

# OFFICIAL REPORT OF PROCEEDINGS

Wednesday, 7th July 1971

The Council met at half past Two o'clock

[MR PRESIDENT in the Chair]

## PRESENT

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)  
SIR DAVID CLIVE CROSBIE TRENCH, GCMG, MC  
THE HONOURABLE THE COLONIAL SECRETARY  
SIR HUGH SELBY NORMAN-WALKER, KCMG, OBE, JP  
THE HONOURABLE THE ATTORNEY GENERAL (*Acting*)  
MR GRAHAM RUPERT SNEATH, QC, JP  
THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS  
MR DONALD COLLIN CUMYRN LUDDINGTON, JP  
THE HONOURABLE THE FINANCIAL SECRETARY  
MR CHARLES PHILIP HADDON-CAVE, JP  
THE HONOURABLE ROBERT MARSHALL HETHERINGTON, DFC, JP  
COMMISSIONER OF LABOUR  
THE HONOURABLE DAVID RICHARD WATSON ALEXANDER, MBE, JP  
DIRECTOR OF URBAN SERVICES  
THE HONOURABLE JAMES JEAVONS ROBSON, JP  
DIRECTOR OF PUBLIC WORKS  
THE HONOURABLE JOHN CANNING, JP  
DIRECTOR OF EDUCATION  
DR THE HONOURABLE GERALD HUGH CHOA, JP  
DIRECTOR OF MEDICAL AND HEALTH SERVICES  
THE HONOURABLE JACK CATER, MBE, JP  
DIRECTOR OF COMMERCE AND INDUSTRY  
THE HONOURABLE DENIS CAMPBELL BRAY, JP  
DISTRICT COMMISSIONER, NEW TERRITORIES  
THE HONOURABLE JOHN CHARLES CREASEY WALDEN, JP  
COMMISSIONER FOR RESETTLEMENT (*Acting*)  
THE HONOURABLE KAN YUET-KEUNG, CBE, JP  
THE HONOURABLE WOO PAK-CHUEN, OBE, JP  
THE HONOURABLE WILFRED WONG SIEN-BING, OBE, JP  
THE HONOURABLE ELLEN LI SHU-PUI, OBE, JP  
THE HONOURABLE WILSON WANG TZE-SAM, OBE, JP  
THE HONOURABLE HERBERT JOHN CHARLES BROWNE, JP  
DR THE HONOURABLE CHUNG SZE-YUEN, OBE, JP  
THE HONOURABLE LEE QUO-WEI, OBE, JP  
THE HONOURABLE OSWALD VICTOR CHEUNG, QC, JP  
THE HONOURABLE GERALD MORDAUNT BROOME SALMON, JP  
THE HONOURABLE LO KWEE-SEONG, OBE, JP  
THE HONOURABLE LI FOOK-WO, OBE, JP

## ABSENT

THE HONOURABLE SZETO WAI, OBE, JP

## IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL  
MR RODERICK JOHN FRAMPTON

### Affirmation and Oath

MR J. C. C. WALDEN made the Affirmation of Allegiance and MR LI FOOK-WO took the Oath of Allegiance and assumed their seats as Members of the Council.

HIS EXCELLENCY THE PRESIDENT:—May I welcome Mr WALDEN and Mr LI to this Council.

### Papers

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

<i>Subject</i>	<i>LN No</i>
Subsidiary Legislation:—	
Law Reform (Miscellaneous Amendments) Ordinance 1970.	
Law Reform (Miscellaneous Amendments) Ordinance 1970 (Commencement) Notice 1971 .....	76
Supreme Court Ordinance.	
The Rules of the Supreme Court (Amendment) Rules 1971 .....	77
Fixed Penalty (Traffic Contraventions) Ordinance.	
Fixed Penalty (Traffic Contraventions) (Amendment) Regulations 1971 ..	78
Public Health and Urban Services Ordinance.	
Pleasure Grounds (New Territories) Regulations 1971 .....	79
Road Traffic Ordinance.	
Road Traffic (Registration and Licensing of Vehicles) (Amendment) Regulations 1971 .....	80

Sessional Paper 1970-71:—

No 61—Report of the Board of Management of the Hong Kong Tourist Association 1970-71 (published on 24.6.71).

Report:—

The Third Report of the Chinese Language Committee (published on 7.7.71).

## Oral answers to questions

### Attendance at schools and examinations during storm warning signals

1. MR P. C. WOO asked:—

Will Government make a definite announcement as to when schools are expected to close or when schools are expected not to attend examinations conducted by the Education Department on the hoisting of a gale warning?

MR J. CANNING:—Sir, I am grateful to my honourable Friend for the opportunity which his question gives me to speak on this subject.

I shall deal first with the procedure governing the closing of schools.

The procedure which is followed is set out in a General Schools Standing Circular which is issued to all schools.

In the absence of special broadcast instructions to the contrary, all schools should function normally unless and until a storm signal higher than No 3 is hoisted.

On the hoisting of storm signal No 5 or above, all schools should close. If schools are in session at that time, pupils should be instructed to proceed immediately to their homes subject to any individual arrangements whereby pupils are collected by parents at the school.

If schools are not in session and a storm or typhoon is approaching Hong Kong, but has not yet reached the stage which would justify the hoisting of a signal higher than No 3, I may cause an announcement to be made over all radio and Rediffusion channels advising parents not to send their children to school. I do this after consultation with the Royal Observatory, when it appears that conditions are likely to deteriorate rapidly during school hours and a higher signal will probably be hoisted. Such announcements will be broadcast as early as possible and are repeated frequently between 7 *a.m.* and 8 *a.m.*

If schools are in session under a No 1 or No 3 signal I may also make a public announcement advising the immediate closing of schools, if I am advised that the situation is likely to deteriorate rapidly.

Heads of schools have been asked to ensure that the above procedures are fully understood by pupils and that parents are requested to act upon the advice given in public announcements.

