

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 22 October 1980****The Council met at half past two o'clock****PRESENT**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR CRAWFORD MURRAY MacLEHOSE, G.B.E., K.C.M.G., K.C.V.O.

THE HONOURABLE THE CHIEF SECRETARY
SIR JACK CATER, K.B.E., J.P.

THE HONOURABLE THE FINANCIAL SECRETARY
SIR CHARLES PHILIP HADDON-CAVE, K.B.E., C.M.G., J.P.

THE HONOURABLE THE ATTORNEY GENERAL
MR. JOHN CALVERT GRIFFITHS, Q.C.

THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS
MR. DENIS CAMPBELL BRAY, C.M.G., C.V.O., J.P.

THE HONOURABLE DAVID AKERS-JONES, C.M.G., J.P.
SECRETARY FOR THE NEW TERRITORIES

THE HONOURABLE LEWIS MERVYN DAVIES, C.M.G., O.B.E., J.P.
SECRETARY FOR SECURITY

THE HONOURABLE DAVID WYLIE McDONALD, C.M.G., J.P.
DIRECTOR OF PUBLIC WORKS

THE HONOURABLE KENNETH WALLIS JOSEPH TOPLEY, C.M.G., J.P.
DIRECTOR OF EDUCATION

THE HONOURABLE DAVID GREGORY JEAFFRESON, J.P.
SECRETARY FOR ECONOMIC SERVICES

THE HONOURABLE ALAN JAMES SCOTT, J.P.
SECRETARY FOR INFORMATION

THE HONOURABLE DEREK JOHN CLAREMONT JONES, C.M.G., J.P.
SECRETARY FOR THE ENVIRONMENT

DR. THE HONOURABLE THONG KAH-LEONG, C.B.E., J.P.
DIRECTOR OF MEDICAL AND HEALTH SERVICES

THE HONOURABLE JOHN MARTIN ROWLANDS, C.B.E., J.P.
SECRETARY FOR THE CIVIL SERVICE

THE HONOURABLE JAMES NEIL HENDERSON, J.P.
COMMISSIONER FOR LABOUR

THE HONOURABLE GERALD PAUL NAZARETH, O.B.E.
LAW DRAFTSMAN

THE HONOURABLE WILLIAM DORWARD, O.B.E., J.P.
DIRECTOR OF TRADE, INDUSTRY AND CUSTOMS

THE HONOURABLE JOHN MORRISON RIDDELL-SWAN, J.P.
DIRECTOR OF AGRICULTURE AND FISHERIES

THE HONOURABLE DONALD LIAO POON-HUAI, O.B.E., J.P.
SECRETARY FOR HOUSING

THE HONOURABLE GRAHAM BARNES, J.P.
DIRECTOR OF HOME AFFAIRS

THE HONOURABLE SELWYN EUGENE ALLEYNE, J.P.
DIRECTOR OF SOCIAL WELFARE

THE HONOURABLE MICHAEL LEUNG MAN-KIN, J.P.
SECRETARY FOR SOCIAL SERVICES (*Acting*)

THE HONOURABLE OSWALD VICTOR CHEUNG, C.B.E., Q.C., J.P.

THE HONOURABLE LI FOOK-WO, C.B.E., J.P.

THE HONOURABLE JOHN HENRY BREMRIDGE, O.B.E., J.P.

DR. THE HONOURABLE HARRY FANG SIN-YANG, C.B.E., J.P.

THE HONOURABLE LO TAK-SHING, O.B.E., J.P.

THE HONOURABLE FRANCIS YUAN-HAO TIEN, O.B.E., J.P.

THE HONOURABLE ALEX WU SHU-CHIH, O.B.E., J.P.

THE REVD. THE HONOURABLE JOYCE MARY BENNETT, O.B.E., J.P.

THE HONOURABLE CHEN SHOU-LUM, O.B.E., J.P.

THE HONOURABLE LYDIA DUNN, O.B.E., J.P.

DR. THE HONOURABLE HENRY HU HUNG-LICK, O.B.E., J.P.

THE REVD. THE HONOURABLE PATRICK TERENCE MCGOVERN, O.B.E., S.J., J.P.

THE HONOURABLE PETER C. WONG, O.B.E., J.P.

THE HONOURABLE WONG LAM, O.B.E., J.P.

DR. THE HONOURABLE RAYSON LISUNG HUANG, C.B.E., J.P.

THE HONOURABLE CHARLES YEUNG SIU-CHO, J.P.

DR. THE HONOURABLE HO KAM-FAI, J.P.

THE HONOURABLE DAVID KENNEDY NEWBIGGING, J.P.

THE HONOURABLE ANDREW SO KWOK-WING, J.P.

THE HONOURABLE HU FA-KUANG, J.P.

THE HONOURABLE WONG PO-YAN, O.B.E., J.P.

THE HONOURABLE WILLIAM CHARLES LANGDON BROWN, J.P.

THE HONOURABLE CHAN KAM-CHUEN, J.P.

THE HONOURABLE JOHN JOSEPH SWAINE, O.B.E., Q.C., J.P.

ABSENT

THE HONOURABLE ROGERIO HYNDMAN LOBO, C.B.E., J.P.

THE HONOURABLE ALLEN LEE PENG-FEI, J.P.

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL
MRS. LORNA LEUNG TSUI LAI-MAN

Oath

Mr. Michael LEUNG Man-kin took the Oath of Allegiance and assumed his seat as a Member of the Council.

HIS EXCELLENCY THE PRESIDENT:—I should like to welcome Mr. LEUNG to this Council.

Papers

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

<i>Subject</i>	<i>L.N. No.</i>
Subsidiary Legislation:	
Public Health (Animals and Birds) Ordinance. Regulation of Movement of Dogs Order 1980.....	280
Inland Revenue Ordinance. Inland Revenue (Interest Tax) (Exemption) (Amendment) (No.7) Notice 1980.....	281
Dogs and Cats Ordinance. Dogs and Cats (Amendment) Regulations 1980.....	282
Road Traffic Ordinance. Public Light Buses (Limitation on Number) Notice 1980.....	283
Public Health and Urban Services Ordinance. Offensive Trades (New Territories) (Amendment) Regulations 1980 (Commencement) Notice 1980.....	285
Public Health and Urban Services Ordinance. Amendment of Declaration of Offensive Trades in the New Territories.....	286
Import and Export Ordinance. Import and Export (General) (Amendment) (No. 3) Regulations 1980.....	287
Summary Offences Ordinance. Summary Offences Ordinance (Exemption from Section 13) (No. 15) Order 1980.....	288

<i>Subject</i>	<i>L.N. No.</i>
Evidence Ordinance.	
Evidence (Authorized Persons) (No. 12) Order 1980.....	289
Immigration Ordinance.	
Immigration (Places of Detention) (Amendment) (No. 5) Order 1980.....	290
Tax Reserve Certificates (Fourth Series) Rules.	
Tax Reserve Certificates (Rate of Interest) (No. 5) Notice 1980.....	291
Public Health (Animals and Birds) Ordinance.	
Regulation of Movement of Dogs (No. 2) Order 1980.....	292
Public Health (Animals and Birds) Ordinance.	
Regulation of Movement of Dogs (No. 3) Order 1980.....	293

Sessional Papers 1980-81:

No. 9—Fish Marketing Organization Hong Kong—Annual Report 1979-80.

No. 10—Vegetable Marketing Organization Hong Kong—Annual Report 1979-80.

Government business

Motion

MOTION OF THANKS

THE CHIEF SECRETARY moved the following motion:—That this Council thanks the Governor for his address.

DR. FANG:—Your Excellency, it is my pleasure and privilege to be the first speaker to thank you for your address.

You have spoken encouragingly of the coming year despite some dark clouds on the horizon. In thanking you, I wish to speak on a few issues related to the health and welfare of our people.

I am pleased to note that Government is making an all out effort to expand medical and health services in the next ten years and that the management structure of the services is to be improved and strengthened during the coming year.

But I would urge the Government to consider an earlier change in the administration, at least in the major hospitals, to a corporate board system of management representing and embracing the heads of all clinical and supportive units. Under such a system, a chairman might be elected from their number to act as the medical superintendent and the hospital secretary should be upgraded and made responsible for the administration of the hospital and directly accountable to the chairman and the board. I believe this system would improve efficiency, allow proper deployment and utilization of professional resources and streamline control. It is seen to work effectively in most business corporations and I commend it to the Government.

The massive influx of immigrants not only over-stretches our social services, but carries with it the threat of an outbreak of communicable diseases. We have for many years enjoyed the good fortune of an absence of epidemics which has allowed us to dispense with such traditional stringent health controls as inoculations and vaccinations. Even legislation requiring workers in dairy products and food industry to be examined and immunized has recently been repealed. These relaxations in normal circumstances would be sensible, even though we may gradually lose all our immunity. However, large numbers of immigrants now mingle with the local population. Their health has not been screened and there is a very real danger of epidemics. It would be prudent for the Government to take some precautionary measures so that we do not trigger off another panic such as the recent rabies scare. I hope that all recent immigrants can be given a degree of health screening and if possible some basic health education.

Sir, you noted in your address a significant rise in crimes committed by juveniles under 15 years of age, percentage being 16% of the overall total compared with 11% last year. Recent comments from leading social workers put the blame on compulsory secondary education. There is undoubtedly a problem of psychological strain on young people who are unable to cope with the rigid academic curriculum and the pressures of examinations. The fault, in my opinion, does not lie in compulsory secondary education but perhaps in the very strong academic slant of the school curriculum and the pressure of work. Can something be done in this area so that young people who are not academically inclined can be usefully engaged in pursuits which capture their interest and harness their energies?

I wish to turn next to the provisions for our senior citizens, who in their working lifetime have contributed substantially to the progress and prosperity of Hong Kong. I note with regret that the institutional programme for the elderly has been delayed because of a lack of suitable sites. At least 1,000 patients who should be cared for in infirmaries or care and attention homes are still occupying hospital beds which are badly needed for the very ill. There is therefore an urgent need to build more care and attention homes. I earnestly hope that the several Government departments involved can

make a concerted effort to set aside suitable sites soonest possible for more old people's homes and care and attention centres.

Much is being done to assist the elderly of limited means but we must not forget those of middle-income background who are ineligible for public housing and who do not have access to existing facilities because of limited supply. Many of these have no families to turn to, some are in relatively good health, others require personal care. Would the Government consider supporting schemes for this group similar to the China Coast Community project by providing either a loan or land at concessionary premia? These senior citizens would pay for their own keep.

Our aging population is becoming more and more of a problem. Statistics show that those over 60 are reaching 10% of the total population as compared with only 4.5% in 1971. This was recently emphasized by the British medical team who came to Hong Kong on behalf of Britain's General Medical Council to advise on whether continued full recognition should be given to the medical training in Hong Kong. In their report they have recommended that more time be devoted to the teaching of geriatrics. In the care of the elderly, it is hoped that Government can put more emphasis on geriatric health care by initiating for example schemes similar to the School Medical Service.

