

OFFICIAL REPORT OF PROCEEDINGS

Meeting of 24th July 1968

PRESENT

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR DAVID CLIVE CROSBIE TRENCH, KCMG, MC
THE HONOURABLE THE COLONIAL SECRETARY
MR MICHAEL DAVID IRVING GASS, CMG
THE HONOURABLE THE ATTORNEY GENERAL (*Acting*)
MR GRAHAM RUPERT SNEATH, QC
THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS (*Acting*)
MR PAUL TSUI KA-CHEUNG, OBE
THE HONOURABLE THE FINANCIAL SECRETARY
SIR JOHN COWPERTHWAITTE, KBE, CMG
DR THE HONOURABLE TENG PIN-HUI, CMG, OBE
DIRECTOR OF MEDICAL AND HEALTH SERVICES
THE HONOURABLE ALEC MICHAEL JOHN WRIGHT, CMG
DIRECTOR OF PUBLIC WORKS
THE HONOURABLE WILLIAM DAVID GREGG, CBE
DIRECTOR OF EDUCATION
THE HONOURABLE ROBERT MARSHALL HETHERINGTON, DFC
COMMISSIONER OF LABOUR
THE HONOURABLE TERENCE DARE SORBY
DIRECTOR OF COMMERCE AND INDUSTRY
THE HONOURABLE KENNETH STRATHMORE KINGHORN
DISTRICT COMMISSIONER, NEW TERRITORIES
THE HONOURABLE DAVID RICHARD WATSON ALEXANDER, MBE
DIRECTOR OF URBAN SERVICES
THE HONOURABLE ALASTAIR TREVOR CLARK
DIRECTOR OF SOCIAL WELFARE
THE HONOURABLE KAN YUET-KEUNG, CBE
THE HONOURABLE FUNG HON-CHU, OBE
THE HONOURABLE TSE YU-CHUEN, OBE
THE HONOURABLE KENNETH ALBERT WATSON, OBE
THE HONOURABLE WOO PAK-CHUEN, OBE
THE HONOURABLE SZETO WAI, OBE
THE HONOURABLE WILFRED WONG SIEN-BING, OBE
THE HONOURABLE ELLEN LI SHU-PUI, OBE
THE HONOURABLE WILSON WANG TZE-SAM
DR THE HONOURABLE CHUNG SZE-YUEN, OBE
THE HONOURABLE LEE QUO-WEI
THE HONOURABLE GEORGE RONALD ROSS, OBE

ABSENT

THE HONOURABLE HERBERT JOHN CHARLES BROWNE

IN ATTENDANCE

THE DEPUTY CLERK OF COUNCILS
MR DONALD BARTON

MINUTES

The minutes of the meeting of the Council held on 10th July were confirmed.

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>
Subsidiary Legislation:—	
University of Hong Kong Ordinance.	
Statutes of the University (Amendment) (No 2) Statutes 1968	69
Proclamation No 3 of 1968.	
Boilers and Pressure Receivers Ordinance. section 49(7) to come into operation on 1st January 1969	70
Telecommunication Ordinance.	
Charges for Radiotelegrams Order 1968	71
Sessional Paper 1968:—	
No 17—Annual Report by the Director of Information Services for the year 1967-68.	

QUESTIONS

MR WILFRED S. B. WONG, pursuant to notice, asked the following questions:—

Is Government re-considering land policy within the New Town Development Outline Plan, especially where agricultural lands are turning urban in character?

Is Government considering the lowering of premium payable in order to assist people who, having lost their agricultural land, still wish to develop land on exchange?

MR K. S. KINGHORN replied as follows:—

He said:—Sir, with your Excellency's indulgence and the concurrence of my honourable Friend, I propose to answer questions 1 and 2 together.

In reply to question 1, Sir, government land policy is regularly under review in order to have regard to any marked change in circumstances. In general terms it is necessary to ensure that development is concentrated within the boundaries of the planned layouts of the various townships of the New Territories. This makes the best use of the limited funds available for the public works associated with development. But it inevitably means that there is a limit to the extent to which development of rural areas can be permitted.

