

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 17th July 1974****The Council met at half past two o'clock**

[Mr PRESIDENT in the Chair]

PRESENT

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR CRAWFORD MURRAY MACLEHOSE, KCMG, MBE
THE HONOURABLE THE COLONIAL SECRETARY
MR DENYS TUDOR EMIL ROBERTS, CBE, QC, JP
THE HONOURABLE THE FINANCIAL SECRETARY
MR CHARLESPHILIP HADDON-CAVE, CMG, JP
THE HONOURABLE THE ATTORNEY GENERAL
MR JOHN WILLIAM DIXON HOBLEY, QC, JP
THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS
MR DENIS CAMPBELL BRAY, JP
THE HONOURABLE DAVID RICHARD WATSON ALEXANDER, CBE, JP
DIRECTOR OF URBAN SERVICES
THE HONOURABLE JOHN CANNING, JP
DIRECTOR OF EDUCATION
DR THE HONOURABLE GERALD HUGH CHOA, CBE, JP
DIRECTOR OF MEDICAL AND HEALTH SERVICES
THE HONOURABLE IAN MACDONALD LIGHTBODY, CMG, JP
SECRETARY FOR HOUSING
THE HONOURABLE DAVID HAROLD JORDAN, MBE, JP
DIRECTOR OF COMMERCE AND INDUSTRY
THE HONOURABLE DAVID AKERS-JONES, JP
SECRETARY FOR THE NEW TERRITORIES
THE HONOURABLE LEWIS MERVYN DAVIES, CMG, OBE
SECRETARY FOR SECURITY
THE HONOURABLE PETER BARRY WILLIAMS, JP
SECRETARY FOR SOCIAL SERVICES (*Acting*)
THE HONOURABLE WILLIAM COLLINS BELL, JP
DIRECTOR OF PUBLIC WORKS (*Acting*)
THE HONOURABLE ALAN THOMAS ARMSTRONG-WRIGHT
SECRETARY FOR THE ENVIRONMENT (*Acting*)
DR THE HONOURABLE CHUNG SZE-YUEN, OBE, JP
THE HONOURABLE WILSON WANG TZE-SAM, OBE, JP
THE HONOURABLE LEE QUO-WEI, OBE, JP
THE HONOURABLE OSWALD VICTOR CHEUNG, OBE, QC, JP
THE HONOURABLE ROGERIO HYNDMAN LOBO, OBE, JP
THE HONOURABLE JAMES WU MAN-HON, OBE, JP
THE HONOURABLE HILTON CHEONG-LEEN, OBE, JP
THE HONOURABLE LI FOOK-WO, OBE, JP
THE HONOURABLE JOHN HENRY BREMRIDGE, JP
DR THE HONOURABLE HARRY FANG SIN-YANG, OBE, JP
THE HONOURABLE LO TAK-SHING, JP
THE HONOURABLE FRANCIS YUAN-HAO TIEN, OBE, JP
THE HONOURABLE HUGH MOSS GERALD FORSGATE, OBE, JP

ABSENT

THE HONOURABLE MRS JOYCE SYMONS, OBE, JP

THE HONOURABLE MRS KWAN KO SIU-WAH, MBE, JP

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL

MR KENNETH HARRY WHEELER

Oath

MR ARMSTRONG-WRIGHT took the Oath of Allegiance and assumed his seat as a Member of the Council.

HIS EXCELLENCY THE PRESIDENT: —I have much pleasure in welcoming Mr ARMSTRONG-WRIGHT to this Council.

Papers

The following papers were laid pursuant to Standing Order 14(2): —

<i>Subject</i>	<i>LN No</i>
Subsidiary Legislation:	
Interpretation and General Clauses Ordinance.	
Specification of Public Officers	145
Clean Air Ordinance.	
Declaration of Smoke Control Area (Yuen Long and Tuen Mun) Notification 1974	146
Sessional Paper 1973-74:	
No 65—Annual Report by the Hong Kong Tourist Association for the year 1973-74 (published on 17.7.74).	
Report: —	
White Paper "The further development of Medical and Health Services in Hong Kong" (published on 17.7.74).	

Oral answers to questions

Mutual aid committees (1)

1. MR WANG: —

(Asked in the Cantonese dialect. The following is the interpretation of what Mr WANG asked)

How many mutual aid committees have been formed up-to-date?

SECRETARY FOR HOME AFFAIRS: —At 30th June 1974, a total of 1,512 mutual aid committees had been established. This is a good start but we are nowhere near having as many committees as are needed.

Mutual aid committees (2)

2. MR WANG: —

(Asked in the Cantonese dialect. The following is the interpretation of what Mr WANG asked)

Have Government funds been made available to retain or expand the services of the temporary community organizers who are helping the mutual aid committees?

SECRETARY FOR HOME AFFAIRS: —I think, Sir, there was some slight departure from the wording in which the English version of this question was received but if I may do so, I shall direct my answer to the original version if I can do, Sir, without stepping out of order. The number of part time community organizers is the same now as it was last year and funds are available to pay them. There is not enough money voted yet to pay them for the whole financial year but the Government will seek Finance Committee's approval for funds necessary to do this. This approach is being made because, in my view, the mutual aid committees have turned out to be the best means yet found to help people co-operate with each other to make their home surroundings clean and safe. Not only this but they help those who join to get to know the people next door—which is not easy in the average multi-storey building.

The present financial provision for staff for mutual aid committee's reflects the fact that the scheme is experimental and that the Governor in Council has yet to review it and decide on the longer term future requirements. Clearly there is immense social potential in these committees and it would be shortsighted to let them run down through lack of official encouragement at this stage.

Oral answers

MR WANG: —Sir, I confirm the honourable Member has given the answer that I wanted.

Acupuncture in Hong Kong (1)

3. MR CHEONG-LEEN: —Sir,

What is Government doing to improve standards in the use and application of acupuncture and Chinese traditional medicine in Hong Kong?

DR CHOA: —Nothing, Sir.

Section 31(1) of the Medical Registration Ordinance reads as follows:

"Subject to the provisions of section 32 nothing in this ordinance shall be deemed to affect the right of any person of Chinese race, not being a person taking or using any name, title, addition or description calculated to induce anyone to believe that he is qualified to practise medicine or surgery according to modern scientific methods, to practise medicine or surgery according to purely Chinese methods and to demand and recover reasonable charges in respect of such practice."

This therefore means that the Registrar of Medical Practitioners, that is the Director of Medical and Health Services, has no jurisdiction over practitioners of Chinese traditional medicine or the methods they use.

MR CHEONG-LEEN: —Sir, is the use and application of acupuncture still taken to be practising medicine or surgery according to purely Chinese methods in view of recent new developments involving greater use of acupuncture in surgical operations according to western scientific practice?

DR CHOA: —Sir, if it is done by Chinese traditional practitioners, yes, otherwise any registered practitioner can use any method he likes in the practice of medicine or surgery.

MR CHEUNG: —Sir, may I ask a supplementary? Whilst the section the honourable Member quoted prevents Government from interfering with a person practising traditional Chinese medicine, does my honourable Friend take the view that it prohibits doctors from improving the standards in traditional Chinese medicine or acupuncture?

DR CHOA: —It does, Sir. The law, as it stands, gives me no power whatsoever to do that.

MR CHEONG-LEEN: —Sir, in view of what has been said by my honourable Friend, will Government be prepared to review the section in question, section 31(1), bearing in mind recent developments in this particular field?

DR CHOA: —With due respect, Sir, this is a new question.

HIS EXCELLENCY THE PRESIDENT: —I agree.

Acupuncture in Hong Kong (2)

4. MR CHEONG-LEEN: —Sir,

What is Government doing to encourage and guide local groups of practitioners of acupuncture and Chinese traditional medicine to upgrade even higher the standards and training required in the case of new practitioners?

DR CHOA: —Sir, the reply I gave to Question 3 applies to Question 4 as well.

MR CHEONG-LEEN: —Sir, will Government review section 31(1) to see whether it is desirable to encourage and guide local groups of practitioners of acupuncture of Chinese traditional medicine to upgrade even higher their existing standards and training capabilities?

DR CHOA: —Again, Sir, with due respect, this is a new question.

Fire Services Department

5. MR LOBO: —Sir,

(a) Following the special study made by consultants sometime ago on ways and means of improving communications

[MR LOBO] **Oral answers**

for the Fire Services Department, is Government now satisfied that the department's system of communications has since improved?

- (b) If not, are there any plans afoot to improve them in the near future?

SECRETARY FOR SECURITY: —Sir, the answer to (a) is "Not yet", and to (b) "Yes".

Consultants were engaged to undertake a comprehensive review of Fire Service communications facilities and to propose improvements in and modernization of the existing system. Subsequently a working party consisting of representatives of the Fire Services Department, the Telecommunications Division of the Post Office and the Data Processing Division of the Colonial Secretariat was set up to formulate detailed proposals. As part of this study a telecommunications engineer of the Post Office visited the United Kingdom in June to study computerized command and control systems and I expect the working party's recommendations to be submitted to the Colonial Secretariat in August.

Sale of synthetic drugs mixed with herbal remedies

6. DR FANG: —Sir,

Will Government take steps to prevent the sale of synthetic drugs contained in the Poisons Lists mixed or under the disguise of herbal remedies?

DR CHOA: —Sir, a herbal medicinal preparation is exempted from the control of the Pharmacy and Poisons Ordinance only if its contents are included in the Chinese Herbal Materia Medica. If it contains a synthetic drug on the Poisons Lists a label giving full particulars, including its exact quantity, must be affixed on the container. Its sale is therefore controlled, especially if it contains Third List poisons which can only be obtained on prescription. I may add that manufacturers who fail to comply with the labelling requirements contravene the Pharmacy and Poisons Ordinance and are liable to prosecution.

DR FANG: —Sir, is my honourable Friend aware that this state of affairs does exist in Hong Kong at the moment?

DR CHOA: —Yes, Sir.

DR FANG: —May I ask my honourable Friend what steps have been taken?

DR CHOA: —Sir, the case is *sub judice*.

Piped water supply for Shek O

7. MR WU: —Sir,

When will a piped water supply be connected to the houses at Shek O?

MR BELL: —Sir, there are no proposals to provide a Government mains water supply to houses at Shek O.

The existing Government water supply which was completed in 1969 at a cost of \$350,000, was designed to provide standpipes and fire hydrants only, this being in accordance with the decision of the Public Works Sub-Committee, which stated:

"individual house connections would not be possible without considerable increase in the size of the storage tanks and this would be expensive. The house sites were sold without any expectation of individual water supplies at prices that were depressed because of the lack of water supply. A comparatively small increase in the size of the scheme would lead to a disproportionate increase in its cost though this would not apply to a major increase."

An alternative scheme for a general supply to the whole area was investigated in 1967 at the same time as the standpipe supply was under investigation. It was concluded that a scheme to supply say 200,000 gallons a day to the area would cost \$1,750,000 at the prices then prevailing. Prices have increased considerably since then and, in addition, the validity of the figures on which the capacity of the scheme was determined would have to be re-examined in view of the lapse of time since the previous assessment.

MR WU: —Sir, is Government prepared to consider a self-financed proposal for such water supply system?

MR BELL: —Sir, although there had been representations in the past by some residents to share costs, I am not aware of any recent

[MR BELL] **Oral answers**

formal approach being made on this subject. In the light of this and the fact that the matter was considered at length on the previous occasion which led the decision of the Public Work Sub-committee, and having regard to the relative priority of this project compared with others of greater priority, I regret I'm unable at this time to deploy any planning staff to look at this in any great detail. On the question of self-financing, therefore, I regret I'm not in a position to consider this at this time.

