

**OFFICIAL REPORT OF PROCEEDINGS****THE LEGISLATIVE COUNCIL****Hong Kong, Wednesday, 2nd July 1969****The Council met at half-past Two o'clock**

[Mr PRESIDENT in the Chair]

**PRESENT**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)  
SIR DAVID (CLIVE CROSSBIE) TRENCH, GCMG, MC  
THE HONOURABLE THE COLONIAL SECRETARY  
SIR HUGH (SELBY) NORMAN-WALKER, KCMG, OBE, JP  
THE HONOURABLE THE ATTORNEY GENERAL  
MR DENYS TUDOR EMIL ROBERTS, OBE, QC, JP  
THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS (*Acting*)  
MR PAUL TSUI KA-CHEUNG, OBE, JP  
THE HONOURABLE THE FINANCIAL SECRETARY (*Acting*)  
MR CHARLES PHILIP HADDON-CAVE, JP  
DR THE HONOURABLE TENG PIN-HUI, CMG, OBE, JP  
DIRECTOR OF MEDICAL AND HEALTH SERVICES  
THE HONOURABLE DAVID RICHARD WATSON ALEXANDER, MBE, JP  
DIRECTOR OF URBAN SERVICES  
THE HONOURABLE GEORGE TIPPETT ROWE, JP  
DIRECTOR OF SOCIAL WELFARE  
THE HONOURABLE JAMES JEAVONS ROBSON, JP  
DIRECTOR OF PUBLIC WORKS  
THE HONOURABLE DONALD COLLIN CUMYN LUDDINGTON, JP  
DISTRICT COMMISSIONER, NEW TERRITORIES  
THE HONOURABLE JOHN CANNING, JP  
DIRECTOR OF EDUCATION  
THE HONOURABLE ARTHUR PATRICK RICHARDSON, JP  
COMMISSIONER OF LABOUR  
THE HONOURABLE KAN YUET-KEUNG, CBE, JP  
THE HONOURABLE FUNG HON-CHU, OBE, JP  
THE HONOURABLE TSE YU-CHUEN, OBE, JP  
THE HONOURABLE WOO PAK-CHUEN, OBE, JP  
THE HONOURABLE SZETO WAI, OBE, JP  
THE HONOURABLE WILFRED WONG SIEN-BING, OBE, JP  
THE HONOURABLE ELLEN LI SHU-PUI, OBE, JP  
THE HONOURABLE WILSON WANG TZE-SAM, JP  
THE HONOURABLE HERBERT JOHN CHARLES BROWNE, JP  
DR THE HONOURABLE CHUNG SZE-YUEN, OBE, JP  
THE HONOURABLE MICHAEL ALEXANDER ROBERT HERRIES, OBE, MC, JP  
THE HONOURABLE OSWALD VICTOR CHEUNG, QC, JP  
THE HONOURABLE ANN TSE-KAI, JP

**ABSENT**

THE HONOURABLE DAVID HAROLD JORDANI MBE, JP  
DIRECTOR OF COMMERCE AND INDUSTRY

**IN ATTENDANCE**

THE DEPUTY CLERK OF COUNCILS  
MR DONALD BARTON

**PAPERS**

The following papers were laid pursuant to Standing Order No 14(2): —

<i>Subject</i>	<i>LN No</i>
Subsidiary Legislation: —	
Preventive Service Ordinance.	
Preventive Service Ordinance (Amendment of First Schedule) Order 1969 .....	82
Emergency (Principal) Regulations.	
Emergency (Principal) Regulations (Discontinuance) (No 3) Order 1969 .....	83
Emergency (Principal) Regulations.	
Emergency (Committee of Review) (Revocation) Rules 1969 .....	84
Revised Edition of the Laws Ordinance 1965.	
Revised Edition of the Laws (Correction of Error) Order 1965 .....	85
Interpretation and General Clauses Ordinance.	
Specification of Public Office .....	86
Interpretation and General Clauses Ordinance and Merchant Shipping Ordinance.	
Delegation of Powers .....	87
Report: —	
Hong Kong War Memorial Fund Committee.	
Twenty-second Annual Report for the year 1968. (Published on 30.6.69).	

**ORAL ANSWERS TO QUESTIONS****Postal Clerks**

1. MR Y. K. KAN asked: —

At the meeting of this Council on the 25th September 1968, the then Colonial Secretary, in reply to a question put by me on the working hours of postal clerks, informed this Council that a working party had been set up to examine working hours and the problems of overtime generally but with instructions to give priority to these matters as they affect the Post Office\*.

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\* 1968 Hansard, page 432.

Will the Honourable Colonial Secretary inform this Council what progress has been made in the examination of these matters and specifically, what steps have been taken to alleviate the hardship complained of?

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —Sir, the undertaking given by my predecessor in this Council was honoured.

The Working Party on Hours of Work and Overtime was set up, sat, did its work, and submitted its report on the 9th of June—just three weeks ago.

The particular problems—the difficult problems—of Postal Clerks were given the priority promised by my predecessor and an interim recommendation for the reduction of their hours to 44 was made and was put by the Government to the Postmaster General and by him discussed with the then newly created Post Office Staff Forum. That Forum however came to the conclusion that the mere reduction in the hours of work would not be of material benefit to their conditions of service so long as the present Establishment Regulations regarding overtime remain in the form they are today.

As a result of that meeting, the Postal Clerks put to the Government counter proposals mainly concerning their conditions of overtime payment and, as those fell directly within the scope of the Working Party, they were referred to the Working Party and the Working Party has covered them in its recommendations. The Report of the Working Party which covers these points is now under consideration in the Colonial Secretariat.

MR KAN: —I am most grateful to my honourable Friend for the answer, which is quite satisfactory.

### **Sand Monopoly**

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

During the 1965 Budget Debate the Honourable Financial Secretary, in reply to my criticism on Government awarding the contract to the present contractor for supply of sand without going to tender, informed this Council that Government would "continue to study the problem with a view to a decision on the future policy well before the termination of the present contract in 1969".\*

Will the Honourable Financial Secretary inform this Council what further study has been made and what future policy has been decided?

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\* 1965 Hansard, page 224.

### Oral Answers

THE ACTING FINANCIAL SECRETARY (MR C. P. HADDON-CAVE): —Sir, the Government has had the future of the Sand Monopoly's present arrangements for the supply of sand under review for some considerable time. However, Sir, the position remains complicated by the fact that the only continuing source of supply of sand is external to the Colony. It is obviously most important, therefore, that the contract should be awarded to a firm which is known to have sufficient access to a economic external source of supply. We think it might be practicable to revert to a tender procedure in due course and I certainly hope it will be. But, in present circumstances, to award to contract after normal tender procedure has been followed might well run the risk of the successful tenderer being unable to fulfil it owing to an inability to obtain access to a nearby external supply.

I can assure my honourable Friend, Sir, that the Government will continue to review the position from time to time in the light of prevailing circumstances.

MR KAN: —What exactly are Government's intentions with regard to the present contract which I understand expires at the end of the year?

