

OFFICIAL REPORT OF PROCEEDINGS**Meeting of 9th October 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
 MR DENYS TUDOR EMIL ROBERTS, OBE, QC
 THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS
 MR DAVID RONALD HOLMES, CBE, MC, ED
 THE HONOURABLE THE FINANCIAL SECRETARY
 SIR JOHN COWPERTHWAITTE, KBE, CMG
 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 GEORGE TIPPETT ROWE
 DIRECTOR OF SOCIAL WELFARE
 DR THE HONOURABLE GERALD HUGH CHOA
 DIRECTOR OF MEDICAL AND HEALTH SERVICES (*Acting*)
 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
 THE HONOURABLE HERBERT JOHN CHARLES BROWNE
 DR THE HONOURABLE CHUNG SZE-YUEN, OBE
 THE HONOURABLE MICHAEL ALEXANDER ROBERT HERRIES, OBE, MC
 THE HONOURABLE ANN TSE-KAI

IN ATTENDANCE

THE DEPUTY CLERK OF COUNCILS
 MR DONALD BARTON

MINUTES

The minutes of the meeting of the Council held on 25th September were confirmed.

OATH

DR G. H. CHOA made the Oath of Allegiance and assumed his seat as a Member of the Council.

MR PRESIDENT:—May I welcome Dr CHOA 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>
Subsidiary Legislation: —	
Proclamation No 4 of 1968.	
Maintenance Orders (Facilities Enforcement)	
Ordinance to apply to Sarawak	98
Fugitive Offenders Act 1967.	
Fugitive Offenders (Designated Commonwealth	
Countries) (Amendment) (No 2) Order 1968	99
Revised Edition of the Laws Ordinance 1965.	
Revised Edition of the Laws (Correction of	
Error) (No 5) Order 1968	100
Foreign Judgments (Reciprocal Enforcement) Ordinance.	
Foreign Judgments (Reciprocal Enforcement)	
Order 1968	101
Emergency Regulations Ordinance.	
Emergency Regulations (Repeal) (No 2) Order 1968	102
Emergency Regulations Ordinance.	
Emergency (Principal) Regulations (Commencement)	
(Amendment) Order 1968	103
Criminal Procedure (Amendment) (No 2) Ordinance.	
Criminal Procedure (Amendment) (No 2) Ordinance	
1968 (Commencement) Notice 1968	104
Exemption of M. V. Vasco Da Gama Official No 332470	
Port of Registry Hong Kong	105

Sessional Papers 1968:—

No 27—Annual Report by the Commissioner of Inland Revenue for the year 1967-68.

No 28—Annual Report by the Director of Civil Aviation for the year 1967-68.

List of amendments to Standing Orders of the Legislative Council of Hong Kong.

MR A. M. J. WRIGHT, by Command of His Excellency the Governor, laid upon the table the following paper:—

Subject

Report by Freeman, Fox, Wilbur Smith and Associates:—

Hong Kong Long Term Road Study.

He said:—Sir, this is the third and last of a series of Reports dealing with traffic and transport. The first—The Passenger Transport Survey 1964-1966—was primarily a statistical record and analysis of public transport in Hong Kong*. The second—The Mass Transport Survey—published earlier this year*, recommended the phased construction of a railway system, largely underground, involving the expenditure of some \$3,400 million. If it is to be implemented, even to a limited extent, it will necessitate a decision to commit public funds to the extent of several hundred million dollars on a single project.

The third report—**The Long Term Road Study**—which is tabled today, requires no such decision. It is basically a check list against which the Public Works Department can measure its successive 5-year road construction programmes. These 5-year programmes are a continuous exercise, updated and projected forward each year. Up to now we have had to depend almost entirely on our experience and judgment in trying to assess the future demand on any road system; by and large I do not think we have done badly, but there have been occasions when we have under-estimated travel demand and the new road or the new junction has become overloaded almost as soon as it was completed. In future, with this Report to guide us and the Traffic and Transport Survey Unit available to check the forecasts and make amendments where necessary, the dangers of underdesign— or indeed overdesign—should disappear. Money should be spent in the right place and at the right time.

The Report investigates many proposals for road improvements and suggests the construction of new roads in the future. Quite a number of these improvements and new projects are already in the

* Page 25.

[MR WRIGHT] **Papers**

Public Works Programme. Though an order of cost for each of these proposals is given—and altogether they add up to a little over \$2,000 million—it is not intended that Government should embark on any project until the need is proven. I should perhaps add that the Report has shown that some projects which we have in mind are not in fact justified on traffic grounds, and these will not be proceeded with.

In effect the Report says that by the time that car-owning households increased from 36,800 (the 1965 figure) to 250,000 and travel demand has increased from half-a-million trips a day in 1965 to two million, it will be necessary to have a certain road pattern to cope with the demand. The Consultants forecast that this state will be reached by 1986; they have then divided the 20 years between 1966 (when their investigations commenced) and 1986 into four 5-year periods, and they have suggested road construction programmes for each of these periods.

The extent to which their proposals will be followed will of course depend not only on the way in which they stand up to critical examination by Government and the extent to which funds can be made available, but also the extent to which their forecasts prove right. If we are to make the best use of the Report, it must be updated at regular intervals to take into account the expansion of vehicular traffic, the increase in demand for public transport and the measures taken to deal with the latter. Provided that this is done, it should be as valuable to us in our long term planning as it undoubtedly will be in the preparation of our shorter term road construction programmes.

QUESTIONS

Reorganization in the Colonial Secretariat

1. MR Y. K. KAN asked the following question:—

Will Government inform this Council what are the recommendations of Sir Charles HARTWELL as a result of examination of the organization and the method of operation of the Colonial Secretariat announced by the Colonial Secretary during the Budget Debate in March this year?*

THE COLONIAL SECRETARY:—Sir, Sir Charles HARTWELL'S examination was in the nature of a private enquiry into the domestic affairs of the Colonial Secretariat and it is not intended that his report should be published.

* Page 223.

Sir Charles sees a need to create a closer and more constructive relationship between departments and the Secretariat and a need to improve procedures within the Secretariat in order to speed up decisions. His recommendations were designed to meet these two main needs. Certain of them have already been accepted in principle and steps are now being taken to implement them.

These include, in particular, the reorganization of the heavily overworked General Branch so as to transfer to a new Social Services Branch the affairs of the social services departments—Education, Medical and Health, Labour, and Social Welfare.

It is also proposed to centralize in the Economics Branch the handling of transport and communications subjects, which are now distributed amongst various Branches, for example, civil aviation in the Councils Branch and transport in the General Branch.

A further recommendation, which it is proposed to adopt, involves the transfer from the Establishment Branch to the Finance Branch, where they more properly belong, of all complementing and grading matters and pensions.

Road Safety Measures

2. MR T. K. ANN asked the following question:—

In view of the more frequent and serious traffic accidents on the Colony roads which have been reported during the past 8 months of 1968 than in the corresponding periods of 1966 and 1967, particularly in the New Territories, what more effective road safety measures has the Government under consideration especially in the context of a recent comment by the Commissioner for Transport on the possible legalization of nine-seater vans?

MR A. M. J. WRIGHT:—Sir, many factors affect the incidence of traffic accidents: the mechanical condition of vehicles, road design, traffic management and the behaviour of road users—both the drivers and pedestrians.

My department is particularly concerned with road design and traffic management, and we work very closely with the Traffic Branch of the Police. Roads are being designed and built to higher safety standards; busy intersections are being improved by the construction of flyovers; traffic signal control has increased from 17 in 1963 to 132 today, and we have a considerable programme for building pedestrian bridges and subways. At the last meeting of this Council I gave details

[MR WRIGHT] Questions

of this programme and the progress we are making on its implementation.*

Other constructive measures to keep down the number of traffic accidents include the Commissioner for Transport's build-up of his Mechanical Inspection Branch, and the efforts of both the Road Safety Section of the Traffic Police and the Road Safety Association to make the public—particularly children—traffic conscious and to inculcate sound road sense in all road users, whether drivers or pedestrians.

It has for some time been the policy of the Commissioner for Transport to inspect all dual purpose vehicles before renewing their licences. The safety of passengers and other road users will, of course, be a very important factor in the consideration of any proposals for legalizing these vehicles for use as mini-buses.

Gambling

3. MR H. C. FUNG asked the following question:—

In view of the spread of gambling in the city and in the New Territories in the wake of last year's disturbances, will the Government tell us what steps have been taken to eradicate this evil and how effective they have been?

THE COLONIAL SECRETARY:—Sir, the police are continuing their efforts to control illegal gambling and in the first nine months of this year 24,930 convictions were obtained in the courts.

In addition, the law on gambling is being re-examined with a view to closing certain loopholes which hamper the police in bringing successful prosecutions.

It is clear, however, that police action and the fines awarded in the courts are not in themselves enough to deter the large numbers of people who persistently indulge in unlawful gambling. In the long term only the efforts of the community itself and the pressure of public opinion will effectively eradicate this evil.

MR H. C. FUNG:—Are the raids carried out by the Police as reported indicative of any organized gambling?

THE COLONIAL SECRETARY:—Sir, the keeping of the common gaming houses is organized gambling. There were 460 odd cases during the first nine months of this year of convictions for keeping common gaming houses.

4. MR H. C. FUNG:—

In view of the recent press reports of attempts by a certain organization to reactivate the issue of dog racing in the New Territories in spite of an earlier denial by a Government spokesman that there will be change of policy on gambling, will the Government set the public's minds at rest by an official statement from this Council?

THE COLONIAL SECRETARY:—Sir, I welcome this opportunity to confirm in this Council that the Government's policy on gambling has not changed since the recommendations of the Advisory Committee on Gambling Policy were accepted in 1966; and there is no intention at the present time to change it.