Bus services in Hong Kong (1)

8. MR LO: —

Will there be adequate sanctions to ensure that the two senior officials to be appointed on to the Boards of Directors of the two Bus Companies will have effective influence on the Companies' policy and management?

THE FINANCIAL SECRETARY: —Sir, the present franchises of the Kowloon Motor Bus Company and the China Motor Bus Company expire on 14th February next year. The two companies have been informed that their franchises will not be renewed on the present terms, and negotiations are proceeding on the terms and conditions of new franchises to be offered to them. These will include provisions for the appointment of two senior Government officials to the Boards of Directors of both companies.

Sir, it is Government's intention, by the appointment of these two directors to the Boards of the companies, to seek to influence, for the benefit of the public, the manner in which the companies conduct their affairs.

I can assure my honourable Friend that the new legislation now being drawn up and the new franchises to be granted under that legislation will provide adequate sanctions to require the bus companies to comply fully with the terms of their new franchises.

MR LO: —Sir, will my honourable Friend inform Council whether the new legislation referred to in the last paragraph of his reply will ensure that the directors will perform their duties for the public good and not, as required by the Companies' Ordinance, for the good of shareholders?

THE FINANCIAL SECRETARY: —The short answer, Sir, is yes, I think so. But, of course, it is difficult to answer such a general question and at the same time cover all specific situations. So my answer must be a qualified—but quite enthusiastically qualified—yes.

MR LO: —Thank you.

Bus services in Hong Kong (2)

9. MR LO: —

- (a) What is the purpose behind the proposed acquisition by Government of a minority shareholding in the bus companies?
- (b) What percentage is envisaged and will this be effective and adequate?

THE FINANCIAL SECRETARY: —Well, Sir, the Government does not consider it appropriate to appoint directors to the Boards of the bus companies without acquiring some participation in their equity. Such participation should enable a real improvement in co-operation between the Government and the companies to be achieved and provide an opportunity for ways to be sought in which the Government can assist the companies in their operations for the benefit of the public. That, I suggest, would be more likely to be achieved by the Government taking an equity position and thereby in that way underlining its involvement in the affairs of each company. The Government feels that an acquisition of up to 10% in the equity of each company will suffice for this purpose.

MR LO: —Sir, have all the reasons for the Government considering it appropriate been set out in the answer?

THE FINANCIAL SECRETARY: —Naturally, my answer was full and explicit. (*Laughter*).

MR LO: —Thank you, indeed. Then may I ask my honourable Friend whether it is true to say that what is likely to be underlined by Government taking an equity position in the bus companies is that of its own involvement in the affairs of each company as a shareholder...

Oral answers

HIS EXCELLENCY THE PRESIDENT: —Are you asking a question or making a speech?

MR LO: —It's a question, Sir—whether it is true—the question started off, Sir, as to whether it is true to say that, what is likely to be underlined, is Government's participation as a shareholder?

HIS EXCELLENCY THE PRESIDENT: —Thank you, Mr LO.

MR LO: —Thank you, Sir.

THE FINANCIAL SECRETARY: —The Government will seek, Sir, to secure the public interest and that there is a proper balance struck between the public interest and the legitimate commercial objectives of the bus companies. The bus companies, we must remember, are commercial undertakings. They are not, and will not, be subsidized by public funds, I sincerely trust. They, therefore, must be run on a viable basis, Sir. A balance must be struck, but quite clearly the Government's primary interest will be the public interest which requires that the transport needs in this community are adequately met.

Bus services in Hong Kong (3)

10. MR LO: —

What alternatives have the Government for operating bus services in Hong Kong to their being operated by the existing franchise holders?

THE FINANCIAL SECRETARY: —Sir, I personally can see no reason why the negotiations now being conducted with the two bus companies for the granting of new franchises to cover their future operation should not be concluded successfully, and I have got my negatives right. Indeed, it would be foolish I suggest for the two companies not to negotiate seriously to this end and the Government has no reason for believing that they are not doing so, and again I have got my negatives right.

I can assure my honourable Friend, Sir, nevertheless, that in the unlikely event of the negotiations not being concluded successfully, the Government has adequate alternative plans available for ensuring the continued operation of bus services by someone somehow in Hong Kong and Kowloon after the expiry of the present franchises.

MR LO: —May I take it, Sir, from what my honourable Friend has said, that Government's approach to this will be positive and not negative? (*Laughter*).

THE FINANCIAL SECRETARY: —Yes, Sir.

Courses for Overseas Students

11. DR CHUNG: —Sir,

Will Government consider organizing some courses on economic and public affairs and on employment prospects in Hong Kong for the overseas students who are returning to Hong Kong for the summer vacation because of difficulty in finding summer jobs overseas?

SECRETARY FOR SOCIAL SERVICES (ACTING): —Sir, I consider that organizing the kind of courses suggested by my honourable Friend for overseas students returning to Hong Kong for their summer vacation would not be justified in present circumstances. But in saying this, I do not wish to appear to belittle the frustration that some of these young people may face.

Many of our own local students on summer vacation derive great benefit and enjoyment from participating in voluntary work in the fields of youth leadership and community service. Those from overseas, with their wider experience, might well bring fresh ideas into this field. If any returned students wish to help in and learn about a very topical aspect of present day Hong Kong in this way, they can enquire at any City District or District Office, or they can contact the Association of Volunteers for Service at Ridley House in Upper Albert Road.

DR CHUNG: —Sir, on a point of clarification, I think, with due respect, my honourable Friend has misunderstood the trend of my question. I was not thinking of filling their leisure time but to entice them back to work in Hong Kong in view of the brain drain we are facing. Will my honourable Friend give further thought to this aspect of the problem?

SECRETARY FOR SOCIAL SERVICES (ACTING): —Sir, the Labour Department does run a special register for the employment of overseas students seeking long term employment in Hong Kong and registration can be made in our London Office, in the Trade Development Council

[SECRETARY FOR SOCIAL SERVICES (ACTING)] **Oral answers**

Offices in New York and Toronto and I have some figures that may be of interest. The graduate register which was started in 1973 has registered 206 locally graduated persons, 52 from overseas, and of this number 209 have been referred to employers and some of them have been interviewed. 25 have so far been placed. I think I can say to my honourable Friend that we could probably consider giving more publicity to this kind of service.

Renewal of driving licences

12. MR CHEUNG: —Sir,

When will legislation be enacted to enable driving licences to be renewed from the date of expiry of the previous period and not from the date of application for renewal?

SECRETARY FOR THE ENVIRONMENT (ACTING): —Sir, I expect the necessary subsidiary legislation to be made next month, when it will be coupled with amendments to the Road Traffic (Driving Licences) Regulations to permit the introduction of laminated licences. The way for this will be cleared by the Road Traffic (Amendment) (No 2) Bill 1974 which should have its first and second readings later this afternoon.

Government business

Motions

HONG KONG AND YAUMATT FERRY COMPANY (SERVICES)

ORDINANCE

THE FINANCIAL SECRETARY moved the following motion: —

With the consent of the Company, that the Schedule to the Ordinance be amended—

(1) in paragraph 6 by—

(a) deleting "The" in sub-paragraph (1) and substituting the following—

“Subject to sub-paragraph (6), the”; and

- (b) inserting the following new sub-paragraph—
 "(6) Notwithstanding sub-paragraph (1), no royalty shall be paid by the Company in respect of the year ending 31st December 1974. ”;
- (2) in paragraph 7 by—
- (a) deleting the full stop at the end thereof and substituting a colon; and
- (b) inserting the following proviso—
 "Provided that, for the months of August, September, October, November and December 1974, no fee shall be paid by the Company. ”;
- (3) in Part I of Appendix II by deleting sub-heading A and substituting the following—

"A. SERVICES OTHER THAN BETWEEN
 JUBILEE STREET FERRY PIER AND
 KWUN TONG FERRY PIER

- | | |
|---|--|
| (a) First class passenger | <i>per trip</i> |
| Adult | 30 cents |
| Child under 16 years ... | 20 cents |
| Child (accompanied)
under 3 years..... | free |
| (b) Second class passenger | |
| Adult or child (other than
a child under 3 years
accompanied) | 20 cents |
| Child (accompanied)
under 3 years..... | free |
| (c) Freight, including general
cargo, baggage, poultry,
pigs in crates, fish in
tubs and other freight ... | \$1.50 per
picul or 4
cubic feet |
| (d) Passenger car | \$3 (inclusive
of passengers,
flat rate) |

[THE FINANCIAL SECRETARY] Motions

	<i>per trip</i>
(e) Motor cycle (including side car)	\$1 (inclusive of passengers, flat rate)
(f) Load carrying vehicle—	
Not exceeding 40 cwt., weight unladen	\$6 (inclusive of passengers and freight, flat rate)
Exceeding 40 cwt., weight unladen	\$9 (inclusive of passengers and freight, flat rate)
(e) Overhanging loads—for every 4 feet overhanging	\$10
(h) Monthly tickets (valid for current calendar month only—	
Adult	\$12
Child under 16 years.....	\$ 6” .

The amendments to the said Schedule set out in paragraph (3) of this Resolution shall come into operation on the 22nd day of July 1974.

He said: —Sir, the motion standing in my name on the Order Paper is proposed under section 5 of the Hong Kong and Yaumati Ferry Company (Services) Ordinance. It seeks to vary the Schedule to the ordinance to provide:

First, for the royalty payable by the Hong Kong and Yaumati Ferry Company for the year ending 31st December 1974 to be set at nil, instead of 25% of the company's net profit as provided for in paragraph 6(1) of the Schedule to the ordinance.

Secondly, the motion provides for the monthly fee levied under paragraph 7 of the Schedule to the ordinance for the exclusive

right to operate a passenger ferry service between North Point and Hung Hom to be set at nil, instead of the required monthly sum of \$20,000.

Thirdly, the motion seeks to provide for an increase in the passenger and vehicular fares and freight charges set out in Appendix II of the Schedule to the ordinance.

Sir, these proposals are made because the financial position of the Hong Kong and Yaumati Ferry Company in 1974 and 1975 is estimated to deteriorate to a point which necessitates remedial measures now. After payment of royalty and monthly fees the company's return on net fixed assets in 1972 was 18.45% and in 1973 it was 5.63%. But deficits are now forecast for 1974 and 1975 and, in that situation, no royalty would be payable although monthly fees could still be required to be paid. The deficit this year, with no change in the present fares structure and no royalty payable, is estimated to be \$3.5 million in 1974, if monthly fees continue to be paid, and \$2 million if they are not. On the same basis, deficits in 1975 would be of the order of either \$3.6 million or \$5.1 million depending on whether or not monthly fees continue to be paid. The deficit situation that is forecast cannot, I suggest, be allowed to occur as the company must continue to operate on a viable basis so that it may continue to make its necessary contribution towards the community's transport needs.

There are two major factors which have led to the deterioration of the financial position of the Hong Kong and Yaumati Ferry Company.

In the first place, total operating expenses have been steadily increasing and continue to do so. By way of illustration, the estimated increase in these expenses, comparing 1973 with 1974 and 1975 and excluding payment of royalty and monthly fees, is approximately \$17 million or 35% and \$23 million or 48% respectively. The element representing the cost of fuel oil in the company's total operating expenses has risen by about 180% between January 1973 and March 1974. So the company has considerable additional and unavoidable expenditure to meet.