In answer to the second question, I must reiterate that Government land policy applicable both to the New Territories and the urban area is frequently reviewed as is instanced by the recent change in policy which permits, under certain circumstances, a person who purchased industrial land at auction to assign the lot prior to completion of the building covenant.

MR WILFRED S. B. WONG, pursuant to notice, asked the following question: —

In view of the fact that the nature of agricultural use of agricultural lots is now changed since the occupancy is more concentrated by the simple raising of pigs and chickens, will Government clarify the position of water supply for irrigation purposes to agricultural land?

MR K. S. KINGHORN replied as follows: —

He said: —In respect of the question, I would first like to correct an apparent misconception regarding the direction of agricultural development in recent years. Pig and poultry production has not increased at the expense of crop production, and the overall value of pig and poultry production appears now to be stable after falling considerable from the high level it reached in 1960-62. Crop production on the other hand has been less sensitive to competition from imports and the overall annual value continues to make a slow but steady increase.

The overall gross value of crop production from vegetables, flowers, rice, sweet potatoes and other field crops last year is estimated by the Director of Agriculture and Fisheries at \$98½ million. Of this figure, rice and field crops account for \$17 million at an average crop value of \$1,000 an acre each year and market garden crops account for \$81 million at an average value of \$9,000 an acre a year. In other words, in terms of value the yield per acre from market garden crops is nine times as great as for other crops and accounts for approximately 80% of the total annual value of all our crops. A good supply of water for irrigation is most essential for this type of market garden cropping in Hong Kong.

[MR KINGHORN]

In October 1966, Government reviewed its irrigation policy and it was decided that existing commitments for Government assistance to irrigation schemes of traditional open-channel design for rice growing should be completed and work on a number of these schemes is proceeding at the present time.

Meanwhile, in order to introduce new methods of irrigation, the Agriculture and Fisheries Department, with substantial help from the Kadoorie Agricultural Aid Association, has established a number of small-scale sprinkler irrigation units on selected farms in the New Territories. Although, as was expected in a venture of this sort, certain troubles have been experienced, the results have on the whole been very encouraging. The main advantages are the reduction in labour costs, and the more efficient use of water.

It is intended that all future work on irrigation will be planned as integrated schemes for market garden cropping over complete agricultural areas, and this will make possible much more intensive land use. This will improve productivity and the livelihood of our farmers.

Investigations are currently being undertaken into the possibility of implementing such irrigation schemes at Wo Keng Shan, Hok Tau and Lau Shui Heung in the Tai Po District. At the latter two sites, irrigation dams which are in the course of construction will provide irrigation reservoirs as part of the Plover Cove Water Scheme.

MR WILFRED S. B. WONG, pursuant to notice, asked the following question: —

Is the Commissioner of New Territories Administration aware that there are a number of small factories on agricultural land which are making a valuable contribution to providing local employment and to export? If so, is he prepared to recommend modification of the conditions of lease?

MR K. S. KINGHORN replied as follows: —

He said:—I am aware that there are a number of small factories on agricultural land scattered throughout the New Territories. At the present time there are in development areas millions of square feet of land in private ownership granted for the purpose of building factories. This land, which is located where services have been planned and can be provided, is still awaiting development.

It is apparent therefore that there is no shortage of land for industry in the New Territories at the present time. As for the future, more land has been zoned for this purpose in the Outline Development Plans

of Castle Peak and Sha Tin. In the circumstances it would be imprudent to encourage the establishment of a multitude of factories on agricultural land in the rural areas. Experience has shown that such factories are generally sub-standard in construction and provide unsatisfactory working conditions. Furthermore, unplanned industrial development frequently leads to pollution of stream courses and consequent sterilization of productive agricultural land. Any marked increase in their number could result in unjustified expenditure of public funds on the provision of services of all types. I do not consider therefore that it is in the interests of the Colony as a whole to introduce any change in the present policy.