As has been frequently stated publicly, this policy opposes the legalisation of any further forms of gambling and, in particular, the introduction of greyhound racing in Hong Kong.

Industrial Production Statistics

5. DR S. Y. CHUNG asked the following question:—

Will Government inform this Council about its plan and progress on the collection, compilation and publication of industrial production statistics?

MR T. D. SORBY:—Sir, in his speech in the Budget Debate earlier this year my honourable Friend emphasized the value of industrial production statistics*. In my remarks during the debate, I recollected that Dr CHUNG had himself been chairman of a special committee of the Trade and Industry Advisory Board which in early 1967 had recommended the establishment of a unit to study technical and legislative requirements for this purpose and that the Commissioner of Census and Statistics had supported the recommendation.

Discussions have since been held between officers of the Economic Branch of the Colonial Secretariat and the Department of Census and Statistics regarding the action to be taken on this report in relation to other new proposals.

The question of priorities is by no means a simple one. None of the present work of the department can be dropped to enable new statistical series to be undertaken, and we must accept that resources of skilled manpower are limited, particularly in the statistical field.

* Page 158.

[MR SORBY] Questions

Industrial production statistics are, moreover, essentially a long term project. To do the job properly we require a sampling frame, and this we shall not have until after the Census of Establishments which the Department of Census and Statistics is hoping to conduct in November 1970.

DR S. Y. CHUNG:—Does my honourable Friend agree that it is desirable to have a sampling frame conducted well in advance of November 1970 in order to make better use of the next full census in early 1971 ?

MR T. D. SORBY:—Sir, I understand that the conduct of a census of establishments is itself, the organization is, quite a difficult and complicated operation and I am sure the Commissioner of Statistics has that in mind. In regard to industrial statistics, it is possible to use some of the time in advance to good purpose, perhaps by a small pilot study which would be of use when it is decided to embark on the industrial production statistics proper.

Multi-storey Car Park Sites

6. MR SZETO WAI asked the following question: —

Early last year it was reported that Government intended to lease certain sites in Kowloon and on the Island for the building and operation of multi-storey car-parks by private enterprise. May this Council now be informed when the sale of these sites will take place and, what will be the public parking accommodation required by the special lease conditions of these sites?

MR A. M. J. WRIGHT: —Sir, four sites are being processed with a view to their sale for the erection of multi-storey car-parks. Two are on the Island—one at North Point with 180 car spaces and one at Causeway Bay with 800 car spaces; the other two are in Kowloon—one at Mong Kok with 500 spaces and the other at San Po Kong with 350 car spaces.

We plan to call for tenders for the purchase of these sites between February and June next year. Tenders were in fact called for the Mong Kok site in August, but the site is affected by the underground railway proposals and the sale has been postponed to enable the site boundaries and the conditions of sale to be amended so as not to frustrate the construction of the railway.

Aid to Undergraduates

7. MR WILSON T. S. WANG asked the following question:—

What is the amount of funds available each year to the undergraduate in need of aid, in the form of scholarships, bursaries and interest-free loans from Government, and has Government any plan in hand to allocate additional funds to be used as interest-free loans for this purpose?

MR W. D. GREGG:—Sir, the total sum available per year from known sources for scholarships, bursaries and interest-free loans at the two Universities amounts to about \$3.6 million.

This sum may be roughly divided as to \$2.4 million for undergraduate scholarships and bursaries, \$800,000 for undergraduate loans and \$400,000 for aid to graduates. Some of these funds can be used for either grants or loans and this makes a more accurate assessment difficult in the time available.

Government is at present reviewing the whole situation regarding aid to university students.

Physical Education

8. MR WILSON T. S. WANG asked the following question:—

What is the present position in regard to the supply of and the demand for qualified teachers in Physical Education in Primary and Secondary Schools? Has Government studied the need for and the feasibility of establishing a College for Physical Education and recreation to be managed by Government or in co-operation with some voluntary body or bodies in Hong Kong?

MR W. D. GREGG:—Sir, in the three Colleges of Education it is possible for the students to choose Physical Education as an elective subject in which they will spend four hours per week during their two year course of teacher training. There are some 270 students currently so specializing. This training is regularly reinforced by short holiday courses in special fields such as folk dancing. The products of these courses have proved to be very satisfactory in meeting all normal requirements in primary schools and the annual output is adequate to meet our present demands. Many of them too are performing a very useful service in secondary schools, but it is acknowledged that a more extended training is desirable for teachers in these schools. There are

[MR GREGG] **Questions**

at present no local facilities in Hong Kong to meet this need and we have to rely on students who have followed such courses abroad and a small number of expatriates.

It is therefore intended to introduce as soon as possible a third year of specialist training in one of the Colleges of Education for selected students and practising teachers to overcome this difficulty. It is not considered in the long term that the continuing need for such specialists would justify the establishment of a separate institution in which many of the features of the existing Colleges would need to be repeated. It will however be necessary to expand the Physical Education facilities at the College in question (Grantham) before this proposal can be implemented.

MR WANG:—Thank you, Sir.

STANDING ORDERS OF THE LEGISLATIVE COUNCIL

THE COLONIAL SECRETARY moved the following resolution: —

RESOLVED—

- * (1) that the Standing Orders of the Legislative Council of Hong Kong made by the Legislative Council of Hong Kong on the 19th day of December, 1929, be revoked;
- † (2) that the draft Standing Orders, laid on the Table of the Council on the 25th day of September, 1968, as amended by the list of amendments laid on the Table of the Council on the 9th day of October, 1968, substituted therefor.

He said:—Sir, the resolution has two parts. The first part proposes that the Standing Orders under which this Council has worked for almost 40 years should be now revoked. For sentimental reasons we may regret their passing but they do not deserve a special eulogy.

The second part of the resolution proposes the adoption in their place of the new Standing Orders which were laid upon the Table at our last sitting, subject however to the amendments listed in the paper which has been laid today.

These amendments stem from the detailed examination which my honourable Friends the Unofficial Members have given to the draft the orders since they were laid. I accept all these amendments, including the gentle rebuke in the last one that my scientific background is weak.

* 1929 Hansard, page 313.

† Pages 422 & 461.

The first two amendments contain hints that my honourable Friends may wish to prolong the hours spent in this Chamber and to ask even more questions. My Official Colleagues and myself are prepared to meet even that challenge.

MR P. C. Woo seconded.

He said:—Sir, I wish to say that the amendments which have been proposed to the Standing Orders came from my Unofficial Colleagues but we refrain from suggesting drastic amendments to the Standing Orders because we would like to give them a trial period in the initial stage.

When these Standing Orders came into force, the Public Works Committee and the Law Committee, which had hitherto never met, at least since my time in this Council, will no longer be in existence. On the other hand by Standing Order 61 “The Council may in each session appoint one or more select committees to consider matters or bills which the Council may refer to the committee.” This Standing Order enables the Council to appoint committees and it is obvious that they are of an advisory nature and subordinate to the Council.

Furthermore, by means of committees this system would make a great difference in the effectiveness of each member’s work in the Council. Members would gain real knowledge of certain subjects, and become truly effective in those spheres. A former Speaker of the House of Commons has once said that “departmental” Committees would certainly enable Members to acquire a better knowledge of how public money was spent, and this would clearly be an advantage to them. Our Members would feel that they are sharing in the effective work of the Council and this may become a development of the committee system and the process of specialization.

The Standing Orders relating to Financial Procedure are new and I am glad to say that my honourable Friend the Colonial Secretary has agreed to let us have a memorandum explaining the various stages of Financial Procedure particularly relating to the Budget Debate.

The adoption of these new Standing Orders may in a way reform the Council. I sincerely hope it will not stop there but will be the start of a new era of this Council.

Sir, I have much pleasure in seconding the Motion.

MR Y. K. KAN:—Sir, it is generally supposed that Parliamentary Procedures are made for the purpose:

- (a) to prevent members from all speaking at once, which of course would be unbearable;

[MR KAN] **Standing Orders**

(b) to discourage members from saying rude things to one another thereby starting a free fight, which would be undignified;

and (c) to inhibit members from thinking, because it is dangerous.

If such supposition were true, then I would submit that the revised Standing Orders now before us are totally unnecessary. Unlike our counter-parts elsewhere we do not settle our arguments in fisticuffs or hurl abuses at one another. We toss nothing more lethal than ayes and noes. Furthermore, our critics, if they were to be believed, are firmly convinced that Members of this Council are incapable of thinking. According to them, the only persons who have any thoughts how Government should be run are newspaper editors and their correspondents, school teachers and self-styled reformers.

Nevertheless, Standing Orders are necessary lest even the most docile among us might one day astound our critics. Already, more questions are asked more frequently and debates are the order of the day. As I see it, the revised Standing Orders do not inhibit Members from expressing their opinions. Whilst they do not explicitly rule against Members relapsing into a state of somnolence as has been known to happen, they do, however, give more scope and opportunities for Members to speak out on matters of public interest and accordingly I support the Motion.

THE COLONIAL SECRETARY:—Sir, I welcome the support of honourable Members and I am happy to know that they are prepared to give these Standing Orders a trial with so few amendments. As we come to work them out in practice, the need for other amendments may come to light and I would suggest that it may be appropriate to review them in about a year's time.

Finally, may I invite attention to the fact that once this resolution is adopted the new Standing Orders will come into operation at once. The effect of this today will be that the four Bills on the Order paper will receive only a formal First reading and will then be deemed to have been set down for Second reading.

