

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 8 April 1981****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.
CHAIRMAN, COMMITTEE TO REVIEW POST-SECONDARY AND TECHNICAL EDUCATION

THE HONOURABLE DAVID GREGORY JEAFFRESON, C.B.E., 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 ERIC PETER HO, J.P.
SECRETARY FOR SOCIAL 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., Q.C.
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 COLVYN HUGH HAYE, J.P.
DIRECTOR OF EDUCATION

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

THE HONOURABLE LI FOOK-WO, 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.

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, O.B.E., 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 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.

THE HONOURABLE STEPHEN CHEONG KAM-CHUEN

ABSENT

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

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

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

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

THE HONOURABLE HU FA-KUANG, J.P.

IN ATTENDANCE

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

Papers

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| No. 48—Report of the Finance Committee on the Draft Estimates of Expenditure 1981-82 | |

Statement

Report of the Finance Committee on the Draft Estimates of Expenditure 1981-82

THE CHIEF SECRETARY:—Sir, on 25 February 1981, the draft Estimates of Expenditure for 1981-82 were referred to Finance Committee for examination under Standing Order No. 60(8).

The Committee held two special meetings on 4 and 5 March and a number of Controlling Officers were invited to attend the discussion. The Committee has completed its examination and its Report is laid on the table today.

Once again, I would like to place on record the Government's appreciation of the very considerable time and effort that Members of the Committee have devoted to the scrutiny of public expenditure, both at the special meetings at which they examined the draft Estimates of Expenditure and at regular meetings held throughout the year when requests for supplementary provision and financial commitment were considered.

Government business

Motions

ROAD TRAFFIC ORDINANCE

THE SECRETARY FOR THE ENVIRONMENT moved the following motion:—That the period for which there remains in force the limit on the number of vehicles which may be registered as public light buses, specified in the Public Light Buses (Limitation on Number) Notice 1980 published as Legal Notice No. 283 of 1980, be extended to 10 April 1982.

He said:—Sir, I rise to move the motion standing in my name on the Order Paper. It provides under section 7E(3) of the Road Traffic Ordinance (Chapter 220), that the period for which there remains in force a limit on the number of vehicles which may be licensed as public light buses, as specified in the notice published in the *Gazette* as Legal Notice No. 283 on 10 October 1980, should be extended until 10 April 1982.

On 8 October last year, under the powers conferred by section 7E(1) of the Road Traffic Ordinance, the Governor in Council ordered that the total permissible number of vehicles which may be registered and licensed as public light buses should remain at 4,350. This was the figure at which the number of public light buses had previously been limited under regulation 18B of the Road Traffic (Registration and Licensing of Vehicles) Regulations, now replaced by section 7E of the Ordinance. Under section 7E(2) of the Ordinance the limit thus set remains in force until 10 April 1981, when it can be extended by this Council by resolution and this is the purpose of the present motion.

Sir, I beg to move.

Question put and agreed to.

FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE

THE COMMISSIONER FOR LABOUR moved the following motion:—That the following regulations, made by the Commissioner for Labour on 5 March 1981, be approved—

- (a) the Factories and Industrial Undertakings (Amendment) Regulations 1981;
- (b) the Factories and Industrial Undertakings (Confined Spaces) (Amendment) Regulations 1981;
- (c) the Factories and Industrial Undertakings (Lifting Appliances and Lifting Gear) (Amendment) Regulations 1981;
- (d) the Factories and Industrial Undertakings (Guarding and Operation of Machinery) (Amendment) Regulations 1981; and
- (e) the Construction Sites (Safety) (Amendment) Regulations 1981.

He said:—Sir, I move the motion standing in my name on the Order Paper for the approval of the Factories and Industrial Undertakings (Amendment) Regulations 1981, the Factories and Industrial Undertakings (Confined Spaces) (Amendment) Regulations 1981, the Factories and Industrial Undertakings (Lifting Appliances and Lifting Gear) (Amendment) Regulations 1981, the Factories and Industrial Undertakings (Guarding and Operation of Machinery) (Amendment) Regulations 1981 and the Construction Sites (Safety) (Amendment) Regulations 1981. These sets of regulations were made by me on 5 March 1981.

On 6 August 1980 this Council approved the Factories and Industrial Undertakings (Amendment) (No. 2) Ordinance 1980, which was the first step in the process of increasing the penalties in various items of industrial safety legislation. The amendment to section 7(5) of the Ordinance raised the maximum penalty that may be provided in any regulations made under the Ordinance to \$50,000. When I introduced that Bill I said that this would enable the Factory Inspectorate to analyse and grade the offences with appropriate maximum penalties depending on the seriousness of a breach of each particular regulation.