I would however say that there are certain industries such as foundries, glass factories and small dyeing works that cannot be conveniently located in layout areas and for the establishment of these I am prepared to grant temporary modifications of leases of land in suitable areas. Change of user would also be permitted where an industry is of a type which depends on local agricultural produce, or which meets the needs of particular rural areas where there is some concentration of population in need of employment.

MR WILFRED S. B. WONG:—Sir, may I ask a supplementary question? In the case of a plastic factory which has built and put buildings on the land and is making a contribution to local employment in hundreds of people and contributing to the export trade, would the Commissioner of New Territories consider making recommendations for a modification of the lease for such a case?

HIS EXCELLENCY THE GOVERNOR:—Is your question hypothetical, Mr WONG?

MR WILFRED S. B. WONG:—It does refer, Sir, to an actual case. I do not know whether it is hypothetical or not.

MR K. S. KINGHORN:—If I may respectfully request it, perhaps that my honourable Friend could spell out the modifications which he has in mind.

MR WILFRED S. B. WONG:—I have in mind, in the event of this land being located in the new urban area that the lease be changed into land which is allowed for industrial use.

MR K. S. KINGHORN:—On the assumption that my honourable Friend is referring to Thian's Chemical Factory in the Castle Peak area, I would say that any proposal that was made to us in the New Territories would receive consideration.

MR WILFRED S. B. WONG:—Thank you, Sir.

MR WILFRED S. B. WONG, pursuant to notice, asked the following question: —

Is the Commissioner of New Territories Administration aware that the water supply to Kiu Tau Wai Village, Yuen Long has been denied to an industrial manufacturing plant engaged in the export of plastic upholstery; and that no information has been given to his factory as to the extra cost of running the pipes to its works nor Secretariat authority obtained to connect a pipe from the main to this factory?

MR K. S. KINGHORN replied as follows: —

He said: —My honourable Friend in his 5th question is referring to a factory for the manufacture of plastic goods which is at present in the course of erection at Kiu Tau Wai industrial layout, near Yuen Long. This layout, which is a comparatively small one, was established at the request of the people of the area who had expressed an interest in obtaining local industrial development in order to ease unemployment problems. At that time it was not possible for Government to provide a water supply to the layout area and this was stated in the Conditions of Exchange when the lot on which this factory is situated and other lots were first granted. Local circumstances have changed since the layout was planned and in June of this year the Colonial Secretary authorized the provision of a mains water connection to this factory. The cost of this connection will fall to be met by the owner of the factory. The Director of Water Supplies is at present preparing estimates.

The possibility of providing a general water supply to this layout area is now being studied by the Director of Water Supplies and the New Territories Administration. Such a supply would have to be justified by general demand for development in the area and would have to await the completion of the Yuen Long Treatment Works Extension which is scheduled for mid-1969.

SCHEDULE OF WRITE-OFFS FOR THE FINANCIAL YEAR 1967-68

THE FINANCIAL SECRETARY moved the following resolution: —

Resolved that the Write-Offs for the Financial Year 1967-68, as set out in the Schedule, be approved.

He said: —Sir, the Schedule to the resolution comprises those Write-Offs approved by Finance Committee during the last financial year which require the covering approval of this Council.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

**SUPPLEMENTARY PROVISIONS FOR THE QUARTER
ENDED 31ST MARCH 1968**

THE FINANCIAL SECRETARY moved the following resolution:—

Resolved that the Supplementary Provisions for the Quarter ended 31st March 1968, as set out in Schedule No 5 (final) for 1967-68, be approved.

He said:—Sir, the final Schedule of supplementary provisions for the year 1967-68 covers a total of \$6.8 million. This was largely accounted for by a requirement of some \$5.3 million to meet payments arising from adjustments of pensions and gratuities following the re-introduction of 100% pensionability for the Public Service. \$790,000 was needed for Public Works Non-recurrent projects; \$750,000 of this was the result of acceleration of building work on the Kwai Chung Estate.