THE ACTING FINANCIAL SECRETARY (MR HADDON-CAVE): —Well, Sir, I hope honourable Members will bear with me so that I can answer the question by giving a little background mainly to refresh their memories. As honourable Members will be aware, we awarded a contract with the Yau Wing Co, Ltd about 4½ years ago—a negotiated contract for the delivery of 6 million cubic yards of sand over the 5 years ending 31st December 1969.

To avoid further depletion of the Colony's own sand resources, the agreement with the company provided for this quantity of sand to be dredged in Sha Yu Chung off the shores of Mirs Bay and, for this purpose, the company negotiated terms with the appropriate Chinese Authorities. These terms were, very briefly, that Yau Wing would take not less than 100,000 cubic yards per month or a minimum of 6 million cubic yards over the five year period of contract, in return for compensation of \$1.50 per cubic yard. The Sand Monopoly for its part, undertook to buy from the contractor the same minimum quantity per month at \$9.00 per cubic yard, this figure being inclusive of the \$1.50 payable to the Chinese Authorities. During the 2 years prior to the present agreement, the demand for sand had been running at about 140,000 cubic yards per month, but the recession in the building industry which began in the latter months of 1965, was quickly reflected in the demand for sand and, in fact, sales fell to the very low figure of about 47,000 cubic yards a month by the end of 1968. There has been in recent months, I am glad to say, consistent with the improvement in

the building trade, an increase in the demand for sand. But, by the end of May, the sand monopoly had only taken 4½ million cubic yards, leaving approximately 1½ million cubic yards for acceptance by the end of the year. It is very unlikely that more than about half a million cubic yards—a half million or perhaps 600,000 cubic yards—will be required at the outside. So, by the end of the year, there will be a shortfall on the contract of at least a million cubic yards. I should point out, Sir, that for some 15/16 months in 1967/1968, the contractor did not collect sand from Mirs Bay and, therefore, the amount outstanding so far as his agreement with the Chinese Authorities is concerned is of the order of 2½ million cubic yards, or it was at the end of May; and it is unlikely to be less than 2 million cubic yards at the end of the year.

It is against this background, Sir, that the future of the contract with Yau Wing immediately after the end of this year is being considered and preliminary exchanges have already taken place.

MR KAN: —Sir, if Government should consider extending the contract, will the matter first be referred to this Council or the Finance Committee?

THE ACTING FINANCIAL SECRETARY: —At present, Sir, as I said, only very preliminary exchanges have taken place. Our own thinking has not yet crystallized. We have in mind extending the period of the contract by some—may be 18 months—so that the balance of the contracted amount can be taken up; and certainly, Sir, honourable Members will be kept in touch and their advice sought.

### Entry visas

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

May this Council be informed what Commonwealth countries require Hong Kong residents holding British passports issued in Hong Kong to obtain entry visas?

Does the Hong Kong Government require entry visas for residents of these Commonwealth countries; if not, will Government explain why its established policy of reciprocity is not being applied.

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —I am afraid, Sir, it is not easy for me to answer the first part of my honourable Friend's question except in the most general terms. It may surprise you, Sir, to learn that the Summary—I repeat the word "Summary"—of Commonwealth Visa Regulations issued by Her Majesty's Government for use in Consular posts overseas runs to some 300 pages and is under constant amendment.

[THE COLONIAL SECRETARY] **Oral Answers**

But it is broadly true to say that the majority of Commonwealth countries require a visa or other equivalent documentation to cover entry for purposes of residence or employment. And, on the other hand, it is true to say that the majority do not require a visa for entry for short visits by businessmen and tourists. Among the exceptions to the latter statement are Australia, New Zealand, India, Kenya and Ghana.

Turning to the second part of my honourable Friend's question, Hong Kong permits the entry of Commonwealth citizens without a visa, though the relevant legislation empowers the Director of Immigration to forbid the entry, or curtail the period of stay, of certain categories of traveller.

Taking the honourable Member's final point, I am afraid I am not aware of any established policy of reciprocity. Indeed, having regard to the number and the variety of Commonwealth visa regulations, I do not think this would be practical, and it is at least debatable whether it is desirable. When we consider our policies in regard to immigration, our first consideration, though not necessarily our only one, must be Hong Kong's own interests, and it is of course quite possible that those interests would conflict with any automatic reciprocity. But I do agree with my honourable Friend that, as a broad general principle, "do unto others as you would they should do unto you" is a text which might hang in all immigration offices.

MR KAN: —Sir, is Government aware that the whole position with regard to entry visas is considered most unsatisfactory by many Hong Kong residents, and that it has aroused considerable resentments; and is Government aware that Government's complacency—Sir, I use the word complacency advisedly—in not applying reciprocal treatment tends to encourage discrimination that is made against us?

THE COLONIAL SECRETARY: —Yes, Sir, Government is well aware of the resentment aroused but Government repudiates the suggestion that it is complacent in the matter. It is a matter under constant review and, if any satisfactory solution is suggested to the Government, it will consider it.

**Jury system: Language qualification**

4. MR FUNG HON-CHU asked the following question: —

In two recent court cases the jurors had to be dismissed for insufficient command of English. What does Government intend to do to remedy the situation?

THE ATTORNEY GENERAL (MR D. T. E. ROBERTS): —Sir, under the Jury Ordinance, the Commissioner of Registration places on a provisional jurors' list the names of those persons who appear to him to be qualified. One of the necessary qualifications is a sufficient knowledge of English to follow proceedings in a court, and an initial test of such knowledge is carried out by a member of the Commissioner's staff.

The Commissioner must, before putting a person's name on the provisional list, notify him that he can claim exemption. If he does not do so, his name is included in the list, which is forwarded to the Registrar of the Supreme Court. The latter publishes in the newspapers and in the *Gazette* a notice as to where the list can be seen and any person on it can apply to have his name deleted.

In addition, the courts, when summoning a juror, send him a notice telling him that, if he thinks that his knowledge of English is insufficient for jury service, he should inform the Registrar. Thus, quite apart from the original test, each juror has three chances of claiming that his English is not good enough. As jury service is unpopular, full advantage might be expected to be taken of these invitations.

Nevertheless, in view of the cases mentioned by the honourable Member, the Government proposes to consult with the Chief Justice and the Commissioner of Registration to see what modifications can be made to this machinery.

Any review of the working of the jury system however, would be a considerable task, involving important questions of principle, which the Government would be reluctant to undertake without other evidence that the present system is unsatisfactory.

### **BANK NOTES ISSUE ORDINANCE**

THE ACTING FINANCIAL SECRETARY (MR HADDON-CAVE) moved the following resolution: —

Resolved, pursuant to the proviso to section 5 of the Bank Notes Issue Ordinance (Chapter 65), that this Council hereby extends the powers of all the note-issuing banks to make, issue or re-issue and circulate notes until and including the 12th day of July 1970.

He said: —Sir, the Bank Notes Issue Ordinance lays down that the powers of the note-issuing banks should lapse automatically unless renewed by this Council from time to time. The present powers of these banks expire on 12th July 1969\*. It is proposed in this Resolution

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\* 1968 Hansard, page 325.

[THE ACTING FINANCIAL SECRETARY] **Bank Note Issue Ordinance**

that these powers should be renewed for the maximum permissible period of twelve months. It does not in any way alter them.