In each case my honourable Friend the Attorney General will then move the Second reading but since each of these Bills is of considerable importance I intend, after the Attorney General has spoken and the President has proposed the question, to move that the debate on the Second reading be adjourned until a later meeting. If this Motion is agreed the debates will be adjourned and time will be given to honourable Members to consider the Bills more fully, before the debates are resumed.

Question put and agreed to.

Resolved

- (1) that the Standing Orders of the Legislative Council of Hong Kong made by the Legislative Council of Hong Kong on the 19th day of December, 1929, be revoked;
- (2) that the draft Standing Orders, laid on the Table of the Council on the 25th day of September, 1968, as amended by the list of amendments laid on the Table of the Council on the 9th day of October, 1968, be substituted therefor.

Amendment List

Standing Order

No

- | | |
|---------------|---|
| 8(2) &
(3) | In the first line, leave out “5 p.m.” and insert “6 p.m.” instead. |
| 16(2) | In the first line, leave out the word “ten” and insert “fifteen” instead. |
| 19(6) | In the second line, after the word “question”, insert the words:—
“may with his consent be asked by another Member and otherwise”. |
| 70 | In the second line after the word “mechanical” insert:—
“, electrical”. |

MR PRESIDENT:—We will proceed now under the new Standing Orders. First reading of Bills.

CREDIT UNIONS BILL 1968

LANDLORD AND TENANT (AMENDMENT) BILL 1968

DANGEROUS DRUGS BILL 1968

DRUG ADDICTION TREATMENT CENTRES BILL 1968

Bills read the first time and ordered to be set down for second readings.

MR PRESIDENT Commented briefly on the revised procedure.

CREDIT UNIONS BILL 1968

THE ATTORNEY GENERAL moved the second reading of:—“A Bill to incorporate and regulate credit unions and the Credit Union League of Hong Kong, and to provide for matters incidental thereto.”

[THE ATTORNEY GENERAL] **Credit Unions Bill—second reading**

He said:—Sir, during the past few years, more than 20 credit unions have been formed in Hong Kong, under the guidance and encouragement of the Credit Union League. As yet, however, there has been no legislation designed to meet the special requirements of the League or of credit unions.

The first credit unions were formed about the middle of the last century in Germany, and they are now to be found in more than 80 different countries, in all parts of the world. The movement, therefore, has a long and successful history and it has been possible to draw on the experience of a number of countries in the preparation of this Bill.

A credit union is essentially a self help organization, which is in many respects similar to a cooperative society, though there are significant differences. It is based upon the principle that members of a group should lend their savings to other members at a low rate of interest, without security other than that of the good character of the borrower.

It is hoped that the organization of credit unions in Hong Kong will provide a ready source of credit, with a minimum of inconvenience, for the low salaried worker who finds it difficult or even impossible to borrow otherwise than at very high rates of interest.

Younger members of the community, who are earning an independent income for the first time, should be especially benefitted, since one of the main aims of a credit union is to inculcate thrift and to teach members the wise use of money.

Although the more prosperous members of the community may form credit unions if they wish, these unions are particularly designed to help those members of the community who have been dependent, when they require loans to cover unexpected expenses, on the services of money lenders, who often exact exorbitant rates of interest even for small loans.

The main objectives of a credit union, which are set out in clause 3(2) of the Bill, are to promote thrift among its members, to receive the savings of members, as share payments or as deposits, and to make loans to members for provident or productive purposes.

A credit union may be formed, by the terms of clause 3(1), by any group of fifteen or more persons over the age of sixteen, who have what is described in clause 15 as a common bond of occupation, employment, association or residence. In practice, I believe that most credit unions consist of members who work at the same trade or occupation,

though some credit unions of residents of a geographical area have been formed in various countries. The need for such a bond encourages the development of that mutual trust and confidence among members which is an essential element in a successful credit union.

When a group of persons has formed a credit union, it may apply, in accordance with the terms of clause 4, for its registration to the Registrar of Credit Unions, who will be a public officer appointed by the Governor under clause 82. It is intended that the Director of Agriculture will be the Registrar since, as the Registrar of Cooperative Societies, he has had experience of organizations of a similar nature. An application for registration must be accompanied by the memorandum of association of the credit union, which is the document setting out its constitution, and two copies of its proposed by-laws.

The Registrar may then register the credit union, after making such enquiries as he considers necessary, if he is satisfied of the various matters set out in clause 5(2), among them that the by-laws do not conflict with the Ordinance and will enable the credit union to carry out its objects.

A credit union, when registered, becomes, by virtue of clause 6, a body corporate, with perpetual succession, capable of suing and being sued in its registered name. Clause 9 obliges a credit union to maintain a registered office in the Colony.

By clause 8, the memorandum of association may only be altered by a resolution supported by two-thirds of the members present and entitled to vote and after the Registrar of Credit Unions has approved the amendment.

The powers of a credit union are set out in clause 10. Among the permitted activities are the deposit of money, investment in trustee securities, the borrowing of money and dealing with land.

Part III of the Bill is concerned with the capital, shares and membership of a credit union.

There is no limit to the amount of capital which may be held by a credit union, and clause 15 provides that the capital shall be divided into shares of five dollars each. Shares may be allotted only to members of the credit union and only on payment of the full value of the shares. A member may transfer his shares to another member, or withdraw his shares, in accordance with the by-laws and with the approval of the board of directors of the credit union.

Clauses 18 and 19 deal with the expulsion of a member, which requires a two-thirds majority, and with cessation of membership. Clauses 20 and 21 make provision for payments to, and the liability

[THE ATTORNEY GENERAL] **Credit Unions Bill—second reading**

of, past members. Clause 23 makes it possible for a member over the age of sixteen to nominate some other person to receive, in the event of his death, any money which is owed to him in respect of his shareholding.

It is, I think, convenient to refer, at this point, to Part VI, which is concerned with the making of loans to members, the borrowing of money by the credit union and other financial matters.

Clause 39 prohibits the making of loans to a member by the credit union except for provident or productive purposes. This is a fairly wide phrase, which will enable loans to be made to help a member in the most serious situations in which a man without capital resources can find himself, such as sickness, unemployment, injury and provision for the education of children or for the setting up of a business.

Loans may be made only to members, and no member may be lent more than ten per cent of the aggregate of the share balance and other funds. The rate of interest may, by clause 41, not exceed one per cent per month on the unpaid balance of the loan.

The interest received by it on these loans forms the income of the credit union, and it is from the balance of this, after payment of expenses and provision for the reserve fund, that dividends are paid to shareholders.

Although loans are primarily made from money subscribed by members, by means of their purchase of shares, a credit union may also borrow money, in order to carry out its objects, up to a maximum of fifty per cent of the share balance, if this is sanctioned by the members and directors as required by clause 43.

The board of directors must establish a reserve fund, into which entrance fees, fines and twenty per cent of the net earnings of the previous financial year are paid, until the fund amounts to at least ten per cent of the share balance, and thereafter it must be maintained at this level. The fund is a reserve against losses incurred on loans made by the credit union and provides an insurance against occasional bad debts, which must be expected when loans are freely made, as they will be, to members without security.

Clause 46 gives power to the board to declare a dividend of not more than six per cent a year, to be paid on all shares fully paid up and registered throughout the previous financial year.

Part IV of the Bill deals with meetings of members, the board of directors and committees of management and with the election and tenure of office of directors and officers.

Clause 25 requires a credit union to hold an annual meeting of members within sixty days of the end of each financial year. Provision is also made, in clause 25(3), for not more than two additional substitute meetings of a credit union to be held, in accordance with by-laws, if it is not practicable for all the members to attend an annual or special meeting. Many credit unions will find it difficult to arrange meetings at a time when, because of shift work, all the members could attend. This provision, which can be found in co-operative societies legislation, will enable all members to have the opportunity of attending one of the substitute meetings. Each member, whatever the size of his shareholding, will have one vote.

At its first meeting after registration, a credit union must elect a board of not less than five nor more than fifteen directors, a supervisory committee of at least three members and a credit committee, also with not less than three members. Directors and members of committees are expected to give their services without fee or reward and clause 32 prohibits the payment of any remuneration to them.

Part V defines the powers and duties of the board of directors, the supervisory committee and the credit committee.

The general management of the affairs, funds and records is in the hands of the board, the main duties of which are to be found listed in clause 33(1). Among these duties is the fixing of the maximum shareholding of any individual member, the length of notice required for the transfer or withdrawal of shares and the limit of loans which may be made to a member, with or without security.

The supervisory committee's duties, which are set out in clause 34, are primarily those of supervision and audit of accounts.

The credit committee is given a general duty of supervision over loans to members and, subject to the directions of the board as to general limits, decides the actual amount of a loan to an individual member and the terms on which it shall be made.

With the exception of the limited supervisory powers conferred by the Bill on the Registrar, the entire management and responsibility of a credit union rests with its members, who elect their own board and committees at annual meetings.

Part VII of the Bill deals with the making of by-laws, which must be in a form approved by the Registrar, who may require the credit union to include provision for certain matters listed in clause 47(2).

By-laws regulate the ordinary administration and operation of a credit union. They are not easy to draft and it is hoped that, in due course, the Governor in Council, in the exercise of the powers conferred

[THE ATTORNEY GENERAL] **Credit Unions Bill—second reading**

by clause 85, will make model by-laws which will apply to all credit unions, by virtue of clause 47(3), subject to such modifications as the Registrar may approve to meet the special needs and circumstances of a particular credit union.

Part VIII obliges a credit union to furnish information and various returns to the Registrar, upon whom is conferred a duty to examine the cash books and records of a credit union at least once a year.

Part IX makes provision for the winding-up of credit unions. In general, this will follow the usual procedure which applies to the winding-up of a company.