Voluntary agencies providing rehabilitation services were once able to appeal on subvention matters to the Social Welfare Advisory Committee, that is S.W.A.C. With the establishment of the Rehabilitation Development Co-ordinating Committee, in short R.D.C.C., rehabilitation services no longer come within the province of the S.W.A.C. and agencies who wish to appeal must now deal with the Social Welfare Department. In order to provide a separate avenue of appeal, I wish to suggest that the R.D.C.C. might take over the role once performed by S.W.A.C. I am sure this would be much appreciated by the voluntary sector.

The health of our working population has been much in the news, and rightly so. The injured worker or his family has to go through several Government departments: the Medical and Health, the Social Welfare, the Labour and the Legal Aid Departments, and sometimes the courts, before his immediate needs can be met and compensation paid. Would the Government consider streamlining the present procedures or by centralizing the various activities under one statutory body similar to that of the Canadian Workmen's Compensation Board? This Board not only administers its own insurance and compensation schemes but is directly responsible for the treatment and rehabilitation services of the injured workers.

Finally, I was much relieved to see that the roads in the Central District are now in the process of being repaved after many months of digging up during the construction of the M.T.R. It is most encouraging to see that the P.W.D. has introduced kerbs along pavements for the crossing of wheel-

chair-persons, but this would seem to have been an afterthought, for on some roads in the Central there are kerbs on one side and not on the other. I am sure that it is not the Director of Public Works' intention to leave wheel-chair-persons stranded in the busy traffic of Central and I hope this situation can soon be rectified. The other point I would like to raise on behalf of the Sub-Committee on Access and Transport of R.D.C.C. is to request my friend the Director of Public Works to amend the Buildings Ordinance to give builders the same privilege of an increase in the building volume of five fold its provisions when they provide access for wheel chairs such as ramps, wider corridors and bigger toilets. This will be a most fitting gesture during the International Year of Disabled Persons in 1981.

Sir, I have much pleasure in supporting the motion.

MR. LO:—Sir, as Chairman of the Transport Advisory Committee, it would be remiss of me not to address this Council on traffic and transport matters on this occasion. I do so, however, in the hope that both members of the T.A.C. and this Council will forgive my lack of instant expertise. Indeed, my views are somewhat uncharacteristically tentative, even if the logic of my arguments is, as usual, faultless (*laughter*).

May I first refer to what Your Excellency has touched on, namely that we have a price to pay for the rephasing of road projects. This was done in favour of other projects considered to have merited higher priority.

As a percentage of total capital works, capital expenditure on roads and railways dropped from 16.5% in 1976-77 to 12.1% last year (1979-80) but over the same period the percentage capital expenditure on housing rose from 14.9% to 28.2%. If we excluded railways and just looked at roads the picture is even clearer. The percentage capital expenditure on roads in 1975-76 was 17.8%, in 1976-77 was 15.5%, last year it was 9.7% and this year it was 8.2%. In short, over the last six years or so the relative capital expenditure on roads was halved whereas that for housing was doubled.

We have been allowing new towns to develop without linking them with a proper network of roads.

We have been building 35,000 new flats a year but largely neglecting the less politically glamorous—the provision for the occupants their basic needs for mobility. We must recognize that transport and housing are inevitably linked. Consequently, we should never impose financial restraints on only one part of an integral whole thus upsetting the overall balance.

However, we have been doing just this and we are paying the price for it. In the short term, therefore we have to do the best we can and provide emergency solutions to the very real threat of suffocating road congestion. In the medium term we have to redress the balance and spend more money on roads. I would like to list a number of considerations.

Bus-only lanes: I fully realize that any suggestion to further reduce our very limited road space would somehow make cars come alive to hoot angrily. The fact of the matter is to move a large number of people along routes not serviced by the M.T.R., and most routes are not serviced by the M.T.R., there is no short-term practical alternative to bus-only lanes. It is of course true that buses cannot fully utilize a lane and it would not materially reduce the speed of buses if other categories of vehicles, but carefully selected categories of vehicles, are permitted to use them, provided always that they are not allowed to stop in them. For example, emergency vehicles, such as fire engines, police cars on urgent business, ambulances and so forth, ought of course to be allowed. In addition, it may be possible to issue a small number of special licences to special groups, such as doctors, on a trial basis to see if these special licensees clog up the lanes. If they do, we will obviously have to withdraw them. The key in considering other categories of vehicles lies in ensuring that the numbers are specific and controllable.

I fully realize that some will say that the concept of bus-only lanes is utopia to bus operators and they have done nothing to deserve it. It will be a bad mistake, however, if we were to allow vindictiveness or jealousy to cloud the issue. The fact is bus operations have to be financially attractive before the Government can exercise proper control. It is idle to threaten any operator with sanctions if its operations are of doubtful financial benefit and the curtailment of any part of the operation merely a blessing in disguise.

It would also be wrong to argue that when bus operations were profitable, and no doubt at one time they were, the Government failed to properly control them, there is little hope that Government will do better the next time round. The simple truth is we all learn from our mistakes, even the Government. The control machinery that the Government has on bus operators is improving and will be improving further.

However, to lay out a bus-only lane is not a simple affair. It is a highly-complicated traffic management job and for it to be done quickly and effectively, it requires considerable expertise from traffic engineers who will need to know the local position on the ground very thoroughly. For example, some roads will have to be dug up entirely, simply because over the years the re-surfacing of them has been done in such a way that a steep camber has been built up and buses cannot travel along the edges of these roads without knocking down lamp-posts. Moreover, to get it done quickly, it requires considerable priority being given to it by various departments concerned, as well as the Finance Branch, and strong direction and overall co-ordination from a Transport Secretariat. The Transport Department has identified some 49 additional routes for bus-only lanes since April, but no work has started on them yet, not even preliminary feasibility studies, for reasons which are not yet clear to me.

Industrial needs: although Hong Kong boasts of being the third largest container port in the world, we pay scant attention to the needs of freight

and particularly container traffic on our roads. I have stimulated discussions between the Government and the industries to see what can be done to alleviate the problem in the short term. One thing that is certain to emerge from these discussions is once again that Government's actions will have to be taken by many departments. Once again because of fragmentation Government's executive capacity on transport matters will need to be pulled together by a strong Transport Secretariat.

The sea: everyone is aware of congestion on roads, which appears quite capable of being alleviated by means of ferry services. For example, owing to the King's Road congestion, the ferry service from Tai Koo Shing to Central is very well patronized. What few people realize is unless a route is well patronized throughout the week and in both directions, the route is usually financially non-viable.

Thus it seems logical to increase the profitability of ferry companies in other ways in order to cross-subsidize non-viable routes. With this in mind, the T.A.C. advised the setting-up of a sub-committee on ferry piers with all relevant Government departments represented. The sub-committee unanimously agreed that the Secretary for the Environment should convene internal Government meetings to produce a consensus report within three months on how air space over piers can be developed by ferry companies profitably and how these profits can be channelled to subsidize non-viable ferry routes, thus allowing us to increase the number of ferry routes substantially. There is nothing very new about this concept, for this is precisely what the M.T.R.C. is doing for the air space above their various stations. I know that members of the T.A.C. look forward to the day when our sea is fully utilized for internal transport, for its potential here has been sadly neglected for too long.

Car parking: Government policy on the provision of off-street parking is in disarray. One school of thought argues that the under-provision of offstreet parking would be beneficial to traffic because in general terms it would discourage car ownership, and in the locality where there is under-provision of car parks it would discourage car use in favour of public transport. The other school of thought points out that there are more sensible methods to inhibit private car ownership than the lack of parking space and that the under-provision of car park spaces in any locality would not decrease traffic there, but on the contrary it would increase either illegal parking or the use of road space when a wife or a chauffeur does the driving.

Indeed, to argue in favour of the under-provision of off-street parking on traffic grounds is akin to arguing that to reduce congestion we should reduce travel desire, and to reduce the desire to travel we should close down roads. This is, of course, lunacy. It is quite clear to me that whilst the Government should take on the responsibility of building lorry parks private developers should forthwith be required to provide off-street parking for cars, and we should stipulate the minimum number and not limit the maximum number in

any development. This is an urgent matter because buildings are in a planning stage everywhere in Hong Kong and everyday the Public Works Department is in effect laying down maximum limits for car parks when they should be doing the opposite: the laying down of minimum requirements.

Of course the fact that we should not use the under-provision of off-street car park spaces to inhibit private car ownership or use does not mean that we can necessarily afford to allow the present rate of growth of private car ownership and use. On the contrary, further fiscal control measures ought to be adopted. I do not favour increasing first licensing fees, which would encourage the use of old cars and greater use of cars on roads after they are bought. I would prefer more direct methods of taxing road usage. All of this must be looked at quickly. Of course, if Government properly increases its expenditure on roads and significantly reduces congestion such inhibitions might then be relaxed.

Sir, so far my suggestions have the common denominator that very limited funds would be required to put them into effect. They are not projects that would either heat up the economy or divert substantial funds from other worthwhile causes. On this ground alone they would justify Government giving them very urgent attention before they too become impracticable. Let us buy the tankers before oil supplies are cut—to coin a phrase.

Apart from money there is another reason for my having made no reference to expensive projects such as the road system that might be required if it is decided to move the airport to Lantau, the new Tai Po Road, the Eastern Corridor or the East Island Line of the M.T.R., another cross-harbour route, or even the filling in of the harbour by reclamation. The T.A.C. cannot sensibly consider any of these possibilities or proposals without knowing what other projects in the transport field may have to be shelved. All expensive projects are attractive. What is difficult but really necessary is to establish firm priorities. To amass the facts and arguments needed for the weighing up of priorities, even within the transport field, requires a strong Transport Secretariat. For policy then we clearly need to strengthen the expertise at senior levels. This is not a criticism of any of the individuals concerned. It is a criticism of the failure by the Government to allocate sufficient senior time to traffic. We have only one half of a Transport Secretary, however formidable he may appear to be, and four Administrative Officers in the policy branch.

However, the increase of senior time on traffic and transport is needed not only for policy matters. Throughout my speech today, references are made to strong Transport Secretariat control of executive functions. Where these are as fragmented as they are now, this would be needed as a stop gap measure. However, this would be an inferior solution and at best it would involve considerable duplication of staff at management levels. The real solution is to centralize all transport and traffic executive functions and the T.A.C. has already made its recommendations in this regard to the Government.

Meanwhile, we simply have to wait and see what the Government decides. For the moment I should only say this: The Unofficial Members of the Transport Advisory Committee are more frustrated than members of the public as it is quite clear to them that agreed Government policies very frequently are not being carried out by the Government on the excuse of a lack of funds, or a lack of staff, but more likely because of a lack of direction, or a sense of urgency. Sir, it is difficult to advise the Government on practical solutions knowing that the Government will very likely not carry them out, until it is too late, but we will persevere.

MR. TIEN:—Sir, nearly a hundred years ago (about the same time that the British flag was hoisted here in Hong Kong) Queen Victoria's Government was accused of having changed its course and its policy. It was accused in the process of behaving like a passing stroller who stole the clothes of a swimmer while bathing. Shortly you will see that the reference both to clothes and to the swimmer are not wholly inappropriate.

During the 1970s the Hong Kong Government appeared to accept a policy which at the time seemed wise to many honourable Members. This was a policy regarding the training of our hundreds of thousands of workers. Now it is clear that training is a vital and imperative part of our industrial present and future—and no one wishes to deny this—there is ample room for debate regarding how best to do it.