*Question put and agreed to.*

**INLAND REVENUE ORDINANCE**

THE ACTING FINANCIAL SECRETARY (MR HADDON-CAVE) moved the following resolution: —

Resolved, pursuant to section 85 of the Inland Revenue Ordinance (Chapter 112), that the Inland Revenue (Retirement Scheme) (Amendment) Rules 1969, made by the Board of Inland Revenue on the 16th day of June 1969, under section 85 of that Ordinance, be approved.

He said: —Sir, in January this year, a firm of auditors addressed the Board of Inland Revenue on the Inland Revenue (Retirement Scheme) Rules. They pointed out that these Rules failed to recognize as approved retirement schemes within the meaning of the Inland Revenue Ordinance, those schemes which gave the trustees the right to withhold that part of the benefits stemming from the employer, where an employee was dismissed for breach of duty, misconduct, negligence or for similar reasons. Consequently, employers might well be deterred from creating such schemes and particularly schemes to which employees did not contribute at all.

The Board of Inland Revenue, Sir, has amended these Rules by adding a paragraph to enable the Commissioner of Inland Revenue to approve a retirement scheme providing for the forfeiture of the employer's contribution where the employee is dismissed on certain grounds which are, in fact, those under which he may be dismissed without notice under section 8 of the Employment Ordinance. This amendment is embodied in the Inland Revenue (Retirement Scheme) (Amendment) Rules 1969 already in the hands of honourable Members.

This resolution, Sir, seeks the formal approval of this Council for these Rules as required under sub-section (4) of section 85 of the Inland Revenue Ordinance.

*Question put and agreed to.*

**SCHEDULE OF WRITE-OFFS FOR THE FINANCIAL  
YEAR 1968-69**

THE ACTING FINANCIAL SECRETARY (MR HADDON-CAVE) moved: —"That this Council approves the Schedule of Write-Offs for the Financial year 1968-69."



The Governor's recommendation was signified by the Acting Financial Secretary *pursuant to Standing Order No 23(1)*.

He said: —Sir, the Schedule to the Resolution comprises those write-offs approved by Finance Committee during the last financial year and the purpose of this Resolution which is an annual one is to seek the covering approval of this Council.

There are, Sir, five items, which I think require a little more explanation than is given in the Schedule either because of their size or because of the background to them.

The first is for a sum of \$79,817 being the final amount due from the former catering contractor of the City Hall following the winding-up of the company. This is, I am afraid, in addition to a previous sum of \$30,129 owing by the company in respect of furniture and equipment found damaged or deficient following the expiry of the contract on 28th February 1965. This particular sum was written-off in October 1967. As a result of this unfortunate experience a deposit equal to three times estimated monthly receipts was required from the new contractor in order to provide more adequate protection of Government's interests in the future.

The second item, amounting to \$581,335, represents outstanding loans and unpaid interest from two Fishermen's co-operative Societies to the Fisheries Development Loan Fund. The loans were approved for re-issue to four members of these societies to enable them to build deep-sea fishing vessels and ancillary apparatus. They were, however, unable to make the vessels economically viable despite all possible aid from the Fisheries Department staff, and finally they ceased fishing altogether. Their vessels were consequently sold. The Director of Agriculture and Fisheries after investigating the financial resources of the two Co-operative Societies concerned, has deemed the loans amounting to \$445,442 together with assessed interest of \$135,893 to be irrecoverable.

The third item concerns a sum, Sir, of \$352,000 for liquidated damages against a construction company for delays in the completion of three contracts for the building of domestic blocks at Ngau Tau Kok Low Cost Housing Estate. The probable result of pressing these claims would have been to render the construction company bankrupt, with the almost certain collapse of two other contracts held by the company. The extra cost of re-tendering and the inevitable consequential delays would have been highly undesirable, and Finance Committee agreed, therefore, that the claims for liquidated damages should be waived.

The fourth item concerns a sum of \$414,650 being irrecoverable fines up to 31st March 1968, which have remained outstanding for a period in excess of five years in Central, Causeway Bay, North Kowloon,

[THE ACTING FINANCIAL SECRETARY]      **Schedule of Write-Offs for the Financial year 1968-69**

South Kowloon and Fanling Magistracies. The practice has been to transfer the outstanding fines to abandoned fines registers after five years; thereafter they have been maintained indefinitely in the books. It is, however, very rare that such uncollected fines are recovered and the necessity of maintaining special accounting records for this purpose is impractical and certainly uneconomical. It has therefore been agreed, Sir, that write-off procedure should be applied to irrecoverable fines after five years on the understanding that this will not affect liability or imply abandonment of efforts to recover fines should it prove, in the event, possible to do so.

The last item for \$169,207 in irrecoverable fines is in addition to the sum of \$414,650 I have just mentioned and covers the period prior to 1969 for outstanding fines held in South Kowloon, Fanling and North Kowloon Magistracies.

*Question put and agreed to.*

**INLAND REVENUE (AMENDMENT) (NO 2) BILL 1969**

*Bill read the first time and ordered to be set down for second reading pursuant to Standing Order No 41(3).*

**INLAND REVENUE (AMENDMENT) (NO 2) BILL 1969**

THE ACTING FINANCIAL SECRETARY (MR HADDON-CAVE) moved the second reading of: —“A bill to amend further the Inland Revenue Ordinance.”

He said: —Sir, the bill now before this Council seeks to amend the Inland Revenue Ordinance in three respects.

The first amendment concerns section 86. This section provides simply that the Board of Inland Revenue may prescribe any forms necessary for carrying the Ordinance into effect. We have been interpreting this section, Sir, to mean that the Board of Inland Revenue might make and amend the forms administratively and without having them published in the *Gazette*.

However, my honourable Friend, the Attorney General, recently advised that, certainly since 31st December 1966, the effective date of the revised Interpretation and General Clauses Ordinance\*, certainly since that date, the forms the Board decides upon must be published in a Legal Notice in the *Gazette*. This obligation on the Board derives

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\* 1966 Hansard, pages 378 and 409.

from sections 3 and 34 of the Interpretation and General Clauses Ordinance. Briefly, prescribed forms are instruments made under the appropriate Ordinances. Such instruments are covered by the definition of "subsidiary legislation and regulations" and, as such, they must be laid on the table of this Council after publication in the *Gazette*. The consequence of my honourable Friend's advice, Sir, is that, as well as having to apply this procedure to all forms the Board decides upon in the future, we would have to seek retrospective legal validity for all forms the Board has issued so far.

The Inland Revenue Department at present uses twenty three such forms in the administration of the Ordinance. Some of these forms, as honourable Members are no doubt aware, are of considerable length. About twenty amendments are made to them each year. In these circumstances, Sir, it would obviously be difficult in practice to apply the procedure laid down in the Interpretation and General Clauses Ordinance. Instead, it is proposed in clause 10 of the bill to amend section of the principal Ordinance 86 by deleting the word "prescribe" and substituting for it the word "specify" and to make other consequential amendments throughout the Ordinance.

To remove any doubt, Sir, about the validity of forms the Board issued before the revision of the Interpretation and General Clauses Ordinance, it is further proposed to give these amendments retrospective effect from 3rd May 1947, the date of the commencement of the Inland Revenue Ordinance.