A winding-up may be ordered by the court either on application by members, on complying with clause 57, by the Registrar himself, in the circumstances set out in clause 58, or by the court of its own motion under clause 61.

Clause 62 gives any person aggrieved by certain decisions of the Registrar a right of appeal to the District Court. Among such decisions is a failure to register a credit union, a failure to approve where his approval is necessary and an order under clause 54 to the credit union to suspend business.

A body known as the Credit Union League of Hong Kong has been in existence for some time, providing advice and expert knowledge and management for persons wishing to form credit unions in the Colony. Part XI incorporates this body and vests in it the assets of the former League.

The objects of the League are set out in detail in clause 65. Its first board of directors will consist of the persons listed in the Schedule to the Bill. Thereafter, directors will be elected in accordance with the by-laws of the League. These by-laws are subject to the approval of the Registrar.

Membership of the League is confined to credit unions. The League will derive its income from levies raised for this purpose by member credit unions. The League may establish, by clause 72, a stabilization fund, which can be used to provide loans to credit unions to save them from having to go into liquidation.

It is to be hoped that the credit union movement will play a valuable part in Hong Kong life, encouraging thrift in good days and giving help to members in less happy times. This Bill seeks to provide the necessary legal framework within which credit unions may operate, to the benefit of their members and of the community generally.

Question proposed.

THE COLONIAL SECRETARY:—Sir, under Standing Order No 30 I beg to move that the debate on the second reading be now adjourned to give honourable Members more time to consider the Bill itself and the explanations of my honourable Friend the Attorney General.

Question put and agreed to.

MR PRESIDENT commented briefly on the revised procedure.

Explanatory Memorandum

This Bill seeks to incorporate and regulate credit unions and the Credit Union League of Hong Kong.

2. Part II deals with the formation and powers of credit unions. The objects of credit unions are set out in clause 3. These, briefly, are to provide, on a non-profit basis, a low cost source of credit for members by loans made from the funds of the credit union, which consist of money subscribed by members and credited to them in the form of shares. Clauses 5 to 9 deal with applications for registration and the effect thereof. The general powers of credit unions are set out in clause 10.

3. Part III is concerned with the capital, shares and membership of credit unions. The capital is divided into five-dollar shares (clause 11). Shares may be allotted only to members (clause 12) and may be transferred or withdrawn by them, subject to certain conditions (clauses 13 and 14). Membership is restricted to persons with a common bond of various kinds (clause 15). Clauses 16 and 17 prescribe other conditions for membership and clauses 18 to 21 provide for expulsion, cessation of membership and the effects thereof. Clause 23 enables a member to nominate persons to receive the value of his shares on his death.

4. Union meetings and the elections of boards and committees of management are the subject of Part IV. Clauses 25 to 27 provide for the various kinds of meeting and voting thereat. The management of a credit union will be controlled by the board, a supervisory committee and a credit committee. The composition and election of each of these is dealt with in clauses 28, 29 and 31.

5. Part V sets out in detail the powers and duties of the board (clause 33), the supervisory committee (clause 34) and the credit committee (clauses 35 to 38).

6. Loans, borrowing, provision for a reserve fund and payment of dividends are dealt with in Part VI. Loans by a credit union may be made only for certain purposes (clause 39) and are subject to restrictions as to amount and rate of interest (clauses 40

Credit Unions Bill—second reading

[*Explanatory Memorandum*]

and 41). A loan to a director or member of a supervisory committee or a credit committee requires a unanimous vote of a majority of the board and both committees (clause 42). Clauses 43 and 44 deal with the power of a credit union to borrow. A reserve fund is established by clause 45, which requires it to be maintained at ten *per cent* or more of the share balance of the credit union. Clause 46 authorizes the payment of a dividend of not more than six *per cent* a year.

7. Part VII empowers a credit union to make its own bylaws, subject however to any by-laws which may be prescribed by the Governor in Council under clause 85.

8. Part VIII sets out the returns to be submitted to the Registrar of Credit Unions (clauses 50 and 51) and his powers of examination, inquiry and audit (clauses 53 to 54). Power is given to him to suspend a credit union in certain instances (clause 54(3)).

9. Part IX deals with winding-up of credit unions. This will, generally, follow the procedure for the winding-up of a company under the Companies Ordinance. The credit union or the Registrar may petition the court to wind up (clauses 57 and 58).

10. A right of appeal against various decisions of the Registrar to the District Court is conferred by Part X (clause 62).

11. Part XI incorporates the existing Credit Union League of Hong Kong. Membership of the League is confined to credit unions and its main objects are to provide advice and assistance to its members (clause 64). Property is vested in the League (clause 65) and its board is as prescribed by clause 66. By-laws are dealt with in clause 67, and registration in clause 68. Clause 72 obliges the League to set up a stabilization fund, from which loans may be made to help credit unions.

12. Part XII lists the offences against the Bill and the penalties therefor (clauses 75 to 81).

13. Part XIII provides for the appointment of a Registrar of Credit Unions and for his duties with regard to maintaining registers and approving the form of records of credit unions.

14. In Part XIV, clause 85 empowers the Governor in Council to make regulations, which may prescribe by-laws for adoption by credit unions. Such by-laws become the by-laws of a credit union under clause 47, unless modified by the credit union, with the approval of the Registrar.

LANDLORD AND TENANT (AMENDMENT) BILL 1968

THE ATTORNEY GENERAL moved the second reading of:—"A Bill to amend the Landlord and Tenant Ordinance."

He said:—Sir, as honourable Members are no doubt aware, the Government from time to time reviews the need to retain the control over pre-war property which is imposed by the Landlord and Tenant Ordinance.

Such a review has been carried out recently and the Government view is that any general measures of decontrol should not be undertaken at the present time.

However, this Bill seeks to make amendments to the Landlord and Tenant Ordinance which are designed to make it easier for buildings to be released from the controls provided by the Ordinance.

As section 11 of the Ordinance now stands, it is an offence for a tenant of protected premises to receive compensation for giving up his tenancy before an Exclusion Order has been made. It is considered that this restriction is no longer necessary, so long as certain safeguards designed for the protection of tenants are provided.

Clause 2 of the Bill therefore introduces into the principal Ordinance a new section 11 A, whereby it will be lawful for a tenant to agree to surrender his tenancy, in return for money or some other consideration, provided that the agreement is in a form approved by the Secretary for Chinese Affairs and is certified by him. For the purpose of this certificate the Secretary for Chinese Affairs is empowered to make such enquiries as he thinks fit with a view to satisfying himself that the tenant understands the effect of the agreement and has not been unduly influenced by the landlord. If he is not so satisfied, he will refuse his certificate, though he will not be concerned with assessing whether or not the actual amount of compensation offered is reasonable.

Clause 3 amends section 38 of the principal Ordinance by providing that where a tenancy tribunal has recommended the exclusion of any premises from the provisions of the Ordinance, the exclusion order may be made by the Governor if no appeal is lodged to the Governor in Council under section 38. If such an appeal is entered against the tenancy tribunal's decision then the matter will continue to be dealt with by the Governor in Council, as at present all recommendations by a tenancy tribunal have to be. This change is designed to speed up the disposal of exclusion order proceedings which are uncontested at this stage.

The opportunity has also been taken in this Bill to delete the provision in section 38(7) of the principal Ordinance which requires

[THE ATTORNEY GENERAL] **Landlord and Tenant (Amendment) Bill—
second reading**

that any agreement as to compensation reached between a landlord and tenant at the hearing of an application for exclusion of premises from the Ordinance must be in writing, signed by the parties and handed to the clerk of the tribunal. The informal agreements which would be permitted in consequence of the deletion of this provision will still be subject to the condition that no such agreement shall contain a term whereby the tenant agrees to quit the premises before publication of the exclusion order.

Question proposed.

Motion made (pursuant to Standing Order No 30). That the debate on the second reading of the Bill be adjourned—THE COLONIAL SECRETARY.

Question put and agreed to.

Explanatory Memorandum

The object of clause 2 of this Bill is to add a new section to the principal Ordinance in order to enable a tenant to enter into an agreement with his landlord whereby the tenant may, subject to certain conditions, lawfully receive compensation from his landlord in return for surrendering or terminating his protected tenancy. The conditions specified in the proposed new section are designed to safeguard the tenant from being unduly influenced by his landlord. Provision is included whereby the Secretary for Chinese Affairs is empowered to make such inquiries as he thinks fit for the purpose of satisfying himself that the tenant understands the effect of the agreement and has not been subject to undue influence.

Clause 3 seeks to amend section 38 of the principal Ordinance in three ways, namely—

- (a) with a view to expediting the handling of uncontested cases, to provide that where no appeal has been lodged against the recommendation of a tenancy tribunal that particular premises should be exempted from the provisions of the principal Ordinance, such recommendation should be dealt with by the Governor instead of the Governor in Council as at present;
- (b) to include amendments which are consequential upon the amendment referred to in paragraph (a); and
- (c) to delete the provision whereby any agreement on compensation reached between a landlord and tenant at the hearing of an application under section 38 must be in

writing, signed by the parties thereto and delivered to the clerk of the tenancy tribunal.

Clause 4 seeks to effect a minor amendment to section 39 of the principal Ordinance which is consequential on the amendment proposed to section 38.

DANGEROUS DRUGS BILL 1968

THE ATTORNEY GENERAL moved the second reading of:—"A Bill to repeal and replace the Dangerous Drugs Ordinance."

He said: —Sir, I do not need to remind honourable Members of the magnitude of the social, moral and law enforcement problems with which the narcotics trade and widespread addiction face us.

Indeed, many would contend that it is the gravest single social evil which exists in our community today and that a greater total sum of human torment can be ascribed to it than to any other single cause.

