new life, when you come to leave us. (*Applause*).

ADJOURNMENT

HIS EXCELLENCY THE GOVERNOR: —That concludes the business for today. The next meeting of Council will be held on 7th July.