The second amendment is a minor one which the Financial Secretary mentioned orally when he moved the First Reading of the Inland Revenue (Amendment) Bill 1969 in this Council on the 21st May last. It concerns the application of depreciation allowances to tunnels. Under sub-section (1) of section 40 of the Ordinance the phrase "industrial building or structure" means any building or structure for the purposes, *inter alia*, of a transport, dock, water, gas or electricity undertaking or a public telephone or public telegraph service. Now that the cross-harbour tunnel is to be built, it is proposed that the definition of "industrial building or structure" should be expanded to include a road tunnel. Clause 5 of the bill provides for this accordingly.

It was the Financial Secretary's original intention, Sir, to put forward this amendment at the Committee Stage of the Inland Revenue (Amendment) Bill 1969 on the 18th June. In the event it was decided to avoid substantial renumbering of the clauses of that bill by including it in the present bill.

The third amendment, Sir, is perhaps the least simple of the three, and arises from a technical flaw in section 42 of the principal Ordinance brought to light as a result of a recent Supreme Court judgement.

[THE ACTING FINANCIAL SECRETARY]     **Inland Revenue (Amendment) (No 2)**  
**Bill—second reading**

Sub-section (3) of section 42 provides that, where an individual elects for personal assessment, his total income for any year of assessment shall not include the share of profits he derives from being a member of any partnership consisting of more than twenty persons.

Partnerships of more than twenty persons must register as companies under section 345 of the Companies Ordinance; but by not registering they could avoid profits tax by allocating profits to constituent members who could elect for personal assessment. The addition of sub-section (3) to section 42 was intended to close this loophole by restricting the number of persons in a partnership to twenty.

The recent Supreme Court judgment which I just mentioned, has in effect re-opened the loophole, by ruling that the word "person" is defined in section 2 of the Inland Revenue Ordinance as including a partnership. In these circumstances, the word "person" in the context of sub-section (3) of section 42 must also be construed to include a "partnership". Thus these illegal partnerships will be able to avoid the consequences of sub-section (3) by the simple expedient of constituent members joining together as partnerships in the main partnership.

Perhaps, Sir, I can best illustrate this loophole with an example which I trust does not confuse matters further: —

A partnership consisting of eighteen partners, one of whom is in itself a partnership comprising ten members is within the prescribed limit of twenty even though twenty seven individuals share in the profits of the main partnership. Thus each of these twenty seven individuals may include his share of the profits derived from the main partnership in his total income for personal assessment and avoid paying Profits Tax of the standard rate on the profits of the partnership.

The intention in other words of sub-section (3) is, thereby, thwarted. Clause 6 of the bill now before Council seeks to close this loophole and close it very simply. A "person" who is a partnership is to be considered and counted according to the number of constituent members.

Finally, Sir, may I give notice to honourable Members that at the Committee Stage of the bill I shall be moving a small amendment to sub-section (1) of section 65 to provide for the Board of Inland Revenue to comprise sixty as opposed to the present forty members. The increase in the number of appeal cases recently has meant that present members of the Board are being called upon to sit far too frequently.

If there is a larger number of members who can be called upon the burden can be spread.

*Question put and agreed to.*

Bill accordingly read a second time.

*Bill committed to a committee of the whole Council pursuant to Standing Order No 43(1).*

#### *Explanatory Memorandum*

Section 86 of the principal Ordinance provides that the Board of Inland Revenue may prescribe any forms which may be necessary for carrying the Ordinance into effect. "Prescribe" in this context requires that the forms must be published in the *Gazette*. It is felt that this requirement is undesirable in view of the large number of Inland Revenue forms. Accordingly clause 10 of the Bill amends section 86 by deleting "prescribe" and substituting "specify". This amendment obviates the necessity of publishing any new forms in the *Gazette*. The amendment is given retrospective effect by clause 1.

2. Clauses 2, 3, 4, 7, 8 and 9 contain consequential amendments.

3. Clause 5 seeks to amend the definition of "industrial building or structure" contained in section 40(1) by inserting the word "tunnel" in paragraph (b). This will ensure that the benefits conferred by Part VI of the Ordinance will extend to those who incur capital expenditure on the construction of a tunnel and in particular on the Cross-Harbour Tunnel.

4. The purpose of clause 6 is to ensure that where the number of partners who are entitled to share in the profits of a partnership exceeds twenty, those partners cannot claim personal assessment, and the consequential personal reliefs, on their share of the profits.

### **HONG KONG GENERAL CHAMBER OF COMMERCE SPECIAL RELIEF FUND BILL 1969**

#### **Resumption of debate on second reading (18th June 1969)**

*Question again proposed.*

MR M. A. R. HERRIES: —Sir, first of all I should like to express my thanks to my honourable Friend the Attorney General for the very understanding and helpful attitude he has adopted in the preparation of this bill and also in its presentation to Council.

[MR HERRIES] **Hong Kong General Chamber of Commerce Special Relief Fund Bill—resumption of debate on second reading (18.6.69)**

Almost exactly two years ago the Fund which this bill seeks to incorporate was launched by me as Acting Chairman of the Hong Kong General Chamber of Commerce on 10th July 1967 in some haste with a view to giving members of the commercial community in particular, an immediate opportunity to demonstrate in practical form their appreciation of the magnificent job that the forces of law and order were doing to preserve Hong Kong as we knew it and wanted it to be in the future.

It was only when we had discharged what we considered to be our primary job of seeing that the dependents of those men who had given their lives for the community were properly looked after that we found that the original terms of the Fund were somewhat restricted. In fact those whom we could help under the strict interpretation of our original announcement were limited only to the dependents of those who were killed at that time. Consequently nothing could properly be done for those who were maimed or injured in the disturbances or for any others who might be killed or injured in the discharge of their duties since that time or in the future unless the position was regularized and this is the object of this bill.

Enactment of this legislation will enable the Fund to help those who need it and with careful management of the resources available, about HK\$630,000 at the moment, the trustees are confident that it can do a useful job for many years to come, I, therefore, have much pleasure in supporting the motion before Council.

*Question put and agreed to.*

Bill accordingly read a second time.

*Bill committed to a committee of the whole Council pursuant to Standing Order No 43.*

**EVIDENCE (AMENDMENT) BILL 1969**

**Resumption of debate on second reading (18th June 1969)**

*Question again proposed.*

*Question put and agreed to.*

Bill accordingly read a second time.

*Bill committed to a committee of the whole Council pursuant to Standing Order No 43.*

**ROAD TRAFFIC (AMENDMENT) BILL 1969****Resumption of debate on second reading (18th June 1969)**

*Question again proposed.*

MR W. SZETO:—Sir, this bill and the next two relate to the same subject, this is legalization of the minibuses. With your permission, I and my Unofficial Colleagues who will speak after me would like to deal with the three bills together for reason of continuity and to avoid repetitions.

Sir, I naturally welcome the legalization of the minibuses, because the Transport Advisory Committee of which I have the honour to be Chairman has been so intimately concerned in this problem and, as I may say so, instrumental in advising a solution.