The government has for many years devoted immense resources in men and money to combating the spread of trafficking and of the consumption of narcotics. In this task it has been greatly assisted by a number of voluntary agencies and by the interest, experience and enthusiasm of various Unofficial Members of Councils and of other public spirited private individuals.

It remains a bitter and unceasing struggle. Although the figures of seizures of dangerous drugs and of conviction's for drug offences during 1967 give grounds for cautious optimism that at least the situation is not worsening, we are far, indeed very far, from bringing it under control.

The government recognizes the gravity of the problem and its own responsibility for grappling with it. The police, the Preventive Service and the medical and social welfare Departments, with the advice of official and unofficial bodies, are constantly searching for more effective ways of attack upon it.

Although the Bill before Council, which follows recommendations made by the Narcotics Advisory Committee, mainly reproduces existing law, it contains a number of new concepts and powers which are designed to make life more difficult for those who deal in narcotics.

As honourable Members will have seen from the Comparative Table which is attached to the printed Bill, most of its clauses follow similar ones which are to be found either in the present Dangerous Drugs Ordinance or in the Dangerous Drugs Regulations. A number

[THE ATTORNEY GENERAL] **Dangerous Drugs Bill—second reading**

of provisions which are now to be found in regulations have been transferred to the Bill, since it is thought that their importance is such that they should be contained in an Ordinance and not merely in regulations; examples of such transfers may be found in clauses 5, 6, 24, 25, 28, 31, 32 and 34. There are, however, a number of important clauses which are new to Hong Kong, though several of these are taken from the English Dangerous Drugs Act, 1965, or the English Dangerous Drugs (No 2) Regulations, 1964.

Those provisions in the Bill which are novel have three main objects. Firstly, they draw a distinction between persons who seek to make a living from the drug trade, whom I will call the traffickers, and those who are no more than addicts.

It is, I realize, not always easy to draw the line between the two groups. A man may well be both an addict and a distributor or manufacturer. Nevertheless, the Bill adopts the principle that the trafficker must be relentlessly harried and severely punished while the addict shall be treated in a far more lenient manner. It therefore seeks to impose more severe penalties for trafficking but to reduce them for possession of drugs for personal consumption only.

Secondly, the law of evidence is strengthened, in several significant respects, in favour of the prosecution, to make proof of guilt easier. There is a difficult balance to be struck between the necessity of ensuring that accused persons shall continue to receive a fair trial and the wish to make it less easy for guilty persons to escape conviction. It may be argued that some of these proposals are drastic and constitute a departure from the normal rules which apply in criminal trials. To the extent that this is true, I nevertheless submit that they are justified by the compelling need and duty to give the maximum permissible powers to those whose task it is to eradicate this vicious growth.

Thirdly, the powers of officers of the police force and the preventive service are widened, particularly to enable them to carry out routine searches and to detain persons, vehicles, and even ships and aircraft under certain conditions, in order to carry these out effectively.

Clause 4 of the Bill introduces a new general offence of trafficking in a dangerous drug. By virtue of this clause, and the definition of trafficking in clause 2, it will be an offence to import, export, procure, supply or deal in any dangerous drug, or to offer to do so, or to do any act preparatory to or for the purpose of trafficking, save as may be permitted by the Ordinance or under the authority of a licence granted by the Director of Medical and Health Services. A list of those substances which are defined as dangerous drugs for the purposes of this Ordinance may be found in Part I of the First Schedule.

Clause 4 imposes a maximum penalty on conviction on indictment of a fine of \$100,000 or imprisonment for life, or a fine of \$50,000 and imprisonment for 3 years on summary conviction. This clause will comprehend all the commercial activities of drug traffickers, except manufacture, which is dealt with in clause 6. At present, the maximum punishment for the illegal import or export of dangerous drugs is fifteen years and the maximum for supplying or procuring them is ten years.

The illegal manufacture of a dangerous drug is made an offence by clause 6, which imposes a maximum penalty of life imprisonment, as at present.

Clause 5 deals with the supply of a dangerous drug to an individual, as opposed to the more general form of trading covered by clause 4. The maximum penalty for an offence under clause 5 will be fifteen years. Sub-clause (3) of clause 5 confers protection on medical practitioners, dentists and sisters, who administer drugs in specified circumstances.

Clause 7 introduces a new offence of possessing a dangerous drug for the purpose of unlawful trafficking, with a maximum sentence of imprisonment for life. This is intended to catch the trafficker who is in control of large stocks of narcotics but who cannot be proved to have yet acted in such a way as to bring him within the terms of clause 4.

Clause 8 retains the existing offence of illegal possession of a dangerous drug. At present, the offence carries a maximum penalty of fifteen years and clause 8 reduces this to 3 years for the reason which I have explained, namely, that possession by an addict of drugs for his own consumption should be treated as a much less serious offence than dealing in them for personal gain.

The problem then arises of devising some way of deciding whether a person, found with a quantity of dangerous drugs in his possession, intends to use them for himself or to traffick in them. Clause 46 of the Bill is intended to provide a test which will distinguish the consumer from the trafficker. Any person who is proved to have in his possession more than the stated amounts of any listed substance is presumed to have them for the purpose of trafficking. The amounts of opium, morphine, diamorphine, barbitone and other substances listed in clause 46 are the maximum amounts which any addict would be likely to have for his own consumption at any time. It is to be noted that the possession of greater amounts than these only gives rise to a presumption. It will still be open to the accused to show that in fact he had no intention of trafficking in the drugs. Possession of amounts less

[THE ATTORNEY GENERAL] **Dangerous Drugs Bill—second reading**

than those prescribed in clause 46 will, of course, still constitute an offence under clause 8.

Part III of the Bill provides for the licensing and control of the import and export of dangerous drugs and for their safe custody while in transit through the Colony. This Part reproduces existing law and contains no new matter of substance.

Part IV, which is also based on our existing law and on the English Dangerous Drugs legislation, gives statutory authority to doctors, dentists, matrons, sisters, pharmacists and other persons to procure, supply and possess dangerous drugs, where this is necessary in the exercise of their profession, function or employment.

Part V is concerned primarily with what are known as divans, that is to say, premises which are used for the consumption of drugs, by smoking, inhaling or injection, by paying customers.

The definition of divan, in clause 2, has been revised to make it clear that the use of premises for the consumption of drugs on one occasion only is sufficient to constitute them a divan. Premises will also be a divan even if nobody is shown to have derived any commercial benefit from their use for the consumption of drugs. This change is made necessary partly because addicts sometimes buy the drugs in one place and consume them in another without paying a fee for the use of the latter premises and partly because actual proof of the payment of the fee is very difficult to provide.

Clause 38 will enable a landlord to evict a tenant who has used the premises for the purpose of trafficking or for keeping a divan. This clause somewhat expands the existing provisions but introduces no new principles.

Part VI contains a number of provisions concerned with offences. Clause 39 makes a person who is convicted of conspiracy to commit an offence under the Ordinance liable to the same penalty as for the offence itself. Clause 42, which follows similar provisions in the Larceny Ordinance, specifies, when read with the Third Schedule of the Bill, a number of other offences of which an accused may be found guilty, although he was acquitted of the actual offence with which he was charged. This will prevent an accused from escaping conviction because the evidence, which amounts to another offence of a similar nature, does not establish the one with which he was charged.

Part VII introduces several rules of evidence which are considered necessary in prosecutions for offences under the Ordinance. Clause 43 facilitates the admission in evidence of a certificate as to foreign law, which may be necessary in cases connected with drugs imported, exported or in transit. Clause 44 makes a certificate of the Government

Chemist admissible in evidence as to the chemical analysis of any substance. By clause 45 a presumption arises that a person who is found in, or escaping from, premises where dangerous drugs are being manufactured or equipment for that purpose is found shall be presumed to have taken part in the manufacturing. This is giving a statutory effect to what is a normal presumption of fact in such circumstances. It is, of course, open to the accused to rebut this presumption.

Clause 47, which reproduces section 16 of the present Dangerous Drugs Ordinance, sets up a presumption that a person who has in his possession or control anything, or the keys of any thing or place, in which a dangerous drug is found is presumed to have had the drug in his possession.

Part VIII contains a number of miscellaneous clauses, some of considerable importance.

Clause 52 enlarges the present powers of police officers and members of the Preventive Service. Under the existing Ordinance, these officers may search ships and aircraft and their passengers only where there is reason to suspect a contravention of the Ordinance. This clause will enable them to make routine searches of persons arriving in or departing from the Colony, and any ship, aircraft, vehicle or train which has arrived in Hong Kong, whether or not they have reason to suspect a breach of the Ordinance.

Although many seizures of drugs by police and Preventive officers result from information received, nevertheless routine searches and checks are productive, not only in the quantities of narcotics they uncover but in the deterrent effect which the possibility of them must have on traffickers.

Clause 52(2) requires the Director of Commerce and Industry or the Commissioner of Police to authorize the detention of a ship or aircraft for search. In the case of a ship of over 250 tons or an aircraft, such detention may not exceed 12 hours without the sanction of the Colonial Secretary.

Clause 52(4) gives power to public officers to uproot and destroy any cannabis plant and any opium poppy. The remainder of the clause gives power to public officers to enter hospitals and inspect books and stocks of drugs, to ensure that the Ordinance is being complied with, and to use such force as is necessary to carry out the powers conferred by this section.

Clause 54 will enable a police officer above the rank of inspector to take fingernail parings, washings and handwriting specimens, all of which may be valuable pieces of evidence in a prosecution for offences under the Ordinance.