Sir, most countries believe that industry should be prepared to pay a variable levy in order to train persons in the various fields of industry to which they belong. On grounds of principle, I am on record as having accepted this universally adhered to practice. The Hong Kong Government too, fell in with this line of thinking. Indeed the Government formulated a general guideline that we should distinguish between two sorts of activity. Firstly it was agreed that *education* was the proper province of Government while *training* was the proper province of industry. Here was our starting point—some felt our finishing point. This distinction was sensible even if a trifle arbitrary and many people thought it sensible enough to stand and defend it in the belief that it was important enough in itself. In due course we agreed that the Training Council was the best body to advise Government on all matters concerning industrial training, certainly *not* such a body as the Advisory Committee on Diversification.

Originally we understood that our scheme of training by a levy would find favour and the speech of Dr. S. Y. CHUNG in July 1975 to this Council made the point quite clear. Technical manpower here would be developed in a sharing between the ordinary taxpayers and the users of the manpower, the employers.

This was a truly happy proposal of marriage. The marriage, however, has gone a little wrong. Sir, there is a French proverb: 'A good husband should

be deaf and a good wife blind'. In this case one partner appears to be expected to be both deaf and blind.

There is to be no marriage—much to the surprise of one of the parties. It was once said that a husband should tell his wife everything that he is sure she will find out and before anyone else does. Well, Sir, some honourable Members feel exactly like that poor wife (*laughter*).

We subscribed to the idea of a general levy; it was our way of paying in a very material sense something more than lip-service. Our scheme was both flexible and open.

Now, however, policy is apparently set on a new course and proposes a straight block grant. I might put it this way. The Government has effected something which even MRS. THATCHER has avoided—it has effected a 'U' turn. Government's policy on industrial training has made a turnabout.

A regrettable feature of all this is that those of us who supported, indeed encouraged, our Government on one policy find another way to be developed. For rather than a levy, the financing of industrial training will be a charge on general revenue. A new Training Authority would take on a role similar to the U.P.G.C. financed with a Government subvention in the form of a block grant.

On training, the Government has shown itself so adroit at making 'U' turns that with some application to the congestion on our roads they might well enough solve traffic problems as well as those of industrial training.

Some of us who anticipated going in one direction may feel just slightly peeved when the traffic policeman tells us: 'U turns rule O.K.'

There is of course room for a variety of views on the matter. After all, Happy Valley (and Shatin Racecourse) exist for one fundamental reason, because different people have different opinions on the relative merits of the horses; so it is with training.

Let me conclude by borrowing a few words from Sir Winston CHURCHILL, suitably modified to apply to the enterprise of industrial training—A few misguided people see it as a target to be shot, others as a cow to be milked, but a few among us see it as a sturdy horse pulling the waggon of industry.

Sir, I will agree to support the motion because I am at least pleased that a firm decision on a matter of such importance has at last been taken (*laughter*).

MR. WU:—Your Excellency, considering the strains imposed by immigration we could congratulate ourselves that our education programmes are so nearly on target. As you pointed out, Sir, our long hard look at the system over the last six years has given us a solid background from which to make changes to meet new situation and new requirements.

Statistically, the expansion of the system has been spectacular but, as you also pointed out, there is room for improvement in quality.

In this connection I was struck by your later reference to the increase in juvenile crime, which you described as both disturbing and bewildering.

There will be no argument that such a trend is disturbing. Many people will feel it is profoundly disappointing.

It is true, of course, that many other communities have experienced the same disappointment and have resigned themselves to the fact that increasing affluence does not breed contentment in young people.

Our disappointment is all the greater because it seemed that we had recognized this problem and achieved some success in overcoming it.

It is to be hoped that the study, which you have asked the Fight Crime Committee to make, will give us some direction for constructive action. Meanwhile I cannot help wondering how this frightening development relates to the state of our education system.

This is no abstract theoretical question. We are talking about a two-fold increase in crimes committed by youngsters between the ages of seven and 15 in the same breath as we are celebrating the achievement of nine years of free universal and compulsory education.

There is something badly wrong here. All of these young criminals could and should be in school. In fact, a high proportion of them are, but crime seems to be some sort of extra-curricular activity.

The percentage statistics which you quoted, Sir, are bad enough. Some of the actual figures are, if anything, worse: 620 boys and 38 girls prosecuted for violent crime alone, 17 blackmailers under 13 and another 65 under 16, including five girls.

We certainly don't have to look far for the criminals of tomorrow at that rate.

Enough has been said in the past about the responsibility of society and of parents. We cannot ignore social and economic conditions which contribute to juvenile crime, but neither can we ignore the fact that it is not necessarily the disadvantaged or underprivileged who take to crime.

Whatever the truth, I don't think we can accept that when more of our children are in school than ever before, more of them than ever are involved in crime.

What does that say about the quality of education?

It brings us back sharply to the key element of education: the character of the man or woman in front of the blackboard.

Never mind for the moment whose responsibility it is. Can we not expect teachers to exercise a greater influence for good on their students?

How many of the students passing through our schools nowadays will look back on teachers who were more than channels of information, who inspired respect, admiration and emulation?

Maybe this 'Mr. Chips' concept will be thought to be something for the elite, too fancy for the workaday tasks of pushing a million and a half children through the system.

Maybe, but we need not accept that teachers in Hong Kong have no part to play in forming the character of their pupils.

Our Chinese concept of education accepts that correct behaviour and attitudes can and should be inculcated and that this is a proper part of education.

I hope that in our concern for planning a relevant education system, we are not losing sight of a simple fundamental requirement: that education must produce good citizens.

This is not an easy society in which to be a good citizen. Affluence is the reward of industry but there are ample temptations to take a short-cut, and too many examples of those who seem to flourish by doing so.

Against this background we must set better examples and we must do so in our schools as well as in our homes, and in commercial and public life, which is, after all, the basic message of the I.C.A.C. in its community relations programme.

I do not doubt that many teachers are concerned with the moral development of the children in their charge. We would be in a much worse situation if that were not so.

But no one could seriously claim that this concern for character development is a pervasive feature of our educational system.

I cannot propose any instant or obvious solution to this problem. I can only say that we have to make this a major objective.

School principals and headmasters must be conscious of their responsibility. Every teacher must recognize a clear and positive duty to lead students to true standards of behaviour.

The vocation of teaching must attract the best people and society must respect the profession. Their responsibilities must be recognized in economic terms, but if money alone is their standard of value they are not the people we need.

I would go so far as to say that in the system of honours and awards by which we recognize individual contribution to the community we might pay

more attention to the teaching profession or even consider a special form of recognition for those who display a true sense of their vocation.

Now I wish to turn to a different subject.

I believe the time is right to consider the teaching of 'Mandarin' in our schools. It would be an advantage in the teaching and appreciation of the written language and it would help to bridge the gap between the written language and our spoken Cantonese. In a wider context it would put us in the mainstream of Chinese cultural and economic development.

There need not be fear the introduction of 'Mandarin' would interrupt the cultural links which the majority of our people enjoy through Cantonese. It would inevitably be some time before 'Mandarin' could conceivably replace Cantonese, if ever, but a start now on a broad scale would, I believe, be a definite advantage and would strengthen our links with China, where you, Sir, and the Financial Secretary said our future lies.

Perhaps as an encouragement, I might suggest that the interpretation facilities now available in this chamber should be extended to allow Members to speak in 'Mandarin'.

Finally, because university education is so important to our whole society I would like to take up the question of overseas university education to which you have referred. It is a matter of great regret that the British Government was not prepared to recognize the special relationship with Hong Kong by exempting our students from the steep fee increase which were applied to overseas university students.

You spoke of increasing the growth rate of the university intake here by 1%, for a variety of reasons, of which the U.K. decision on university fees is one.

However, this increase represents only a little over 100 additional university places each year.

I do not know exactly how many Hong Kong students are studying at universities abroad. I believe that there are in any year between 2,000 and 3,000 Hong Kong students taking degree courses at various stages in British universities and polytechnics.

Nor do I know many of them will be deterred by higher fees.

It is obvious, however, that even with increased growth rate in admissions to our own universities, we still face a serious shortfall.

A British minister, explaining his government's refusal to offer any concessions, suggested that governments which were concerned over the issue might like to subsidize their students themselves. Perhaps at the time we might have regarded that as a not very helpful suggestion. On reflection I suggest that we might give it serious consideration.

We need those graduates badly. We have the machinery to assess their suitability for grants and we have the financial resources to meet this, hopefully, temporary situation.

In the meantime, I hope the annual growth rate of student number will be further increased from the triennium after 83-84 in order to accommodate increasing demand for places at our universities. Let us ensure that deserving sons and daughters of Hong Kong citizens will not be denied of opportunities for higher learning.

In closing, I would say that it is a tribute to our progress in the past few years in the face of unwelcome and unforeseen new problems that we are in a position to think about the quality of our basic social programmes as well as meeting our basic subsistence targets. And in that spirit I welcome Your Excellency's review and heartily support the motion.

REVD. JOYCE M. BENNETT:—Your Excellency, you have once again painted a buoyant and encouraging picture of the Hong Kong scene. I am delighted to hear of our growth in so many fields and to learn of our expanding social services. However there are some disquieting trends which we shall ignore only at our peril. Sir, primary education became free and compulsory in 1971 and this free, compulsory education was extended to secondary schools in 1979. And yet, you share with us your concern at the increase in juvenile crime in 1979 and again in this present year. It is these aspects of our social scene to which I wish to draw Members' attention this afternoon.

I note that you have 'asked the Fight Crime Committee to undertake a thorough study of both the statistics and causes of this upsurge' (paragraph 89 of your speech). You yourself consider this increase in juvenile delinquency to be significant. I agree with you, but wonder whether the Fight Crime Committee is in the best situation to make a thorough study of this increase in juvenile delinquency. The terms of reference for this Committee state that it should 'plan, organize and co-ordinate the Government and public efforts to assist the Police to combat violent crime'. How much violent crime is committed by juveniles? I understand that by far the commonest kinds of juvenile crime are thefts and minor assaults; the rest, about 30%, are robbery, blackmail and assault, while drug trafficking is of only minor concern. Sir, would it be possible to have a multi-prong investigation into this upsurge in the number of crimes committed by the children of our community? I do not wish to curtail any study by the Fight Crime Committee, but I believe greater depth to the enquiry into this juvenile crime upsurge could be achieved by the Social Services Branch working together with the Police and Magistrates to get to the root of this problem. Let us not cover up with elegant words the meaning of this expression 'juvenile delinquency'. Our society is faced with a rise not only of pickpocketing and petty thieving, but also with an increase in membership of triad societies and crimes of violence. We must make an all-out determined effort to discover the facts behind these crimes.

Five years ago I sat with the Magistrate in the Juvenile Courts as one of the Panel of Advisers, so I am surprised to learn that now Magistrates in the Juvenile Courts may deal with up to 40 cases in one day. These courts are not merely courts of law, in addition the Magistrate attempts to give advice to the parents and deal firmly and kindly with the young person in trouble. The objective is not merely punishment, a very real attempt is made to put the young offender on a new path.