All the items in the Schedule have been approved by Finance Committee and the covering approval of this Council is now sought.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

TELEPHONE ORDINANCE

THE FINANCIAL SECRETARY moved the following resolution: —

Resolved in exercise of the power conferred by subsection (2) of section 26 of the Telephone Ordinance:—

(a) that the Schedule to the Telephone Ordinance be amended:—

(i) in Part I, by deleting “\$50 for installation, payable in advance.” wherever it occurs in the third column of items 1 and 2 and substituting therefor in each case the following: —

“For installation:—

(a) where the request for an exchange line was received on or before the 19th day of July 1968, \$50;

(b) where the request for an exchange line is received after the 19th day of July 1968, \$125, payable in advance.”; and

(ii) by deleting Part V and substituting therefor the following: —

“PART V.
CALL CHARGES.

<i>Item</i>	<i>Particulars of Charge</i>	<i>Amount of Charge</i>
1	For every call within the Colony made from a Pay Station.	30 cents.”; and

[THE FINANCIAL SECRETARY]

- (b) that the amendment of the Schedule specified in subparagraph (ii) of paragraph (a) shall come into operation on the 3rd day of August 1968.

He said:—The resolution seeks to amend Parts I and V of the Schedule to the Telephone Ordinance. The objects of amending Part V of the Schedule are, in the first place, to abolish what are called junction call charges and, secondly, to standardize the charge for calls made from any Pay Station, that is, any public telephone, wherever it may be situated. At present, the Telephone Ordinance authorizes the Hong Kong Telephone Company to levy a fixed rental for a telephone. This rental entitles the subscriber to make an unlimited number of calls within the urban areas or within a radius of one mile from any exchange in the New Territories. But for calls between the urban areas and any of the exchange areas located in the New Territories or between these New Territories areas the Ordinance authorizes the Company to make separate junction call charges. The charges vary between 30 cents and \$1 for every 3 minutes or part thereof, depending on the exchanges involved.

Calls from the New Territories into the urban areas have, already for a number of years, been dialled automatically and charges on meters, while calls in the opposite direction have been handled manually through the Waterloo Road Manual Switchboard. The new exchange at Kwai Chung, due to come into operation on 3rd August, 1968, will handle all calls in each direction on an automatic basis. It has, however, not been designed to record each junction call as it is made. It will, therefore, not be possible to bill individual calls made through this exchange. Since the new exchange will, as soon as it comes into operation, provide 4,000 exchange lines which represents about 30% of all New Territories subscribers, the Company has suggested that this would be a suitable opportunity to abolish junction call charges throughout the New Territories. This proposal is welcome as such charges have always been unpopular, particularly among subscribers living in the New Territories and can operate unfairly. The abolition will result in a uniform system of charging for the same service throughout the Colony.

The charges laid down for calls from public telephones at pay stations in the New Territories have up to now been set at a rate higher than those in the urban areas. In view of the abolition of charges for junction calls to and from the New Territories now proposed, the Company has also agreed that charges for calls made from pay stations should be standardized at a uniform rate of 30 cents.

The amendment to Part I of the Schedule is designed to increase the charges for installation of new lines from \$50 to \$125. The Company has advised that the present scale of charges does not cover the costs incurred by the Company in installing a new line. In view of

the loss in revenue which will result from the abolition of junction calls charges—based on the figures for the year 1967, the loss is estimated to be around \$4.2 million a year—the Company does not feel able to continue to accept this loss, and has therefore requested an increase in the installation charges to a figure more nearly reflecting the actual cost incurred for the service provided. The Advisory Committee on Telephone Services, after examining the Company's proposal, is of the opinion that the proposed increase is not unreasonable and has advised in favour of it. Persons who have already lodged applications for the installation of telephones and who are still awaiting connections, will be exempted from this increase which, it is proposed, should apply only to new applications for telephone service received after July 19th, 1968, when the proposal was first made public.

THE COLONIAL SECRETARY seconded.