[MR CANNING] **Oral Answers**

I turn now to the second part of the question dealing with examinations. This procedure is outlined in a supplement to the General School Circular to which I have just referred. For the purpose of this circular public examinations are divided into three types: first the Secondary Schools Entrance Examination, second the Certificate of Education Examinations and third the public examinations set by overseas examining bodies. Different procedures are set out for each category and I shall explain each of them in turn.

As far as the Secondary Schools Entrance Examination is concerned if there seems any likelihood of gale force winds developing on the day of the examination, the examination is postponed. We are especially careful with this examination because the children concerned are usually about twelve years of age.

The Certificate of Education Examinations are taken by pupils who have completed the secondary school course and are usually about seventeen plus years of age. Every effort is made to hold the examinations on the appointed day and at the appointed time in view of the tightness of the examination schedule. Announcements regarding postponement of the examination are made on the normal broadcast channels at the same time as announcements concerning the closing of schools.

Once a paper is started it will normally continue for the full allotted time, unless conditions justify broadcasting emergency instructions to the contrary. As a further safeguard, the Chief Invigilator at each centre is authorized to suspend the examination and move the candidates to a place of safety if conditions in the examination hall appear to be dangerous. The Chief Invigilator also decides at the end of an examination when it is safe for the candidates to return home.

The procedure as far as examinations which are controlled by authorities outside Hong Kong is similar to the procedure adopted for the Certificate of Education Examinations except that a decision to postpone a paper in this type of examination is taken as late as possible. Candidates and invigilators are warned that if weather conditions are at all doubtful they should listen to one of the broadcast channels right up to the time when they leave home to attend the examination. Once a paper has been started it continues for the full allotted time unless conditions in the centre itself become dangerous.

I propose to hold discussions with the Director of the Royal Observatory and the Director of Information Services in order to review the standing arrangements and consult the Board of Education on any changes which are proposed.

MR WOO:—Sir, I am very grateful to my honourable Friend for his very detailed information about gale warnings. May I ask him if he can possibly give full publicity of these arrangements to the press and to the parents of the students? My honourable Friend said he has instructed the heads of the schools to give information to the students but this may not be understood by them.

MR CANNING:—I shall, Sir, consult with the Director of Information Services as to the best means of propagating these standing arrangements.

MR Y. K. KAN:—Sir, may I also, as a helpful suggestion, suggest that my honourable Friend might also co-ordinate with the public transport companies, particularly the ferry companies as well as the bus companies, because it is very important indeed insofar as communications are concerned?

MR CANNING:—This is another aspect which we will take into consideration when we have the discussions I referred to.

### **Strengthening of the Organizational Surveys Unit**

2. MR K. S. LO asked:—

What arrangements is Government making in strengthening the Organizational Surveys Unit in order to streamline Government procedures and to increase productivity?

THE FINANCIAL SECRETARY (MR C. P. HADDON-CAVE):—Sir, the existing Organizational Surveys Unit of the Finance Branch of the Colonial Secretariat is at present divided into two streams, though staff are interchangeable. On the Organization and Methods side, the unit undertakes, at the invitation of Heads of Departments, organization and method type assignments and advises on all applications for conventional and specialist office equipment and on the design of forms. On the data processing side, the unit has a general responsibility for advising on departmental requirements and preparing detailed systems and programmes and for the operation of the Government Computer Centre which has one of the largest computer configurations in Hong Kong.

It is our intention, Sir, to bring the O. and M. side of the unit into a closer working relationship with the Complementing and Gradings Division of the Finance Branch so that, when we are asked to consider staff increases, we can at the same time take a close look at the organization of the department or office concerned, and moves in this direction have been in train now for some time.

[THE FINANCIAL SECRETARY] **Oral Answers**

It is also our intention to form O. and M. teams in the larger departments, not necessarily on a permanent basis, but for periods long enough to enable recommendations to be formulated and their implementation followed through on the ground.

Some departments, however, are not large enough to justify O. and M. teams of their own and, for them, we intend to maintain a central team which will be available for special assignments (including those undertaken in association with the Complementing and Gradings Division).

But whether and how fast we can do all this will depend not only on getting the right organization, but also on our ability to find the right people to do the work and in the right numbers. At the moment, the Organizational Surveys Unit has, apart from the Director, an establishment of 11 officers of various grades on the O. and M. side and 58 on the computer side—these figures are exclusive of clerical and messenger grades. Additional staff, if required, will be found in part by in-service training of experienced departmental officers and there is always the possibility of using, for certain clearly defined and appropriate tasks, outside consultants. But I should like to stress, Sir, that "streamlining government procedures and increasing productivity", to quote directly from my honourable Friend's question, are the concern of all of us in the public service and we cannot in all conscience leave these important matters to professional efficiency experts alone.

MR H. J. C. BROWNE:—Sir, may I ask a supplementary? May I ask two questions? Firstly, whether the honourable Financial Secretary would think that the efficiency of the Organizational Surveys Unit might be improved if computers were completely divorced from their other consultancy functions? And secondly, whether the basis on which these investigatory teams are put in to departments of their own invitation might be looked at again? In other words perhaps the initiative could be taken by the Finance Branch to put a team in to a department where it is felt that perhaps there might be some benefit from it?

THE FINANCIAL SECRETARY (MR HADDON-CAVE):—Sir, we have given some thought to the possibility of hiving off the computer centre into a small independent unit of its own but at the moment our view is that there are advantages in having programming and systems analysis staff alongside purely O. and M. people. There are certain economics to be derived from having one pool of staff, members of which are interchangeable, but we shall give further thought to this matter as my honourable Friend has raised it.

As regards the manner in which the OSU, or the O. and M. side of the OSU, gets into departments: one of the reasons why the Organizational Surveys Unit was transferred to the administrative control of the Deputy Financial Secretary and brought within the Finance Branch was to enable us to encourage heads of departments via the estimates procedure to invite the Unit in; and it also gives us the opportunity of putting the Unit in ourselves if there are points which we think they could usefully investigate in connexion with an application for supplementary provision.