Secondly, total revenue in 1973 fell by some \$9 million or by 14% from that obtained in 1972 and, significantly, cross harbour revenue, with the opening of the Cross Harbour Tunnel in 1972, dropped by some \$11 million or by 22% in 1973 compared with 1972. This particular reduction was partially offset by increased revenue on other services. It is pertinent that, prior to 1972, the company's vehicular services were the most profitable element of its operations and much

[THE FINANCIAL SECRETARY] **Motions**

of that profit served to subsidize the fares on the passenger services. That subsidization, in effect, delayed the introduction of a proper level of viable passenger fares, but the loss of revenue since the opening of the Cross Harbour Tunnel in 1972 no longer allowed such a subsidy to be continued.

In these circumstances, the company put forward proposals which form the basis of this motion and which have received the support of the Transport Advisory Committee.

Sir, the figures I have quoted make clear that the proposals to waive royalty and monthly fees will not alone place the company in a viable position. So increases in fares and other charges are proposed and when considering them I would ask honourable Members and the general public to bear in mind that fares and charges, other than those for *de luxe* class accommodation, have remained unchanged for 29 years.

The major changes proposed in the fare structure provide for an increase in adult first and one class passenger fares from 20 cents to 30 cents with children under 16 years from 10 cents to 20 cents. Second class passenger fares for adults or children under 16 are to increase from 10 cents to 20 cents. Where monthly tickets are available, the price is to increase from \$8 to \$12 for adults and for children under 16, from \$4 to \$6. Accompanied children under 3 years of age will continue to travel free. All freight is to be charged at a rate of \$1.50 per picul or 4 cubic feet, while vehicle rates are subject mainly to smaller percentage increases than passengers and freight.

Sir, as I explained earlier, with the present fare structure and the obligation to pay royalty and monthly fees, deficits are forecast in 1974 and 1975. If the proposed fare increases and the waiving of royalty and monthly fees are approved by this Council, it is forecast that the company will obtain a return on net assets of some 7% in 1974, 11.5% in 1975 and 9% in 1976. These forecast rates of return are based on a number of optimistic assumptions, the most important of which is that there will be little or no change in the amount of passenger and vehicular traffic or the volume of freight carried, as a result of the proposed amendments to the schedule of fares and freight charges.

The estimated rates of return are I suggest modest, particularly in relation to the 15% return which would normally be regarded as a fair rate for efficiently run transport companies. They represent only a relatively small improvement in the profitability of the company and are, therefore, appropriate to the situation and no more than that. I hope that they will be understood and accepted as such by the public at large.

Of course, Sir, the public is also interested in the quality of the company's services which has attracted some justified criticism from time to time. I believe there has been an improvement over the past few years with the introduction of modern vessels. Passengers have benefited considerably from faster services and the added comfort of the *de luxe* class accommodation available on some services. The company has also attempted to improve the cleanliness of its ferries and, I am assured, continues to persevere in its efforts. But in mitigation of some criticism it must be said that the state of cleanliness is frequently dependent on the degree of public co-operation obtained.

In all the circumstances, Sir, the Government is of the view that the measures which are the subject of the present motion before this Council should be adopted by amending the Schedule to the ordinance, to bring about an improvement in the company's financial position.

Question put and agreed to.

THE FURTHER DEVELOPMENT OF MEDICAL AND HEALTH SERVICES IN HONG KONG

DR CHOA moved the following motion: —

That this Council endorses the White Paper entitled "The Further Development of Medical and Health Services in Hong Kong".

He said: —Sir, under the chairmanship of Sir Albert RODRIGUES, the Medical Development Advisory Committee submitted a report in July 1973 which was tabled in this Council as a Green Paper on 31st October 1973. The White Paper which is laid on the table today has been written following the advice from the MDAC and comments by professional bodies and members of the public. As stated in the foreword this White Paper has been prepared with the competing claims on Hong Kong's resources in view. In this connection I must

[DR CHOA] **The Further Development of Medical and Health Services in Hong Kong**

in particular refer to the financial implications of the development programme recommended although this is explained in Chapter 13 of the White Paper.

The full implementation of all the proposals in the White Paper would involve massive capital expenditure amounting to \$914 million at mid-1974 prices. It would also involve roughly doubling the annually recurrent expenditure on medical and health services to about \$900 million at current prices. This represents a very rapid increase in expenditure.

However, any capital works programme of the magnitude proposed in the White Paper must take into account the economic circumstances of Hong Kong from year to year. At present Government is confident that it should be possible by 1984 to carry out those projects which are listed in paragraph 13.3, as items (a) to (f). They include a large number of important projects already in Categories A and B of the Public Works Programme, the hospitals and polyclinics at Sha Tin and Tuen Mun, the second medical school and the dental school, the school dental service and a third nurses training school. The cost of all these projects is estimated at \$690 million at current prices. Recurrent expenditure at current prices on medical services will rise to about \$800 million when these projects are completed. So the timing of the projects will depend as much on the Government's ability to take on substantial additional recurrent expenditure as on the funds available for capital works.

In addition, a further capital expenditure amounting to \$224 million will be required for items (g) to (m) listed in paragraph 13.3. These projects will be implemented as soon after 1984 as economic circumstances permit.

Having explained the financial implications and identified the order of priorities, I would like to turn to the objectives and proposals within the White Paper, which are explained in Chapter 3 and summarized in Chapter 4 respectively, and discuss briefly the main proposals in respect of the recommendations of the NMAC.

The position concerning hospitals is dealt with generally in Chapter 7 of the White Paper.

The MDAC recommended a general standard of 5.5 hospital beds per 1,000 population by the end of 1982, but it indicated that the full achievement of this target would be likely to exceed the ability of the Government to build, finance and staff the institutions required. These are real constraints, but subject to these, the ratio is accepted by Government as a desirable standard for long term planning purposes.

The need for all the hospitals recommended by the MDAC is also accepted by Government, but the order and the time within which they should be built have been altered. The order in which the hospitals will be built reflects the importance which the Government attaches to the development of proper medical facilities in the new towns and through them the New Territories. In the case of the psychiatric hospital in Shau Kei Wan a major modification has been made, because the advice given by experts is that smaller psychiatric hospitals are more suitable, and psychiatric beds can still be provided in other general hospitals. I should like here to say a few words about the new hospitals.

The Sha Tin Hospital will be a regional hospital of 1,200 beds, serving the East New Territories. It will be developed as a teaching hospital to provide clinical teaching facilities for the new medical school which is to be established at the Chinese University of Hong Kong.

The Tuen Mun Hospital will be a district hospital of 1,200 beds serving the West New Territories. Originally the MDAC recommended a 500-bed hospital in this district. However, in view of the reduction in size of the Shau Kei Wan psychiatric hospital and of the likely growth of population in the area, it has now been decided that a larger hospital of 1,200 beds will be built here.

The Shau Kei Wan Psychiatric Hospital, originally planned for 1,000 beds, will contain 500 beds with another 500 beds for psychiatric patients being incorporated in other hospitals and clinics.

The East Kowloon Hospital will be a district hospital of 1,200 beds for non-acute cases including psychiatry and geriatrics.

Of these hospitals the Sha Tin Hospital and the Tuen Mun Hospital are expected to be completed by 1984. Between now and that date the general wing of the Princess Margaret Hospital is due to become operational in April 1975, and the construction of the psychiatric wing will begin thereafter.

[DR CHOA] **The Further Development of Medical and Health Services
in Hong Kong**

In public comments made concerning hospitals there were suggestions that another hospital should be built on the eastern side of Hong Kong Island. However it has been necessary to give priority to the needs of the new towns and I think it will be generally agreed that this is correct. Furthermore, the population on Hong Kong Island has remained generally static for the past 10 years and expectations are that in future it will fall. Also Hong Kong Island as a region already has the highest ratio of hospital beds to population. To improve the provision of services in this area, the Tung Wah Eastern Hospital in Causeway Bay has recently been modernised and equipped to serve as an acute district hospital.

Chapter 8 of the White Paper deals with the provision of clinics and polyclinics.

The MDAC recommended that there should be 305 consulting rooms by 1982 and that the design of clinics and polyclinics should be re-appraised. Government considers it likely that more rooms are necessary and the MDAC is being asked to pay particular attention to this in its first review of the development programme which will take place next year. Present proposals for clinics and polyclinics are as follows: —

- (a) polyclinics or specialist clinics will be opened in Hong Kong Island East, East Kowloon, South Kwai Chung, Sha Tin, Tuen Mun and Kwun Tong;
- (b) general clinics will be provided at Ngau Tau Kok, Lam Tin, To Kwa Wan, Ha Kwai Chung, Lei Muk Shue and Sha Tin; and
- (c) the Violet Peel Clinic, Central Dispensary, and the clinics at Sham Shui Po and Sai Kung will be reprovisioned.

The inclusion of "day" beds for patients who require attention and care after discharge from hospital and the provision of rehabilitation facilities will be important features in the design for these new clinics and polyclinics.

Regionalization is dealt with in Chapters 5 and 6 of the White Paper.

Government has accepted the recommendation that medical and health services should be regionalized and there will initially be four regions as recommended by the MDAC. However, with the expected movement of population the need for a fifth region in due course is foreseen. The four regions are: —

Hong Kong Island

West Kowloon

East Kowloon and East New Territories

West New Territories

The fifth region would be created by the division of East Kowloon and East New Territories and I anticipate this coming into effect when the Sha Tin Hospital is commissioned.

Regionalization is due to commence on 1st April 1975. Each region will have its own regional hospital, with all appropriate special services, one or more district hospitals which will have ordinary hospital facilities, one or more specialist clinics and a number of general clinics.

With regionalization, medical and health services will be brought more closely together. This will also be to the advantage of medical services generally as it will help in determining the needs of regions and enable the fullest use to be made of all available hospital beds.

A further advantage to be gained from regionalization is that it should provide an improved accident service. As soon as the establishment of the regional structure allows, re-organization of the accident services will be worked out. In the two-tier system recommended, there are designated accident centres, and accident centres with different levels of treatment and rehabilitation facilities, which can be incorporated in regional and district hospitals respectively.

To obtain the fullest benefit from regionalization, improvements are needed to certain hospitals. These improvements have been included in the overall development plan.

The question of charges and subventions for Government-assisted hospitals participating in the regionalization scheme is dealt with in Chapter 6 of the White Paper.

It is Government's aim to provide free medical treatment for patients in third class beds but that they should be charged a uniform fee for subsistence with a remission scheme in case of need. To this end, in spite of the actual high cost per day per bed, the charges

[DR CHOA] **The Further Development of Medical and Health Services in Hong Kong**

in Government hospitals have been kept at a minimum. However, there is disparity in charges between Government and certain Government-assisted hospitals. In order to achieve the full benefit of regionalized services, it is clear that there should be uniformity of charges. Government has undertaken to review the methods of subventing hospitals included in the regionalization scheme. Having determined the most appropriate arrangements, standardization of charges for 3rd class beds will follow.

Chapter 9 of the White Paper deals with the question of the supply of doctors.

The MDAC recommendation for additional doctors was referred by Government to the University and Polytechnic Grants Committee. The UPGC advised that a new medical school should be sited at the Chinese University of Hong Kong. This advice has been accepted. It is a consequence of this decision that the hospital at Sha Tin is being designed as a teaching hospital from the outset. It follows that the timing of the development of this hospital and the new medical school must be closely co-ordinated.

The question of the supply of nurses is dealt with in Chapter 10 of the White Paper.