I think it is time for us to increase the number of Juvenile Courts and the number of Magistrates dealing with juvenile offenders. At the moment there are only three Juvenile Courts: in San Po Kong, Causeway Bay and Tsuen Wan. For many years until September of this year, there were only two courts, I am glad to learn that Tsuen Wan now has one. However not all three courts operate on each day of the week. One of these courts opens five working days per week, the others on two days each week.

Whether or not a child or young person reappears later in court will depend on many factors. Our Magistrates are hard-pressed in dealing with a heavy load of cases. They are dealing not with machines or robots, but with highly individual children, each of whom presents a complex family background. The Magistrate relies considerably on the Probation Officers for their reports on the young offenders. They will report on their relationships at home and at school and their suitability for the different types of correctional institutions.

However my enquiries concerning the probationary service raised more questions than were answered. Probation Officers in Hong Kong are under the Social Welfare Department instead of having a separate service as in some countries. I realize that the S.W.D. has undergone a considerable reorganization among its personnel since 1 April 1979 with the implementation of the Welfare Class Review. Probation Officers are university graduates in social work and are graded as Assistant Social Work Officers or Social Work Officers.

I understand that the probationary service at the end of March 1980 was 30% under strength with 26 vacancies and that in 1979-80 only five new Assistant Social Work Officers were recruited and that 21 left the service. Incidentally these Assistant Social Work Officers do not just work in this field of probationary service, so it is possible that none of these recruits may have joined the probationary service. There seems a real difficulty in recruiting these staff, in May of this year a recruitment exercise took place; 20 applicants were offered posts, but at most only ten accepted.

Sir, there needs to be a thorough examination of this problem. Is morale low in the probationary service and among the staff in the correctional institutions? The latter are staffed not only by the Assistant Social Work Officers, but also by non-university graduates now called Social Work Assistants. Do these staff find their tasks in these correctional institutions overwhelming? How many psychologists can they call on to support them

in their diagnosis and treatment of children? Am I right that the S.W.D. has only two in post? If so, this is far from adequate. Undoubtedly staff in residential homes require added inducements to compensate for their irregular working hours, at night, at weekends and on holidays. I can well imagine that they may change jobs for more attractive positions which do not have such rigorous timetables. The staffing of residential homes and institutions requires real dedication and devotion. I have spoken on this subject in 1976 and 1978 and still wait for improvements. What is the Government doing to encourage young graduates from the universities and Polytechnic to enter this type of work? When was the last survey made of our correctional institutions and homes for those under 18 in need of care and protection? How closely do their staff work with the teachers of the schools attended by these children? Are any social workers from the S.W.D. assigned to work with families whose bread-earners are in prison? When girls are picked up by the Police and taken back for questioning because they have been found under the age of 18 in nightclubs and recreation centres, is any attempt made to see that their families are put in touch with social workers who are trained in caring for these problem girls? I am gratified to see that the Police are using the powers this Council recently gave them to hold girls of 16 and 17 while enquiries into their welfare are made. Has any further thought been given to the Social Welfare Department providing social workers to be attached to police stations to assist the Police in working with the parents and families of young people who have been brought in for questioning? When a parent has to attend the police station for the first time because of the misdeeds of his child, he is open to receive help. But it has to be provided with a promise of long-term referral to a social service agency. It is essential too that these troubled children should be provided with one and the same Welfare Officer over a sufficiently long period of time for the child to recognize the Welfare Officer as a long-term friend. Unfortunately this is too often not the case at present. The Chinese members of our community have a great respect for the family. We need to do all possible to maintain family ties, to support and strengthen the family, which is now too often threatened by break-up, after the example of T.V. serials and other films.

This Council must face up to the poverty of the manpower available in these social work spheres. At present primary schools only have Student Guidance Officers, who are retrained, redundant teachers. But as the name implies they are not professional social workers. Although they can call upon social workers for advice, one social worker dealing with 30,000 primary school children can hardly provide much meaningful assistance. Recently I have been made aware that many of the children, labelled as 'slow learners' by the Special Education Section of the Education Department, have serious behavioural problems that have led to delinquency. But primary schools with classes of slow learners do not necessarily even have a Student Guidance Officer. As yet there has been no special provision for extra social workers to work with slow learning children being educated in ordinary

schools. These are essential. We must immediately have studies made of the reasons why these children are backward. This is a prerequisite if we are going to stem this increase in juvenile delinquency. In secondary schools the situation is seemingly better as four schools, with 1,000 students each, qualify for one social worker. However those four schools may in fact serve 5,000 students. Clearly the one social worker is in an impossible situation with a heavy case-load of delinquent children and a desire to do group work of a preventive nature with the rest of the student body. The situation is aggravated when the social worker serves one or more schools which have helped the Government by providing places for slow learners.

Let us not minimize the problems with which the Government is now faced having made education for nine years universal, free and compulsory. We have now set ourselves the goal of keeping children in school until they are 15. Do not be misled by the starry-eyed pressure groups who claim we should extend these nine years of free and compulsory education to 16 or even 17. Many children do not wish to study for three years of secondary school, let alone for four or five years. Whereas in the past parents wished to take their children away from school so they could earn, now the children themselves ask their parents to let them stop studying. I am sure the Education Department must over the next years investigate the causes of these drop-outs. The Director must insist that his Inspectors immediately find out fuller details about the children who are staying away from school and who later drop out altogether. How many Attendance Inspectors are working in the Education Department? I have never been put in touch with one after reporting a girl not attending school. It is time that there were prosecutions of parents who keep their children away from school. The Inspectors must be encouraged to go further than this and liaise with social workers and the Juvenile Courts to discover those who get brought to the courts for juvenile offences. In this connection I note that Your Excellency's figures concerning juvenile delinquency refer to those between the ages of seven and 15 years of age. Is it possible to ascertain the situation concerning the crimes committed by the 16 and 17-year-olds? Though legally no longer juveniles, they are still of an age needing the protection of society. Those under 18 in need of care and protection are still brought before the Juvenile Courts:

It is tempting to suggest that our introduction of free and compulsory primary education is responsible for this upsurge in juvenile delinquency. You will recall that when it was suggested these provisions be extended to Form III, some wise public figures questioned the wisdom of Hong Kong following the western pattern. It was urged that the Chinese value education and to provide schooling free would lower its value in the eyes of society. This is an attractive argument, but I would not wholly support it. However I do think that Government must more strenuously tackle the possibility of immediately raising the quality of our educational services. In this respect I look forward to the coming White Paper on Primary Education. I have already spoken on the value of the new approach in 'learning by doing' in the primary

school context when I introduced a motion on the Green Paper in June. However I now urge that the Education Department actively promote a more modern approach to learning in our secondary schools. Small children can more easily be compelled to attend their primary schools. By the time the unwilling student has reached the secondary level, greater incentives to learning must be provided. Many require a far less academic education. It may well be that we should be enquiring into the possibility of a more open-ended educational system. Some countries have introduced a voucher system by which not all the nine years of education have to be taken consecutively. The young person is allowed to stop studying for a year or more and return when older and more ready to accept the schooling provided by the Government. I think all children classified as band five at the end of primary school should receive some type of special education. They probably need a far more active approach to study; they require the smaller classes at present limited to slow learners in ordinary schools. They need more space and more equipment; their teachers need to have special supervision in dealing with them. I make these suggestions, because of the slow response by the Government to requests from the schools for more staff to deal with the mixed-ability intake into the secondary schools. At present not enough staff are available full-time in ordinary schools to cope with children with behavioural problems and with children from socially deprived families. Is it possible for Government and aided schools to be allowed an extra person as Vice-Principal (at present the Vice-Principal is counted as one of the teaching staff)? Is it possible for a Senior Graduate Master promotion post to be granted to a teacher who is in charge of discipline, by virtue of that duty, instead of tying such promotion posts only to subject heads and careers duties?

Sir, there are some excellent staff in our schools at present, but they need support and encouragement. Recently a young expatriate Police Inspector commented to me that it was sad to see the situation in our schools becoming more like that in the schools of the United Kingdom. There, the teaching profession is disheartened and dispirited as the school children in too many schools have got out of control and lost interest in their studies. Today, therefore, I wish to issue this stern warning to our administration. Hong Kong can still be spared the disasters seen in the schools in the West, if we tackle vigorously the problems of our schools together with the problems of our young people in their home environment. I am daily in touch with these problems. I know the hours required for counselling the young. I know that our teachers are frustrated when they do not then have enough time for classroom teaching. One student who is delinquent will occupy the time of more than one member of the school staff for one whole day. If that one delinquent is to be rescued from a life of crime under the present staff-class ratios, the education of other children will be neglected.

Your Excellency, I believe that I have spoken for many in Hong Kong, who are alarmed at your reference to the increase in juvenile delinquency.

Clearly we need to develop more rapidly the quality of our education; we need to diversify further its content to include far more of a vocational nature; we must vastly increase our supporting services if our nine years of free and compulsory schooling are to have any proper value and meaning. The children of Hong Kong deserve these improvements. The quality of our future society depends upon them. In days of financial depression we may need to sacrifice some public services, but our families and our young people are the heart of our society. We must not sacrifice them. Once the heart is sick, the body will falter and die. These social services must be expanded to ensure the cure of our present sickness. I believe our citizens do not want the death of our community, they will support the improvements I have outlined today. Sir, I support the motion.

MR. S. L. CHEN:—Sir, despite the gloomy outlook of the world economy with most countries in the western world suffering from high inflation, increasing unemployment, soaring energy costs and deepening recession, one is pleasantly surprised to hear that Hong Kong is faring well in its economic performance. Notwithstanding the seemingly good news, one cannot ignore the realities of shortening export order books, rapidly dropping value of the Hong Kong dollar and soaring land prices. Therefore, despite the glowing statistics of our economic performance there remain the uneasy thought that not all is well. There is certainly no cause for complacency.

While the economy of other countries is in a state of flux, we need to take the full advantage of our good fortune and to consolidate our position by re-equipping our industry, improving manpower resources and strengthening our industrial infrastructure.

To re-equip and modernize our industries means capital investment. But unfortunately the prevailing investment climate is not conducive to industrial investment. During the past two or three years, we have seen vast and increasing amount of capital being siphoned off from industry to the property market. To make matters worse, there have been incidents where large and hitherto profitable factories have succumbed to the temptation of quick profits, by realizing their land assets preference to continuing manufacturing. This is indeed a very sad and dangerous state of affairs and if the trend is allowed to continue unchecked, we may soon find that industry will have ceased to be the 'engine of our economy'. This is a real threat to our economic and social well being.

Sir, I agree with you to some extent that a volatile property and stock market may be interpreted as a natural response to confidence. I must also add that prosperity in these directions unfortunately does not contribute towards the creation of wealth which is fundamental to the long-term stability of our economy.

To counteract the drift of capital from industry will necessitate Government initiative. To illustrate the sort of initiative required, I can do no better

than reiterating the proposal put forward by my friend Mr. F. W. LI and my former colleagues Mr. James WU and Mr. Hilton CHEONG-LEEN in the budget debate in March 1979, for the creation of a financial institution to assist industries. In view of the likelihood that the budgetted surplus will be exceeded again this year, surely some of our very huge surpluses accumulated over the years could be channelled into wealth creating activities.