### **Security of tenure for business premises**

3. DR S. Y. CHUNG asked:—

What progress has been made since June 1970 on the re-examination of draft legislation to provide security of tenure for business premises at fair market rents?

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER):—Sir, when the rent control legislation was being considered by this Council just over a year ago I said at two stages in the debate that the Government would re-examine earlier draft legislation to provide security of tenure for business premises paying a fair market rent. The re-examination of these proposals is still in progress and I regret that I am not yet in a position to report on the results, though I hope, Sir, that recommendations will be made to you, Sir, in Council within a matter of weeks.

DR CHUNG:—Sir, is Government aware of some recent cases of exorbitant rental increases in business premises and hence certain urgency in this matter?

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER):—Government is aware of the allegations of gross rental increases but I am afraid that any legislation we might pass at this moment would not help to solve individual cases. But, as I have said, proposals will be made to the Governor in Council and it would be quite improper for me to try and anticipate what those proposals might be or what the decision of you, Sir, in Council will be on them.

### **Cable and Wireless pay dispute**

4. MR WILFRED WONG asked:—

Will Government state whether it is taking any steps in mediating in the Cable & Wireless labour and staff pay dispute?

### Oral Answers

MR R. M. HETHERINGTON:—Sir, officers of the Labour Department have been in constant touch with both the Cable and Wireless Limited Hong Kong Non-Expatriate Staff Association and the management in Hong Kong of Cable and Wireless Limited for the past six months. From time to time, they have offered advice to both parties throughout the negotiations concerned with a revision of salaries and conditions of service.

The Labour Relations Service of the Labour Department has repeatedly offered to participate in the dispute in the role of a conciliator and will continue to do so. Up to the present, however, the Cable and Wireless Limited Hong Kong Non-Expatriate Staff Association has refused to allow an officer of the Labour Relations Service to attend meetings between the two parties.

### Government business

#### Motion

#### BANK NOTES ISSUE ORDINANCE

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

It is hereby resolved, by the Legislative Council, that this Council extends the powers of all the note-issuing banks to make, issue or re-issue and circulate notes until and including the 12th July 1972.

He said:—Sir, the Bank Notes Issue Ordinance lays down that the powers of the note-issuing banks lapse automatically unless renewed by this Council from time to time. The present powers of these banks expire on 12th July 1971. It is proposed in this resolution that these powers should be renewed for the maximum permissible period of twelve months. The resolution in no way alters them.

*Question put and agreed to.*

### First reading

#### HONGKONG AND KOWLOON WHARF AND GODOWN COMPANY LIMITED (BY-LAWS) (AMENDMENT) BILL 1971 CONTRACTS FOR OVERSEAS EMPLOYMENT (AMENDMENT) BILL 1971

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

**Second reading****HONGKONG AND KOWLOON WHARF AND GODOWN  
COMPANY LIMITED (BY-LAWS) (AMENDMENT) BILL 1971**

THE ATTORNEY GENERAL (ACTING) (MR G. R. SNEATH) moved the second reading of:—"A bill to amend the Hongkong and Kowloon Wharf and Godown Company Limited (By-laws) Ordinance."

He said:—Sir, I rise to move the second reading of a bill whose title is almost as long as what I have to say about its content. It is the Hongkong and Kowloon Wharf and Godown Company Limited (By Laws) (Amendment) Bill 1971.

Under the principal Ordinance the Godown Company has powers to make by-laws generally for controlling the use made of its piers by the public. However, these powers do not include the right to make specific by-laws concerning its car parks on the Ocean Terminal pier. The present bill is intended to confer those powers.

I think, Sir, I need only add that these powers follow closely the powers at present given in respect of Government multi-storey car parks.

MR KAN:—Sir, as a Director of the Company, I must declare my interest and abstain from voting on the motion.

*Question put and agreed to.*

Bill read the second time.

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

*Explanatory Memorandum*

This Bill amends the principal Ordinance so as to enable the company to make by-laws regulating the use of the Ocean Terminal car park and any other car parks on the company's premises.

Clause 3 repeals and replaces section 3 so as to include the necessary powers and, in particular, the power to remove vehicles illegally parked and to dispose of unclaimed vehicles (paragraphs (e) and (f)).

Clause 4 repeals and replaces section 5 so as to increase the maximum fine which can be provided in a by-law to \$500 which is the same as is provided for in relation to Government car parks.

**CONTRACTS FOR OVERSEAS EMPLOYMENT  
(AMENDMENT) BILL 1971**

MR HETHERINGTON moved the second reading of:—"A bill to amend the Contracts for Overseas Employment Ordinance."

He said:—Sir, the principal Ordinance was enacted in 1965 and experience in administering it has indicated that some minor amendments are desirable.

The bill before Council proposes three main changes and these are, I believe, adequately explained in the Explanatory Memorandum appended to the bill.

The effect of clause 3 is to extend exclusion from the Ordinance to those workers going to the United Kingdom for employment who are not British subjects. They will still be required to obtain labour permits from the United Kingdom authorities and appropriate travel documents from the Hong Kong Immigration Department but they will no longer be required to present contracts of employment for attestation by the Commissioner of Labour. This will result in the elimination of a considerable amount of formalities and paper work both for the workers and for the Labour Department because, in 1970-71, 688 labour permits were issued by the United Kingdom authorities for Hong Kong residents of non-British nationality.

Clause 5 gives the Commissioner of Labour power to refuse to attest a contract if he is satisfied that the terms are unfair to the worker or do not adequately protect his interest. This power is limited by clause 2 to the Commissioner of Labour personally. Most contracts for overseas employment offer attractive terms for Hong Kong workers but, occasionally, a few are presented for attestation which have unsatisfactory conditions. These have led, in the past, to complications over arranging repatriation of a worker who finds the conditions intolerable and, sometimes, maintaining his dependents at public expense until he returns. It is considered desirable that the Commissioner of Labour should be able to intervene in such cases and not be required to attest an unsatisfactory contract which otherwise formally complies with the statutory requirements. I expect that this will happen on only rare occasions.