It is my belief that this decision to bring minibuses within the law is in the best interest of the operators and the public. It is an important step to take because it heralds a more realistic and positive attitude on the part of Government to the whole problem of improving public transport. I hope that similar action will follow to solve the anomalous position of other forms of illegal transport.

It is of particular concern at this juncture to be honest in our appraisal of transport problems. Often in the past, we have been hampered by our inability or unwillingness to face the facts of a situation. In this case, however, the facts were carefully established and the TAC knew the size and shape of the minibus trade, its profitability and something of the infamous activities which have grown up within and around the trade. Some of the facts are unpalatable but the need for firm actions was inevitable.

Legalization is of course only the first step in establishing respectability. I trust that the Commissioner for Transport and the Commissioner of Police will do their utmost to ensure the persuasion and encouragement of the minibus operators and the public towards a proper understanding and respect for the generous and flexible measures which the amendments in the Bill before this Council are designed to introduce. It is undoubtedly necessary to provide severe penalties for the abuse of such liberal operating conditions for minibuses. While I support this provision, I would like to take this opportunity to stress that the success of the minibus experiment will depend primarily on the good-sense of the operators, their genuineness to co-operate with the authority and their respect for the rights of other public transport operators.

I trust also that this decision to provide for an increased fleet of legal minibuses will not be seen by the public nor interpreted within Government as in any way reducing the need to provide adequate

[MR SZETO] **Road Traffic (Amendment) Bill—resumption of debate on second reading (18.6.69)**

public transport facilities. The recognition of a means of transport between buses and taxis should be considered as an expedient measure in our present circumstances. Such measure does not obviate the requirement for improvements in the franchised bus-services, nor does it allow us to leave the taxi service in its present unsatisfactory state. We have done no more than recognize an anomalous situation among a popular but minor component of our public transport system and devise what I believe is the most practicable form for its future operations on a legal basis.

The minibuses have proved their popularity in spite of the stigma of their illegality and higher fares. They are meeting a demand which the franchised bus-services are not able to meet completely. This is especially true in Kowloon and the New Territories where over 80% of the estimated ½ million daily minibus passengers are accounted for, and almost half of these travel on the New Territories routes which are as many as the franchised services can cope with on these routes.

Minibuses have been condemned for their generally poor conditions, the recklessness of the drivers, the lack of insurance cover and their proneness to accidents. However, it is anticipated that once legalized with attendant stringent controls and sanctions, their operations will undoubtedly improve. The bill will enable subsidiary legislation to be made requiring these vehicles to be of proper and safe construction; they will be subject to periodical mechanical and structural inspection to ensure their road-worthiness; they will not be permitted to carry loads that are beyond their prescribed capacity; their drivers will be required to have passed suitable tests. Whilst zoning has been considered undesirable, there will be areas in which minibus operations will be restricted or totally prohibited to prevent traffic congestion. The TAC has given all these problems careful consideration, and has also recommended that greater restriction of operation be introduced and zoning implemented should circumstances warrant them.

The proposed annual licence fee of \$3,000.00 for a public light bus has been criticized as too high, though I believe this criticism is mainly generated by some small section of the existing operators. The surveys conducted by the Transport Department show that minibus operations generally enjoy a very substantial profit and the proposed fee cannot be considered excessive in the light of the royalty of the franchised bus services or taxi licence premia, as the proposed amount represents merely the yearly interest of a taxi premium.

In introducing the two other Public Transport Services Bills, my honourable Friend the Attorney General makes reference to the



franchised bus companies' entitlement to moral claims to be recompensed for loss which may result from the operation of public light buses. In common with my Unofficial Colleagues, I am astonished by this statement. I have spoken on the inability of the franchised bus operators to meet public transport demand, and their inadequate and poor services have been amply demonstrated by the large number of people being forced to resort to illegal transport. The bus companies have clearly failed to discharge their franchise obligations in the past, and their capability to fulfil them in the near future remains to be proved. Sections 29 and 27 of the respective principal Ordinances provide Government with the power to make arrangements with any other person for the commencement and maintenance of an efficient service on all or any of the routes in their franchised areas without compensation. Further, the minibuses represent a different form of public transport; they are in fact a hybrid of the bus and the taxi with a separate identity and quality. Their services are outside the franchises or the bus companies who should, therefore, have no loss to speak of. The reason behind the TAC's recommendation that the bus companies be offered public light bus licences is merely to provide an equitable arrangement because the companies are at present debarred by their Ordinances from running minibuses except on scheduled services. This recommendation should not be interpreted as a recognition of the existence of any moral rights.

Sir, I support the motion of the three bills.

MR FUNG HON-CHU: —Sir, I must express my concern over the reference by my honourable Friend, the Attorney General, to a moral claim for compensation by the enfranchised Bus Companies. I hope that the offer to the Bus Companies of licences not taken up by the existing minibus operators does not imply that Government has already conceded to this so called moral claim. On the question of licences, I feel that no one party has any claim, including the Bus Companies, who through their failure to live up to the obligations under their franchises, have forfeited whatever claim they may have earlier had. The minibus operators came through the back door, as it were, and therefore, they equally have no claim to preferential treatment. The fact that they are to be offered licences in the first instance is indicative merely of Government's desire to maintain stability and tranquility in Hong Kong. With this decision, we are forced to agree for lack of a better solution in the circumstances.

It however came as a surprise to me when the Commissioner for Public Transport announced that the Bus Companies would be offered licences not taken up by the minibus operators and that any remainder would then be offered to the Hongkong Tramways and the general public by ballot. This is tantamount to reducing the Tramways and

[MR FUNG] **Road Traffic (Amendment) Bill—resumption of debate on second reading (18.6.69)**

other Public Transport Companies, which may wish to compete, to the status of any man-in-the-street who can raise \$3,000 for a licence and the down payment for a van. I feel strongly that if anyone is at all entitled to priority, it is those legitimate Public Transport Companies, such as the Tramways, who have given a good account of their performance, whose efficiency has not come into question and whose record of co-operation is well known.

I now refer to the Road Traffic (Amendment) Ordinance before Council. A light bus is defined as a motor vehicle with an unladen weight of not more than 2 tons and constructed and adapted to carry a maximum of 14 passengers. The definition is obviously tailored to fit the existing minibus operators and their vehicles and to create a category of vehicle quite distinct from the omnibus so as to exclude the former from the operation of the Bus Companies' exclusive franchises. But it cannot be denied that a heavier and sturdier vehicle with bodywork designed to provide greater comfort and safety to passengers is decidedly preferable to the lighter vehicles that we see on the roads these days. While restrictions in some form are necessary, controls, I feel, should be aimed more at limiting the number of passengers and the size of the vehicle rather than its weight. If we are really concerned with the interest of the travelling public, it is my belief that the operators of the light bus should be allowed a greater degree of flexibility in their choice of vehicle. Any change in the draft definition of the light bus would, of course, necessitate an amendment to the definition of the omnibus, but I see no reason why these changes cannot be effected.