I expect the Government argument against this proposal will again be that there is no case for subsidizing industries. I will agree with this argument if the subsidy is applied generally. The argument is no longer cogent if the proposal is for assisting industries which would benefit the economy of Hong Kong, that is those industries which would assist in raising the level of technology, upgrading Hong Kong's product and enhancing Hong Kong's image as a manufacturing base. The Hong Kong Industrial Estates Corporation is a case in point where low cost industrial land is made available to assist such deserving industries. The establishment of an industrial finance corporation is only a logical parallel.

Sir, I now would like to turn to the subject of manpower resources. In the budget debate 1979 I said that shortage of trained manpower is a contributing factor in the building up of inflationary pressure, and I pleaded for the establishment of an industrial training machinery. I am therefore naturally pleased to hear, Sir, that Government has at last taken a decision in industrial training.

Although I am not entirely happy with the principle that industrial training schemes should be financed from general revenue, a sentiment which is shared by many of my colleagues in the Education and Training Sub-Committee of A.C.D. of which I have the honour of being the Chairman, as well as many in industry, I nevertheless welcome the Government decision to proceed with the training schemes and look forward to seeing an industrial training machinery to be established expeditiously and smoothly. This is certainly a big step forward in producing more trained manpower which we cannot do without if we were to sustain the technological evolution of our economy. Since industry will not now be financing their own training, with the exception of the clothing and construction industries, it is important that the flexibility of training schemes to be financed from general revenue will not be stifled in future through lack of funds, especially in times of financial stringency when the volume of training should at least be maintained.

In parallel with the need for industrial training is the provision of tertiary education, particularly technical education. I note that the 3% growth rate for technical education at the tertiary level set by the White Paper on Senior Secondary and Tertiary Education is now subject to review and that there is a likelihood that it may be increased as an interim measure to 4%. Whilst not attempting to evaluate the adequacy or otherwise of these percentages, I wish to point out that although they are small in overall terms, they may not be small if the total additional provision is applied to areas where are

shortages. I hope that in the official review which I understand is now being undertaken, a suitable balance will be maintained between the economic and social demands for higher education and it must also ensure that the development of Hong Kong's economy in the 1980s will not be inhibited by a shortage of high level technological manpower.

In reviewing the provision of tertiary education we must not forget the large number of highly motivated people in both commerce and industry who, because of unfortunate circumstances, were unable to complete a full course of formal education. Opportunities must therefore be created for this group of mature students to meet the increasing demand made upon them by advances in technology. Part-time or external degree or associateship courses would be a suitable means of meeting this need. I consider this mode of education to be a most cost-effective means to increase and improve our manpower resources.

Closely allied with the question of provision is the question of cost. At present, tertiary education in Hong Kong is heavily subsidized. The tuition fee charged by the universities and Polytechnic represents only a very small percentage of the true cost of the education provided. The balance is financed from public funds. Presently, all students rich and poor are subsidized to the same degree. This, I consider to be socially inequitable. I am of the opinion that fees for higher education should be such that it reflects the real cost of the education. But to ensure that no deserving students capable of benefitting from higher education will be deprived of such opportunities because of adverse financial circumstances, the present student financial assistance scheme should also be adjusted to reflect the full cost so as to enable them to attend such courses. Well-to-do students must pay the full cost of education, and this I think is not only socially more equitable but also would enable more places to be provided in higher education without corresponding increase in public expenditure.

Finally, Sir, I am happy to know that the recommendations of the Advisory Committee on Diversification are being implemented and look forward with great interest to seeing the progress of this important work. However, there is one point I wish to emphasize. In the Report of the A.C.D., it was estimated that on the basis of 2.2% annual average growth rate of population, the growth rate of G.D.P. that would sustain the existing growth rate of G.D.P. per head is 9%. With the present rate of population growth which is grossly distorted by the influx of immigrants, legal and illegal, the required rate of growth of our economy would have to be higher if diluting of individual income is to be avoided.

The projected 9% growth rate of G.D.P. in real terms is already among the highest in the world and probably unparalleled with a few exceptions in Asia. For industry to develop at this pace, the need for the support of a sound and efficient industrial infrastructure is only too obvious. I would therefore urge that top priority should be given to the implementation of

the A.C.D.'s proposals to strengthen our existing industrial infrastructure especially in regard to better co-ordination of the activities of the major industrial organizations such as the Hong Kong Productivity Centre, the Federation of Hong Kong Industries, the Chinese Manufacturers Association etc., who all provide useful services to industry, in order to minimize the existing duplication in the provision of these services so that industry could be more effectively and efficiently served.

Sir, with these remarks, I support the motion.

MISS DUNN:—Sir, I wish to speak on three subjects: *first*, the role of unofficials in the government of this city and the way in which that role might evolve in the future; *secondly*, the case for a more critical look to be taken at the range of activities covered by the public sector; and *thirdly*, the need to ensure that sufficient formed land for both the public and private sectors comes on stream in the second half of this decade.

(1) *The role of unofficials*

During the debate on Your Excellency's annual address last year, the Secretary for Home Affairs stated that a Working Group had been set up 'to review the nature and extent of unofficial participation on Government boards and committees' with a view to ensuring that such participation was made 'more meaningful...by every possible means.' He announced that a register of serving and potential unofficials had been established with a view to systematizing and improving the way in which the network of over 300 boards and committees is manned. But he went no further than this for he said that the Working Group 'had collated much information some of (which was) still being evaluated' and that 'the Group's study is continuing'.

So, I would begin what I have to say about my first subject, the role of unofficials, by asking whether the Group's study has yet been completed and, if so, what conclusions have been reached and whether these conclusions have any implications for the way in which the network of boards and committees is organized and used. I ask because, in Chapter 23 of this year's Annual Report, Unofficial Members are said to play 'a significant role in the administration of Hong Kong' inasmuch as 'they help to shape government policies, enact legislation and bring about improvements in (the administration of Hong Kong)'. But the question is whether Unofficial Members really do play 'a significant role in the administration of Hong Kong'. Or rather the question is this: *could* that role, *should* that role, even within the political constraints summarized in the constitutional authority of the Governor, be made *more* significant?

The traditional functions of unofficials generally have been to serve on statutory and non-statutory advisory boards and committees (including, of course, the Executive and Legislative Councils) and to serve on *ad hoc* committees to which specific tasks have been remitted by the Governor. But, as regards the way in which Unofficial Members of this Council have discharged

their duties, there have been three developments during the past decade. *First*, flowing out of the establishment of the U.M.E.L.C.O. Office with its support facilities and the increase in the number of Unofficials, policy pronouncements and draft legislation can now be subject to in-depth examination by *ad hoc* groups. *Secondly*, working within the U.M.E.L.C.O. infrastructure, Unofficial Members have developed an appeals function in the discharge of which they have access to Government officials and their records. *Thirdly*, the control exercised by Unofficial Members of this Council over public expenditure has been extended from the authorization of vote provision through Finance Committee to surveillance of the performance of Controlling Officers through the Public Accounts Committee.

At the same time, the Administration's attitude towards unofficials has undergone a subtle change: from one of tolerant acceptance to a vague feeling that the time has come to take a positive view of their potential role. So, much greater use has been made of unofficials: the number of boards and committees on which unofficials sit has increased to the point where, according to the Secretary for Home Affairs, they comprise 75% of the total membership of our 300 advisory boards and committees and are chairmen of about half. There has also been a greater use of unofficials on committees charged with specific tasks of an investigative and even executive nature; and there is now a ready acceptance of the idea that the chairman of a committee need not necessarily be the official responsible for the subject.

Personally, I believe there should be an automatic bias in favour of unofficials as chairmen of committees unless there is a self-evident reason in favour of officials. For instance, the Textiles Advisory Board and the Labour Advisory Board clearly must be chaired by the Director of Trade, Industry and Customs and the Commissioner for Labour respectively for those boards are there to guide the officials concerned in the performance of their statutory duties. Again, there are some tasks remitted to committees which involve such close supervision of the preparatory work by the chairman that an unofficial could not be expected to devote the necessary time to it on a continuing basis.

I think it would be fair to say that the greater use made of unofficials discernible in recent years implies that their role is shifting from being purely advisory to being quasi-executive as well. I believe this to be appropriate: it harnesses the experience of the private sector to assist with the increasingly complex tasks of government and it prepares the way for what I believe should be the next stage in the participation of unofficials in the process of government—and here I am specifically thinking of Unofficial Members of this Council. That stage should provide for individual Unofficial Members to be invited to exercise a supervisory-cum-monitoring role over the performance and needs of individual departments or groups of departments.

Naturally, the ground rules for such a role and liaison arrangements with the Chief Secretary and the Financial Secretary would have to be carefully

spelled out. But, for Unofficial Members to have such a role as of agreed right would be *consistent* with the growing tendency for them to develop specialized interests, would *inject meaning* into the U.M.E.L.C.O. system of standing and *ad hoc* groups, and would *complement* the efforts of the Director of Audit and the annual P.A.C. exercise (and, remember, that the Director of Audit is now directly responsible to the Governor as President of this Council). It is true, Sir, that the Director of Audit is concerned these days with much more than verifying the accounts and checking that expenditure has been properly authorized. But I think the assistance of Unofficial Members should help to ensure that money really is well spent and to prevent what may be equally damaging to the public interest, namely, under-spending. Even the Financial Secretary keeps telling us that the Annual Estimates are a record of intentions to be met as well as authorities to be observed.

But more important, perhaps, were Unofficial Members of this Council to be assigned a supervisory-cum-monitoring role over at least a selection of departments, the effect would be to blunt the argument, put forward on purely political grounds, that there should be an elective element in the higher councils of government to make the Administration more accountable. I say this because, in the final analysis, whether we believe in an elective system for Hong Kong or not, what we are all concerned with is the accountability of the Administration and this could be achieved in the way I have suggested.

(2) *Containment of the Public Sector*

Not unrelated to the need to take a dynamic view of the role of unofficials in the process of government is the question of the size and scope of the public sector. I do not believe *size* is presently a matter of concern—I stress presently for it has been in the past and we must be careful in the future—but *scope* is a matter of concern. So I come to my second subject: the range of activities now covered by the public sector is such that I think it is high time the Government seriously considered suggestions, which have been made in this Council in the past, to hive off some of them to the private sector.

I am thinking particularly of those activities which are regarded even within the public sector as being of a commercial nature but, clearly, are not run as efficiently as they might be. Civil servants are efficient administrators within the constraints of the public service and they develop a knack of minimizing the influence of those constraints, or avoiding them (and sometimes of turning them to their advantage when they are anxious to win an argument). But when they have to manage enterprises on a commercial basis they are caught between civil service regulations and attitudes, on the one hand, and the dictates of business principles, on the other. The result is often unsatisfactory and is likely to be so even if the civil servants concerned are able to adapt themselves psychologically.

But, in addition, and this is an important point, Sir, I really do think that the time and attention of senior management in the Administration should not be deflected away from their duties and functions which *are* their responsibilities and cannot be hived off. So, just to take one example at random, why does the Commissioner for Transport, with his wide ranging statutory and non-statutory duties, have to run the Lion Rock Tunnel and car parks and run them badly? Why cannot management franchises for these installations be sold by public tender? I can see no inherent reason why they should not be and I believe that private enterprise would manage them better, and with more concern for the customer, and still earn a reasonable fee for doing so. Other potential candidates for hiving off would include the Kowloon- Canton Railway, the Waterworks (for the land argument I do not follow) and garbage collection and disposal in the New Territories (the state of cleanliness of which does not bring credit on the departments concerned).