The bill has been unanimously approved by the Labour Advisory Board.

*Question put and agreed to.*

Bill read the second time.

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

*Explanatory Memorandum*

Clause 3 of the Bill amends section 4 of the principal Ordinance so as to exclude from the operation of the Ordinance workers who go to the United Kingdom and who are in possession of current labour permits issued under the United Kingdom Aliens Order 1953, and workers who are in possession of current work permits issued under any other law for the time being in force there governing the immigration of persons into the United Kingdom. Hong Kong workers in the United Kingdom are adequately protected by legislation enacted there and so there is no need for them to have the protection of the principal Ordinance.

Clause 4 adds a new section 8A, which requires an employer to be liable for any stamp duty payable on any contract, bond or guarantee entered into under the principal Ordinance.

Clause 5 amends section 10(2) of the principal Ordinance by empowering the Commissioner of Labour to refuse to attest a contract for overseas employment if he is satisfied that the contract is unfair to the worker or does not adequately protect the worker. The exercise of this power is reserved to the Commissioner and may not be delegated (clause 2).

**MATRIMONIAL CAUSES (AMENDMENT) BILL 1971****Resumption of debate on second reading (23rd June 1971)**

*Question again proposed.*

MR OSWALD CHEUNG:—Sir, we welcome the transfer of undefended matrimonial causes to the District Court and I rise to make only one comment.

Nowadays substantive petitions for divorce and separation are generally not contested. Petitions for nullity and the other causes mentioned in clause 2 of the bill are rare. But the areas in which contest is likely to centre are on applications for ancillary relief, generally, over applications for maintenance, for capital payments, or concerning the property of the two spouses and on applications concerning the custody of children.

We would have been happier if the bill had spelt out in detail in what cases the District Court should have jurisdiction over applications for ancillary relief because, first, jurisdiction is a fundamental matter and, secondly, it is important to remember that the District Court has a jurisdiction limited generally to claims which involve \$10,000 or less. It is also designed for use by litigants in person.

[MR CHEUNG] **Matrimonial Causes (Amendment) Bill—resumption of debate on second reading (23.6.71)**

However, we should be content to let rules, which it is contemplated are to be made under the amended Ordinance, define the District Court's jurisdiction, if the rules are approved by resolution of this Council. I need not repeat the observations recently made with regard to the delegation of legislative powers and scrutiny of delegated legislation.

At the committee stage, therefore, I shall propose amendments with the support of my Unofficial colleagues to give effect to what I have just said. We shall also have to give further consideration to the new section 10B proposed. We are of the view that the District Court should only have jurisdiction over contested applications for ancillary relief which are within the ambit of its general jurisdiction.

THE ATTORNEY GENERAL (ACTING) (MR SNEATH):—Sir, I share and appreciate the concern of my honourable Friend and would agree with him that this Council should retain control over the important question of jurisdiction—as between the District Court and the Supreme Court—over those ancillary reliefs which may arise in connexion with an undefended divorce but are themselves matters of dispute between the parties.

So far as the rules go, Sir, I think that section 10E provides two alternatives. In the first place, rules can be made which govern simply the practice and procedure for transfer of these ancillary matters in dispute in cases where the District Court itself thinks that the matters should be dealt with by the Supreme Court. The second alternative is for rules which would lay down the circumstances in which such proceedings must be transferred to the Supreme Court.

Now, Sir, section 54 of the Ordinance that we are amending provides that these rules are to be made by the Chief Justice but that only those rules dealing with fees and with costs require the prior approval of this Council. Nevertheless there is section 34 of the Interpretation and General Clauses Ordinance, which I don't think, Sir, is often used, but that provides that all such rules must be laid on the table of this Council, and may be amended in any manner whatsoever by resolution of this Council at the next sitting. I would like to think, Sir, that this would provide a satisfactory check and safe-guard for the continuing control by this Council. However, if doubts remain, I should be only too happy to discuss with my honourable Friend any amendments that he would like to propose or like me to propose at the Committee Stage.

*Question put and agreed to.*

Bill read the second time.

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

## HONG KONG POLYTECHNIC BILL 1971

### Resumption of debate on second reading (23rd June 1971)

*Question again proposed.*

DR CHUNG:—Your Excellency, in rising to support the Hong Kong Polytechnic Bill 1971 I have mixed feelings. On the one hand, I am glad that this bill has eventually come to this Council as it enables the establishment of the Hong Kong Polytechnic and represents a major step forward in the provision of facilities for higher technical education which are in urgent need by the community. On the other hand, I am sad that the Chairman of the Polytechnic Planning Committee, the honourable P. Y. TANG, who had been working so hard in the last two years since the Committee was appointed by you, Sir, passed away on the 17th of June following a very brief illness.

With your permission, Sir, I would like to pay a tribute to the late honourable P. Y. TANG, who devoted himself tirelessly and almost to the exclusion of all his other interests to laying the solid foundations of the Hong Kong Polytechnic. His selfless dedication inspired all those who knew and worked with him to greater efforts. The late honourable P. Y. TANG gave very generously his time, his effort, his financial resources and ultimately his health in the service of the community. Without his leadership on the Committee, the foundations of the Polytechnic would never have been so truly and so soundly laid. I therefore would like to echo the sentiments expressed by His Excellency the Acting Governor and the honourable Director of Education that we all deeply mourn his untimely death for it came at a time when he was about to see the establishment of the Hong Kong Polytechnic for which he had worked for so hard and for so long.

