

OFFICIAL REPORT OF PROCEEDINGS
Meeting of 12th July 1967

PRESENT

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT
(*PRESIDENT*)

MR MICHAEL DAVID IRVING GASS, CMG

THE HONOURABLE THE COLONIAL SECRETARY (*Acting*)

MR DAVID RONALD HOLMES, CBE, MC, ED

THE HONOURABLE THE ATTORNEY GENERAL (*Acting*)

MR GRAHAM RUPERT SNEATH, QC

THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS (*Acting*)

MR PAUL TSUI KA-CHEUNG, MBE

THE HONOURABLE THE FINANCIAL SECRETARY

MR JOHN JAMES COWPERTHWAITTE, CMG, OBE

THE HONOURABLE ALEC MICHAEL JOHN WRIGHT, CMG

DIRECTOR OF PUBLIC WORKS

DR THE HONOURABLE TENG PIN-HUI, CMG, OBE

DIRECTOR OF MEDICAL AND HEALTH SERVICES

THE HONOURABLE WILLIAM DAVID GREGG

DIRECTOR OF EDUCATION

THE HONOURABLE ROBERT MARSHALL HETHERINGTON, DFC

COMMISSIONER OF LABOUR

THE HONOURABLE ALASTAIR TODD

DIRECTOR OF SOCIAL WELFARE

THE HONOURABLE TERENCE DARE SORBY

DIRECTOR OF COMMERCE AND INDUSTRY

THE HONOURABLE GEOFFREY MARSH TINGLE

DIRECTOR OF URBAN SERVICES

THE HONOURABLE KENNETH STRATHMORE KINGHORN

DISTRICT COMMISSIONER, NEW TERRITORIES

THE HONOURABLE DHUN JEHANGIR RUTTONJEE, CBE

THE HONOURABLE KAN YUET-KEUNG, CBE

THE HONOURABLE LI FOQK-SHU, OBE

THE HONOURABLE FUNG HON-CHU, OBE

THE HONOURABLE TANG PING-YUAN, OBE

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, OBE

THE HONOURABLE WILFRED WONG SIEN-BING, OBE

THE HONOURABLE ELLEN LI SHU-PUI, OBE

THE HONOURABLE MICHAEL ALEXANDER ROBERT YOUNG-
HERRIES, MC

IN ATTENDANCE

THE DEPUTY CLERK OF
COUNCILS MR DONALD BARTON

MINUTES

The minutes of the meeting of the Council held on 28th June 1967 were confirmed.

PAPERS

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

<i>Subject</i>	<i>LN No</i>
Subsidiary Legislation:—	
Interpretation and General Clauses Ordinance.	
Specification of Public Offices	103

BANK NOTES ISSUE ORDINANCE

THE FINANCIAL SECRETARY moved the following resolution:—

Resolved, pursuant to the proviso to section 5 of the Bank Notes Issue Ordinance, Chapter 65, that this Council hereby extends the powers of all the note-issuing banks to make, issue or re-issue and circulate notes until and including the 12th day of July 1968.

He said:—Sir, this is a formal annual motion which I or my predecessors have moved at a July meeting of this Council every year since 1941, except during the last war.

The Bank Notes Issue Ordinance, Chapter 65, lays down that the powers of the three note-issuing banks lapse automatically unless renewed by this Council from time to time; and this Council has power to renew them by resolution for not more than twelve months on each occasion.

The present powers of the banks expire on 12th July 1967. The Resolution before Council proposes that they be renewed for the maximum permissible period of twelve months. **It** does not in any way alter them.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

DUTIABLE COMMODITIES ORDINANCE

THE FINANCIAL SECRETARY moved the following resolution: —

Resolved, in exercise of the power conferred by section 4 of the Dutiable Commodities Ordinance, as follows—

That that part of the Resolution of the Legislative Council, published as Legal Notice Number 19 of 1966 in the

Gazette of 11th March 1966, which imposed duties on unmanufactured tobacco be revoked with effect from 2.30 p.m. on Wednesday, the 12th day of July 1967, and that thereafter duty shall be payable on UNMANUFACTURED TOBACCO at the following rates per pound—

- | | |
|--|--------|
| (1) Tobacco of Commonwealth Origin | \$7.70 |
| (2) Tobacco of Non-Commonwealth Origin ... | \$8.00 |

He said:—Sir, the present structure of tobacco duties has been unchanged since 1931. It is divided into two sections:—

A—Unmanufactured Tobacco, and

B—Manufactured Tobacco.