MR G. R. ROSS declared his interest and abstained from voting.

The question was put and agreed to.

PROTECTION OF WOMEN AND JUVENILES (AMENDMENT) BILL 1968

MR A. T. CLARK moved the First reading of:—"A Bill to amend further the Protection of Women and Juveniles Ordinance."

He said: —Your Excellency, the Hong Kong legislation that protects women, and boys and girls, from exploitation and abuse has been the subject of regular and critical examination by your officials for many years; both total replacements and minor amendments have been moved at frequent intervals in this Council ever since the days when *mui tsais* were one of our major problems. As child welfare and moral welfare have become progressively the responsibility of the generic social work profession, rather than of either narrow specialists or general administrators; and as not only that profession together with what we regard as informed public opinion, but also those concerned with the law in all its aspects have come ever closer together in recognizing that the personal problems of the more vulnerable members of our society can only be best solved as part of the wider problems of the families they belong to (which implies the casework approach); so it has become increasingly apparent that we must before long face the task of once again examining all the provisions in our laws for various kinds of adoption, for child protection, for unmarried parents, for parentless children and for daytime or residential institutions providing juvenile care; when we have seen the law and the lacunae as a whole, not piecemeal, no doubt we shall come up with another comprehensive draft for legislation which will embrace all these and their related problems.

[MR CLARK]

But these reviews take time, and meanwhile practical day-to-day administration continues to turn up inconvenient little gaps or inadequacies in the existing legislation, sometimes caused through the original draftsman's human inadvertence, sometimes because he could not foresee the changes that new practices would bring. Although piecemeal amendment is untidy and irritating, now and again we do find a fault that it would be unwise or unsafe to leave uncorrected until uninterrupted time can be found for the exercise of major revision.

One or two such faults fall to be corrected by the Protection of Women & Juveniles (Amendment) Bill 1968 now tabled before this Council, and of which I am about to move the First reading. Section 34 of the principal Ordinance gives a juvenile court power to make various orders concerning guardianship and custody and control of youngsters in need of care and protection, if I or one of my probation officers or other of my authorized social workers, or a police officer, make application. But until the court order has been made, the police and we have strictly no power to keep the child or young person anywhere (unless of course he or she can be charged with an offence or is exposed to certain specific moral or physical dangers described in section 35). If an unfortunate deserves the protection of a court order, the probability is high that not a minute should be lost in removing him or her from some undesirable environment, without waiting till the court has first had a chance to adjudicate. This is not hypothetical. I have some current case files in my brief case where the problem has arisen.

Clause 2 accordingly empowers the officers I have described to remove young people who are in need of such care and protection and to keep them safe in certain places; at present these are the Po Leung Kuk, the Good Shepherd Sisters' Home, the Chuk Yuen Children's Reception Centre and the Ma Tau Wai Girls' Home. But their case is to be referred by application to a juvenile court within eight days. There can be no dilatoriness or unduly long detention.

This however in turn underlines another existing weakness in the law. The court must dispose of the application at the time when it is made. It has appeared to the magistrates that there are no specific powers for them to adjourn the hearing. Casework and social inquiries cannot very often be completed satisfactorily in eight days; hasty casework, like hastily legal drafting, tends to be bad. An amendment therefore enables the court to adjourn the case for up to 28 days to enable full and better inquiry to be made, and if even that is not enough, then to order a second and final adjournment, that may not go beyond the fifty-sixth day from the application. I think we ought surely to be able to complete proper social inquiries within sixty-four days, but if we cannot the court must still reach a decision on the child's future with

whatever information it already has. This is more or less what happens in Britain also. Clause 2 then also adds all these powers in subsection (3) of the new section 34A.

Another tiny point has been covered. At present I have powers under subsection (1) of section 35 to do certain things in protection of (amongst other females, young persons and children) a female over the age of fifteen who is in the power of another person and who may be exposed to danger of seduction or prostitution. After discussion of the significance, if any, of the rather nice distinction between “over fifteen” and “sixteen or over” in a legislative field where normally milestones are 14, 16 and 18, it was decided that the simplest solution was just to delete the words “being a female over fifteen”. The general effect of the section as a whole remains the same. The change is purely verbal and avoids quibbles. It is made by clause 3.