In view of the number of accidents and fatalities involving minibuses in recent months, the public is rightly concerned over the latitude allowed them in that they may stop anywhere to pick up or set down passengers, the only restriction being that they may not stop close to bus or tram stops or near pedestrian crossings. In the interest of public safety, Government would do well to introduce appropriate legislation making it an offence to stop at other than designated bays or stops where feasible. Furthermore, to prevent chaotic conditions from developing at times such as on race days etc, there must also be a measure of control over where they may operate. As a first step, I suggest that they should be restricted to either the Hong Kong Island or Kowloon and the New Territories, bearing in mind the impact the cross harbour tunnel will have on road conditions on both sides of the harbour.

It is proposed not to regulate the fares to be charged, thus giving the operators opportunities to exploit the travelling public whenever

such opportunities present themselves. It is a puzzling omission, for the freedom given to levy whatever fare an operator fancies and whenever he wishes will inevitably lead to misunderstandings and friction with passengers. The fare structures of trams, buses and taxis are regulated by law and there seems to be no valid reason for public light buses to be exempted unless Government has some justification which it has still to disclose. I suggest that Government work out a schedule of fares to protect the long suffering travelling public.

The Attorney General has indicated that the regulations would provide among other penalties that a Public Light Bus will be automatically impounded for seven days and in the case of a private light Bus 2 months if the driver is convicted of stopping within 50 feet of a bus or tram stop, or of a breach of some of the more important conditions. Such a penalty would be more appropriate in cases of persistent offenders or in cases where the offence has been repeated after a number of convictions. The severity of the penalty may lead to increased opportunities for corruption and I would urge Government to take another look at this question of penalty.

There have been complaints of the \$3,000 licence fee being too high. Indeed, no official explanation has been forthcoming on how this figure was arrived at. In spite of what my honourable Friend, Mr SZETO has just explained on this subject I feel a statement is certainly necessary to justify this fee as a reasonable and realistic one, that the trade can afford.

Sir, the bills before Council can only be justified on grounds of expediency, as all of this could have been avoided if Government had shown more foresight. For example, it could have started a dialogue with the enfranchised Bus Companies, say a year or so ago, to offer them licence to operate minibuses and set them a time limit in which to put them in operation. If Government had not allowed exploitation of loopholes in the law to continue for so long without any serious attempt being made until now to correct what is still an unsatisfactory state of affairs, the question of compensation would never have arisen. Such tardiness must be avoided in the future, particularly in situations such as this which led to the bills before us today.

Furthermore, I should like to suggest that if we accept the fact that the minibus is being regularized because it is filling a public transport need which cannot be satisfied by the enfranchised Transport Companies, then it is our public duty to ensure that the services provided are the best possible and not simply a continuation of a mediocre alternative.

DR S. Y. CHUNG: —Your Excellency, like my two honourable Friends, Mr SZETO and Mr FUNG, I welcome the regularization of

[DR CHUNG] **Road Traffic (Amendment) Bill—resumption of debate on second reading (18.6.69)**

minibuses. I have only two points. The first one is about mechanical inspection of minibuses. The requirement that minibus licences will not be issued and, I presume, not be renewed unless the vehicle satisfies a mechanical inspection is to be commended.

If a mechanical inspection is to be of any value, it is a time consuming process. It is a major operation to inspect 5,000 minibuses and this number may be increased from year to year. At present, there are registered lift engineers and registered boiler and pressure receiver inspectors to help Government in the periodic testing and certification of lifts, boilers and pressure receivers respectively. I believe this system is working satisfactorily.

Government, therefore, should take a close look at the possibility and desirability of registering automobile engineers for the purpose of carrying out periodic mechanical inspection of minibuses and other public vehicles in a similar manner as for lifts and boilers. This proposal will not only save Government time and money in organizing and expanding testing personnel and facilities but will also help Government to reduce opportunities for corruption.

My second point is about the name of "light bus". My honourable Colleague, Mr FUNG, has very ably spoken on the desirability that any control on this type of public transport facility should be aimed at limiting the number of passengers or the size of the vehicle rather than its weight. For the same reason I think it is more appropriate to use the name of minibus than that of light bus, particularly when the former has already been in common use in Hong Kong for some time. Honourable Members may notice that in the Chinese section of the bill the same translation of “小型巴士”, which means minibus, is used for both names of "minibus" and "light bus".

Finally, Sir, there is a rather serious misprint in sub-paragraph (c) of paragraph 3 of the Chinese explanatory memorandum. The words “没收” (seized) should read “扣押” (impounded).

MR WILSON T. S. WANG: —Sir, in supporting today's bill, I particularly welcome the amendments in section 4 of the principal Ordinance which will have the effect of controlling the number of such vehicles. The present number, as announced, is alarming enough, and if today's bill is further delayed, it may well grow to an even more unmanageable size.

Although it remains to be seen if the addition of this new category of transport is going to prove on balance a service or a disservice, to the community at large, I would urge that the number of licences to

be issued should be kept as low as possible until the effectiveness of the regulations has been proved beyond doubt. I suggest, therefore, that when the option is offered to the existing operators to acquire the proper licence, a deadline is to be set and after which no more licences should be issued, except perhaps to transport companies, until the success of the entire operations can be assessed.

It is a pity to me that the bus companies have yet shown no interest in operating these buses or in absorbing the present operators into their employment. It would certainly be easier to exercise a measure of control through a responsible company or companies than over several thousand individuals. I hope that Government will continue its efforts to persuade these companies—or even the Tramway Company—to co-operate in this matter.

The term "Ply for hire" to me seems to need definition. It is rather a loose phrase and seems to be open to abuse. If it is already abused by taxicabs and the minibuses at present operating, further abuse is all too likely. I hope to ply for hire should be shown to mean no more than to work or travel for hire or to attend regularly for custom and not to mean to solicit or to urge. At the moment a lot of soliciting does take place, taxicabs and minibuses are almost equally culpable but the size of the minibuses, however, makes it a greater threat to road safety.

I suggest that it is essential for the authority to explain in more detail and in more definite terms the manner in which a public light bus may ply for hire together with the restriction on the parts of the road and the area in which it can do so.

On the issue of licence fees, I also believe that \$3,000 as a licence fee for a public light bus with 14 seats is not high when compared with what is being paid for the licence of a 5-seater taxicab, but the same may not be said in the case of a 9-seater. Would it not be fairer to introduce a sliding scale of licence fees?

I cannot see why it is necessary at this juncture to re-define a private car as one which carries no more than 7 passengers. But this does mean that the licence fee of a private 9-seater van—at present \$280—will be increased to \$480, because here again there is no sliding scale for vans of different sizes. I wonder also whether we can take this opportunity to make a clear distinction between a heavier private bus and a public omnibus for commercial hire and between their respective licence fees.

MR Y. K. KAN: —Sir, the intention of this bill is to legalize or, as my honourable Friend the Attorney General put it, regularize the

[MR KAN] **Road Traffic (Amendment) Bill—resumption of debate on second reading (18.6.69)**

operation of minibuses. Subject to the observations which have been made by previous speakers and insofar as the bill is intended to give effect to such intention, Unofficial Members support the bill.