The MDAC recommendation for a third general nurses training school has been accepted by Government and it will be sited at the Princess Margaret Hospital. The school will be planned to take a capacity of up to 300 students a year but with an initial intake limited to 210 per year. When the school is running at full capacity it will be possible to give further consideration to further training of nurses already in Government service, to assistance of the Government-assisted sector, and to the development of community nursing.

The question of dental health is dealt with in Chapter 11 of the White Paper.

Government has accepted the recommendation that a school for the training of dental nurses be established as a first step towards giving dental treatment to school children. A site for this school and for a school-children's dental clinic has already been ear-marked in the Morrison Hill area.

The recommendation that plans be made for a dental school were referred by Government to the UPGC, which subsequently advised that the dental school should be sited at the University of Hong Kong and that a dental teaching clinic should be provided. This advice has been accepted.

Chapter 12 of the White Paper gives an account of the present health service and its achievements since the Pacific War.

In its report the MDAC recommended that a number of matters be kept under review, including drug addiction, family planning, rehabilitation, community nursing and the functioning of the health services.

Since the publication of the MDAC report, a new division has been created in the Medical and Health Department to deal with treatment of, and research into, drug addiction. I have already recently spoken at some length on the subject of treatment of drug addiction when this Council debated the White Paper on the Problems of Dangerous Drugs in Hong Kong.

Integration of family planning into the Maternal and Child Health programme is progressing satisfactorily and immediate priority will be given to consolidating and developing these services in conjunction with the proposed programme for the new clinics. At the same time the Family Planning Association will be developing its services in areas not served by the Government clinics.

It is proposed in the White Paper that medical rehabilitation needs should be examined and included in a co-ordinated plan for the physically and mentally disabled.

As regards community nursing, Government is unlikely to be in a position to undertake such a service in the foreseeable future owing to other more pressing needs for nurses. However, as recommended by the MDAC, the matter will be kept under review.

With the accent nowadays on health education in preventive and community medicine, the establishment of a health education unit in the department has been recommended, the task of which will be to arouse and maintain public awareness of preventive measures and health hazards. The MDAC's suggestion that vigorous publicity campaigns should be conducted to reduce the number of occupational and traffic accidents will be carried out, with the co-operation of other departments concerned.

[DR CHOA] **The Further Development of Medical and Health Services
in Hong Kong**

Sir, in my preceding remarks I have referred to some comments made by members of the public when the report of the MDAC was published as a Green Paper. Replies to other comments will be apparent from the proposals in the White Paper. There will also be many comments to which no reply has been made by me today or implied in the White Paper. I would like to assure those members of the public concerned that their comments have not been overlooked and that, where they are of value, they will be pursued either in my department or through the MDAC. I would also like to take this opportunity to express my sincere appreciation to them for their interest.

Finally, Sir, while many members of the public may be perturbed that financial resources do not allow for the implementation of all proposals in the White Paper as quickly as they would like, I would emphasise two points. The first is that the development programme will be kept under annual review and that Government will proceed as rapidly as it can to implement all the proposals in the White Paper having regard to the availability of funds and the overall needs of the people of Hong Kong. The second is that with the development of the projects in the White Paper there will be a steady improvement in the medical facilities available to the people of Hong Kong.

Motion made. That the debate on the motion be adjourned—DR CHOA.

Question put and agreed to.

**TEMPORARY RESTRICTION OF BUILDING DEVELOPMENT
(POK FU LAM AND MID-LEVELS) ORDINANCE**

MR BELL moved the following motion: —

Pursuant to section 5 of the Temporary Restriction of Building Development (Pok Fu Lam and Mid-levels) Ordinance, that the said Ordinance shall expire on the 31st July 1975.

He said: —Sir, honourable Members will recall that at the meeting of this Council on 30th January 1974 the date of expiry of the principal ordinance was extended to the 31st July 1974. It is now necessary to

extend the restrictions imposed under this ordinance for a further period of one year.

When moving the second reading of the Temporary Restriction of Building Development (Pok Fu Lam and Mid-Levels) (Amendment) Bill 1973 I emphasized that, due to the size of the problem and the limitations of any feasible road system, we should not be too sanguine that a solution will be easy to find or quickly achieved.

In August 1973, when the ordinance was brought into force, the number of flats in the Mid-Levels area was just over 7,000, with a population of about 29,000. When buildings which are under construction and approved have been completed, the number of flats will have increased to 11,000 with a total expected population of about 44,000.

The lifting of the present restriction on development would mean that yet another 2,800 flats could be built under existing lease conditions and planning controls, which would increase the population by about a further 11,000. The total would then be around 55,000 or not far below twice the 1973 figure.

In August 1973 in the Pok Fu Lam area there were nearly 9,000 flats, including the Wah Fu Estate, with a population of 49,000. Again when buildings under construction and approved are completed there will be almost 11,000 flats and a population of about 59,000. The lifting of the restriction on development would mean a further 1,000 flats could be built under existing lease conditions and planning controls. This would produce a further increase in population of about 6,000 giving a total of 65,000, which in this case is approximately one-third above the 1973 figure.

It is apparent from these figures that the completion of residential flat development already under construction and approved will generate peak hour traffic far in excess of the capacity of the Mid-Levels eastbound traffic corridor. Any additional development would obviously aggravate this situation even further.

The danger of total traffic congestion cannot even be solved by the major traffic improvements planned, namely, further widening of Pok Fu Lam Road, the Water Street Flyover and the Aberdeen Tunnel. It is clearly essential that the traffic situation I have described should be contained, particularly in view of the effect this would have on the movement of essential services such as fire appliances and ambulances.

[MR BELL] **Temporary Restriction of Building Development (Pok Fu Lam and Mid-levels) Ordinance**

It is against this background that traffic management measures have, within the last six months, been introduced into Mid-Levels, consisting principally of a bus priority scheme. Initial indications are that there has been a swing to bus travel of the order of 30%. Whilst some further intensification of the scheme involving increased frequency of buses may be possible, the effect will be limited by the narrow carriageways and inadequate passenger loading facilities. The continuation of restrictions in the Mid-Levels is therefore likely to be necessary for a substantial period.

In the case of the Pok Fu Lam area, the Government proposes to investigate the possibility of introducing similar traffic management schemes to those which have been brought into force in the Mid-Levels. Furthermore, in view of the urgent need to release land for development, it is hoped that it will be possible to lift the restriction imposed by the ordinance in relation to the Pok Fu Lam area by the end of this year, so that the additional flats which could be built under existing conditions and planning controls might be allowed to go forward.

It should be emphasized that this will not mean that all the major traffic improvements to which I have just referred will be completed before the additional buildings in the Pok Fu Lam area would be ready for occupation. The relaxation in the case of Pok Fu Lam may therefore give rise to a further degree of congestion. Nevertheless, it is considered that this risk should be taken, because of the need for further residential development and also in the hope that within the next 2 years or so the public may to some degree have been induced to use public transport more and private cars less.

Motion made. That the debate on the motion be adjourned—MR BELL.

Question put and agreed to.

First reading of bills

FIXED PENALTY (CRIMINAL PROCEEDINGS) BILL 1974

MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS) BILL 1974

**MULTI-STOREY BUILDINGS (OWNERS INCORPORATION)
(AMENDMENT) BILL 1974****HONG KONG ARTS CENTRE BILL 1974****ROAD TRAFFIC (AMENDMENT) (NO 2) BILL 1974****ROAD TRAFFIC (AMENDMENT) (NO 3) BILL 1974****FIXED PENALTY (TRAFFIC CONTRAVENTIONS) (AMENDMENT)
BILL 1974****EMPLOYMENT (AMENDMENT) (NO 3) BILL 1974****BUILDINGS (AMENDMENT) BILL 1974**

Bills read the first time and ordered to be set down for second reading pursuant to Standing Order 41(3).

Second reading of bills**FIXED PENALTY (CRIMINAL PROCEEDINGS) BILL 1974**

THE ATTORNEY GENERAL moved the second reading of: —"A bill to provide for a fixed penalty to be payable for various offences, and for purposes connected therewith."

He said: —Sir, at the meeting of this Council on 3rd July I announced the withdrawal of another Fixed Penalty (Criminal Proceedings) Bill. That bill was introduced in January of this year and met with considerable opposition. It had two purposes. One was to introduce a scheme under which a person who offended against certain road traffic laws could on demand, but at his option, pay a fixed penalty and thereby obtain a complete discharge of his liability to further proceedings. The other was to introduce a demerit points scheme under which the accumulation by a driver of a specified number of adverse points within a specified period would lead to a disqualification from driving. Both schemes were criticized, but the heavier criticism was directed at the demerit points scheme. It is, Sir, neither necessary nor profitable at this stage to go into the criticisms of that scheme. Suffice it to say that, following representations from honourable Unofficial Members in the light of the criticisms, the Government decided not to introduce the scheme for the time being. I must, however, put on record the Government's view that, subject to amendments which would eliminate an automatic disqualification, the scheme is basically sound and further consideration will be given to it at a suitable time.

[THE ATTORNEY GENERAL] **Fixed Penalty (Criminal Proceedings) Bill—
second reading**

The bill now before this Council seeks to introduce only the fixed penalty scheme. The scheme in its essentials is the same as the scheme proposed in the earlier bill. There are four points which I want to mention though with a view to removing misunderstanding.

Firstly, the fixed penalty scheme does not involve "on the spot" fines, though I readily concede that one clause of the earlier bill, taken in isolation, contained an implication that that bill did.

Secondly, the legislation for the fixed penalty scheme does not create any offences. Every fixed penalty offence under the earlier bill, and every fixed penalty offence under this bill, already exists under quite separate legislation.

Thirdly, Sir, no one is obliged to pay the fixed penalty when it is demanded. Anyone who prefers his case to be heard by a court may ignore the demand for the fixed penalty, in which case normal criminal proceedings may be instituted.

Fourthly, the bill does not authorize the institution of proceedings, and for this purpose I mean the giving of the initial opportunity to pay, on the basis of any less evidence than that now required for the institution of normal criminal proceedings.

Sir, the scheme is intended to save the time of police officers. It is vital that the police should be able to devote as much of their energies as possible to the fight against serious crime. As I said before, it is estimated that in 1973 over half a million police man hours were take up in prosecutions for offences covered in this bill. It is hoped that the proposed scheme will effect a saving of something in the region of 25% of this total of police time, and that there will be savings also in the time of the courts.

Although a fixed penalty scheme for parking contraventions has been in operation for over 3 years and has worked very well, the scheme proposed by this bill differs from it in a major respect. Parking contraventions are no longer criminal offences and the fixed penalty is recovered as a civil debt. Under this bill the traffic contraventions will remain criminal offences. The reason for this is obvious. There is a certain uniformity about parking contraventions which justifies a fixed penalty only. The same cannot be said of other traffic contraventions, which vary significantly in seriousness. Accordingly, this bill

provides that an offender may be given an opportunity to discharge his liability by paying the fixed penalty, but does not affect the right of the Crown to institute from the outset normal criminal proceedings where that is considered appropriate.

Sir, the review which has taken place since the earlier bill was introduced has resulted in the following changes in the fixed penalty scheme.

Firstly, the list of offences which it was originally proposed to bring within the scheme has been re-examined. It has been decided that, initially at least, the scheme should extend only to 73 out of the original 93 offences. Among the offences to which the scheme will not now apply are careless driving and the proposed offence of not carrying a driving licence when driving.

Secondly, the amount of the fixed penalty has been reduced in a number of cases. With one exception, the fixed penalty is now either \$50 or \$100.