(3) *Land*

In concluding your speech, Your Excellency stressed the importance 'of (our having) the facilities to ensure that the opportunities (of the 1980s) can be grasped'. The importance of planning for the future is nowhere more important than in the production of land.

So I come to my third subject: land production is now undertaken on a more co-ordinated and long-term basis, not that the Special Committee on Land Production is yet satisfied with present arrangements. The outlook for both production and sales of land for residential and non-residential purposes in the three years 1981-82 to 1983-84 is also quite good, although there may be a degree of mismatch between supply and demand. But the lead time for the production of land is at least three years assuming no slippage—and slippage inevitably occurs with the best will in the world— and so I hope that civil engineering works are accorded sufficient funds in the capital account in the next few years so as to ensure that land production in the second half of this decade is adequate for our needs.

Of course, this is special pleading, but the Financial Secretary is unlikely to allow the size of the capital account as a whole to grow too fast and so, because I do believe land production must have an absolute priority, I feel that special pleading is justified; and it is at least arguable that a failure to accord land production an absolute priority in past years has been damaging to our economic and social well-being.

Sir, I support the motion.

MR. PETER C. WONG:—Your Excellency, it is most gratifying to note from Your Excellency's address that substantial legislative progress had been made during the year under review. And the progress will be maintained this year. The Companies Bill with some 255 clauses has been published for information and will be introduced during this session. When enacted, it will certainly be a milestone in our efforts to up-date our law.

Much of Hong Kong's land law is derived from English law prior to April 5, 1843. Although this law no longer applies in England, it still applies in Hong Kong. It is not generally realized that we do not have a Law of Property Ordinance in Hong Kong such as the English Law of Property Act 1925, often described as a watershed in English land law. Our legislation relating to land is not only fragmentary but leaves several important areas vague and often confusing. Rationalization of our land law may not mean much to the man in the street, but it is certainly in the public interest, since it will, among other benefits, reduce disputes and legal fees.

Proposals for a Law of Property Bill have been discussed on a number of occasions, particularly in the last 25 years. A number of draft bills have emerged, a notably substantial one was prepared in 1973 only to be rejected. In 1977 and 1978 discussions between the Registrar General's Department and the Law Society resulted in yet another draft bill. This was concise and contained a number of useful provisions. But when the draft bill will be finalized can only be a matter for speculation, assuming that it will not suffer the same fate as its predecessors. Admittedly, land law is an extremely difficult and complicated subject. To ensure that there should be no further delay in the enactment of appropriate legislation, perhaps Your Excellency may wish to consider the appointment of a special committee to conduct an in-depth examination of the whole complex problem. The significance of appropriate legislation becomes more apparent when one realizes that currently there are some 180,000 transactions relating to land per year and the number is fast growing. Obviously, priority must now be given to this very important, non-controversial and long overdue legislation.

Sadly, this is but one example of overdue legislation. It is now over two years since it was announced in the 1978 budget speech a proposal to 'tidy up' the Stamp Ordinance. A specialist was appointed to make recommendations. Mention was again made in the 1979 budget speech of the intention to revise the Stamp Ordinance but since then there has been a deafening silence.

I will not take up honourable Members' time by giving further examples. It suffices to say that delay in producing legislation in certain areas is serious.

Perhaps the Law Drafting Division of the Legal Department is short staffed and overworked and this is one of the reasons for delay. There is a tendency to take the work of the Law Drafting Division for granted. The drafting of legislation is a specialized and difficult task. It not only takes time if mistakes are to be kept to a minimum but requires a high degree of legal expertise. It requires lawyers of high intellectual calibre who are prepared to specialize in legislative drafting at the expense of a career in a more exciting area of legal practice.

I am deeply concerned that serious delays are occurring in the production of important legislation. Is Government paying sufficient attention to the need

無間，要「地區管理委員會」成功，政府必須注意其成員是否為精練的官員，以免理論雖好，但實際推行時卻用人不當而失去預期的效果。同時也應該將這計劃與部門區域化的計劃相配合，使政府各部門的行政架構，能夠符合新的要求和挑戰。

區議會的成功與否，除了官方的努力外，也要視乎民間代表的表現。有關政府委任的代表方面，本人認為政府必須極度謹慎從事，找尋適當人選，唯唯諾諾的人未必是最好的民意代表，但裝腔作勢只能唱高調的人往往也未必是適當的人選。政府應該同時考慮給予這些委任及民選的區議員若干程度的援助，例如文書上的協助，財政上的補助，甚至有如陪審員方式的在時間上的協助（即僱主必須准許當區議員的僱員出席會議等）。

至於民選區議員與官委區議員在數目的對比，本人認為雙方數目最好能夠均衡，當然，在市區來說，因為市政局議員加入的關係而不易達到，但至少這應該是政府的目標。進一步而言，本人認為最好能夠逐漸演進由民間代表出任區議會的主席，這樣相信會令區議會的工作得到市民更大的支持。

由於着眼點的不同，本人深信區議會成立後，一定會在某些問題上與中央政府出現不同的看法，政府必須有妥善的安排，一旦這種情形出現，則區議會應當有權直接將問題提交一具有高度權力的組織作詳細的研究，以免將來出現任何不必要的混亂。

香港近年來的飛躍發展，對各區的居民都帶來直接的影響，所以政府的施政必須全盤兼顧，因為無論香港、九龍或新界，只要任何一區在施政上出現問題，在在都會影響其他區域，本人認為綠皮書將區議會的提議，全盤地在港九及新界實施，無分彼此，此點對於香港將來各方面的發展都具有良好的作用。

有關施政報告最後要提及的是少年罪犯的問題。閣下在提及少年罪犯時表示其數目有增加的趨向，這是令人非常關注的。這方面的成因，相信滅罪委員會將會作深入的研究。本人認為近數年來，一部份適宜青少年參加的長期性組織，例如少年警訊、童軍等，在宣傳上都有放緩的現象，未知是否因為經費的不足抑或其他原因，事實上，這些團體對引導青少年人走入正途，具有非常積極的作用，因為其活動是全年性的，希望政府對這些團體能夠更為大力支持，使其活動能夠為更多青少年知悉，及發揮其良好的功能，相信對於防止青少年走入歧途，有積極的意義。

督憲閣下，本人支持此項動議。

(The following is the interpretation of what Mr. Wong Lam said.)

Sir, the Government had drawn up various development plans in the seventies so that housing, education, sports and recreation, social welfare, transport etc. in Hong Kong had seen substantial improvements. The people of Hong Kong began to enjoy the fruits of these plans on entering the eighties. Provided there are no special changes, I believe that the standard of living of the Hong Kong people will gradually rise.

Unfortunately, Hong Kong is now being affected by the rapid increase of population, which made it difficult for the various development plans to achieve their desired objectives. The main reason for this population growth is the excessive influx of illegal immigrants. At the end of the seventies, the influx of Vietnamese refugees produced a great impact on the life of the people in Hong Kong. Fortunately, through the co-operation between our Government and the international community, these refugees are gradually absorbed by countries which are better off to receive them. However, the situation is quite different in respect of illegal immigrants from China during the same period. The majority of them stay in Hong Kong and this greatly increases the pressure on housing, education, social welfare and other services. It is only obvious that Hong Kong is unable to stand this new pressure and this has become a great concern of the general public. During the budget

debate early this year, I appealed to the Government to change their arrangements regarding illegal immigrants. This is of course a demand easier said than done. We must act with determination, courage and caution to obtain a satisfactory solution with the understanding of all parties concerned. Sir, with your efforts and those of other Government officials, I hope there will shortly be a new breakthrough and a satisfactory solution of the problem, so as to reduce the pressure exerted by illegal immigrants on Hong Kong, and that all development plans already drawn up will continue at their former pace to improve the standard of living of the people of Hong Kong.

Regarding your address, the second point I would like to mention is the Green Paper: A Pattern of District Administration in Hong Kong.

Sir, with the constant development of our society and the changing of the circumstances, the Government naturally has to undertake more responsibilities. If the administrative structure remains unchanged, it would easily result in the fall of the standard of services or even a waste of resources. To decentralize part of the power of the Central Government to the local level, so that civil servants can improve Government services on a district basis through a better understanding of the people's needs is a necessary administrative reform. On the other hand, with the rapid development of new towns, drastic increase in the population of the New Territories, with more facilities provided and problems relating to the living conditions of the people becoming ever more complex, the people, 'old' or 'new', are fervently concerned with Government's administration. To establish special committees to provide them with opportunities of airing their views is therefore most pressing.

The Green Paper on District Administration has provided a policy on these problems. It is proposed to set up 'District Management Committees' and 'District Boards' in the Urban Areas and to change the nature of the existing 'District Advisory Boards' in the New Territories, from their present purely advisory role to that with executive functions. The elected members of the District Boards, in the Urban Areas as well as in the New Territories, will work together with the appointed members.

Regarding the recommendations in the Green Paper, the main criticism is that the nature of the District Boards is solely advisory. I think these critics may possibly have partial understanding of the functions of the District Boards. The establishment of District Boards should fulfil two functions. One is advisory so as to enable the Central Government to have a more direct understanding of the views of the people on Government policies. The Government can then improve or provide an explanation. This would certainly improve the flow of communications both upwards and downwards, and thus facilitate the understanding between the Government and the governed and reducing unnecessary misunderstanding and frictions. The second function of the District Boards is to improve local administration through close co-operation with District Management Committees, so that

Government departments will achieve better co-operation and communication so as to provide direct solutions to meet the needs of the districts. Viewed from this angle, the District Boards are certainly not advisory organizations only, but organizations which have an apparent ability to improve the Government's administrative functions. The criticism in this respect is therefore not well-founded.

Another major criticism is that the District Boards have no specific power to improve conditions in their districts. This view is apparently plausible, but in reality missed an important point. Not defining the powers of District Boards does not mean they are powerless. On the contrary, it could be interpreted as imposing no fetters on the extent of work of the District Boards. Since the District Management Committees which work closely with District Boards consist of fairly senior civil servants, the powers of the District Boards should thus be established. I believe, therefore, that apart from questions involving policies of the Central Government, there should be no doubt as to the extent of work and the powers that the District Boards are capable to do and use.

I think that in discussing the suggestions in respect of the Urban Areas in the Green Paper, we should not only concentrate on the District Boards but should also look at the 'District Management Committees' which assist the District Boards. The 'District Management Committees' must work closely with the District Boards to make the Urban Areas' District Boards a success. To establish successful 'District Management Committees', the Government has to see whether their members are capable officers, otherwise, these committees, although formed on sound theoretical framework, would lose their projected results by employing the wrong personnel. At the same time development of this plan should be co-ordinated with the regionalization of departments so that the administrative framework of the various Government departments can respond to the new requirements and challenges.

Besides the efforts on the official side, the success of the District Boards also depends on the performance of the unofficials. Regarding the appointed unofficials, I am of the view that the Government must exercise extreme care when looking for suitable candidates. A 'yes-man' may not be the best representative of public opinions. Those who assume airs of importance and are able to make only high-sounding but impractical utterances are also not suitable. The Government should at the same time consider giving the appointed and elected members of the District Boards a certain degree of assistance, such as secretarial support, financial aid or even assistance in respect of time similar to that given to jurors (i.e. employers must allow their employees who are members of District Boards to attend meetings etc.)