I will however confine myself to dealing with two or three of the more important issues upon which I think I am right in saying that there is general agreement among the Unofficials except for one or two Members. My honourable Friend the Attorney General has stated that Government takes the view that the two bus companies have a moral claim to compensation which results from the minibus operation. This view is not shared by Unofficial Members with one or two exceptions. It is, Sir, an undeniable fact that the existence of minibuses is largely due to the poor standard of bus service both in Hong Kong and in Kowloon and, worse still, in the New Territories. By failure to provide an efficient and adequate service which is required by the terms of the franchise, in our view, the bus companies have forfeited whatever moral claim they may have for compensation. We do not agree that Government should accept the obligation to pay the compensation nor do we agree that Government should enter into negotiations with the companies. My view is that, if the bus companies feel that they have a claim, let them come forward with their claim and let the claim be adjudicated by the Courts or by arbitration.

The Commissioner for Transport has stated and my honourable Friend the Attorney General has repeated in this Council that Government proposes to offer in the first instance to those who already hold licences for the minibus type of vehicle numbering, I gather, about 4,000. Sir, I personally do not quite understand what this means. If it means that we are to give licences to the present minibus operators I would be prepared to agree as a matter of expediency or as a matter of public policy. But if it is intended to include any kind of vehicle such as a goods vehicle or commercial vehicle which can be turned into a minibus, then, Sir, I absolutely fail to see the reasoning behind this proposal.

Sir, when Government decided several years ago to issue more taxi licences, Government did not offer licences to anyone who owns a private car. I do not see why in this particular case, in the case of minibuses, why Government should change its policy. Surely the better policy would be for Government to license or to give licences to anyone including, of course, the transport companies, or indeed any public transport operators who wish to operate minibuses, whose vehicles are properly tested and who are willing and able to comply with the regulations.

One final point, Sir. When Government decided to issue taxi licences many years ago Government made it quite clear at that time that it was Government's policy to continue issuing more taxi licences as and when the needs of the public demand. Now, notwithstanding that the announcement was to my mind clear and unequivocal on each subsequent occasion when Government issued further licences in pursuance of that policy, it raised a storm of protest on the part of the taxi operators. It is my view that we should not make the same mistake this time. We should remove any misunderstanding on the part of the minibus operators on this score. Government should make it quite clear that, since minibuses are now a recognized form of public transport, Government will consider further issuance of licences as and when the needs arise so as to avoid undue speculation on the value of minibus licences which, even now, before this bill is passed, according to my information, is considerable.

THE ATTORNEY GENERAL (MR ROBERTS): —Sir, honourable Members have posed some criticism of the past record of the bus companies. I do not, however, consider that it is any part of my task in this debate either to defend or to attack the companies. Perhaps the comments which honourable Members have made may, in part at least, have been promoted by my references, when moving the second reading, to compensating the bus companies for losses attributable to the reduction of their franchises.

Some misunderstanding may have arisen from my reference to “moral claims”. I was using the phrase in contrast with the term “legal claims” and I did not mean to suggest, as has been assumed in some quarters, that the companies’ past record was such that they were entitled to compensation on the grounds of meritorious service; this is a matter on which I intended to express no opinion at all. If there had been a contract between the Government and the companies, the removal of the companies’ exclusive right to run light buses (which is the effect of this bill) would have amounted to a breach of contract. For this the companies would have had an enforceable legal claim for such loss as they could establish had been caused by the breach.

I do not consider that it is right to put companies in a worse position because their operating agreements with the Government are contained in Ordinances, rather than in normal contractual documents. To argue otherwise would be to suggest that any of the public utility companies which operate by virtue of Ordinances could, by amending legislation, find their financial position substantially worsened by a unilateral act of the Government. I am sure this is not a principle which would commend itself to this Council.

The undertaking which I gave, therefore, was meant only to preserve to the companies the same right of redress as they would have enjoyed at common law if they had been operating under a contract

[THE ATTORNEY GENERAL] **Road Traffic (Amendment) Bill—resumption of debate on second reading (18.6.69)**

which had been broken in the manner proposed by the bill. It will now be for the companies, as it would be in an action at law, to establish financial loss. When any claims which are put forward by them are considered, no doubt many of the factors which have been mentioned by honourable Members will have to be taken into account when the question of compensation is discussed. Perhaps I may be allowed to comment that it is a somewhat refreshing and unusual experience to find the Government being criticized for being over-scrupulous.

The Honourable Mr FUNG has suggested that the tramway company should have a priority in the issue of public light bus licences. It is the intention of the Commissioner for Transport, after the needs of existing operators of minibuses have been met, to make a substantial number of these licences available to the bus companies if they wish to apply for them, in priority to any other new applicants. The tramway company has also asked the Government if it can be offered a block allocation of licences and this is now being considered. Whilst I can appreciate that objections can be raised, as both the Honourable Mr FUNG and the Honourable Mr KAN have indicated, to the issue of new licences to those who now operate minibuses, it is nevertheless considered that the practical advantages of letting the service continue to be run by those with experience of it outweigh the arguments against doing so.

As the Honourable Mr FUNG says, it is not easy to decide where to draw the line between the light bus and the omnibus. The present distinction, which depends firstly on weight limits and secondly on passenger capacity, depends largely on the present practical situation, taking into account the kind of vehicles which are now being manufactured and imported. The regulations will also distinguish light buses by dimensions. However, it is recognized that it may be necessary in the future to alter these definitions.

The Honourable Mr FUNG's suggestion that it should be an offence for light buses to stop near bus or tram stops or pedestrian crossings, except at designated places, will be adopted in the subsidiary legislation, which will also contain restrictions on their area of operation.

It would, I think, be most difficult to control fares, since this would involve, if the job was to be done really thoroughly, prescribing them for all possible combinations of fare stages throughout the Colony and it is felt that the normal economic forces should provide an adequate regulation. However, if it proves to be necessary in practice to prescribe fares, this can be done under powers which the subsidiary legislation will confer on the Commissioner for Transport.



The provision for impounding vehicles for offences arising out of their improper use is certainly severe, but the Government believes that such measures are necessary if light buses are to be obliged to operate within the framework of the law. However, I would like to endorse the Honourable Mr SZETO'S view that the co-operation of the operators is an important factor in the success of the public light bus and his hope that, while deterrent penalties are necessary to avoid abuse, it will seldom be necessary to resort to them.

The Honourable Mr CHUNG proposed that automobile engineers should be registered in order to carry out mechanical inspections of public light buses; it is intended that the regulations shall provide for the appointment of various vehicle testing centres at which these inspections can be carried out. However, the Commissioner for Transport expects to be able to provide facilities for the majority of the tests to be carried out by his department and there is, of course, considerable advantage to be derived, so far as consistent standards are concerned, if they are all conducted by the same organization.

I agree that there are certain attractions in the use of the word "minibus", which has been generally employed for some time. However, I suggest that it is desirable to use a new term and that the adoption of "public light bus" should help to make it clear to the public that we are no longer dealing with the old dual purpose vans with their somewhat dubious history but are trying to launch an entirely new and regular form of transport.

The Honourable Mr Wilson WANG urged the Government to keep the number of licences low, until the effectiveness of the new proposals was proved, and the Honourable Mr KAN has asked that it should be made clear that further licences will be issued should the need for them arise. Obviously, it is not easy to assess the correct number which should be granted initially. We must rely for guidance in this largely on the number of minibuses which operate at present, and then make allowance for the fact that the regularization of their activities may stimulate an additional demand for their services. The proposed initial total of 5,000 licences is thought to be a conservative estimate of the need, but I am glad to emphasize, as the Honourable Mr KAN asked me to do, that the legislation will provide for this number to be varied easily in the future if it becomes clear that the number is insufficient.