Thirdly, there is no special provision for the award of costs by a court against a convicted offender. The normal provision in the Magistrates Ordinance will apply. However, Sir, the provision that a person who voluntarily pays the fixed penalty out of time must also pay \$25 by way of costs is retained.

This bill has been the subject of detailed discussion with Unofficial Members, whose views have been taken fully into account in its preparation. I believe that it is now generally acceptable to them and I should like to express my appreciation of their practical approach and their many helpful suggestions.

Motion made. That the debate on the second reading of the bill be adjourned—THE ATTORNEY GENERAL.

Question put and agreed to.

MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS) BILL 1974

THE ATTORNEY GENERAL moved the second reading of: —"A bill to provide for the resumption of land, creation of easements and the exercise of other powers by the Crown in aid of the construction and operation of a mass transit railway and to make provisions as to compensation for losses caused by the exercise of such powers."

[THE ATTORNEY GENERAL] **Mass Transit Railway (Land Resumption and Related Provisions) Bill—second reading**

He said: —Sir, the construction of the mass transit railway will be the largest single public work ever carried on in the urban area of Hong Kong. It will be a complex engineering undertaking and the work will be carried out to a tight schedule. Apart from the tunnelling and other construction work, the permanent or temporary closure or alteration of some streets will be necessary and land reclamation may become necessary at some stage. Against this general background, the Government considers it necessary to bring together in one piece of legislation all the statutory powers which will be called for, making such changes in the existing laws as the nature of the project requires. But I would emphasise that the changes have been kept to the minimum consistent with effective facilitation of the construction of the railway. In particular, no change of principle is suggested with respect to the basis on which compensation is paid for resumed land or other affected property rights. To a substantial extent, the bill may be regarded as a consolidating measure.

The line which the railway will follow has been chosen carefully so that, wherever possible, it follows the line of existing public roads. This will keep interference with private land and property to a minimum. The planned line cannot, however, be altered without risk of throwing the whole project out of gear, and that would have serious engineering and financial implications. Accordingly, one change from the existing law is that in the case of the necessary land reclamations or street alterations the right of objection conferred by the Public Reclamations and Works Ordinance or the Streets (Alteration) Ordinance has been abrogated. For the same reason, it is proposed that the Executive Council need not be consulted on individual land resumptions as required by the Crown Lands Resumption Ordinance.

The latter change is effected in this way. Clause 3 of the bill provides for the preparation of plans of the railway area—that is to say, the parts of Hong Kong within which land may have to be resumed for the purposes of the railway. Clause 4 enables the Governor to order the resumption of land within that area. Notice of a resumption will, of course, be given and the land specified in any order of the Governor will vest in the Crown free from all encumbrances, as is the case under the Crown Lands Resumption Ordinance. In one case, there is provision for the resumption of land outside the railway area. Under clause 8, the Governor may order the resumption of such

land if he is satisfied that resumed land within the railway area is reasonably necessary to the use of other contiguous or adjacent land so that the other land cannot be put to profitable use. Disputes as to the significance of resumed land to such other land will go to the Lands Tribunal to be established by the Lands Tribunal Bill now before this Council.

The designation, Sir, of the railway area will also be significant for another purpose. This is the power conferred on the Governor by clause 6 to order the creation of easements in, over or under land in that area. The ability of the Governor to take easements in this way is particularly important with respect to the underground tunnels for the railway. It is intended that subterranean rights of way will be taken for this purpose so as to minimize the need to interfere with property or property rights at or above ground level. Some other easements will be necessary—for ventilation shafts or access purposes, for example. The power to take an easement is, of course, new and there is a corresponding provision for the payment of compensation.

Before turning to other matters, it is opportune, I think, to mention that much of the private land affected by the first four stages of the railway has already been acquired by the Government. This is because it has been the Government's policy, since planning for the railway began in 1968, to acquire land likely to be affected as it became available. The result is that of 74 major sites required for the first four stages of the railway, 64 have already vested in the Crown, and resumptions for the construction of the first four stages will now affect only about another 30 property owners and some 250 tenants. Thus, Sir, the introduction of this legislation does not mean that the Government is about to embark on land resumption on a vast scale.

In addition to conferring power to resume land and create easements, the bill will also enable the Governor to order the permanent or temporary closure or alteration of roads, to order land reclamations and other works on the shore or seabed, and to extinguish, modify or restrict private rights in relation to roads, the shore or the seabed. These provisions replace provisions for the same purpose in the Public Reclamations and Works Ordinance and the Streets (Alteration) Ordinance, but as I have said, there will of necessity be no right to object.

Part III of the bill also permits the Director of Public Works to carry out on private property in or near the railway area preventive or remedial work. This means work to underpin or strengthen land or buildings, and other work to make land or buildings safe or to repair

[THE ATTORNEY GENERAL] **Mass Transit Railway (Land Resumption and Related Provisions) Bill—second reading**

damage caused by the construction or operation of the railway. There is provision for the giving of notice in normal circumstances before the Director goes on to private property for this purpose. The Director is further empowered to require public utility companies to alter their installations so far as necessary in connection with the railway's constructions and he may for the like purpose require property owners to remove anything attached to or projecting from buildings. There is provision for the payment of compensation for expense incurred or loss suffered as a result of the exercise of either of these powers.

Finally, in terms of the powers which the bill confers, clause 15 authorizes the Building Authority to refuse to approve building plans, or to consent to the commencement of building works, and to withdraw approval of plans or consent to carry on building works, where the building works are or would be incompatible with the construction or operation of the railway. This may sound rather drastic, but I can say that a clash of the sort for which this clause provides is likely to be rare. The Government believes that in most cases agreement will be possible so that the needs of the railway can be met without preventing private development. Where a clash is unavoidable and development has to be frustrated, the bill does no more than the existing law, which permits a refusal of development proposals which conflict with town plans providing for public projects.

I have already referred more than once to the question of compensation. Detailed provision is to be found in Part IV and the Schedule to the bill. It is appropriate that I should again emphasize that there is no change of principle from the existing law with respect to the basis on which compensation will be paid for resumed land. I hope that honourable Members will find this modern restatement of the law readily comprehensible. There are, of course, new heads of compensation corresponding with new provision for the acquisition of rights or with provisions conferring new powers. One example is the power to take easements. The compensation provision in this respect confers a right to payment not only for the reduction in the value of land as a result of the taking of the easement but also for any disturbance which results. Another is the provision for compensation for structural damage caused by the construction of the railway and for disturbance resulting from such damage. Compensation is also payable for damage suffered as a result of the carrying out of preventive

or remedial works. Utility companies will be compensated for the cost of altering their installations and property owners will be compensated for loss in the value of a building caused by the removal of lawful projections. A reduction in the market value of land in consequence of the withdrawal of permission to develop will also give a right to compensation, but in accordance with the existing law compensation will not be payable where development is frustrated on account of a refusal to approve plans or to give consent to the commencement of building works.

Disputes about compensation will go to the proposed Lands Tribunal. But the introduction in this bill of provisions about the settlement of compensation claims which are more flexible than those in some existing laws will, it is hoped, keep to a minimum the number of cases which will have to go to the Tribunal.

One other provision concerning compensation calls for comment. There could be a few cases where the cost of repairing a building damaged as a result of the construction of the railway would be disproportionate to the value of the building. Clause 21 empowers the Governor, in such a case, to resume the land on which that building stands as an alternative to paying compensation.

Sir, this bill is as essential for the orderly construction of the railway within the short time, for a project of such magnitude, which the Government intends, as the railway itself is to Hong Kong's future public transport needs. This brings me, Sir, to a final point. It is contended by some that there are aspects of the existing Hong Kong law relating to compensation which are in need of re-examination. This may or may not be so, but I suggest for the consideration of honourable Members that the passing of this bill through the Council does not provide an appropriate opportunity to consider questions of much wider import. It follows the existing law faithfully and provides fair and realistic terms in respect of the construction of the railway.

Motion made. That the debate on the second reading of the bill be adjourned—THE ATTORNEY GENERAL.

Question put and agreed to.

**MULTI-STOREY BUILDINGS (OWNERS INCORPORATION)
(AMENDMENT) BILL 1974**

SECRETARY FOR HOUSING moved the second reading of:—"A bill to amend the Multi-storey Buildings (Owners Incorporation) Ordinance."

He said:—Sir, this bill is designed to deal with the very rare situation where the Government has obtained an undertaking or an agreement from a developer of a private housing development to provide continuous management of the property to Government's satisfaction. Undertakings or agreements of this kind will be required only for very large-scale development complexes where substantial communal facilities are shared by a number of blocks, and hence require centralized management. As the ordinance now stands, such an undertaking by the developer to Government could be frustrated since the owners in individual blocks in the complex can now have themselves registered as a corporation and take over the management of that part of the complex. The ordinance was never intended to be used in this way, and a number of individual groups could never be expected to provide acceptable management of such a complex.

This bill therefore provides that the ordinance shall not apply where an undertaking or an agreement of this kind has been registered in the Land Office. The bill goes on to say that the ordinance can apply if the Colonial Secretary has issued a certificate to the effect that there is no objection to the appointment of a management committee under the ordinance. This is to provide for any unforeseen contingency which might require a change of arrangements.

Motion made. That the debate on the second reading of the bill be adjourned—SECRETARY FOR HOUSING.

Question put and agreed to.

HONG KONG ARTS CENTRE BILL 1974

SECRETARY FOR HOME AFFAIRS moved the second reading of:—"A bill to provide for the establishment of the Hong Kong Arts Centre and for matters connected therewith."

He said:—Sir, the purpose of this bill is to transfer the assets, liabilities and functions of the Hong Kong Arts Centre Limited to a new body to be established by the bill—the Hong Kong Arts Centre.

The establishment of the new body by ordinance is to ensure that the facilities that are provided will be used for the benefit of the community as a whole. The method by which this will be achieved will be through the establishment of a Board of Governors, to be appointed by the Governor, which will be charged with the responsibility of directing and controlling the activities of the Centre, and which will have the power, in the last resort, to suspend the Committee and assume all the latter's powers and functions which are in turn defined in the bill.

The Centre will cater for both Western and Eastern disciplines in the arts, and the premises that are now under construction will provide a comprehensive range of facilities for stage and musical rehearsals and performances, for visual art displays and for training in the various arts. Such facilities cannot now be satisfactorily provided in the City Hall or elsewhere. The City Hall in particular is heavily booked throughout the year—an encouraging and gratifying indication of the heightened interest among all sections of the community in cultural pursuits.

When the Arts Centre is completed in the latter half of 1976, it will be a very valuable community asset, devoted to the promotion and encouragement of all the visual, musical and performing arts in Hong Kong.

Motion made. That the debate on the second reading of the bill be adjourned—SECRETARY FOR HOME AFFAIRS.

Question put and agreed to.

ROAD TRAFFIC (AMENDMENT) (NO 2) BILL 1974

SECRETARY FOR THE ENVIRONMENT (ACTING) moved the second reading of:—"A bill to amend the Road Traffic Ordinance."

He said:—Sir, there are nearly half a million driving licence records maintained by the Transport Department, and because of this enormous and growing number these records are now processed and stored by computer. At the moment the computer printouts are stuck into ordinary driving licences, but in due course all new replacement and renewed driving licences will be laminated making use of the computer printouts. The computer process saves a great deal of manual work while the laminated licences will be much more convenient to carry and will also help to prevent fraud.