These proposals seem properly non-controversial.

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 object of clause 2 of this Bill is to authorize a probation officer, a person authorized in writing by the Director of Social Welfare, and any police officer of the rank of inspector or above to take to a place of refuge a child or young person in respect of whom a serious crime has been committed, or who is about to be brought before a juvenile court under section 34 of the principal Ordinance as a child or young person in need of care and protection. Provision is included whereby a child or young person who is taken to a place of refuge or who takes refuge in a place of refuge must be brought before a juvenile court within eight days thereafter on an application under section 34(1).

A juvenile court is empowered by subsection (3) of the proposed section 34A to make an order, whether or not the child or young person is before the court, for the detention of the child or young person for a period not exceeding twenty-eight days and before the expiration of that period to renew the order for one further period not exceeding twenty-eight days.

These provisions will enable a child or young person to be removed without delay from an undesirable environment and to

[Objects and Reasons]

be detained until adequate information is obtained to lay before a juvenile court to enable it to reach a proper decision in considering an application under section 34(1).

Section 35(1) of the principal Ordinance enables the Director of Social Welfare to make certain orders in respect of a female over the age of fifteen who is in the custody or control or under the direction of another person and is or is likely to be exposed to any danger of seduction or prostitution. The purpose of clause 3 of the Bill is to enable the Director to make such orders in respect of any female, young person or child, and not merely a female over the age of fifteen.

CRIMINAL PROCEDURE (AMENDMENT) BILL 1968

THE ATTORNEY GENERAL moved the Second reading of:—"A Bill to amend the Criminal Procedure 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 Bill 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.

STAMP (AMENDMENT) BILL 1968

THE FINANCIAL SECRETARY moved the Second reading of:—"A Bill to amend further the Stamp Ordinance."

He said:—When I presented this Bill for its First reading* four weeks ago I referred to two matters to which I said further consideration would be given in the light of representations received after publication of the Bill.

* Page 295.

The first point refers to the duty on certain Bills of Exchange. The Exchange Banks Association had represented that duty should be levied at a flat rate and had also complained that the “slab system” proposed in the Bill was administratively inconvenient. I am myself persuaded that it is desirable to change from *ad valorem* to flat rates of duty of financial transactions such as Bills of Exchange wherever financial considerations make this possible; and I would advocate it as an aim of policy. Indeed the present proposals do include the introduction of flat rates for a number of instruments. But I do not think that at the present time we could afford the \$3 - \$4 million loss in the revenue which any tolerable level of flat rate duty would involve. But a more favourable conjuncture might arise in future and I think we should bear this objective in mind with a view to achieving it, if and when opportunities arise.

In the meantime, the Association have said that they would prefer a single *ad valorem* rate of 25c. per \$1,000 or part thereof to the proposed “slab system” and I shall be moving an amendment to this effect at the Committee Stage. It will, it is calculated, produce rather less revenue than the “slab” system but not seriously so.

The Association also drew attention to the anomaly whereby certain Letters of Credit are to pay duty at 50c. while others are exempt. The amendment I shall be moving is also designed to charge all Letters of Credit a duty of 25c. The fiscal implications are slight.

The Association has also suggested that Promissory Notes should have a flat rate applied to them. I find it difficult to concede this in present circumstances but it seems to me that the present rates of duty on these are too onerous (so much so that they are little used) and the amendment I shall be moving reduces the rate to the same as that proposed for Bills of Exchange, under which they are classified in the Schedule.

I understand that the Association has acquiesced, perhaps, rather than agreed to these revised proposals in the light of my assurance that a flat rate system remains our aim.