There are 19 sets of safety regulations made under the Factories and Industrial Undertakings Ordinance. In the present exercise as the result of this analysis by the Inspectorate, I have raised the penalties in five sets of regulations which I consider to be the most important and most urgently in need of amendment. I propose to amend the remaining regulations as soon as possible, and the review of the next six sets of regulations is being finalized now.

In these amendment regulations, only those offences which I consider to be the most serious, such as failure by a proprietor to fence a workplace to prevent workers from falling from a height and the giving of false particulars in a report, will attract the maximum fine of \$50,000. For serious offences, such as failure to guard a machine, the maximum fine will be \$30,000. Other less serious offences will attract maximum fines ranging from \$5,000 to \$20,000.

I have also categorized offences in this way because the regulations made under the Factories and Industrial Undertakings Ordinance usually concern offences with some technical content. In these circumstances, I hope that members of the Judiciary will appreciate some guidance as to the degree of seriousness with which the various types of offences may be regarded, and this, the graded levels of maximum penalties should give them.

The Labour Advisory Board was consulted on the principles of grading the seriousness of offences and had endorsed them.

Question put and agreed to.

HOUSING ORDINANCE

THE SECRETARY FOR HOUSING moved the following motion:—That the Housing (Traffic) (Amendment) By-laws 1981, made by the Housing Authority on 20 March 1981, be approved.

He said:—Sir, I move the motion standing in my name in the Order Paper.

The Housing (Traffic) (Amendment) By-laws, 1981, which were made by the Housing Authority on 20 March 1981, under section 30 of the Housing Ordinance, provide for increased charges for the impounding, removal and storage of vehicles which have been illegally parked on restricted roads in public housing estates.

By-law 30 of the Housing (Traffic) By-laws 1978 provides for the following charges: for impounding a vehicle, \$20; for removing a vehicle, \$80; and for storing a vehicle, \$20 for each day after the first day during which the vehicle is detained.

Experience in estates has shown that the present impounding charges are too low to be an effective deterrent to offending motorists and it is, therefore, proposed that these charges be increased to \$50. The Government recently increased its charges for towing away and storing illegally parked vehicles and in order to bring the Authority's charges in line with the new rates it is further proposed that the charges for removing vehicles be increased to \$110 and the charges for storing vehicles be increased to \$35 a day. The proposed increases will be effective from 1 May 1981.

Sir, I beg to move.

Question put and agreed to.

First reading of bills**MAGISTRATES (AMENDMENT) BILL 1981****KOWLOON-CANTON RAILWAY (AMENDMENT) BILL 1981****EMPLOYMENT (AMENDMENT) (NO. 2) BILL 1981****INTERPRETATION AND GENERAL CLAUSES (AMENDMENT) (NO. 2) BILL 1981**

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

Second reading of bills

MAGISTRATES (AMENDMENT) BILL 1981

THE ATTORNEY GENERAL moved the second reading of:—‘A bill to amend the Magistrates Ordinance’.

He said:—Sir, I move the second reading of the Magistrates (Amendment) Bill 1981.

This Bill deals with the procedure by which summonses are issued by magistrates courts. There are approximately 10,000 summonses issued each week and is clearly impossible for the 40 magistrates personally to consider, approve and then issue each of these. The position has been similar in England where similar legal provisions apply, and there it has been said that the administration of justice would grind to a halt were the magistrates themselves forced to consider each summons individually before issue. So in practice both in England and in Hong Kong the clerical staff in the magistracies have, under guidance from the magistrates, dealt with these matters. However, on 26 February of this year, the High Court in England in a judgment laid down that the terms of the relevant statutes, which are very similar to the Ordinance here, imposed upon the magistrates the duty individually to consider these summonses. So following that decision the Registrar of the Supreme Court, after consultation with myself, directed the magistrate personally to issue the summonses. But clearly that is a procedure that in view of the numbers can only be undertaken for a short period of time. Were it to continue for any length of time there would be a serious danger of unacceptable delay taking place in the work in the magistrates courts.