Sir, in March 1969 I made certain suggestions in this Council regarding the constitution and control of the Polytechnic. Whilst I am happy to see the inclusion in the bill of the proposal for giving the Polytechnic an autonomous status under an independent board of governors, I am rather disappointed with the conspicuous absence of financial provisions and in particular any reference to a Polytechnic Grants Committee. Nevertheless, clause 13 of the bill, I understand, is sufficiently flexible to permit the setting up of a Polytechnic Grants Committee to regulate funds for the Polytechnic from the Government.

[DR CHUNG] **Hong Kong Polytechnic Bill—resumption of debate on second reading (23.6.71)**

With the establishment of the Polytechnic and the gradual expansion of facilities at the two Universities, Hong Kong has come a long way in the development of higher technical education. However, I would like once again to sound a note of warning on the imbalanced development over the full spectrum of the technical education pyramid ranging from professional engineers and technologists at the apex through technicians and craftsmen down to the first-line industrial workers on the very wide base of the pyramid. I firmly believe that the time is long overdue for Government to recognize and make good our deficiency in the provision of lower-level technical and vocational education such as that provided by technical institutes and vocational schools. I can't imagine how a battalion of an army without a properly balanced proportion of rank and file could successfully carry out its duties.

With these remarks, Sir, I support the motion before Council.

MR G. M. B. SALMON:—Sir, may I endorse my Friend, Dr CHUNG'S support for the Polytechnic Bill, and also the tribute he has paid to the late Mr P. Y. TANG.

In welcoming the establishment of the Hong Kong Polytechnic, I agree with my Friend that an army of trained officers and untrained soldiers is not going to win battles; and in the same way our industry is just as much in need of trained and skilled craftsmen as the trained and skilled engineers and technicians that may graduate from the Polytechnic. I believe the late Mr TANG knew that the Polytechnic was only the start of the technical training needs of Hong Kong, and that it would be his wish for us to get on both with the provision of technical institutes and with more practical training on the shop floor. I am informed that the standards of technical competence at the more junior levels is considerably higher in both Singapore and Taiwan, and this is because they have made sure their technical education is broadly based. This is no less important for Hong Kong.

This brings me, Sir, to the report of the Industrial Training Advisory Committee which I understand was submitted to Government in March and which has still not been published. While I am sure the recommendations will need careful and serious study in a number of Government departments, I hope the report can now be published without further delay so that the many organizations as well as individual industrialists with a vital interest in the problem of industrial training may, with their specialized knowledge and practical experience that Government does not have, make their views known.

There is certainly a lot of planning ahead for someone. ITAC is presumably still in being, and it seems to me that initiative from Government is now required to get some action started either by ITAC or some new body. It may be that we need a Board of Technical Education, but we surely need some statutory organization to progress the whole field of technical training, to include the strong underpinning of vocational training and prevocational training at post-primary school level.

In October 1969, our ex-Financial Secretary said "There are grounds, I would agree, for arguing that basic skills, like basic general education, should be provided at general public expense, but there are compelling grounds I believe for requiring industries to make a substantial contribution towards the teaching of the special skills they require". No one, Sir, I am sure will quarrel with that. The establishment of the Polytechnic is a great step forward; subject to what the ITAC report may say, the next and urgent steps seem to be, firstly to get more apprentice training schemes going, expensive though these may be for industry, and which may mean reinforcing the Labour Department's Industrial Training Unit; and secondly, for Government to make a decision on the interim recommendations of ITAC as long as two years ago for the establishment of four technical institutes, expensive as these may be on public funds. I do sincerely hope that because the Polytechnic may now be in sight, we are not going to hold back on the other essentials and that the Government and industry will move forward together in their respective responsibilities.

Sir, I support the motion.

*Question put and agreed to.*

Bill read the second time.

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

### **Committee stage**

Council went into Committee.

### **POST OFFICE (AMENDMENT) BILL 1971**

Clauses 1 to 3 were agreed to.

**LAW REFORM (MISCELLANEOUS PROVISIONS)  
(AMENDMENT) BILL 1971**

Clause 1 was agreed to.

Clause 2.

MR CHEUNG:—Sir, I move that clause 2 be amended as set forth in the paper before honourable Members.

*Proposed Amendment*

*Clause*

- 2       The following to be deleted—  
          "to abolish the right to claim damages for adultery; to abolish actions for the enticement or harbouring of a spouse or for the enticement, seduction or harbouring of a child;"

The amendment was agreed to.

Clause 2, as amended, was agreed to.

Clause 3.

MR CHEUNG:—Sir, I move that clause 3 be amended as set forth in the paper before honourable Members.

*Proposed Amendment*

*Clause*

- 3       To be deleted and the following substituted—  
          "Amend-       **3.** Section 2 of the principal Ordinance is amended by  
          ment of       deleting paragraph (b) of subsection (2)."  
          section 2.

The amendment was agreed to.

Clause 3, as amended, was agreed to.

Clause 4.

MR CHEUNG:—Sir, I move that clause 4 be amended as set forth in the paper before honourable Members.

*Proposed Amendment**Clause*

4 The proposed new sections 9 and 10 to be deleted.

The amendment was agreed to.

Clause 4, as amended, was agreed to.

Clause 5 was agreed to.

Schedule.

MR CHEUNG:—Sir, lastly I move that the Schedule be amended as set forth in the paper before honourable Members.

*Proposed Amendment*

Schedule (a) In the second column of the Schedule, opposite to "Legal Aid Ordinance", "sub-paragraphs (b) and (d)" to be deleted and the following substituted—

"sub-paragraph (b)".

(b) In the second column of the Schedule, opposite to "Matrimonial Causes Ordinance", "Section 50 is repealed." to be deleted and the following substituted—

"Section 50 is amended in subsection (1)—

(a) by deleting "husband" and substituting the following—

"petitioner";

(b) by inserting after "the wife" the following—

"or husband".

The amendment was agreed to.

The Schedule, as amended, was agreed to.

**INLAND REVENUE (VALIDATION OF FORMS) BILL 1971**

Clauses 1 to 3 were agreed to.

Council then resumed.