As for the ratio between the numbers of elected members and appointed members of the District Boards, I think it would be best for the numbers on both sides to be balanced. Of course, owing to Urban Council members' participation, this cannot be easily achieved in the Urban Areas but at least

this should be the aim of the Government. Furthermore, I think the District Boards should best be gradually developed to such a stage that they are chaired by unofficial members. It is believed that in this way the work of the District Boards will gain greater support from the public.

I believe that the District Boards, after they have been formed, will view some issues differently from the Central Government as their emphases may not be the same. In this connection, the Government must make suitable arrangements, so that, as and when such a situation arises, the District Boards would have the power to forward their problems directly to a body with much higher authority where a close study can be made to prevent unnecessary confusion which may arise in future.

The rapid development which Hong Kong has experienced in recent years has brought direct influence on all residents. Therefore, the Government's administration must take an overall consideration since problems occurring in the administration of any one district in Hong Kong, Kowloon or the New Territories are likely to affect the other districts as well. I think the setting up of District Boards, as proposed in the Green Paper, throughout Hong Kong, Kowloon and the New Territories will have a desirable effect on every aspect of Hong Kong's future development.

Sir, the last point I would like to mention regarding your address is juvenile crime. Your Excellency mentioned that the number of crimes committed by juveniles tended to rise. This is a matter of grave concern. It is believed that the Fight Crime Committee will undertake an in-depth study of the causes of this upsurge. I think certain permanent organizations suitable for juvenile participation, such as Junior Police Call and Scouts, tended to have slackened in their publicity in recent years. I wonder if this is because of the lack of funds or any other reasons. In fact, these organizations by organizing year-round activities have contributed positively towards putting juveniles on the right course. I hope the Government will give greater support to these organizations so that their activities are known to more young people and that their functions are brought into full play, which, I believe, have a positive impact on preventing our young people from going astray.

Sir, I support the motion.

DR. HUANG:—Sir, in expressing my appreciation of your annual policy address, may I also say how much I welcome this year's innovation of explaining the background and related issues to a wider audience through the medium of television. I note with gratification the progress which has been achieved in several areas despite the rather unfavourable international situation.

Your review, Sir, has fixed the progress as well as the difficulties of the past year within the shadow of the illegal immigrant situation. I share the general concern over this problem which is of serious proportions and which

must be resolved. If the influx is allowed to continue, even at a reduced rate, it will impose an intolerable strain on our resources. In the short term we must ensure that adequate measures are taken to stem the flood and to provide physical deterrents sufficient to maintain our stability. In the long term, however, physical restraint must be recognized as ultimately ineffective: problems of these dimensions cannot be solved with a wire fence and patrol boats. I entirely agree that the problem must be examined jointly by the Guangdong authorities and ourselves and by the British and Chinese Governments. It must surely be recognized that the only effective long-term measure is the economic development of the Guangdong area so as to provide the means of fulfilling the economic and social aspirations of the would-be immigrants in a legitimate way within their own environment. In this development Hong Kong must try to contribute all it can.

As we move into the important decade of the 1980s the prospect for Hong Kong is encouraging and challenging. This being so, we have the responsibility to ensure that the foundation on which we are to build is sound and wellplanned. In this regard, much valuable work has already been done. We are achieving a marked diversification of our industrial base and adding new scope to our range of commercial and industrial activities. A firmer understanding of our requirements in education and training is being reached and social welfare provision is gradually being extended into areas of need. I am confident that if we pursue these goals and implement these programmes properly we will meet not only our internal needs but will also be enabled to participate in and make a significant contribution to the modernization programmes of China.

A number of my honourable Colleagues have spoken today, ably and eloquently, on the different aspects of the broad task before us; others, I am sure, will be following up with equally valuable contributions. For my part I wish to focus my remarks on the educational situation, for I am convinced that just as our whole future hinges on the successful implementation of our planned programme for the diversification of the economy, so must our educational system be so co-ordinated and strengthened as to provide the necessary manpower base on which this programme must be built.

In this context, I strongly support Your Excellency's intention to have an overall review of education in 1981. As you have already pointed out, Sir, the Green Paper on Primary Education and Pre-Primary Services published in April completes the series of sectional reviews of the Hong Kong educational system which started in 1974 with the White Paper on Secondary Education and continued in 1978 with the one on Senior Secondary and Tertiary Education. Each of these sectional reviews has made an honest attempt to meet specific problems in certain areas but unless each is integrated with the other the ultimate effect will fall short of our expectations or could even be detrimental. In integrating the whole we must recognize that it is

not just a matter of stitching the various parts together: we must not retain the patchwork character of the educational system in the past. Some progress has already been achieved in improving our educational system, particularly in the attempts to broaden the curriculum, to make it less dependent on rote learning and to relate it to the educational priorities of a rapidly changing society. I am pleased to note, Sir, that the promised overall review of the entire system is firmly scheduled for the coming year and that it proposes to examine, in your own words, Sir, 'the coherence and effectiveness of the education service and the balance and priorities between different disciplines'. While appreciating the efforts already made we must face up to certain fundamental issues which have not been adequately covered in these reports. I hope that, in the comprehensive review to come, the real problems and difficulties will not be side-stepped in order to achieve a superficial absence of controversy. For many of the outstanding problems in education, which are no less urgent for being outstanding, are extremely controversial and some of these still await resolution.

One such problem of grave difficulty and lying at the root of the educational system is the appropriate language which is to be used for effective communication for school children. This is an issue which cannot be shelved much longer and on which educationalists disagree among themselves. If Hong Kong is to maintain its position as an international centre of commerce and industry its citizens must be able to communicate effectively and it must be remembered that such communication is not merely among ourselves, but with China, and with the rest of the world. The arguments about the medium of instruction in Forms I to III in Anglo-Chinese schools which are now the main stream of secondary education must be rehearsed finally and definitively and a decision must be taken. I hope that the promised overall review will address itself to this issue.

Education, like other social services, cannot command unlimited funds and the deployment of resources in the most effective way must be one of the concerns of the overall review committee. Despite the recommendations of the various White Papers, there is still a good deal of untidiness about our educational system at the upper secondary level which leads to a wastage not only of economic resources but of manpower years. At present we have a number of differently timed systems leading to university graduation, systems which do not mesh properly with each other and lead to wasted years on the part of some students and confusion and bewilderment on the part of most others. The two years of Form VI education is for the large majority of students the last stage of their formal education, since only a small fraction of them enter university, and must be a complete, integrated course in itself, aimed at giving the students a liberal education, a preparation for life. But sixth form education in Hong Kong is having to be too many things at the same time—apart from the liberal education it is supposed to impart, it has to serve, when taken in whole or even in part, as preparation for entry into two universities with different durations of degree courses, and using two

different languages of instruction. Three public examinations within the space of two years is too much for any student. Little wonder that our students feel bewildered and confused. Accustomed to the use of English as the medium of instruction in the Anglo-Chinese schools, some complete the sixth form curriculum and enter one university using the same medium. Others, however, from the same stream attend a year of their sixth form course in English and then enter the other university, switching their medium over to Chinese. Yet others complete both years of sixth form work and then follow four years of university education, thus deferring their graduation by an unnecessary period. The patchwork element thus still persists, causing immense confusion and concern, and resulting in a waste of effort and resources which Hong Kong can ill afford.

Middle level studies has been something of a neglected area in Hong Kong and I warmly welcome the emphasis in your address, Sir, on the role of technical institutes and plans to expand these, especially as the changing emphasis resulting from the diversification programme in industry and commerce has now given us a fresh perspective in our needs in technical training. The recent influx of unskilled labour, while unplanned and to a large extent unwelcome, incidentally, could be turned to serve a good purpose if those who stay here are given some training and properly utilized to provide an additional source of manpower for our expanding industry. This we must do. At the same time, we must also expand training facilities for our existing work force to upgrade their technical skills, and for the young people leaving school at the end of Form III and Form V to acquire such skills. In increasing output of manpower at the professional and graduate level even more attention must be paid, at the present stage of our development, to the need for a solid infrastructure of skilled support at the technical and craftsman level. In doing this we would also be fulfilling the aspirations of our younger generation to acquire the expertise by which the quality of life can be uplifted. I hope that this question too will be thoroughly investigated in the overall education review which is promised.

With these observations, Sir, I support the motion.

MR. YEUNG:—Sir, the Green Paper on District Administration is the first major step of implementing Government's effort to consult its people to ascertain their wish on the format of a governmental machinery of which they are most intimately concerned and affected in their normal life. I fully endorse the current thinking of Government that as at present the higher echelon of the Central Government should be preserved for reasons which will be expressed in an appropriate future occasion.

However, we must not live complacently in the resplendent glory and success of the past which mesmerizes the mass of the population into a respect for the constitution and political system and a deference towards its officials. We have to realize that the composition of the population of Hong

Kong is continuously changing, from a population of half a million after the Pacific War to five million today, from a largely illiterate and ignorant society to an educated and informed society, from a family-based community to an individualistic community and from a conservative and politically inactive populace to a young and right-conscious population. We have today 40% of the population under 20 years of age with the median age of 24.8 and they are or will be well educated and understandably politically active and wish to have a part to play in shaping and regulating the affairs of their communities.

Bureaucratic dictatorship and executive despotism, I believe, do not exist in our modern society. The function of U.M.E.L.C.O. as a court of counsel or appeal to the public, which has received the largesse of Your Excellency's public recognition is indeed a useful emerging means of providing a counterweight of the executive power. However, basically a good government has to draw its mandate from the consensus of the people and its success still depends upon its executives to perform their duty equitably and fairly. It postulates an effective forum to ascertain the views and expectations of the people by providing the opportunity and incentive for them to participate in planning, formulating and managing their affairs, within the constraint of the circumstances. It is, therefore, not surprising that the basic principle underlying the Green Paper has been favourably received with enthusiasm by the public.

Your Excellency's address has clarified an important point raised in the Green Paper. It is the intention of the Government to introduce a parallel system in localized administration, namely, the District Boards and District Management Committees.

Though District Boards are primarily intended to be advisory in nature, it is essential that they carry the inherent right to require the Government and individual departments to explain Government's programmes and to respond to their recommendations and that the Boards be vested with certain decision making authority (as in the existing practice of fund allocation for district activities in the New Territories). This is to ensure that there is enough inducement for people of the right calibre to give up their time and energy to participate in local administration and for the local communities to entrust their welfare to them.