[SECRETARY FOR THE ENVIRONMENT] **Road Traffic (Amendment) (No 2)
Bill—second reading**

Honourable Members will be interested to know that the laminated driving licences will be about the same size as identity cards and will bear the photograph of the holder and various other particulars. Because it is extremely difficult, if not impossible to endorse laminated cards, the endorsement of driving licences will have to be discontinued. The main purpose of this bill, therefore, is to repeal section 26 of the Road Traffic Ordinance dealing with endorsements.

However, the bill also provides that licence holders can, on the payment of a fee, obtain from the Commissioner of Police details or convictions under the ordinance recorded against them.

The other amendments of the ordinance are of a minor or consequential nature.

Motion made. That the debate on the second reading of the bill be adjourned—SECRETARY FOR THE ENVIRONMENT.

Question put and agreed to.

ROAD TRAFFIC (AMENDMENT) (NO 3) BILL 1974

SECRETARY FOR SECURITY moved the second reading of: —"A bill to amend the Road Traffic Ordinance."

He said: —This bill, Sir, seeks to provide for the appointment of traffic wardens to assist the police in the discharge of certain functions relating to traffic.

Dealing first, therefore, with principles and the general concept—police commitments relating to the enforcement of the laws on parking and regulation of traffic are carried out largely by patrol officers as a secondary aspect of their duties. The Commissioner of Police tells me that the time so spent by these officers could be better devoted to other more demanding and important duties. It is therefore proposed that a Corps of Traffic Wardens, under the control of the Commissioner of Police, should be established, as has already been done in many countries, to assist in the discharge of the following functions:

enforcement of the law with respect to all parking offences; and control and regulation of traffic, including pedestrians.

There are several compelling reasons for the establishment of traffic wardens, but the main reason is the need to release police officers from duties which call for only a few of a police officer's many qualities and skills. This is particularly important when the Police Force is fully extended in combatting violent crime and meeting other important commitments. Additionally, traffic wardens, in dealing with only a limited field of traffic policing, should become better acquainted with the law, procedure and problems with which motorists are confronted consequently be in a better position to deal with the situation. Furthermore, a Corps of Traffic Wardens is likely to attract men and women capable of performing less demanding duties than those of a police officer.

It is therefore proposed that a Corps of Traffic Wardens, consisting traffic wardens and senior traffic wardens, should be established on a trial basis, initially for a period of six months. Traffic wardens would operate in selected areas, and be confined to the duties stipulated already. The Commissioner of Police proposes to appraise the results of the trial scheme at the end of the six months' period, and should it prove successful, consideration will be given to creating a permanent Corps.

If, with the approval of this Council, the necessary legislation is enacted, the Commissioner intends to start the trial scheme in about three months' time. Traffic wardens would undergo five weeks' intensive training before taking up their duties. They will have a special uniform, and training courses will emphasize the need for courtesy in dealing with the public. The Corps would be administered by the Commissioner of Police and would work under the general direction of experienced police officers.

For the trial scheme, 13 posts of senior traffic warden and 80 posts of traffic warden are proposed. These new posts will be held against an equivalent number of sergeant and constable posts in the Police Force establishment. The creation of new posts has been approved by the Finance Committee of this Council subject to the necessary change in the law. It is estimated that the trial would not involve additional expenditure to a significant extent.

The Road Traffic (Amendment) (No 3) Bill now before honourable Members provides for the appointment of traffic wardens to assist the Police Force in the discharge of its functions relating to road traffic. Its main provisions are as follows: —

[SECRETARY FOR SECURITY] **Road Traffic (Amendment) (No 3) Bill—
second reading**

- (a) clause 3 empowers the Governor in Council to prescribe by regulation the discipline, duties, promotion, control and administration of traffic wardens;
- (b) clause 4 adds to the principal ordinance two new sections, 7B and 7C, which are, I believe, straightforward and I do not intend to rehearse them here;
- (c) clause 5 makes it an offence under section 19 of the Road Traffic Ordinance to neglect or refuse to obey the directions of a traffic warden.

I believe, Sir, that honourable Members will support this bill. It shows, I think, that we have the priorities right. It is related, indirectly, to the combatting of violent crime, though this aspect should not perhaps be overstated. Other major cities of the world have found there is a genuine requirement for traffic wardens and we realize the need here. The Road Traffic (Amendment) (No 3) Bill 1974 seeks to meet that need.

Motion made. That the debate on the second reading of the bill be adjourned—SECRETARY FOR SECURITY.

Question put and agreed to.

**FIXED PENALTY (TRAFFIC CONTRAVENTIONS)
(AMENDMENT) BILL 1974**

SECRETARY FOR SECURITY moved the second reading of: —"A bill to amend the Fixed Penalty (Traffic Contraventions) Ordinance."

He said: —Sir, this bill should be read in conjunction with the Road Traffic (Amendment) Bill, which, as I have already informed honourable Members, concerns the establishment of a trial scheme of traffic wardens.

The bill consists of two minor amendments to the principal ordinance. The sole purpose of these amendments is to give to traffic wardens the powers of a police officer under section 15(i) of Chapter 237, namely, the power to issue "Notices of opportunity to pay fixed penalties", in respect of the parking offences laid down in Form 1 of

the Schedule to that Chapter. Whilst the subject of fixed penalties has exercised us over the past year, this amendment is a purely technical one, and does not seek to alter the present system of fixed penalties. It simply empowers traffic wardens to issue tickets in the performance of their duties. It remains for those concerned to meet their liability immediately or to decline to do so in which case the fixed penalty shall be recoverable summarily as a civil debt.

Motion made. That the debate on the second reading of the bill be adjourned—SECRETARY FOR SECURITY.

Question put and agreed to.

EMPLOYMENT (AMENDMENT) (NO 3) BILL 1974

SECRETARY FOR SOCIAL SERVICES (ACTING) moved the second reading of:—"A bill to amend the Employment Ordinance."

He said:—Sir, this bill is part of the continuing process of updating and amending the 1968 Employment Ordinance, which was designed eventually to accommodate, in a comprehensive way, all legislative provisions dealing with rights and obligations of employees in relation to their employers. This latest amendment, which adds a new Part 11C to the ordinance, gives legislative effect to the protection of employees, as members of trade unions, in relation to their employers.

The rights and obligations of the trade unions themselves are fully dealt with in the Trade Unions Ordinance. However, that ordinance does not specifically give protection to a worker who may be dismissed, or not taken on, by an employer, solely because he is a member of a trade union. It is considered more appropriate to cover this situation in the Employment Ordinance, rather than in the Trade Unions Ordinance, since it is the individual relationship between the employer and the employee which is involved, and not a trade union or its corporate activities. The amending bill thus confers no additional rights on trade unions.

The bill gives legislative effect to the generally accepted principle that an employee has the right to join a trade union and that union membership should not work to his detriment. This principle is the subject of International Labour Convention No. 98, which has been accepted in full by 93 countries, and 24 dependent territories. The bill, which is similar to legislation applying the provisions of this convention

[SECRETARY FOR SOCIAL SERVICES (ACTING)] **Employment (Amendment) (No 3)**
Bill—second reading

in these other countries, should enable Hong Kong to comply in full with the Convention.

The bill makes it an offence for an employer or his agent either to refuse to employ, to penalize, or to dismiss an employee by reason of an employee exercising his right to be a member or officer of a trade union or to take part in its legitimate activities at an "appropriate time", or to set up a union together with others. The "appropriate time" in which an employee may take part in the activities of a trade union is defined as time which is either outside his working hours or as time within his working hours specifically arranged by agreement with his employer.

It should be made clear that union activities may only take place on the employers' premises with his permission.

Since provisions of the type proposed confer general rights, this new Part of the ordinance will apply to all employees, whether or not employed in manual labour and irrespective of the amount of their pay.

Motion made. That the debate on the second reading of the bill be adjourned—SECRETARY FOR SOCIAL SERVICES (ACTING).

Question put and agreed to.

BUILDINGS (AMENDMENT) BILL 1974

MR BELL moved the second reading of:—"A bill to amend the Buildings Ordinance."

He said:—Sir, the main purpose of this bill is to give recognition to persons who carry out professional duties in the preparation of building plans submitted to the Building Authority for approval, and to make such persons fully responsible for these services, including the supervision of the construction.

At present the statutory title of those responsible for these services is the "Authorized Architect" which does not distinguish between the different professions capable of doing the work. This is misleading to the public in that an individual is not provided with a method of registration which clarifies his training and qualifications. The bill

provides for the classification of the professions concerned into separate lists of architects, civil engineers and surveyors, any of whom may co-ordinate the design and construction of a scheme.

Further, in certain circumstances it is necessary for the structural elements of a project to be designed by a specialist, as consultant to the person co-ordinating the whole, and for this purpose the bill provides for a further list of structural engineers who, when appointed are held responsible not only for the design of the structural elements, but also for the supervision of the construction or their design.

Provision is therefore made for the setting up of two registers, one with three lists for authorized persons comprising architects, civil engineers and surveyors, and the other for structural engineers. To assist the Building Authority in considering applications for inclusion on the registers, a new section in the bill provides for the setting up of an Authorized Persons and Structural Engineers Registration Committee. A person may be included in more than one list and in both registers, and provision is made for the right of appeal to a disciplinary board against a refusal by the Building Authority to register a person.

Another feature of the bill is a provision for the appointment and functions of disciplinary boards, one for authorized persons and one for registered contractors. In the case of the former, the board will comprise of three members appointed by the Building Authority from the members of Authorized Persons' and Registered Structural Engineers' Disciplinary Board panels, one of whom must be a member of the same profession as the appellant or person in respect of whom an enquiry is being held. In the case of the Registered Contractors Disciplinary Board two persons will be selected from the Panel of Registered Contractors. In this way it is sought to introduce flexibility into the composition of the individual boards with membership appropriate to each particular hearing.

These boards will have power to enforce the attendance of witnesses and examine them on oath; they will have power to compel the production of documents and their members will have the right to enter upon and view any premises.

The bill provides the board with powers to issue an order for a person to be removed from the register either permanently or for such a period as the board thinks fit, or order that that person be reprimanded. Such person, however, may appeal to a Judge of the Supreme Court who may confirm, reverse or vary the order of the board.

[MR BELL] Buildings (Amendment) Bill—second reading

The inclusion of transitional provisions in the bill ensures that no one presently registered will be prejudiced by the new arrangements for listing professional practitioners as authorized or registered persons under different categories.

I understand there are omissions in the gazetted version of this bill which appeared in the Legal Supplement No 3 published on 12th July. It is proposed to remedy this oversight by an appropriate amendment to clause 15. These amendments will ensure the validity of the statement I have made in connection with these arrangements.

Motion made. That the debate on the second reading of the bill be adjourned—MR BELL.

Question put and agreed to.

COPYRIGHT (AMENDMENT) BILL 1974**Resumption of debate on second reading (3rd July 1974)**

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

MEDICAL REGISTRATION (AMENDMENT) BILL 1974**Resumption of debate an second reading (3rd July 1974)**

Question proposed.

DR FANG: —Sir, I support this bill whole-heartedly. The original ordinance as it stands has caused a great deal of embarrassment, deception and unnecessary disgrace to certain medical practitioners. These practitioners have, it is true, been guilty of infringements of the law but their offences have been of a minor nature. In such circumstances the infringements do not warrant a public denouncement of their actions

by using the discreditable words "professional misconduct" or "unprofessional conduct". This can be very misleading in the eyes of the public and most damaging to the individuals concerned.