### **Third reading**

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER) reported that the Post Office (Amendment) Bill 1971 had passed through Committee without amendment and moved the third reading of the bill.

*Question put and agreed to.*

Bill read the third time and passed.

THE ATTORNEY GENERAL (ACTING) (MR SNEATH) reported that the Law Reform (Miscellaneous Provisions) (Amendment) Bill 1971 had passed through Committee with certain amendments and moved the third reading of the bill.

*Question put and agreed to.*

Bill read the third time and passed.

THE FINANCIAL SECRETARY (MR HADDON-CAVE) reported that the Inland Revenue (Validation of Forms) Bill 1971 had passed through Committee without amendment and moved the third reading of the bill.

*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).

3.10 p.m.

### **Tourism**

MR BROWNE:—Sir, laid on the table today is the Annual Report of the Tourist Association for 1970-71.

I think most people are aware that we had a record year in 1970. 927,000 overseas visitors came to Hong Kong, which was a 21% increase over 1969. I do not propose to go into details of the millions of dollars that these tourists are estimated to have spent here; how much was retained in Hong Kong and so on; for I know that my Friend, the honourable Financial Secretary, is fully aware of the importance of the tourist industry to Hong Kong. We are anyway fortunate that our economy has diverse sources of income and that we are not entirely dependent on domestic exports.

There are, however, a number of points that I would like to make.

*Firstly*, we must not take this expansion—this continued expansion we've had over the years—in the tourist trade for granted. The high figures in 1970 were largely due to Expo 70 in Japan and we are seeing a slowing down, or even a drop back, of growth this year. And then the type of tourist is changing; they are mostly younger and on a tighter budget and their requirements are gradually changing.

Many Government departments come into contact with tourists in one way or another, and we need positive help from them and from the private sector to nourish the trade and to keep Hong Kong efficient, clean, cheap, welcoming and attractive to visitors from overseas. It is important that the consequences of increasing rents do not get Hong Kong a reputation of becoming too expensive.

*Secondly*, I would like to ask that urgent attention be given by the PWD and the DCNT to improving the facilities for bus tours. We all know that our roads are congested and that tourist buses often make the congestion worse; but Hong Kong is a beautiful place and the tourists want to see it. We must therefore try and make more roadside parking facilities at strategically selected lookout points available for them. Now, when the bus stops, half the passengers want to get out and take photographs and the other half usually want to go to the lavatory! This is a practical problem that really does require a solution. It is not an expensive request. So I would ask my Friend, the District Commissioner, New Territories whether he would try and help to do something about this need for new lookout points and comfort stations.

*Thirdly*, I urge that attention should be given to the chaotic traffic situation that exists at certain times at Lak Ma Chau. The single lane road and the lack of parking make the place a shambles on most days. The road urgently needs widening. Now this is not just for overseas tourists, because many local people also visit Lak Ma Chau.

I hope also that it will not be too long before Government can improve the roads on Lantau and permit a vehicular ferry to operate to Silver Mine Bay.

*Fourthly*, the tourist trade welcomes the recent decisions to improve the facilities at the Macau Ferry Wharf; to create an oceanarium, and to permit a cable car to Lion Rock.

And I would like to congratulate Government on getting the Airport Terminal extended in time for the jumbo jets, and for the significant improvement that has now been made in the immigration

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and customs facilities. But, looking at the figures, further major extensions to the terminal building are going to be necessary from 1973 and I would like to ask if planning is proceeding.

I hope it will be possible to move this item into Category A of the Public Works Programme in the next few months. If work on further extensions to the terminal building starts this summer, can Government confirm that they will be finished in time to avoid the serious congestion with which we are likely to be faced in 1973?

*Fifthly*, the old chestnut of convention facilities. Now I know that Government's view is that if the private sector thinks Hong Kong needs convention facilities then we should go ahead and build them. But let's face it, a convention centre must be in a prime location, which means expensive land, and it will also probably only just break even. If we have facilities for medium-sized conventions, we can expect valuable additional receipts of foreign exchange. You are all familiar with the economic arguments and I will not labour them. May I, however, record again the unanimous recommendations made to Government by the Board of the HKTA last year for some positive steps to be taken to consider this problem. I am not asking for a \$40 million convention complex just for overseas conventions and exhibitions. What I do suggest is that a Working Party be set up to see what can be done to incorporate facilities that would be suitable for conventions into the new indoor stadium at Hung Hom. Also that plans be drawn up for the Kowloon Civic Centre that the Urban Council have been recommending for many years. We badly need these facilities in Kowloon for our own people, and they could be used for small conventions and meetings and so take off the pressure from the overcrowded City Hall.

*Finally and seventh*, I would like to ask whether any progress has been made on the museum. When are the Chater and Ho Tung Collections and the Maglioni (archaeological) Collection going to be put on permanent display?

At the time these generous gifts were made I wonder if either the Government or the benefactors foresaw that the collections would spend most of their time in storage. If we provide adequate facilities for display I think it possible that Government will be given other pieces or collections.

MR WONG:—Sir, I rise to support my honourable Friend, Mr BROWNE, who made a number of constructive suggestions which could attract more tourists to Hong Kong.

I am fully aware of the importance of tourism which, next to the export of textiles, is the largest earner of foreign exchange in the way of "invisible exports". Because of the importance of tourism, it is a matter of record that I did not vote for the Hotel Accommodation Tax Bill in 1965.

On the other hand, everything must be done to encourage tourism and in my opinion, of the 7 points brought up by Mr BROWNE, the most important one is convention facilities. In the particular circumstances of Hong Kong, where space and land values present an enormous problem, I would say that Government is the only body which is capable of building a large convention assembly. Before the plans for the new indoor stadium at Hung Hom are finalised, therefore, we should certainly look ahead and plan for an assembly hall seating at least 3,000 persons or double the size of the concert hall in the City Hall. If it is not feasible to have a separate assembly hall, the flat part of the stadium itself should have seating arrangements for at least 3,000 persons. Many of us will remember that quite a few persons thought that the City Hall was too big when they saw the plans in 1960. Now, at the rate of our present progress, both the concert hall and the theatre are deemed too small. I think we would not regret incorporating a large assembly hall in a new indoor stadium at Hung Hom and future generations would only praise the Government for its foresight. Furthermore, it is an investment which would yield returns in the general prosperity of Hong Kong. An increase in revenue from salaries and profit tax could also result.