[THE ATTORNEY GENERAL] **Dangerous Drugs Bill—second reading**

By clause 55, dangerous drugs in respect of which an offence has been committed in relation to its import or export or transit are forfeit to the Crown. Clause 56 gives a court power to order the forfeiture of any money or thing (other than premises, ships over 250 tons and aircraft) used in connection with any offence and of any money or other property received as a result of an offence. This power, which will extend to motor cars, is aimed at depriving traffickers of part at least of the profits of their trade. It is hoped that it will force the owners of ships and vehicles to take precautions to ensure that these are not used by drug traffickers.

I do not venture to suggest that this Bill will have quick or dramatic results. Nevertheless, I believe that it will, in conjunction with the Drug Addiction Treatment Centres Bill, which is also before this Council today, prove to be a measure of great value in the campaign against this challenge to our society.

Question proposed.

Motion made (pursuant to Standing Order No 30). That the debate on the second reading of the Bill be adjourned—THE COLONIAL SECRETARY.

Question put and agreed to.

Explanatory Memorandum

The object of this Bill is to replace the existing Dangerous Drugs Ordinance with new provisions which are designed to give greater assistance, in the light of experience, to those whose task it is to control the menace of the illegal drug trade.

The majority of the Bill reproduces in substance the existing law. Attention is drawn below to the main changes which would be effected by the Bill.

At present, the law relating to dangerous drugs is divided in an unsatisfactory manner between the Ordinance and regulations made thereunder. All provisions of substance are now contained in the Bill, leaving only matters of detail to be provided for by regulations.

Clause 4 introduces a new offence, to be known as trafficking in dangerous drugs, which embraces the illegal import, export, procuring, supplying or other dealing in or with dangerous drugs. Related to this, clause 7 creates the new offence of possessing a dangerous drug for the purpose of illegal trafficking therein. The

maximum penalty on conviction on indictment for either of these offences, and for the offence of unlawfully manufacturing dangerous drugs (clause 6), will be imprisonment for life.

Clause 8 makes the mere illegal possession of a dangerous drug an offence. This clause also repeats the existing offences of smoking, inhaling, ingesting or injecting a dangerous drug without statutory authority. An offence against this clause carries a maximum penalty of imprisonment for three years.

In assessing punishment for the offence of possession of dangerous drugs, the courts have usually drawn a distinction between a person in possession of the drugs for personal gain and the addict who has them solely for his own use. Clauses 7 and 8 give statutory recognition to the distinction, by the creation of the two distinct offences.

However, it may not be easy, in some cases, for a court to decide whether a man is in possession of drugs for his own consumption or for trafficking. Clause 46, therefore, provides a presumption, which will shift to the accused the burden of showing that he did not possess drugs for the purpose of unlawful trafficking therein if the Crown proves that he was in possession of more than the prescribed minimum amounts; these are determined either by weight or by the form in which they were possessed, for example, in pots in the case of opium, or packets in the case of morphine or heroin. These minimum amounts have been determined on the basis of long experience and exceed the amount which an addict would need to possess at any time for his own consumption.

Part IV of the Bill follows closely the corresponding United Kingdom provisions in the Dangerous Drugs (No. 2) Regulations 1964. It expands and improves the existing law.

Clause 22 confers on those who require it for the purposes of the practice or exercise of their profession, function or employment, authority to procure, supply and possess dangerous drugs. Such persons include (subject to varying safeguards set out in clauses 23 and 24) doctors, dentists, matrons and sisters employed in hospitals, health centres or clinics, pharmacists and others engaged in dispensing or supplying medicines in hospitals, health centres or clinics, veterinary surgeons and authorized sellers of poisons under the Pharmacy and Poisons Ordinance.

Part IV also authorizes—

- (a) the possession of drugs when supplied by a doctor or dentist or on a lawful prescription (clause 25);

Dangerous Drugs Bill—second reading*[Explanatory Memorandum]*

- (b) the possession of drugs specified in Part III of the First Schedule when they are supplied by an authorized seller of poisons (clause 25);
- (c) the ingestion or injection of dangerous drugs for the purposes of medical or dental treatment (clause 26);
- (d) the possession of equipment for the injection of dangerous drugs (clause 27);
- (e) the dealing with dangerous drugs in certain other limited cases (clause 28).

Two important changes will be made in the law as it affects premises, commonly known as divans, used for the consumption of dangerous drugs, by smoking, inhalation or injection. Firstly, any doubt as to whether premises must be used regularly before they become a divan is removed by the new definition of “divan”, which provides that the use of premises on one occasion is sufficient (clause 2). Secondly, premises will constitute a divan under the Bill notwithstanding that the drugs are not sold therein or that no person is deriving any commercial advantage in consequence of the consumption of drugs therein. The latter change is necessary partly because drug addicts sometimes do not purchase the drugs on the premises where they are consumed or pay for the use of the premises and partly because of the difficulty of proving the purchase of drugs or payment for the use of premises where that is the case.

Anyone found in or escaping from a divan will be presumed to have been consuming dangerous drugs therein (clause 48(2), following section 23(2)(e) of the existing Ordinance). The owner, tenant, occupier or person in charge of the premises will be guilty of an offence if he has permitted or suffered them to be used as a divan, notwithstanding that he derives no gain therefrom (clause 37). However, a person will not be guilty of the more serious offence of opening, keeping or managing a divan unless financial or other gain is involved (clause 35).

Clause 38, which reproduces in modified form parts of section 23 of the existing Ordinance, extends the existing provisions to premises used for unlawful trafficking in dangerous drugs. This will enable a landlord to evict a tenant who has been using demised premises for that purpose.

Clause 42 (which may be compared with a similar provision in section 66 of the Larceny Ordinance), provides that a person charged with certain offences specified therein may be convicted of certain other offences under the Bill which are proved at the

trial. These provisions will help to prevent a guilty person escaping due conviction because the evidence does not prove the offence with which he was charged though it does establish a similar offence.

Clause 45 gives statutory effect to the strong presumption of fact, which normally arises when a person is found in, or escaping from, a place where drugs are being manufactured or where equipment or material used for that purpose is found, that he has taken part in the manufacturing.

The powers of police officers and officers of the Preventive Service to search for drugs which are being imported into or exported from Hong Kong are enlarged. Under the existing Ordinance, ships, aircraft and arriving or departing travellers may only be searched if there is reason to suspect a contravention of this Ordinance. Clause 52 will enable officers to make routine searches for drugs, whether or not they have grounds for suspecting a breach of the law. Clause 54 will enable them to take nail parings and handwriting specimens.

Dangerous drugs in respect of which an offence has been committed will be automatically forfeited by law under clause 55. Clause 56, which is a discretionary power, will enable a court to order the forfeiture of things used in connexion with drug offences. This power, which is aimed at the resources of those engaged in the illegal drug trade, will extend to motor vehicles and to vessels below a specified tonnage and so should encourage owners to take adequate steps to ensure that their vehicles and vessels are not used by drug traffickers. Money which has been used in the commission of an offence under the Bill or which is the product of such an offence will also be liable to forfeiture.

DRUG ADDICTION TREATMENT CENTRES BILL 1968

THE ATTORNEY GENERAL moved the second reading of:—"A Bill to provide for the cure and rehabilitation of persons found guilty of criminal offences who are suffering from addiction to a dangerous drug."

He said:—Sir, as I have already mentioned, when moving the Dangerous Drugs Bill, the aim has been both in that Bill and in the one now before honourable Members, to draw a distinction between the trafficker and the addict.*

This Bill is concerned with the addict and its purpose is to provide a means whereby, in appropriate cases, an addict who is convicted of any offence may, instead of being punished by a sentence of imprisonment, be given the opportunity of cure and rehabilitation in special centres maintained solely for this purpose.

* Page 482.

[THE ATTORNEY GENERAL] **Drug Addiction Treatment Centres
Bill — second reading**

It has been estimated that more than 80% of those adults who have been sentenced to imprisonment in Hong Kong in recent years have been drug addicts at the time of their admission to prison, many of them being dependent upon heroin, which is the most powerful and dangerous of those narcotics which are widely used and one which produces rapid, complete and, unless it is actively treated, irreversible addiction.

Although many of the 80% were not convicted of drug offences as such, they suffer from the same acute degree of drug dependence as those who were. Thus, what might otherwise seem to be primarily a social and medical problem has become, unavoidably, one with which the Prisons Department and its officers, at all levels, have been obliged to deal.

Until the middle years of the last decade, persons sentenced to imprisonment, who were found to be drug addicts, were received into prison and treated in the same manner as other prisoners, without the specialized care which would help to wean them from their addiction. There was also a significant danger that non-addicts, though contact with the large number of addicts in prison, might be persuaded to join their ranks on release.

Some ten years ago, therefore, it was decided that a special kind of treatment centre was needed for convicted addicts, in which they could be afforded a real chance of ridding themselves permanently of the vice. Accommodation was made available to the Prisons Department at Tai Lam Chung in the New Territories and the Commissioner of Prisons, exercising the powers conferred upon him by the Prisons Ordinance to decide to which institution a prisoner should be sent, began to admit to this centre as many as possible of those convicted persons who were found to be drug addicted.

Although Tai Lam is in law a prison and is controlled by the Prisons Department, it has nevertheless been operated not as a penal institution but as a treatment centre, with rehabilitation as its primary objective. The records of Tai Lam show that, under carefully regulated conditions, an addict, unless he suffers from disease or old age, has a good chance of recovering both his physical well-being and his self-respect.

Tai Lam has been, without question, a significant success in the campaign against narcotics, and the community and those many addicts who have thrown off their subservience to drugs and returned to a normal life have cause to be grateful to the care, patience and compassion of the prison and medical staff who work there. The time has now come to develop the system further and to improve it in those respects in which experience has shown it to be unsatisfactory.