I therefore welcome this amending bill which will give the Medical Council the necessary leeway and discretionary powers.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

DUTIABLE COMMODITIES (AMENDMENT) BILL 1974

Resumption of debate on second reading (3rd July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

PROTECTION OF NON-GOVERNMENT CERTIFICATES OF ORIGIN (AMENDMENT) BILL 1974

Resumption of debate on second reading (3rd July 1974)

Question proposed.

DR CHUNG: —Your Excellency, as our economic survival depends on the export of our manufactures we must ensure the integrity of our certificates of origin whether these certificates are issued by Government or by non-Government organizations.

I have come across some cases where exporters had been exerting pressures on manufacturers, particularly smaller ones, to sign blank application forms for certificates of origin. This practice of manufacturers signing blank application forms is in some cases purely for the convenience of exporters but in many others is providing opportunities

[DR CHUNG] **Protection of Non-Government Certificates of Origin
(Amendment) Bill—resumption of debate in second reading
(3.7.74)**

for unscrupulous exporters to make false declarations with intention to cheat.

As a result of the ruling of two magistrates that manufacturers signing blank application forms are not necessarily making declarations and are therefore not guilty of an offence, I believe some manufacturers may now be more willing to sign blank application forms. This trend will no doubt increase the malpractice of false declaration thus putting our certification system at stake. The introduction of this amending bill is therefore timely as it will safeguard the interest of manufacturing industry as a whole and Hong Kong's economy.

With these brief remarks, 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 43(1).

CORPORAL PUNISHMENT (AMENDMENT) BILL 1974

Resumption of debate on second reading (3rd July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

DANGEROUS DRUGS (AMENDMENT) BILL 1974

Resumption of debate on second reading (3rd July 1974)

Question proposed.

MR CHEUNG: —Sir, Unofficial Members welcome the initiative of Government in introducing this bill and the Corporal Punishment (Amendment) Bill which was just read a second time.

They think, however, that the increase of the maximum fine from \$100,000 to \$1 million is not quite enough, and have asked me, therefore, at the committee stage to move amendments, which would increase the maximum fine for the most serious offences to \$5 million. *MAGNA CARTA* has long provided that even a freeman might be fined after the manner of the fault, "and for a great fault after the greatness thereof"; and there is scarcely a greater "fault" than trafficking in dangerous drugs for gain.

As is provided in the principal ordinance, a fine may be in addition to any sentence of imprisonment which may be imposed, and imprisonment may be for life. The Corporal Punishment (Amendment) Bill which has just been read a second time will provide for the further sanction of caning against adult offenders.

It is the earnest hope of my colleagues that the amendments will be interpreted to mean, as is our intention, that we take a graver view of the offences in question than in the past.

In the narcotics trade, I believe \$5 million is not an inordinately large sum of money. Evasion of income tax in England can draw a penalty of three times, not of the tax evaded, but of the total tax payable, so the severity of the fine which the amendment will bring about is not altogether without a precedent. Trafficking in dangerous drugs is, by common consent, rather more heinous than evading income tax.

If any fine imposed is not paid, it is my hope—and here I express my personal views and do not saddle my colleagues with remarks on which I have not consulted them—it is my hope that Government will not hesitate to invoke the law of bankruptcy, and make use of the powers there conferred, both to obtain a receiving order against a convicted person who doesn't pay the fine imposed, and to question him under the provisions of the Bankruptcy Ordinance and rules, and any other person whom the court may deem capable of giving information concerning either the bankrupt himself, his dealings, or his property. I mention this, because, as honourable Members may know, the breakthrough into the corruption surrounding the dealings of the architect Poulson in England came as a result of such examination in bankruptcy, and a number of convictions for corruption were secured as a consequence.

[MR CHEUNG] **Dangerous Drugs (Amendment) Bill—resumption of debate on second reading (3.7.74)**

So far as I understand the law a person convicted and made bankrupt is bound to answer all questions with respect to his dealings and property, and may not refuse to answer a question on the grounds that the answer may tend to incriminate him.

It may be that the law as it stands does not permit questioning of the kind that I have in mind, which is an interrogation, under compulsion to give answer as to the convicted bankrupt's dealings and associates, with a view to discovery of his confederates and his and their dealings in dangerous drugs.

If the law does not permit this, or even if it is doubtful that it does, I hope Government will come and discuss the matter with us, for here, I feel, is a gateway that ought to lead to discovery of narcotic conspiracies and the suppression of that traffic. I am slightly disturbed to read in the newspaper, if it be an accurate report, that the police know the identity of the big traffickers in narcotics, but lack the evidence to convict them in court. If such knowledge is grounded on reasonable belief, I am at a slight loss to know why the police cannot proceed; but I accept that they have a problem, and I reiterate my invitation to Government to come and discuss the matter with us. To those who carry on that traffic who show no compassion or mercy to their victims, I myself would show none, except in one event, that as earnest of remorse, a convicted bankrupt gives full disclosure of his knowledge of the trade and of its perpetrators. To one who makes disclosure, I would be prepared to enact suitable legislation to provide that sentences imposed on him might be mitigated. To one who refuses to make disclosure, I would not for my part hesitate to impose further sanctions.

Sir, I support this motion.

MR CHEONG-LEEN: —Sir, I am sure that there will be much support among the general public for the amendments proposed to increase the maximum amount of the fines.

Together with other Unofficial Members I will support the amendments which will be proposed by the honourable Oswald CHEUNG at the committee stage to increase the maximum fines in the specified clauses from \$100,000 to \$5 million, rather than the \$1 million as proposed by Government.

The narcotics problem has always been a serious and thorny one, and now that Government is embarking on an all-out effort to clamp down on illegal trafficking and to reduce the number of addicts, it is up to the community to give their undivided support to Government's efforts.

We read in the newspapers of large quantities of narcotics being smuggled into our prisons, and of civilians, convicts and prison warders being actively engaged in such illegal traffic. The situation is so serious that prosecution witnesses often have to be put in protective custody because their lives are threatened.

The public expects that all branches of Government, particularly the police, the Prisons Department, and the Judiciary will continue to ensure that the laws of Hong Kong will not be flouted, and that with more united efforts by all concerned the narcotics problem will be considerably abated within the next two to three years. It is useless to enact laws if they cannot be implemented and do not achieve the desired results.

SECRETARY FOR SECURITY: —Sir, I am grateful for the support and remarks of the two honourable Members. When moving the second reading of this bill I explained that following the usual consultation with the Governor in Council, it was proposed that the fines in the case of three sections should be increased ten fold and in the case of two, we had proposed a 50 fold increase. Whilst the honourable Member was speaking, the thought crossed my mind that had we perhaps waited a short time before submitting the bill to the Governor in Council, different advice might have prevailed from the outset. Be that as it may, the honourable Member now proposes a 50 fold increase of fines across the board so to speak. Honourable Members will be aware that the maximum sentence of imprisonment in respect of three sections is already life imprisonment and in respect of two, it is proposed that it should be 15 years. In the special cases which my honourable Friend no doubt has in mind, I would not object to the increase in the maximum level of fines which he has proposed and for which he has given notice of his intention to move amendments at the committee stage.

So far as the other point which the honourable Member developed so eloquently, he will, I am sure, understand when I say that it goes beyond my competency or immediate knowledge to reply in depth this afternoon. I can assure the honourable Member that I have taken note of his proposal which is, I understand, a complicated one. I hope

[SECRETARY FOR SECURITY] **Dangerous Drugs (Amendment) Bill—resumption of debate on second reading (3.7.74)**

he will accept my assurance that the proposal will receive our examination.

I said, Sir, in winding up the debate on the White Paper on Dangerous Drugs that the Narcotics' Bureau was going for the big syndicate. The haul yesterday near Sha Tin shows the success of this policy. If there are difficulties of the type to which my honourable Friend referred in regard to evidence, then we shall certainly consider his suggestions as to how they may be overcome.

With those remarks, I am grateful for the support of Council.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

WATERWORKS BILL 1974

Resumption of debate on second reading (19th June 1974)

Question proposed.

DR CHUNG: —Your Excellency, I would like to say a few words in support of this Waterworks Bill which is to replace the one enacted over 35 years ago. One of the basic requirements in the existing Waterworks Ordinance is with due respect not really practicable. This is section 5(c) which specifies that no alteration or repair of any inside service should be carried out without the approval of the Water Authority. Furthermore, all alterations and repairs including those of a minor nature must be performed by licensed plumbers. These requirements are neither realistic nor enforceable.

I would like to cite a couple of typical examples for illustration. If a domestic consumer wants to change the position of his water tap to fit his new washing machine or wash-basin, the consumer strictly speaking cannot do it until he employs a licensed plumber who in turn has to submit to and obtain prior approval from the Water Authority for the proposed alteration. The amount of red tape involved is so

great that, as far as I know, nobody bothers to follow these official requirements.

The rapid speed with which our industries move has been an important contributing factor towards the success of our industrial development. Minor changes on plant layout for improving operating efficiency are being made almost every week in a progressive factory. As a result, it is not uncommon that there are frequent alterations and repairs of inside service. The existing Waterworks Ordinance greatly hinders such improvement of plant operations due to cumbersome procedures and long delays.

Sir, I am sure all water consumers like myself would welcome the changes made in the new bill which, by virtue of sections 15 and 16, permits alterations and repairs of a minor nature to be carried out without the requirement of permission from the Water Authority and without the employment of a licensed plumber. As a matter of fact, there will be no changes in the present practice and we simply amend the bill to eliminate the unrealistic approach.

Another comment I would like to make, Sir, is about section 10 of the new bill. As mentioned by my honourable Friend, Mr BELL, when he introduced this bill a month ago, this section does cause some concern as it gives additional powers to the Water Authority for disconnection of a fire service in the case of non-payment of charges, major alterations without permission, pollution of the supply, *etc.* The Unofficial Members are grateful to the honourable Director of Public Works for his assurance that no member of the public would be put at risk from fire due to the disconnection of a fire service. It is hoped that my honourable Friend, Mr BELL, will also give his assurance that no member of the public would be driven out of his or her home to avoid risk from fire as a result of the disconnection of a fire service.

My next point, Sir, is about the licensing of plumbers under section 38(1)(m) of the proposed bill. According to the existing Waterworks Regulations, licences will only be granted to persons (or to firms employing persons) who hold certificates from any one of the following:

- (a) The Royal Sanitary Institute,
- (b) The Institute of Plumbers, and
- (c) The City and Guilds of London.

As honourable Members are aware, all these institutions are overseas based. I believe that there are already some Hong Kong based institutions which are of equivalent standards to those mentioned above. The

[DR CHUNG] **Waterworks Bill—resumption of debate on second reading (19.6.74)**

ones I have in mind are Hong Kong Polytechnic, Morrison Hill Technical Institute and the four other technical institutes which are being built and which will come into existence within the next five years. I therefore suggest that plumbing licences should be granted to persons holding diplomas and certificates relevant to plumbing from these local technical institutions.

Sir, whilst we are on the subject of recognition of local qualifications, I would like to take this opportunity to air my own feelings. Hong Kong has now developed into quite a sophisticated and technologically-advanced community and in many areas we are able to set our own standards. I am therefore of the opinion that this Council has a duty to see that more local institutions possessing the required standards be recognized by the Government for licensing purposes. A recent case in point is the establishment of the Hong Kong Society of Accountants for licensing authorized auditors and public accountants. Another is of course the local qualifications for licensed plumbers. These are only two cases but there are probably many others which need review. I hence urge Government to look into this matter further.

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

MR LEE: —Sir, I rise to support the bill and wish to comment on two points.