MR D. C. BRAY:—Sir, there are three points in my honourable Friend, Mr BROWNE'S speech that I should like to pick up.

I have had a discussion with the Executive Director of the Tourist Association about lookout points on New Territories roads and I was surprised to see how difficult it is to get the agreement of all the authorities even to the proposition that these lookout points should exist. Nevertheless I hope it will be possible to make land available at some good lookout points. Development of comfort stations is another matter and I should be glad to discuss proposals with tour operators or with anyone else who would wish to go into this. I do not think that such projects, geared as they are for the benefit of a particular small group, would command a very high priority in Government's amenity programme but land could probably be made available for private development if there is sufficient interest.

I agree that the situation at Lak Ma Chau is chaotic for an hour or so mid-morning and mid-afternoon but the place is deserted at other times, even during lunch hours. As a road widening project, improvements here would again receive low priority. We are however at

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present studying the lie of the land to see if it would be possible to put up a site for sale for a restaurant here. I would propose that a condition of sale be that the purchaser would widen the whole road so that we could not expect very much for the land. In this case the land sale and the road use are so closely associated that I think we could say that if there are no takers for the land sold on this basis the economic justification for the widening of the road could be questioned.

My honourable Friend has recently asked a question in this Council about the possibility of introducing a vehicular ferry to Lantau, and I felt it necessary on that occasion to reply in rather a discouraging way. The Commissioner of Police is however hoping to establish a divisional Police headquarters on Lantau soon and I would suggest that the matter be looked at again when this head-quarters with its traffic unit has been established.

MR D. R. W. ALEXANDER:—Sir, I shall deal with the matters of convention facilities and the museum raised this afternoon.

First of all, I should like to say that Members of the Urban Council have been very much exercised over the years about this problem of convention facilities and they have proposed tackling it on two fronts:

firstly, by suggesting in the schedule of accommodation for the indoor stadium, not only (in addition to the arena of 16,900 *sq. ft.*) seating for 15,000 spectators, which could be used for plenary sessions of major conventions, but also that the large restaurant at this stadium should be convertible into meeting rooms;

secondly, by including in their proposed schedule of accommodation for the civic centre not only an auditorium of 3,000 seats, but also various rooms which could be used for convention purposes as well as lecture, committee or rehearsal rooms.

From what I have just said, honourable Members will see that these projects (when finalised) together with the present City Hall facilities will do much to meet Mr BROWNE'S point and Mr WONG'S point. The position with regard to the projects is that the siting, the schedule of accommodation and the general design of the indoor stadium have already been agreed. The Urban Council have been endeavouring since the 1950's to push this project along and Members feel that what they are now proposing, after exhaustive enquiries and long discussions, is in the best interests of Hong Kong in view of the multi-purposes to which this stadium will be put. My honourable

Colleague, the Director of Public Works, and his staff have taken considerable interest in this project and have greatly assisted the Urban Council in their recent deliberations. I feel therefore that a Working Party would merely delay this project which, while intended to cater primarily for sporting and other entertainment events, will also take care of at least part of the convention problem. The cost of this project is likely to be high.

With regard to the civic centre, a study of recurrent costs and expected revenue is under way, and a survey has been carried out by the Urban Council, by means of a questionnaire, to calculate the likely usage to which the centre might be put. Once the result of this survey is known and has been conveyed to the Secretariat, Government will then be in a position to make a policy decision on whether to proceed with this project. No site has been allocated, though there is a possibility (no more than that) of a site being found in the Hung Hom area.

And lastly to the museum. The position there is that the Urban Council recommended in February that a new low-rise building to house a new museum (and probably also the art gallery) be erected on a site in the area between the present KCR terminus and Holt's Wharf. If this site were to be approved (and Government recognises that there is merit in having the museum sited in Kowloon), it will still be some years before such a development can take place, it being dependent among other things on the removal of the railway terminus. The proposal will also have to be referred to the Governor in Council nearer the time.

With regard to the collections in the present museum and art gallery, the Ho Tung collection consists of 84 oil and watercolour paintings. The Law and Sayer collection consists of 58 oil paintings and 35 watercolours and drawings and 357 prints. The Chater collection comprises 79 paintings, prints and drawings.

These collections are related and together form a major collection of historical pictures of Hong Kong, Macau, China, the Treaty Ports and east-west relations in the 18th and 19th centuries. There is some duplication of subject matter which makes a permanent display of the entire collection not a very practical matter.

The Maglioni collection is mainly an archaeological collection of material excavated in Kwang Tung. About 200 items are exhibitable.

Obviously it is not possible to put all the items in these collections on permanent display in the museum and art gallery's present premises. Such a display as my honourable Friends envisage will therefore have to wait until the acquisition of a new museum.

## Tourism

THE FINANCIAL SECRETARY (MR HADDON-CAVE):—Sir, the Government is grateful for this opportunity of congratulating the Board of Management of the Hong Kong Tourist Association and particularly its chairman, my honourable Friend, Mr BROWNE, for guiding the tourist industry through to such an outstandingly successful performance in 1970-71.

Almost exactly two years ago, Sir, in this Council, I hazarded a guess that tourism contributed about 5% to the gross domestic product in 1966, rising to 5½% in 1968. At the invitation of my honourable Friend, Mr BROWNE, I would today hazard a further guess, based on equally heroic arithmetic researches, that tourism's contribution to the gross domestic product in 1970 was probably 6½% thanks to the surge forward in the number of visitors (including servicemen) from ¾ million in 1968 to 1.1 million last year. The significance of these figures is underlined when they are compared with the manufacturing sector which probably accounted for 33% of the gross domestic product in 1966; 40% in 1968; and 43 to 44% in 1970, for 1970 was an exceptionally good year for manufacturing as well as for tourism.