The Resolution affects only unmanufactured tobacco for which there are eight categories of duty varying from \$7.70 to \$8 for tobacco of Commonwealth origin and from \$8 to \$8.30 for other tobacco, depending on whether the tobacco is unstripped or stripped and whether it contains less or more than 10 per cent of moisture by weight.

It is no longer considered necessary to retain the moisture-content differential. Section 26(1) of the Dutiable Commodities Ordinance permits the Director of Commerce and Industry to accept a variation of not more than 3% from the invoiced gross weight when computing the duty chargeable on a consignment of tobacco. I understand that the optimum moisture content of tobacco leaf is 10-11% by weight; and since variations may affect its quality, producers usually pack the leaf so as to make any significant change in moisture content unlikely. The Director considers that this 3% is quite sufficient to cover any slight variation in moisture content and in practice duty has always been charged at the lower rate.

The distinction between stripped and unstripped tobacco also has resulted in anomalies at times. The use of stripped tobacco in our cigarette factories has been steadily growing in recent years and now accounts for about 10% of all imports. Leaf stripped from the stem during harvesting provides larger pieces of tobacco for manufacture and thereby better finished products. The stems and scraps resulting from the stripping process are also imported and are used in the cheaper brands of cigarette. As, however, the present duty structure lays down no specific rate of duty for stems, it has been the practice to classify them arbitrarily at the cheaper rate, that is that for unstripped leaf. The scraps have presented similar problems. The stripping process results in larger scraps; and these have sometimes been found on inspection to resemble stripped tobacco so closely that they have been charged duty at the higher rate. It is therefore proposed to abandon the distinction between stripped and unstripped tobacco.

The new structure of rates proposed in the resolution reduces the existing rate to two, distinguished only by the origin of the tobacco, that is,

Tobacco of Commonwealth Origin — \$7.70 per pound

Tobacco of non-Commonwealth Origin — \$8.00 per pound.

These new rates are expected to result in a gross loss of revenue amounting to rather less than half a million dollars a year. The net loss after drawback on exports has been paid will be considerably less but this is not capable of easy estimation. This loss of revenue can be regarded as being offset by greater simplicity in the calculation of duty, which will benefit both manufacturers and the collecting Department.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

PERJURY (AMENDMENT) BILL 1967

THE ATTORNEY GENERAL moved the First reading of:—"A Bill to amend the Perjury Ordinance."

He said: —As is explained in the Objects and Reasons attached to the Bill, the main purpose is to amend the Perjury Ordinance so as to provide that copies of the record of court proceedings may be introduced as evidence before other courts in the course of a criminal trial for an offence against the Perjury Ordinance. This would obviate the need to require the judge or magistrate to appear as a witness and give evidence of the statement on which the perjury charge is based. Clause 5 of this Bill replacing the existing section 15 is in order to achieve this object.

Clauses 2, 3 and 4 have the effect of taking the evidentiary and procedural provisions at present in section 3 and making them separate sections which will be applicable to the whole Ordinance and not just, as at present, to section 3.

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 main object of this Bill is to provide that a certified copy of the record of proceedings before any court shall, in proceedings under the principal Ordinance for perjury or a kindred

offence,, be *prima facie* evidence of the contents of the record. The reason for this provision is that it has been necessary on occasion to call a judge or magistrate as a witness for the prosecution in order to prove the statement on which a charge of perjury is assigned. It is considered that the necessity for calling a judge or magistrate should be obviated to such extent as is possible.

The opportunity is taken to make it clear that the provisions in subsections (2), (3), (4) and (5) of section 3 of the principal Ordinance apply, so far as they are relevant, for the purposes of the Ordinance as a whole and not merely for the purposes of subsection (1) of section 3 (clauses 2, 3 and 4).

EVIDENCE (AMENDMENT) BILL 1967

THE ATTORNEY GENERAL moved the First reading of:—"A Bill to amend the Evidence Ordinance."

He said:—Sir, the main amendment here which is to be made by clause 3 provides for the procedural difficulty which is encountered where a person in custody, undergoing a prison sentence for example, is required to be in court either to give evidence, or to appear as a plaintiff or defendant in a civil case or, indeed, to prosecute or to defend a criminal case. There are existing provisions in both the Evidence Ordinance and also in the Criminal Procedure Ordinance and the District Court Ordinance which deal with the problem in part. The proposed new section 57 will make provision for all the courts and enable the judge or magistrate as the case may be to issue the necessary warrants or orders either of his own motion or upon application being made to him.