In introducing the bill, my honourable Friend explained that it sought to bring up to date the existing Waterworks Ordinance which he said has been in force with only minor amendments since 1938. No doubt, this is the result of an exercise Government is doing in respect of many other equally stale ordinances, although also with amendments. I very much hope Government will expedite such exercise to bring as much of these ordinances up to date as possible.

I now comment on Part V of the bill which provides for the mapping of gathering grounds over the development of land within those areas for the purpose of preventing contamination of water supply. This is obviously necessary to ensure a supply in quantity as well as in quality.

But, as we all know, a great portion of these catchment grounds situated in the New Territories where a substantial source of our water comes from. I trust Government is giving and will continue to give

every consideration to the effect that will directly or indirectly affect the livelihood of the people in this area from our water schemes. Ever since the post-war period when most of our reservoirs and water systems were developed in the New Territories, the village dwellers there and particularly the rural leaders have been most co-operative in assisting in the development of our vast world-wide admired water schemes. However up to now, quite a good part of the New Territories, particularly the remote areas, are still deprived of the privilege of mainswater supply. These people would certainly welcome an assurance from my honourable Friend, the Director of Public Works, that their interests are very much in the mind of the Government so that their physical and economic well-being can be enhanced. It is relevant also to mention here that the established policy of Government is that most long term housing and other social services are to be located in the New Territories. The drawing up of a realistic programme of water supply to provide for the growing demand in existing and new areas of development in the New Territories should be carried out without delay so that such social services would not be unduly affected due to inconvenient water supply.

MR BELL: —Sir, I am most grateful to my honourable Friends Dr CHUNG and Mr LEE for their support of the Waterworks Bill and for the opportunity which they have given me to clarify a number of points.

Firstly, on the matter of employment of licensed plumbers and the matter of alterations and repairs to inside services. There were, and still are, very good reasons for the control of alterations. A wrong connection made inside a building by someone unfamiliar with either the principles of plumbing or the plumbing layout could easily lead to the pollution of the water supply, not only in that building but, under certain circumstances, in the street mains themselves. I am sure honourable Members would agree that some "red-tape" is a small price to pay for our protection. Licensed plumbers are, of course, fully familiar with the necessary procedures and once they are engaged the consumer need no longer be involved. However, as my honourable Friend has pointed out, the situation does arise under the existing ordinance where certain alterations of a minor nature carried out without the permission of the Authority must automatically give rise to the commission of an offence. Under the new bill, as I mentioned earlier when introducing the bill, a list of such alterations will in fact be sent to all licensed plumbers. It might even be quite a good thing for such lists to be sent out with the water account so that individuals can be made aware of what alterations are permissible.

[MR BELL] **Waterworks Bill—resumption of debate on second reading (19.6.74)**

My honourable Friend has also mentioned clause 10 of the new bill. I should say that no additional powers have been given to the Water Authority in relation to fire services. It is necessary to retain powers which we already have to enable measures to be taken if needed to rectify unauthorized connections. In this way, as I have mentioned, possible pollution of the supply may be avoided thereby protecting the public interest. These powers may also be necessary as a deterrent to discourage non-payment of charges.

As I have said these powers are already available. I cannot really consider any circumstances envisaged by my honourable Friend that any member of the public has been driven out of his home as a result of the disconnection of a fire service. This has never occurred, and as the law has not been changed, is unlikely to occur.

On the question of licensed plumbers, my honourable Friend has also mentioned the requisite qualifications of such plumbers. On the question of certificates, it is proposed that all those institutions which he has mentioned will apply and provisions are being made under the Waterworks Regulations to allow such other institutions as the Governor may approve, thereby leaving the door open for such institutions of local character as they come into being.

Finally, Sir, on the question of gathering grounds, almost all these are in the New Territories from which the vast proportion of our water comes. The development of the reservoir systems in the New Territories, since the original Tai Lam Chung scheme in 1955, has involved detailed negotiations over village removal. Compensation for rehabilitation and loss of rights has been paid. I would like to place on record my thanks for the co-operation of those rural leaders concerned. Without this co-operation these schemes would not have come to fruition.

Not all of the New Territories has a mainswater supply and it would be clearly impossible to install such a supply to all areas. However there are some parts of the New Territories where lack of a mains supply is inhibiting development, and in concert with my honourable Friend the Secretary for the New Territories my department is making a study of these areas with a view to drawing up proposals for a realistic programme of water supply development so that worthwhile development schemes are not frustrated through lack of water. This study will of necessity take account of extending the existing system and the possibility of extending it as widely as economically feasible to areas of existing habitation.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

PORT CONTROL (CARGO WORKING AREAS) BILL 1974

Resumption of debate on second reading (3rd July 1974)

Question proposed.

Question put and agreed to.

Bill read the second time.

Bill committed to a committee of the whole Council pursuant to Standing Order 43(1).

Committee stage of bills

Council went into Committee.

COPYRIGHT (AMENDMENT) BILL 1974

Clauses 1 to 6 were agreed to.

MEDICAL REGISTRATION (AMENDMENT) BILL 1974

Clauses 1 to 3 were agreed to.

DUTIABLE COMMODITIES (AMENDMENT) BILL 1974

Clauses 1 to 14 were agreed to.

PROTECTION OF NON-GOVERNMENT CERTIFICATES OF ORIGIN (AMENDMENT) BILL 1974

Clauses 1 to 3 were agreed to.

CORPORAL PUNISHMENT (AMENDMENT) BILL 1974

Clauses 1 to 3 were agreed to.

DANGEROUS DRUGS (AMENDMENT) BILL 1974

Clause 1 was agreed to.

Clauses 2 to 6.

MR CHEUNG: —Sir, for the reasons that I have already given, I move that clauses 2 to 6 be amended as set out in the paper before honourable Members.

*Proposed Amendments**Clause*

- 2 That clause 2 be amended by deleting paragraph (a) and substituting the following—

"(a) deleting "one hundred thousand" in paragraph (a) and substituting the following—
"five million"; and".

- 3 That clause 3 be amended by deleting paragraph (b) and substituting the following—

"(b) in subsection (2), by deleting "one hundred thousand" and substituting the following—
"five million"."

- 4 That clause 4 be amended by deleting paragraph (a) and substituting the following—

"(a) by deleting "one hundred thousand" in paragraph(a) and substituting the following—
"five million"; and".

- 5 That clause 5 be amended by deleting paragraph (a) and substituting the following—

"(a) by deleting "one hundred thousand" in paragraph(a) and substituting the following—
"five million"; and

*Proposed Amendments**Clause*

- 6 That clause 6 be amended in paragraph (a) by deleting "one" and substituting the following—
“five”.

The amendments were agreed to.

Clauses 2 to 6, as amended, were agreed to.

Clause 7 was agreed to.

WATERWORKS BILL 1974

Clause 1 was agreed to.

Clause 2

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

These are consequential amendments arising from the amendments to clauses 8, 10 and 22.

*Proposed Amendments**Clause*

- 2 That clause 2 be amended—
(a) in the definition of "charge" by deleting "interest and"; and
(b) by deleting the definition of "land authority".

The amendments were agreed to.

Clause 2, as amended, was agreed to.

Clauses 3 to 7 were agreed to.

Clause 8

MR BELL: —Sir, I move that clause 8 be amended as set out in the paper before honourable Members.

[MR BELL] **Waterworks Bill—committee stage**

Unofficial Members have voiced their opinion that the powers contained in para. (a) of subclause 1 could be abused. This was inserted at the request of the Director of Lands and Survey to give the Water Authority the power to refuse a supply or to disconnect a supply to unauthorized structures. The Waterworks Office preferred to comply with requests for a supply to premises without having to carry out the lengthy process of checking, for example, with the Land Authority, whether in doubtful cases the occupation of the land was authorized and the supply could in consequence be given. There were fears that the supply of water by Government—that is the Water Authority—would prejudice any future action by Government to dispossess an illegal occupier. Legal opinion is that this will not be the case and on this understanding, there is no need for this requirement.

Proposed Amendments

Clause

8 That subclause (1) of clause 8 be amended—

- (a) in paragraph (a), by inserting "or" at the end thereof;
- (b) in paragraph (b), by deleting "; or" and substituting a full-stop; and
- (c) by deleting paragraph (c).

The amendments were agreed to.

Clause 8, as amended, was agreed to.

Clause 9 was agreed to.

Clause 10

MR BELL: —Sir, I move that clause 10 be amended as set out in the paper before honourable Members.

As in the case of sub-clause 1(c) of clause 8, my Unofficial colleagues are of the opinion that the powers contained in paragraph (h) could be abused. For the reasons already explained paragraph (h) may therefore be deleted.

*Proposed Amendments**Clause*

10 That clause 10 be amended—

- (a) in paragraph (f), by inserting "or" at the end thereof;
- (b) in paragraph (g), by deleting "; or" and substituting a full-stop; and
- (c) by deleting paragraph (h).

The amendments were agreed to.

Clause 10, as amended, was agreed to.

Clauses 11 and 12 were agreed to.

Clause 13

MR BELL: —Sir, I move that clause 13 be deleted as proposed in the paper before honourable Members.

Again my Unofficial colleagues have expressed the view that the powers contained are very wide and could be abused. After further consideration it is agreed that this clause is redundant for the purpose for which it is intended. Any citizen, be he official or unofficial, is already empowered by law to use reasonable force to prevent the commission of a crime or to effect or assist in the lawful arrest of offenders or suspected offenders. The clause may therefore be deleted.

The deletion was agreed to.

Clauses 14 to 12 were agreed to.

Clause 22

MR BELL: —Sir, I move that clause 22 be amended as set out in the paper before honourable Members.

Clause 22 is modelled on section 17 of the existing ordinance. In certain circumstances, where a sum of money was outstanding for a considerable time it was thought that it might be more appropriate not to impose a surcharge but to charge interest on the amount outstanding.

[MR BELL] **Waterworks Bill—committee stage**

It is now considered that there is no need for the alternative provisions in sub-clause (2) for interest on debts and for the imposition of surcharge. The intention of the surcharge is to discourage late payment of accounts and the conclusion is that the surcharge should be brought into line with the revised provisions for late payment of earnings and profits tax, that is to say 5 % followed by a further surcharge of 10% added to any amount due (including the original charge) in default six months after the due date for payment. This will be provided for in the regulations.

In consequence the "interest" may be deleted from the definition of "charge".

Proposed Amendment

Clause

- 22 That subclause (2) of clause 22 be amended by deleting "interest at a rate not exceeding 15 *per cent* may be recovered on the unpaid charge, or, alternatively,".

The amendment was agreed to.

Clause 22, as amended, was agreed to.

Clauses 23 to 41 were agreed to.

PORT CONTROL (CARGO WORKING AREAS) BILL 1974

Clauses 1 to 6 were agreed to.

Council then resumed.

Third reading of bills

THE ATTORNEY GENERAL reported that the

Copyright (Amendment) Bill 1974

Medical Registration (Amendment) Bill 1974

Dutiable Commodities (Amendment) Bill 1974

Protection of Non-Government Certificates of Origin (Amendment) Bill
1974

Corporal Punishment (Amendment) Bill 1974

Port Control (Cargo Working Areas) Bill 1974

had passed through Committee without amendment and that the

Dangerous Drugs (Amendment) Bill 1974

Waterworks Bill 1974

had passed through Committee with amendment and moved the third reading of each of the bills.

Question put on each bill and agreed to.

Bills read the third time and passed.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT: —In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on Wednesday the 31st of July.

Adjourned accordingly at ten minutes to five o'clock.