The Honourable Mr WANG has made a cogent point about the danger of abuse by public light buses of the conditions under which they will be entitled to operate by plying for hire in such a manner as to encroach on the limited spheres of other transport. As I have indicated, it is intended to impose restriction as to the areas in which public light buses may operate.

[THE ATTORNEY GENERAL] **Road Traffic (Amendment) Bill—resumption  
of debate on second reading (18.6.69)**

The proposed licence fee takes into account a number of factors, some of which are in conflict, and to some extent the initial fee must be regarded as something of a guess. Certainly a sliding scale is one method of assessment, which has been adopted, for example, in the case of the licence fee for public omnibuses. However, it is thought that a fixed fee is, on the whole, the better method for light buses, since it was the one adopted for the dual purpose vans, which they are replacing.

I must concede that there is some justification for the Honourable Mr FUNG's criticism that we have been slow in dealing with the growth of an unregulated, and what was for a long time thought to be also an illegal, form of transport and that we have perhaps been overcautious in reaching a decision as to how to deal with a difficult problem. Having taken the decision, however, I think that we have moved as quickly as could be expected. We are all of us anxious to put the operation of these light buses on to a proper footing as soon as possible and it is hoped to present the necessary subsidiary legislation to the Executive Council in the next few days. It would not be surprising if, in the light of experience of the working of the legislation, it were found that we have not satisfactorily dealt with every aspect of this complex problem; if this proves to be the case, the appropriate amending legislation will be introduced.

I greatly appreciate the constructive and thoughtful approach of honourable Members and their efforts to help us to tackle a difficult problem, and particularly welcome the support of the Honourable Mr KAN and the Honourable Mr SZETO who, as past and present chairman of the Transport Advisory Committee, have such long experience and deep knowledge of the needs and difficulties of Hong Kong traffic.

*Question put and agreed to.*

Bill accordingly read a second time.

*Bill committed to a committee of the whole Council pursuant to Standing Order No 43.*

**PUBLIC TRANSPORT SERVICES (HONG KONG ISLAND)  
(AMENDMENT) BILL 1969**

**Resumption of debate on second reading (18th June 1969)**

*Question again proposed.*

*Question put and agreed to.*

Bill accordingly read a second time.

*Bill committed to a committee of the whole Council pursuant to Standing Order No 43.*

**PUBLIC TRANSPORT SERVICES (KOWLOON AND  
NEW TERRITORIES) (AMENDMENT) BILL 1969**

**Resumption of debate on second reading (18th June 1969)**

*Question again proposed.*

Messrs P. C. WOO and T. K. ANN declared their interest and stated they would not vote.

*Question put and agreed to.*

Bill accordingly read a second time.

*Bill committed to a committee of the whole Council pursuant to Standing Order No 43.*

**Committee stage**

**HONG KONG GENERAL CHAMBER OF COMMERCE  
SPECIAL RELIEF FUND BILL 1969**

HIS EXCELLENCY THE PRESIDENT: —With the concurrence of honourable Members we will take the clauses in blocks of not more than five.

Clauses 1 to 13 and the Schedule were agreed to.

**EVIDENCE (AMENDMENT) (NO 2) BILL 1969**

Clauses 1 to 7 and the Schedule were agreed to.

**ROAD TRAFFIC (AMENDMENT) BILL 1969**

Clause 1 was agreed to.

THE ATTORNEY GENERAL (MR ROBERTS): —Sir, I rise to move that clause 2 be amended as set forth in the paper before honourable Members.

[THE ATTORNEY GENERAL] **Road Traffic (Amendment) Bill—committee stage***Proposed Amendment**Clause*

- 2 (a) That the new definition of "car" contained in sub-paragraph (i) of paragraph (a) be amended—
- (i) by renumbering paragraphs (b) to (e) as paragraphs (c) to (f) respectively; and
  - (ii) by inserting the following new paragraph (b) —  
“(b) an omnibus;” ;
- (b) That the definition of "omnibus" in sub-paragraph (v) of paragraph (a) be deleted and the following substituted—
- “"omnibus" means any motor vehicle of a design and type approved by the Commissioner in accordance with regulations made under this Ordinance which—
- (a) has an unladen weight exceeding 2 tons and is constructed or adapted only for the carriage of passengers and personal effects; or
  - (b) is constructed or adapted only for the carriage of more than fourteen passengers and personal effects.”.

The amendments were agreed to.

Clause 2, as amended, was agreed to.

Clauses 3 and 4 were agreed to.

**PUBLIC TRANSPORT SERVICES (HONG KONG ISLAND)  
(AMENDMENT) BILL 1969**

Clauses 1 to 3 were agreed to.

**PUBLIC TRANSPORT SERVICES (KOWLOON AND  
NEW TERRITORIES) (AMENDMENT) BILL 1969**

Clauses 1 to 3 were agreed to.

**DISTRICT COURT (EXTENDED CIVIL JURISDICTION)  
BILL 1969**

Clauses 1 to 3 and the Schedule were agreed to.

**PARTITION BILL 1969**

HIS EXCELLENCY THE PRESIDENT: —With the concurrence of honourable Members we will take the clauses in blocks of not more than five.

Clauses 1 to 10 were agreed to.

**JUDICIAL PROCEEDINGS (ADJOURNMENT DURING  
GALE WARNINGS) BILL 1969**

HIS EXCELLENCY THE PRESIDENT: —With the concurrence of honourable Members we will take the clauses in blocks of not more than five.

Clauses 1 to 11 were agreed to.

**NEW TERRITORIES (AMENDMENT) BILL 1969**

Clauses 1 and 2 were agreed to.

Council then resumed.

**Bills—Third readings**

THE ATTORNEY GENERAL (MR ROBERTS) reported that The Hong Kong General Chamber of Commerce Special Relief Fund Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (MR ROBERTS) reported that the Evidence (Amendment) (No 2) Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (MR ROBERTS) reported that the Road Traffic (Amendment) Bill 1969 had passed through committee with amendments and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (MR ROBERTS) reported that the Public Services (Hong Kong Island) (Amendment) Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (MR ROBERTS) reported that the Public Transport Services (Kowloon and New Territories) (Amendment Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (MR ROBERTS) reported that the District Court (Extended Civil Jurisdiction) Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (MR ROBERTS) reported that the Partition Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (MR ROBERTS) reported that the Judicial Proceedings (Adjournment During Gale Warnings) Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

MR D. C. C. LUDDINGTON reported that the New Territories (Amendment) Bill 1969 had passed through committee without amendment and moved the third reading.

*Question put and agreed to.*

Bill read the third time and passed.

### ADJOURNMENT

*Motion made, and question proposed.* That this Council do now adjourn—  
THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER).

3.56 p.m.

*Question put and agreed to.*

### NEXT SITTING

HIS EXCELLENCY THE PRESIDENT: —Council will accordingly adjourn. The next sitting will be held on 16th July 1969.

*Adjourned accordingly at two minutes to Four o'clock.*