The proposals which are before honourable Members in this Bill are, so far as I know, unparalleled in other legislation. They will place Hong Kong where its circumstances and problems in this field dictate that it shall be, in advance of most of the world in its weapons of attack upon the problem and in its willingness to introduce new concepts in dealing with it.

The Bill before Council follows the recommendations of the Narcotics Advisory Committee, which strongly favours the treatment of addicts in special centres.

Clause 3 of the Bill empowers the Governor to appoint any place as a drug addiction treatment centre for the cure and rehabilitation of convicted drug addicts. Apart from Tai Lam, it is expected that other centres will be established in due course, if the increased demand for accommodation, which is anticipated as a result of this Bill, occurs.

One of the defects of the existing system is that the methods of treatment which are available at present do not allow for the effective removal of addiction in less than six months. Allowing for the earning by the prisoner of the full rate of remission of one-third, this means that there is little hope of cure in the case of any addict who has been sentenced to less than nine months imprisonment.

Another difficulty is that the courts can only pass determinate sentences in accordance with the normal principles which govern their powers in criminal trials. This has meant that a cooperative prisoner cannot be released before the expiry of his sentence; if it were possible to do so, the inducement might be of great assistance to him in strengthening his resolve to rid himself of his addiction.

Clause 4 of the Bill seeks to overcome these obstacles by giving power to a court to order a person found guilty of any offence punishable with imprisonment (other than for non-payment of a fine) to be detained for a period of what is called cure and rehabilitation in an addiction centre, in lieu of imposing any other sentence.

The court will not order detention for any specified period, and the order itself will authorize detention for not less than six nor more than eighteen months from the date of the order. The actual time for which the addict will remain in a centre will be decided, between these two limits, by the Commissioner of Prisons, who will base his decision upon the health and progress of the prisoner and the likelihood that he will stay free from addiction on his release. The person detained will know that, if he shows himself to be a willing patient, he may obtain an early release.

By clause 4(3), before making a detention order, the court must consider a report from the Commissioner as to the suitability of the

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convicted person for treatment and may remand him in the custody of the Commissioner for up to 3 weeks to enable a report to be made. Where a detention order is made, the court has a discretion to order that no conviction shall be recorded.

Clauses 5 and 6 of the Bill deal with the question of the after-care of a rehabilitated addict, when he has been released from a centre. The Commissioner may order that the released man shall be subject to supervision by such organization or person as he shall specify and shall comply with such conditions, including requirements as to medical examination, as the Commissioner may impose.

The Prisons Department already contains a number of after-care officers, each of whom accepts responsibility for looking after a number of men released from Tai Lam, giving them advice and encouragement, based on a mutual trust and understanding which has been built up between prisoner and supervisor inside the treatment centre.

It is hoped that persons discharged from a centre, who have no home to go to, can be helped to become part of the community again, and kept away, where necessary, from the environment in which they became the victims of addiction, by providing for them lodging houses in which they can live until their readjustment is complete. They would take ordinary employment and go to and from work unsupervised, paying the cost of their board and lodging at the house. The powers conferred on the Commissioner by clause 5 will enable him to enforce compulsory residence in such a half-way house if he considers this necessary.

Clause 6 enables a magistrate, on the application of the Commissioner of Prisons, to make a further detention order, if he is satisfied that a person who is subject to a supervision order made by the Commissioner has failed to comply with the order, or that he has become addicted again during his period of supervision. The further detention order will authorize detention in a treatment centre for six months from arrest under the further order or eighteen months from the date of the original order, whichever is the later.

Clause 7 confers on a police officer the power to arrest a person whom he reasonably suspects to be subject to a detention order or further detention order.

Clause 8 gives a magistrate power to order the transfer of a person detained in an addiction centre to prison, if he is satisfied that the person is exercising a bad influence on other persons in the centre. Before doing so, the magistrate must give the detained person a chance to give evidence and call witnesses. The magistrate may commit to

prison for a period not exceeding the balance of the period for which the man might be detained in the centre or the maximum imprisonment to which he was liable for the original offence of which he was convicted, whichever is the less.

It is to be hoped that it will not be necessary to use this clause often, but it is considered that there must be provision for the removal to prison of those who are a disruptive influence in a treatment centre.

Clause 9 provides that the Prison Rules shall generally apply to the administration, inmates and staff of addiction treatment centres, though power is conferred upon the Governor in Council under clause 10 to make special regulations governing such centres if he considers this desirable.

I suggest to honourable Members that this Bill is an imaginative measure. Inherent in its provisions is a rejection of the view that the ordinary addict is an evil man who merits punishment and an acceptance of the principle that he is more likely to be the victim of psychological and social pressures which he cannot resist successfully unaided.

The system which this Bill will enable to develop, is based upon a recognition of the responsibility of the community for the cure and rehabilitation of drug addicts and I believe that these provisions will, in the future, enable those who implement them to bring many unhappy men back from the world of the addict to a full and healthy life.

Question proposed.

Motion made (pursuant to Standing Order No 30). That the debate on the second reading of the Bill be adjourned—THE COLONIAL SECRETARY.

Question put and agreed to.

Explanatory Memorandum

Under the Prisons Ordinance, the Commissioner of Prisons sends a convicted person, who is sentenced to imprisonment, to whichever prison is most suitable in the circumstances. For many years, a convicted person who is a drug addict has, subject to his suitability and other relevant factors, been sent to Tai Lam Prison, which, though a prison under the Ordinance, has been increasingly administered as a treatment centre.

2. Although this system has worked well, it suffers from a number of defects, and the object of this Bill is to introduce an entirely new method by which such persons may be dealt with.

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3. Firstly, the existing arrangements do not embrace many convicted persons who would benefit from treatment for drug addiction, because the minimum period required for effective treatment is six months, so that a convicted person sentenced to less than nine months imprisonment (taking maximum remission into account) cannot be afforded the opportunity for treatment.

4. Secondly, experience has shown that a determinate sentence, even if of adequate duration to allow a full course of treatment, does not always induce the response from the patient which is necessary if it is to be successful. Co-operation from the patient is more likely to be forthcoming if the patient knows that he may obtain an earlier release from detention if he is co-operative.

5. To remedy these defects, it is proposed that a court should be able, in lieu of imposing any other punishment, to order that a person found guilty of a crime which is punishable with imprisonment should be detained in a drug addiction treatment centre (clause 4(1)). The court will not determine the length of the detention, which, subject to a statutory minimum of six months and a maximum of eighteen months, will be determined by the Commissioner of Prisons in accordance with the criteria laid down in clause 4(2).

6. Clause 4(4) will enable a court which makes a detention order to refrain from recording a conviction, where the circumstances so warrant, for the offence of which a person has been found guilty. It is hoped that this will contribute to the successful rehabilitation of a drug addict.

7. At present there are no means of effective control over an addict discharged from prison, during the critical months immediately following his discharge. This will be remedied by clauses 5 and 6. Clause 5 empowers the Commissioner of Prisons to require a person who is being discharged from a treatment centre to submit to supervision for a period of twelve months by an organization or person specified by the Commissioner. A magistrate may, if satisfied that a person under supervision is addicted to dangerous drugs or has not complied with the supervision order, order him to be further detained in a treatment centre. An order for further detention will continue in force until the expiry of eighteen months from the date of the original detention order or six months from the arrest of such person under the order for further detention, whichever is the later.

8. Clause 3 confers on the Governor power to appoint places to be drug addiction treatment centres, and clauses 7, 8 and 9 make ancillary provisions.

ADJOURNMENT

Motion made, and question proposed. That this Council do now adjourn—THE COLONIAL SECRETARY.

3.48 p.m.

Parking Survey

MR SZETO WAI:—Your Excellency, in the course of the last 4 years, Government has made considerable efforts in accumulating and furthering the knowledge of our transport problems by commissioning consultants to study and advise us on our immediate and future requirements. The tabling at this Council today of the Long-Term Road* Study Report forms a milestone in the study of our mobility. However, in our city of small area and large population, the stationary aspect of our vehicles requires similar comprehensive attention.

The Passenger Transport Survey Unit Report gives results of a pilot parking survey conducted in 1965 which indicate the inadequacy of our provision at that time. The Mass Transit Consultants only touched briefly on parking facilities which may be provided at some of the future mass transit stations. Our parking problems were not included in the terms of reference for the road consultants, but nevertheless, they predict a serious deficiency in our facilities in 1986. †

Sir, the facility to park or store our increasing number of vehicles is a vital factor in the efficiency and the cost of our future road system, and must not be considered in isolation. It is in the best interests of our expanding economy and our democratic approach to vehicle-ownership that we must plan for the future.

There are now about 27,000 car parking spaces on the streets and in both Government and commercial parking structures as against 66,000 private cars. With the completion of the two Government multi-storey car-parks at Rumsey Street and Yau Ma Tei, 30,000 spaces may be attained in the urban areas in 1970, of which less than a quarter will be off-street accommodation. However, a large number of the kerbside spaces will have to be obliterated in order to reduce congestion on our roads as by then the number of private cars will have grown to over 80,000. According to the road consultants, parking requirements in the Central District in 1986 would reach 4½ times those of our existing provision (including these temporary spaces on the reclamation); those for Mong Kok and Sham Shui Po will be 3¼ times; while those for Wan Chai and Causeway Bay 2½ times. Even if we decide now to build a mass transit system on a modified scale, it will not be ready until 1974 when the number of private cars will have almost doubled their

* Page 461.

† Pages 24-5.

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present figure with attendant increase in parking requirements. Admittedly, these are only projected values, much more data will be needed in arriving at an accurate assessment which can only be obtained by detailed area surveys which are essential before forward planning and positive action can be taken.