Both tourism and manufacturing in fact have advanced more rapidly than the economy as a whole in recent years, capital and labour flowing into them at the relative expense of some of the service industries; and hence their shares of the gross domestic product have improved.

Some honourable Members, Sir, may be surprised that, with gross expenditure of the order of \$2,000 million in 1970, tourism's contribution to the national income was not higher than 6½%. The explanation lies in the very high proportion which expenditure on shopping for imported goods bears to total expenditure by visitors, our visitors being short time stayers only. The Hong Kong value added content of this expenditure is low compared with the service industries and even lower compared with manufacturing. Expenditure on shopping (including expenditure on locally produced goods, for separate figures are not available) takes up no less than 60% of total tourist expenditure. The remaining 40% is spent on hotel accommodation (16%), meals in restaurants (8%), entertainment and tours (9%) and various miscellaneous items (the remaining 7%). If the pattern of the tourist trade changes as predicted by my honourable Friend, Mr BROWNE, we can expect the pattern of expenditure by visitors to change also. That is to say the proportion devoted to shopping will probably fall, but expenditure per head may fall too whether or not the average length of stay increases. It is at present about 3.8 days.

There are two comments, Sir, of a general nature I think I should make on the speeches made by my honourable Friends, Mr BROWNE and Mr WONG. *First*, I entirely accept that there is safety in diversity but, in pursuit of this, we must make sure we are not arbitrarily switching our resources from more profitable to less profitable activities. Profitability must always be the keynote. We must not allow ourselves to think in terms of diversity of economic activity for its own sake. In 1962 we were advised in a report prepared by a well known firm of consultants for the Federation of Hong Kong Industries that we were, and I quote, "dangerously reliant on a narrow range of industries". Textiles were particularly singled out as they then accounted for 52% of total domestic exports. Yet today textiles still account for 46% of domestic exports and the industry's output, in value terms, is 3 1/3 times what it was in 1962, thanks to the imaginative and resilient response of our textile industrialists, working through the market mechanism, to the opportunities presented by new technology. I am afraid that, in pursuit of diversity, there can be no question of public funds being committed to the provision of specialized facilities for one sector of the economy for the purpose of expanding the volume and range of its activities even in the hope of raising its level of profitability. Public funds cannot be used to embark on a policy of what my honourable Friend, Mr BROWNE has described as "positive help" because it would put that sector in an artificially favourable position (thereby distorting the labour market in particular). I would not rule out action to correct disabilities flowing from the imperfect operation of the market mechanism but, even then, only in very special circumstances. *Secondly*, Sir, while we are all concerned with the vulnerability of our economic position, dependent as we are on overseas markets for the generation of incomes, we should guard against any idea that tourism is a less uncertain source of income than the export of manufactured goods: indeed, whereas our export earnings are subject to a whole host of complex influences (some favourable, some unfavourable at any one time) tourism is, in addition, vulnerable to sudden and even fickle changes of attitude and fashion.

My honourable Friends, the District Commissioner, New Territories and the Director of Urban Services have I think, Sir, dealt with all the specific points raised in this debate, except those dealing with the airport. I am not too sure what my honourable Friend, Mr BROWNE means when he refers to "serious congestion in 1973". At a cost of over \$20 million the terminal building has just been doubled in size in terms of its throughout capability which is now 2,200 passengers per hour at an average time for processing each passenger of 15 minutes. I am advised that this highly satisfactory rate of 2,200 passengers per hour at 15 minutes per passenger will not be exceeded, except very infrequently, until the end of 1973.

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Under the authority of a Category B (Investigation) item in the Public Works Programme, planning is well advanced further to expand the terminal facilities at the airport to permit the handling of at least 3,200 passengers per hour at an average time for processing each passenger of 15 minutes. It is the Government's intention to seek the advice of the Public Works Sub-Committee on the upgrading of Phase I of this new project to Category A at the Second Review next month, the objective being to complete the working drawings and contract documents by March 1973 and construction by December 1975. It is also the Government's intention to suggest that Phase II should be upgraded to full Category B status at the Second Review and, if this is agreed, it should be possible to complete this phase by the end of 1975 as well. The cost of Phase I is presently put at \$24 million and Phase II at \$30 million. The remaining works (which have been grouped together in Phase III) are more substantial than either Phases I or II and are even at this time estimated to cost \$63 million. As detailed plans will take some time to prepare, it is our intention to suggest at the Second Review that a separate Category B item should be created so that the preparation of these plans for Phase III can be put in hand. In case honourable Members are doubtful of the necessity of phasing development in this way, despite these very large sums of money, I should mention that approved airport projects already in Category A commit us to expenditure of \$155 million over the next two to three years. This figure may be compared with total capital expenditure on the airport between 1955-56 and 1970-71 of \$215 million. Airport development is certainly a very expensive business, but I can assure honourable Members that it is the Government's intention to maintain Kai Tak as a first class international airport so long as the competing demands on our capital resources and our freedom to balance the airport accounts over time enable us to do so.

I must conclude, Sir, on a note of warning: because of the problems associated with expanding the existing terminal facilities to roughly double their present size in physical terms, some degree of inconvenience will of necessity be experienced by passengers as construction proceeds during the next few years, but my honourable Friend, the Director of Public Works will try to minimize this so that an acceptable rate of passenger flow through the various check points can be maintained, though there will certainly be times when this exceeds 15 minutes per passenger.

*Question put and agreed to.*

**Next sitting**

HIS EXCELLENCY THE PRESIDENT:—Accordingly I now adjourn the Council until half past two o'clock on Wednesday the 21st July 1971.

*Adjourned accordingly at eighteen minutes to four o'clock.*