In criminal trials it is sometimes found necessary to produce evidence on such matters as the state of the weather on a particular day, or the hours of daylight on that day. At present it is usually necessary for a member of the staff of the Royal Observatory to attend in court and produce a copy of the records kept at the Royal Observatory containing the necessary information. The proposed new section 23B, to be introduced by clause 2, provides that such records may be introduced in criminal proceedings without the formal attendance of one of the staff of the Royal Observatory, and Sir, the proposed new section 23C, introduced by the same clause, deals with the problem where the Royal Observatory have tested and pronounced on the accuracy of a chronometer. Here again it is provided that a certificate shall be admissible in evidence in criminal proceedings and shall be *prima facie* evidence of its contents.

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:—

Clause 2 of the Bill, which will add two new sections to the Evidence Ordinance, enables either party, in criminal cases, to produce certified copies of extracts from the records of the Director of the Royal Observatory and certificates of accuracy of chronometers. Such certified documents and certificates are *prima facie* evidence only and this evidence may be rebutted.

Clause 3, which substitutes two new subsections for subsections (1) and (1A) of section 57 of the principal Ordinance, widens the scope of the section by enabling a judge, District Judge or magistrate, on application or on his own motion, to bring up a person in custody before the court for any purpose relating to any judicial proceedings.

Consequent upon the amendment to section 57 of the principal Ordinance, Clause 4 repeals similar provisions in the Criminal Procedure Ordinance and the District Court Ordinance.

BIRTHS AND DEATHS REGISTRATION (AMENDMENT) BILL 1967

THE ATTORNEY GENERAL moved the Second reading of:—“A Bill to amend the Births and Deaths Registration Ordinance.”

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read the 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 Births and Deaths Registration (Amendment) Bill 1967 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 the Third time and passed.

**BIRTHS REGISTRATION (SPECIAL REGISTERS)
(AMENDMENT) BILL 1967**

THE ATTORNEY GENERAL moved the Second reading of:—"A Bill to amend the Births Registration (Special Registers) Ordinance."

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read the Second time.

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

Clauses 1 and 2 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Births Registration (Special Registers) (Amendment) Bill 1967 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 the Third time and passed.

**DEATHS REGISTRATION (SPECIAL REGISTERS)
(AMENDMENT) BILL 1967**

THE ATTORNEY GENERAL moved the Second reading of:—"A Bill to amend the Deaths Registration (Special Registers) Ordinance."

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read the Second time.

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

Clauses 1 and 2 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Deaths Registration (Special Registers) (Amendment) Bill 1967 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 the Third time and passed.

FACTORIES AND INDUSTRIAL UNDERTAKINGS (AMENDMENT) BILL 1967

MR R. M. HETHERINGTON moved the Second reading of:—"A Bill to amend section 7 of the Factories and Industrial Undertakings Ordinance."

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read the Second time.

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

Clauses 1 and 2 were agreed to.

Council then resumed.

MR R. M. HETHERINGTON reported that the Factories and Industrial Undertakings (Amendment) Bill 1967 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 the Third time and passed.

NEW ASIA COLLEGE INCORPORATION BILL 1967

MR TANG PING-YUAN moved the Second reading of:—"A Bill to incorporate the members for the time being of the Board of Governors of New Asia College and to provide for the constitution of New Asia College and matters connected with the purposes aforesaid."

MR F. S. LI seconded.

The question was put and agreed to.

The Bill was read the Second time.

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

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT:—
With your concurrence, we will take the clauses in batches of not less than five.

Clauses 1 to 13 and the Schedule were agreed to.

Council then resumed.

MR TANG PING-YUAN reported that the New Asia College Incorporation Bill 1967 had passed through Committee without amendment and moved the Third reading.

MR F. S. LI seconded.

The question was put and agreed to.

The Bill was read the Third time and passed.

ADJOURNMENT

THE COLONIAL SECRETARY moved the adjournment.

THE ATTORNEY GENERAL seconded.

MR F. S. LI addressed the Council.

He said:—Your Excellency, before we adjourn, I should like to take this opportunity to make some further comments on the present situation in Hong Kong and the most recent public disorderly conduct of a very small number of our people here.