Obviously, Government will not be able to fulfil all the expectations of the local people or to accomplish them as speedily as the people wish. However, Government's failure to respond to districts' expectations may lead to despair and indignation. Delay in their implementation may lead to frustration and dissatisfaction. Very often the failure and delay were not due to the insensitivity and endeavour of the officials in direct contact with the people but were rather due to existing governmental procedures which require that a matter be passed from one officer to another, from one committee to another and from one department to another. There is also the

lack of understanding of and sympathy for the feeling of the people when the matter permeates through the slough of the bureaucratic system. A cursory perusal of the minutes of the meetings of the various district committees in the Urban Area and various District Advisory Boards in the New Territories will amply demonstrate the clamour of the local people for the provisions of basic facilities for districts' cultural, sports and recreational activities as well as, among others, an efficient transport system. Local communities are not so much interested in the building of a replacement airport as they are concerned with whether they have community halls to stage their performance, whether they have enough playgrounds for their children, whether they may commute to work quickly, whether there are enough schools in the neighbourhood for their young and adequate hospitals for their sick, and whether there are enough nurseries for their babies and homes for their elders. Particularly for the fast growing areas in the Urban districts and the new towns and townships in the New Territories, the pressing problem is whether the road, rail and ferry systems and basic community services are keeping pace with the growth and influx of population. These are the priorities. Sir, of the local communities to which Government has to be responsive and must respond to them quickly.

If the district administrative system is meant to produce result, Government should convince the local communities of the reasons for failure or delay in meeting their requests by affirming a date of fulfilment. It is therefore paramount that an effective channel of two-way communication has to be opened up and maintained between the Central Government and District Boards so that on the one hand Government's programmes, policies and decisions will be fully explained to and understood by the Boards and the people, and on the other hand the aspirations and sentiments of the public may be readily known and considered by the Central Government.

For this reason District Boards should be given well defined level of decision-making power which should be implemented by a right of direct access to a higher authority in the Central Government (one for the Urban Area and one for the New Territories). This authority should be above the departmental level with the power to make speedy decisions to implement Government policy. This authority, if appointed, should be charged with the duty to form an effective channel of communication between the Central Government and the people, and it may be assisted by an advisory committee drawn from representatives from various departments for co-ordination and co-operation (similar to the practice adopted by the Secretary for the New Territories in his capacity as the Land Authority). Government is well advised to introduce unofficial elements in such advisory committees. The ultimate policy decision will, however, remain with the Executive Council.

You, Sir, have quite rightly said that financial resources available to District Boards will stimulate their interest and this has proved to be so in all the existing District Advisory Boards in the New Territories. The fund,

however, should not be limited to one-off projects, but should also be made available to recurrent programmes such as the training and maintaining of a district brass band. To provide a speedy remedy for the general lack of basic facilities in the districts, it is advisable to allocate certain sizable fund either from the general revenue or from local rates to District Boards for capital works expenditure on cultural and recreational projects pursuant to the order of priority accorded by the District Boards. An analogy may be drawn from the Urban Council which has utilized its fund very successfully in this direction.

On the electoral system, I fully endorse the proposals of the Green Paper, particularly regarding the suggestion that the members be elected by a particular geographical area. This will enable the people of the districts to look to their own members, whom they have elected to account to them for their work and corollary, it will enable the members to concentrate their attention and energy to the well-being of their respective constituencies, thus individually producing a higher quality of service to their communities and collectively yielding more satisfactory and effective result to the benefit of Hong Kong.

Owing to the political, geographical and historical constraints, the Green Paper has quite rightly proceeded in a cautious but pragmatic way. The composition of the District Boards in the New Territories has to be, at least initially, different from that of the Urban Areas. The membership of the Boards in general and the elected elements therein in particular as proposed in the Green Paper seem to be reasonable and workable. I, however, fail to understand why there cannot be a single election on a constituency basis in the Urban districts as envisaged in the Green Paper producing elected members to serve District Boards and the Urban Council which are meant to serve the same people.

It is proposed that District Management Committees will comprise representatives of various concerned Government departments at district level for the purpose of co-ordination. The present system of district administration whereby vertical and independent departmental authorities converge has proved to be a useful forum for inter-departmental co-ordination and implementation of Government programmes and projects in the districts. However a District Management Committee has its ingrained shortfalls in its ability to produce quick and responsive action to the need of the local community.

In order to make it a more efficient and effective organ, these committees should be further charged with the duty of planning and initiating local programmes for submission to District Boards for consultation and deliberation as well as advising them on the feasibility and financial implication of their recommendations and proposals. They should be made answerable and directly responsible to the single higher authority within the Central Government to which District Board could have access. This comprehensive

approach and concentration of territorial authority will certainly cut through the morass of red-tape and make Government more responsive to the public.

The level of authority and the structure of the local administrative system have to be under constant review, revaluation and adjustment in the light of experience because we have a young population, we have a politically inexperienced community, we have a unique and unprecedented situation in our hands and we are living in a fast and ever changing society. The issue of today, Sir, is not how the ultimate form of local administration should take but rather whether we are to proceed towards the right direction and how best we can remould the system to suit the circumstances.

Sir, I support the motion.

MR. SO delivered his speech in Cantonese:—

督憲閣下：閣下每年的施政報告，重點均落在改善香港人的生活質素。施政的成績，無論在社會經濟和文娛方面，亦有理想的表現。香港今日的成就，反映了香港人頭腦的靈活，進取精神和工作勤勉的態度。不過，這種精神和態度，有跡象受到漸趨熾烈的渴求暴利，賭博和作過份投機的心態和行爲所蠶食。這種趨勢若繼續下去，其後果是不難想像的。

除了金融市場上「金股齊鳴」外，近期的炒樓花活動亦令人咋舌。參與這種活動的人，除了來自財務機構、地產界和較爲富裕的人士外，還增加了一些所謂「職業排隊客」。他們的活動，不但把樓價提高，還把「房屋爲居者而蓋」的原則，變成「房屋爲投機者而設」了！

香港的租金昂貴不在話下，市區內的住宅樓宇價格，亦遠超普通市民的負擔。一般商業樓宇租金的大幅度上漲，使到不少店肆商場停業；工廠東主關閉工廠改做地產生意，亦時有所聞。雖然有人認爲未來兩年，本港將大量供應商用的樓宇，屆時租金便可平抑。可惜的是，租金和物價絕少跟隨物理定律，上漲了的並不一定下降。地產和物業的生意蓬勃，受益者只是爲數不多的大財團和業主。香港的經濟命脈，操於生產和出口而非地產，操於勤勉的人民，而非唯利是圖的投機者。

就香港的環境而言，維持一個自由和放任的經濟體系是無可厚非的，但一旦發覺這個體系開始危及民生和經濟本身，那就非設法納諸正軌不可了。很多人認爲管制炒樓，在技術上不容易辦到。這一個顧慮，使本人想起從前香港的「黃牛黨」操縱電影院戲票，但那種情況現時已絕少存在了，因爲警方可以依據「公眾娛樂場所條例」起訴炒戲票的人。本人引用這一個例並非暗示「欲加份之罪，何患無辭」，而是說明只要有決心，便能尋求到合理的辦法，管制過份投機的活動。

有時我們從一些表面看來微不足道的事情，亦能察覺很多人渴求暴利的心態。例如政府公開拍賣特別車牌時，創出高價的往往是一些外來人看不出有甚麼特別如「二八」，「一六八」，「三三八」等車牌號碼，雖然拍賣這些號碼已帶給香港差不多一千五百多萬元的福利基金收益，但假若發覺它間接鼓勵一種不良的心態，則要考慮它存在的價值了！

香港的賭風頗盛，去年馬會統計全年投注額爲六十四億元，今年單是九月廿一日的投注額亦超過一億一百萬元。港九新界各投注站經常擠滿人，賽馬日亦有炒馬牌的情況。

政府的責任是要關注這種趨勢，深入研究這些心態行爲的根源，並要檢討有沒有間接助長這種活動，然後設法予以糾正。金錢事少，危害心志事大！閣下所努力建立的新香港，要靠香港人的心志才能完美！

本人謹此陳辭，支持這項動議。

(The following is the interpretation of what Mr. So said.)

Your Excellency, addresses made by Your Excellency at the opening sessions of the Legislative Council throughout the years have put emphasis on improving the quality of life of the Hong Kong people. Results of the

administration, be it in the social, economic, or cultural and recreational fields, have been very satisfactory. The achievements attained by Hong Kong today reflect the ingenuity of its people, their enterprising spirit, and their hard-working attitude. However, there is evidence that their spirit and attitudes are being gradually eroded by the growing tendencies towards profiteering, gambling, and excessive speculation, expressed both as a state of mind and behaviour. It would not be hard to imagine the consequences if these tendencies are left unchecked.

In addition to the ‘gold and stock boom’ in the financial markets, the recent speculation in pre-completed flats is also alarming. It recently came to light that people indulging in such activities include not only finance and real estate companies, and the relatively better off, but also ‘professional queuers’. Not only do they bid up the price of flats, but they also change the principle from ‘building houses for those who need shelters’ to ‘building houses for speculators’!

Needless to say, rents are high in Hong Kong, and the prices of domestic premises in Urban Areas are far beyond the means of the average man in the street. The drastic rise in rents of commercial premises in general, have made many shops cease operations. It is not uncommon for factory owners to close their factories and turn to real estate business. It has been said that the large supply of commercial premises expected in the next two years will cause a fall in commercial rents in the future. Yet unfortunately, rent and prices rarely follow the physical law of gravity—what goes up does not necessarily come down. The business boom in real estate and property benefits only a handful of financial syndicates and property owners. The economic lifeline of Hong Kong rests with production and exports, not real estate; its fate is in the hands of its industrious people, not profiteering speculators.

Given Hong Kong’s circumstances, it is not unreasonable that we should maintain a relatively free and laissez faire economy. Nonetheless, we should try to put the system on the right course if it is found to be endangering the people’s livelihood and the economy itself. It is generally believed that for technical reasons, it would be difficult to curb the speculation in flats. This fear reminds me of the ‘ticket-scalpers’ manipulating the cinema tickets in the past in Hong Kong. But such phenomenon rarely exists now since the Police can prosecute these scalpers under the Places of Public Entertainment Ordinance. When I cite this example, I am not implying that ‘one can always trump up a charge if one is out to condemn somebody’, but only suggesting that proper measures could be found to control the excessive speculative activities if the will is there.

Sometimes we can notice people craving for excessive profits from some ostensibly very trivial matters. For instance, those car registration numbers which mean nothing special to the outsiders, such as ‘28’, ‘168’, ‘338’, always score record high prices at public auctions. Although auctioning these registration numbers has already brought nearly \$15 million to the welfare funds of

Hong Kong, we have to consider whether it is worth continuing if it is found to be indirectly encouraging an unhealthy way of thinking!

Gambling is prevalent in Hong Kong. According to the Royal Hong Kong Jockey Club total bettings last year were \$6,400 million while the bettings on September 21 this year alone were over \$101 million. The off-course betting centres in Hong Kong, Kowloon and the New Territories are always crowded with people and there are cases of scalping in racing badges on horse-racing days.

The responsibility of the Government is to pay close attention to this tendency, to get at the root of this state of mind and behaviour, to review whether it has indirectly encouraged such activities and then try its utmost to remedy the situation. Money itself is insignificant but the harm it may cause to the mind and soul is dangerous because the new Hong Kong, which Your Excellency has put in so much effort to build, relies on the Hong Kong people to perfect it!

Sir, with these remarks, I support the motion.

Motion made. That the debate on this motion be adjourned—THE CHIEF SECRETARY.

Question put and agreed to.

Suspension of sitting

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now suspend the Council until 2.30 p.m. tomorrow.

Suspended accordingly at five minutes to five o'clock.