The Hong Kong General Chamber of Commerce had suggested that the words “use, bring into force or register” as applied in the proposed, extended, section 21 should be so delimited, particularly with reference to copies of documents, as to ensure that there is no innocent user, such as a professional man, could make himself liable to legal action, either civilly or criminally, under the section. We have given thought to this but the difficulty has been that a narrow definition such as would fully meet the Chamber's apprehensions would leave wide loopholes; while a definition wide enough to prevent loopholes would be too wide for the intended purpose of the Ordinance and worsen

[THE FINANCIAL SECRETARY]

rather than improve the position. We feel therefore that the Bill should stand in its present form but I would wish to give an assurance that legal action in respect of the legal representation under this section will not be taken against innocent parties acting merely as agents. A departmental instruction to this effect will be issued in the Stamp Office.

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.

HIS EXCELLENCY THE GOVERNOR: —With the concurrence of honourable Members, it is proposed that we take the clauses in blocks of not less than five.

Clauses 1 to 21 were agreed to.

THE FINANCIAL SECRETARY: —I move that clause 22 be amended as set forth in the paper before honourable Members. I have already when moving the Second reading explained the reasons for these amendments.

Proposed Amendments.

Clause 22.

In paragraph (e), leave out sub-paragraph (ii) and substitute the following: —

“(ii) in subhead (1), by deleting paragraph (a) in the second column and substituting the following:—

“(a) 25 cents for every \$1,000 or part thereof.”.

In paragraph (e) (iv):—

(a) leave out the new head 11(4) and substitute the following:—

“11. (4) LETTER OF (a) 25 cents.

CREDIT, if issued within the (b) Before issue.

Colony. May be an adhesive (c) The person issuing.”; stamp.

(b) in the new head 11(6), leave out paragraph (a) in the second column and substitute the following:—

“(a) 25 cents for every \$1,000 or part thereof.”: and

(c) in the new head 11(7), leave out paragraph (a) in the second column and substitute the following:—

“(a) 25 cents for every \$1,000 or part thereof.”.

In paragraph (n), leave out sub-paragraph (i) and substitute the following:—

“(i) by deleting paragraph (a) in the second column and substituting the following:—

“(a) 25 cents for every \$1,000 or part thereof.”.

In paragraph (w), leave out the new paragraph (a) and substitute the following:—

“(a) 25 cents for every \$1,000 or part thereof.”.

Clause 22, as amended, was agreed to.

Council then resumed.

THE FINANCIAL SECRETARY reported that the Bill had passed through Committee with certain amendments and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read the Third time and passed.

EXCHANGE FUND (AMENDMENT) BILL 1968

THE FINANCIAL SECRETARY moved the Second reading of:—“A Bill to amend further the Exchange Fund 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 3 were agreed to.

Council then resumed.

THE FINANCIAL SECRETARY reported that the Bill 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.

MEDICAL (THERAPY, EDUCATION AND RESEARCH)

BILL 1968

DR TENG PIN-HUI moved the Second reading of: —“A Bill to make provision for the use of parts of bodies of deceased persons for therapeutic purposes and for purposes of medical education and research.”

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 6 were agreed to.

Council then resumed.

DR TENG PIN-HUI reported that the Bill 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.

ADJOURNMENT

THE COLONIAL SECRETARY moved the adjournment.

THE ATTORNEY GENERAL seconded.

MR P. C. Woo addressed the Council:—

He said:—Sir, the attention of the UMELCO Members has been drawn to the recent correspondence in the local press of complaints by clerks and clerical assistants in the service of Government that they are unfairly treated.

I think that such persons misunderstand the differences between these two grades, which are completely separate and distinct classes of officers and therefore are on different terms of service. There also appears to be some misunderstanding on the position of “temporary” clerks—a type of office that was abolished some time ago.