Sir, adequate parking facilities are a prime necessity in improving our deteriorating traffic conditions, and off-street parking must augment our diminishing kerbside spaces in time to come. This has been an oft-debated subject in this Council and I am fully aware of Government's present policy on the issue. I will not attempt today to elevate parking to the rank of social services and should therefore have claims on public funds, nor would I brand it as a mere commodity to be left to the care of commercial enterprise. Some of our designated semi-commuter areas, especially Mong Kok and Causeway Bay, are cities in their own right whose high-density mixed development and rigorous commercial activities have rendered parking of vehicles extremely critical, and the amount of forced illegal parking has reduced the efficiency of the roads in this district and in turn has an adverse effect on commerce. The time has come when we must look reality in the face and reconcile the fact that the motor car is here to stay; to emulate the proverbial ostrich is simply not good enough. The motor car has made its contribution to the remarkable economic development of Hong Kong and will continue to do so if we provide for it. I consider Government's present policy on off-street parking as being unrealistic and something quite alien to our overall road planning, and would therefore urge Government to institute as soon as possible a comprehensive parking survey with a view to formulating a fresh plan based on accurate knowledge of our requirements and our special parking characteristics rather than the present arbitrary and nonchalant policy, which can only result in the future in a series of hasty and *ad hoc* decisions, not in the best interests of the Colony as a whole. The survey should also cover the extent of the flagrant illegal use of parking facilities originally provided in buildings as required by lease conditions. The result of these contraventions deprives the occupants of the rightful use of the space as intended by Government and thus aggravates the parking problem. The law must be applied to these serious offenders, but as it is they appear to escape unscathed.

MR P. C. Woo:—Sir, I have much pleasure in supporting my honourable Friend Mr SZETO Wai's plea for a comprehensive survey of the traffic system of Hong Kong, I will however confine myself to the question of parking offences and the question of traffic obstruction cases.

In 1953 when I first sat in the JP Court dealing with traffic offences I found myself saddled with a number of summonses ranging between

200 and 250 cases and it would hardly be possible to dispose of them all in one afternoon's sitting. The only possible way was to divide these cases into groups by separating the PG (pleaded guilty) cases in one group and the PNG (pleaded not guilty) cases in another. The PNG cases would be dealt with in another Court on other dates whereas the defendants in PG cases would be lined up and were fined a similar amount without any exception unless the defendants wished to say something in mitigation. In 99 cases out of 100, the defendants merely pleaded guilty and the JPs then imposed a fine. It does not seem to be dealing with justice, because justice not only to be done but must be seen to be done.

I am authoritatively told that there are now between 1,000 and 1,250 traffic cases per week and despite the institution of pleading guilty by letters yet the JPs have to sit from Monday to Friday in every afternoon to deal with these cases in order to alleviate the congestion of the Magistrates' Courts but the fact remains that in attending the JP Courts in traffic cases the defendants have to suffer the hardship in respect of time and expenses as they have to put aside one afternoon to attend the cases and unless they plead guilty to the offences other dates have to be fixed for the hearing of the same.

It is therefore imperative that some ways and means should be found to obviate this inconvenience and hardship on the motorists some of whom are taxi and bus drivers who have to make a living and it will be difficult for them to obtain leave to attend the Courts.

Some months ago the TAC supported the recommendation of the Huggins Report concerning parking and other offences to treat these parking offences as civil liabilities in that a fixed amount will have to be paid if a person is found to have parked his car illegally or parking without payment at a place where there is a parking meter. He will be given a ticket to pay the amount to Government without the necessity of appearing in the Courts. This, may necessitate the institution of Traffic Wardens as in England. There is much to be said in favour of such a system and I urge that in the survey advocated by my Friend Mr SZETO the institution of Traffic Wardens to replace the Police in traffic cases should be included in the investigation. Furthermore, it will save Government a considerable sum of money in respect of the issuing of summonses for such minor offences as I am informed that it will cost Government a sum between \$30 and \$50 for each summons.

MR K. A. WATSON:—Sir, in supporting the proposal of my honourable Friend Mr SZETO, may I emphasize the importance of finding a solution to our parking problems. This afternoon Government has tabled the Long Term Road Study which recommends an expenditure of

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\$2,051 million on major roads, tunnels and bridges, which will provide fast through routes from district to district.

But what of the roads within those districts, the local distributors and access roads? They too must be improved or augmented if they are to cope with the greatly increased flow of traffic of all kinds. The capacity of most of them is greatly restricted by on-street parking, and other obstructions, and unless one is prepared to build extremely expensive elevated roads above them, improvement can only come by removing those obstructions and by banning on-street parking.

But this is already much less than is needed. The Passenger Transport Survey referred to by my honourable Friend the Director of Public Works says "Because of the large number of vehicles in the urban area, the number of spaces supplied is totally inadequate to meet the demand in many localities". The pilot survey made in January 1965 covering part of the north shore of the Island and Kowloon south of Boundary Street, found that out of 22,000 vehicles parked at night, 7,000 were parked illegally because of the shortage of legal parking spaces. In Quarry Bay, for example, 360 vehicles were parked although there were only 43 legal spaces. In To Kwa Wan, 2,169 were parked where there were only 531 legal spaces. The Police turn a blind eye to much of this illegality because there is no reasonable or humane alternative and they will have to continue to do so, unless or until Government or private enterprise provides very much more off-street parking places.

My honourable Friend Mr Woo has referred to the recommendations of the Huggins Committee for traffic wardens and fixed on-the-spot fines for parking offences. Its report also says "The ideal remedy for the problems produced by the present flood of summonses . . . is to prevent the commission of the contraventions in the first place. This could be achieved by the provision of better public transport facilities and by the provision of reasonable off-street car parking facilities."

It also suggests that the greater part of these facilities would probably have to be provided at government expense but that this in the long run might prove less than the cost of a general paralysis of road traffic.

The need for greatly increased parking facilities cannot, I am afraid, be avoided. The Long Term Road Study considered various possibilities, one of which assumed a savage increase in private car taxation in order to keep numbers down to the lowest possible level. But even so, the number of trips generated daily by private cars alone in 1986 would be 1,182,000 a day. It suggests that the number of parking

spaces required would be of the order of one for every five trips which means that even if we assume a heavily restricted car population, we would still need 236,000 parking spaces in 1986. At present it is unlikely we have more than, say, 30,000, so that we shall have to build at least 200,000 extra during the next 18 years.

Clearly a start must be made and a full parking survey, as proposed by my honourable Friend, is an urgently needed first step.

4.06 p.m.

MR A. M. J. WRIGHT:—Your Excellency, I cannot agree with my honourable Friend Mr SZETO that Government's policy on parking is either unrealistic or based on *ad hoc* decisions. The policy, which was laid down in 1966, is that Government should build car parks from public funds in commuter areas; sites in mixed commuter/residential areas should be sold by tender for the erection of car parks by private enterprise; and in residential areas the Lease Conditions should continue to require all new development to provide adequate off-street parking.*

Mr SZETO has himself referred to the multi-storey car parks, on the Rumsey Street reclamation and at Yau Ma Tei, now under construction by Government in accordance with the 1966 policy decision. Some 1,250 spaces will be provided and the Yau Ma Tei building has been so planned that it can be extended to provide for an additional 500 cars when demand builds up.

Earlier this afternoon, in reply to a question by Mr SZETO, I gave details of four sites in mixed commuter/residential areas which will be put up for sale next year requiring the provision of not less than 1,830 parking spaces.† In residential areas all new development is required by the Lease Conditions to provide car parking. Resettlement and Government Low Cost Housing estates as well as Government-aided housing and private development must provide off-street parking to an agreed scale. To illustrate the extent to which this assists the overall parking need, implementation of the Housing Board's recommendations on the building of houses—not the building of car parks—will mean that something over 3,500 off-street parking spaces will be provided in Resettlement and Government Low Cost Housing estates alone over the next six years. Many hundred more will of course be provided in Government-aided housing schemes and private enterprise development.

* 1966 Hansard, Pages 220, 295-303 and 374-6.

† Page 466.

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I would like also to say something on the figures quoted by Mr SZETO, and also referred to by Mr WATSON, on the number of car parking spaces available as against the total number of registered private cars. I understand that the figure of 27,000 parking spaces referred to by both my honourable Friends includes only those in multi-storey or open car parks, together with designated parking spaces, some with meters and some without, elsewhere. This figure, I would point out, takes no account whatever of the hundreds or perhaps thousands of spaces available on private land or in residential and other buildings which, of course, constitute a very large proportion of the total number of spaces available. This brings me to the point made by Mr SZETO at the end of his speech concerning the “flagrant illegal use of parking facilities originally provided in buildings as required by the Lease Conditions”. The truth is that the number of illegal conversions of parking space is relatively small. We are continually on the watch for such conversions in breach of the Lease Conditions and take action wherever possible. Unfortunately, there have been many cases where we either have no control at all, or the control under the old Lease Conditions is inadequate. In such cases conversions have taken place to the detriment of the car-owning tenants and we have no power to prevent it.

Before Government made its policy decision in 1966, a comprehensive survey had been carried out within the Public Works Department, but much information was lacking. We now have information, statistics and forecasts readily available from the Long Term Road Study. A new survey would be of great assistance to us in the forward planning of the car parks to be built by Government in commuter areas and the selection of sites for sale in the mixed commuter/residential areas. Such a survey is already included in the provisional programme of works to be carried out by the Traffic and Transport Survey Unit of the Public Works Department.

Question put and agreed to.

MR PRESIDENT:—Council will accordingly adjourn. The next meeting will be held on 23rd October.

Adjourned accordingly at 7 minutes past Four o'clock.