I deplore the events that occurred a few days ago in which a cold-blooded attack was made by an armed gang on the Police with the result that six brave men lost their lives in the faithful performance of their duty and many others were wounded. On my own behalf, and I am sure that the vast majority of the people in Hong Kong will wish me to speak for them too, I offer our deepest sympathy to the members of the families of those who lost their lives. I am sure all responsible people in Hong Kong will join with me in expressing our horror and detestation over this senseless and unnecessary outrage.

Once more I urge all people in Hong Kong to carry on with their normal occupations and to remain calm. In this way they can do much to maintain confidence which is so essential for our prosperity. I wish to assure them that whatever may happen, we are determined to preserve law and order in Hong Kong so that law-abiding citizens can go about on their ordinary business without interference.

I appeal to the small minority responsible for the unrest to call a halt to their demonstrations which are contrary to law and also detrimental to their own true interests. It must be obvious to them that the vast majority of the community are against them, and I remind them that no small minority has any right to attempt to impose its wishes on the majority by force. I urge them once more again in all seriousness to realize that the law will be enforced strictly, impartially and justly.

I wish also to warn the trouble-makers that if they feel so much resentment against the conditions they find in Hong Kong, they are always free to leave and start a new career elsewhere. No one has been compelled to come to live in Hong Kong or remain here against his or her own wish.

I think the time now has come to warn all trouble-makers in the plainest terms and to avoid any possibility of misunderstanding, that action against the law will not be tolerated. If any disregard this warning, they will have to face grave consequences.

With these few remarks, Sir, I beg to support the motion for the adjournment.

MR M. A. R. HERRIES addressed the Council.

He said:—Sir, I would like warmly to endorse the remarks of my honourable Colleague.

THE COLONIAL SECRETARY replied as follows:—

He said:—Sir, I welcome this opportunity which arises from the remarks of my honourable Friend Mr F. S. LI to make a general statement on the present situation, as well as to comment on the specific points he raised.

First, on behalf of the Government I would like to join him in expressing profound grief for the tragic deaths of the Police Officers who have lost their lives in the line of duty, and profound sympathy with those who have been bereaved as a result of the brutal and

criminal violence which we have recently experienced. For the bereaved there is nothing we can do to compensate for their loss, but we are doing whatever we can to help them in their present circumstances. Members will also be aware of the very gratifying generous response to the appeal which has gone out to the public. For the children affected I can today be more specific, and I can say that the Government will ensure, for the children of those officers who have died on duty, that they will from now on be educated at the public expense, and that they will be enabled to reach, at the public expense, whatever level of educational achievement they are capable of attaining. I realize that technically this is an assurance which I cannot properly give without the prior approval of this honourable Council; but I nevertheless do give it without hesitation, or reservation, for I am certain that there is no honourable Member here who will not wholeheartedly endorse it.

Now as to the general situation: —As we all know, we are facing a prolonged and determined attempt by a small minority who do not believe in the principles which form the basis of our society, who have no regard for the law, who are dedicated to the use of violence, a determined attempt, I say, to undermine the structure which is Hong Kong, the structure which we have raised with so much effort, and to destroy the confidence which is the basis of all we have done, and all that we shall be able to do in the future, to maintain and improve the standard of living of our people and to preserve their freedom—the freedom which so many of them came here to seek.

They have tried one method after another. None has so far been particularly successful, and it may well be, judging from the events during and since the week end, that we are now entering a new phase of violence and perhaps terrorism, for there is nothing so degraded that these men will not stoop to. Take for example the exploitation of misguided school children. There can be nothing more abhorrent than this to any civilized community, but it has been done elsewhere before and it has recently been done here. I would like to give a warning to the parents of children who are likely to be so exploited now that the school holidays are starting, that if they allow their children, to be used in this cowardly way, then the children are liable to be hurt.

There is no doubt, Sir, that this confrontation is going to continue for some time and that the longer it goes on the more is public confidence, and business confidence, likely to be shaken and disturbed. To the extent that this happens it means, in the simplest terms, or it could mean, fewer school places, less housing and generally speaking, a pause in the social and economic progress which we have maintained without a break for so many years. All I can say today is this: that if human endeavour can achieve it there will be no significant pause

of this kind. We are convinced and determined now that the tin come to grasp and retain the initiative in this contest, we have no that in doing so we shall have the whole-hearted support of the vast majority of the community, and we have no doubt of the final come. Meanwhile it is a time to be alert and resolute and steadfast. This community has shown before, Sir, that it is not lacking in qualities, and I know it will show it again.

The question was put and agreed to.

NEXT MEETING

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT: —Council win now adjourn. The next meeting will be held on 26th July.