So far as the so-called temporary clerks are concerned they are in effect persons appointed on probation on month to month terms and if in time they are considered suitable they will be employed permanently

and pensionable. But these clerks must be holders of a School Leaving Certificate or its equivalent whereas the qualification of persons employed as clerical assistant is merely education up to Form 4 plus the passing of an entrance examination. These clerical assistants have no promotion prospects and are not pensionable but they are entitled to a cost of living allowance. In 1964 the gap between the clerks and clerical assistants was narrowed and the salary of a clerical assistant including cost of living allowance could be higher than an ordinary clerk. However, a clerical assistant with 5 years service can after passing an in-service examination advance to the grade of a clerk, hence the starting salary point of these two grades depends on qualification.

It is true that the salary of a junior clerk is less than the salary of a clerical assistant and once a clerical assistant has been advanced to the grade of a clerk his salary may be cut down by \$25 per month and this unusual situation is brought about by the high cost of living index, but this is not an anomaly. Other cases exist in the service, as for example, the maximum salary of a Clerk Class I is higher than the salary of an Executive Officer Class II and the maximum salary of the Chief Executive Officer is equivalent to the maximum salary of a Senior Administrative Officer and higher than any Administrative Officer.

In the circumstances, Sir, I hope Government can clarify this situation so that there can be no misunderstanding about it.

THE COLONIAL SECRETARY addressed the Council: —

He said: —Sir, I am grateful to the honourable Member for raising this matter since it gives me an opportunity to set out the facts and, I hope, to clear up any misunderstanding which may exist.

The honourable Member has pointed out that Clerical Assistants and members of the General Clerical Service belong to two separate and distinct grades in the Public Service. This is, of course, perfectly true and the only resemblance between the two grades is that they both consist of office workers.

Clerical Assistants are the most junior grade of clerical office worker in the Government Service and as such they are employed on minor clerical work, usually of a routine and repetitive nature. They are recruited from young persons who have spent at least a year in Form IV at school and who can compete successfully in an entrance examination. They are employed on Scale 1 of the Government's main salary scale (which includes minor manipulative grades), and consequently they are on non-pensionable terms of service. There is no recognized avenue of promotion from Clerical Assistant to the General Clerical Grade, although good Clerical Assistants can be, and are, appointed Clerks provided that they can pass a written qualifying examination. Apart from this, however, there is no other promotion available to the Clerical

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Assistant who can rise only within his own salary scale. This starts at \$380 per month and rises by annual increments of \$10 a month to a maximum of \$440, plus any cost of living allowance which may be payable.

Members of the General Clerical Service, on the other hand, are engaged on a variety of tasks, such as registry work, accounting duties and supervisory duties and they often become expert in minor specialist fields. To enter the grade an applicant must possess a full School Certificate; but, after a period on probation, he becomes eligible for confirmation in the permanent and pensionable establishment. With normal efficiency progress is assured to the top of Class III, which has a scale rising from \$400 per month up to \$730. Moreover, about one in three has prospects of promotion to Class II, which would take them to a maximum of \$1,050 per month, and about one in three again of these to Class I, with a maximum of \$1,460 a month. A few will even reach the class of Senior Clerk which carries a maximum salary of \$1,880 per month.

There is one other point which has been raised on which I would like to comment and this is the initial salary of the two grades. While Clerks have a higher starting salary at \$400 as compared with the \$380 starting point for Clerical Assistants on the basic scale, the latter is granted a cost of living allowance, based on the modified Consumer Price Index, in common with other minor staff such as Labourers and Artisans on the same scale. When this allowance was \$40 a month, Clerical Assistants therefore came on a starting point of \$420. At the moment the current rate of allowance is \$30 a month and so in fact a newly recruited Clerical Assistant does receive \$10 a month more than a newly recruited Clerk. However, since the latter overtakes the Clerical Assistant within one year, this can hardly be regarded as a serious anomaly, and it should be balanced with the other aspects of conditions of service between the two grades. Clerks are pensionable, their salary scale and promotion prospects as I have shown are better and their leave rates are also higher in comparison with those of Clerical Assistants.

The question was put and agreed to.

NEXT MEETING

HIS EXCELLENCY THE GOVERNOR:—Council will now adjourn. The next meeting will be held on 21st August.