In practice the issue of summonses by non-professional staff has worked well, both here and in England, and it is accordingly proposed that this practice should be regularized and continued. So this Bill in new sub-section (1) of clause 2(b) provides therefore for summonses to be issued not only by magistrates but also by officers of magistrates courts who are authorized in writing for that purpose by the magistrates. It is however considered appropriate to introduce three safeguards. The first of these is that complaints by private citizens will continue as is the present procedure to be individually and personally considered by a magistrate. Secondly magistrates have been given a power which they do not at present have to cancel summonses. And thirdly a power has been given to magistrates, which again they do not have at the moment, to award costs up to a limit of \$5,000 in respect of cancelled summonses where the individual, the defendant, has been put to expense in preparing to refute the summons. Sir, these safeguards have been incorporated in the new sub-sections (1C), (5) and (6) in clause 2.

So far as official summonses are concerned, that is those issued by public officers or by the Police, this in practice has been a semi-automatic process and the new sub-section (1B) in clause 2 of the Bill reflects this whilst expressly retaining the magistrates' power to refuse to issue a summons.

Sir, the limit of \$5,000 in costs has been fixed having regard to the present level of legal fees. There are elsewhere in the Ordinance various powers of magistrates to award costs in which there is a limit of \$2,000. This was set in 1976 and has not since been reviewed and the opportunity is taken in clause 3 to raise this limit also to the same \$5,000.

Sir, finally, as regards the details of the Bill itself, clause 4 puts beyond doubt the validity of summonses issued in Hong Kong prior to the decision of the English High Court.

These then, Sir, are the provisions of the Bill itself. But there are two matters which perhaps I ought to mention. First that there is currently a working party reviewing the whole summons procedure—the working party having been set up by the Chief Justice with interested bodies represented upon it. But this review, whilst it is well progressed, could not be finalized prior to the need to introduce this Bill. Secondly, Sir, it is hoped to take this Bill through all three of its readings this afternoon. I appreciate that of course this is a procedure to be used sparingly. It is felt appropriate to seek to do so with this Bill because of the unacceptable pressure that would be upon the magistrates and the danger of delay in the magistracies that would arise, and the delay for individual defendants with summonses hanging over them that could not be dealt with because these other matters were being dealt with. Also we had in mind the statement in Magna Carta that 'justice delayed is justice denied'. Sir, it also is a fact that this Bill represents no change in the current practice but is merely intended to close if possible a legal loophole.

Sir, I move that this Bill be now read the second time.

Question put and agreed to.

Bill read the second time.

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

KOWLOON-CANTON RAILWAY (AMENDMENT) BILL 1981

THE SECRETARY FOR THE ENVIRONMENT moved the second reading of:—'A bill to amend the Kowloon-Canton Railway Ordinance and to validate certain acts of the general manager in relation to the through train service to The People's Republic of China'.

He said:—Sir, I rise to move the second reading of the Kowloon-Canton Railway (Amendment) Bill 1981.

The principal purpose of this Bill is to provide the General Manager of the Kowloon-Canton Railway with the additional powers required for the operation of a through passenger train service between Hong Kong and the People's Republic of China, and to validate previous actions of the General Manager in this regard.

The Bill has two main provisions. *First*, clause 2 seeks to give the General Manager the proper authority to establish a through passenger train service to China and to settle details regarding its operation, subject to any directions which may be given to him by the Governor. Secondly, it seeks, through clause 3, to enlarge the regulation making powers under the Ordinance by empowering the General Manager to make regulations providing for areas of the railway to be declared restricted areas, for the issue of permits for access to such areas, and for the making and admissibility in court of plans delineating them. These provisions are similar to those made for the airport, and are necessary in order to control access to those parts of the railway which are used for customs and immigration purposes.

Through passenger train services to and from Canton recommenced by agreement with the Guangzhou Railway Administration in April 1979, and a second daily service has been operated since February 1980.

Sir, I move that the debate on this motion be now adjourned.

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

Question put and agreed to.

EMPLOYMENT (AMENDMENT) (NO. 2) BILL 1981

THE COMMISSIONER FOR LABOUR moved the second reading of:—‘A bill to amend the Employment Ordinance’.

He said:—Sir, I move that the Employment (Amendment) (No. 2) Bill 1981 be read a second time.

Legislative provisions concerning maternity protection were first introduced in the Employment Ordinance (Chapter 57) in 1970. These provisions, which are still in force, include, *inter alia*, maternity leave for a period of ten weeks, that is, four weeks before the expected date of confinement and six weeks after confinement, with the possibility of extension on grounds of illness or disability arising out of the pregnancy or confinement for a further period of four weeks. However, a female employee is not under that legislation entitled to be paid for

this leave unless her contract of employment provides for this. Termination of a contract of employment by the employer during the period from the date on which a female employee gives notice of intended maternity leave to the date on which she is due to return to work on expiry of her maternity leave is not permitted. However, as the law stands, breach of this provision is not a statutory offence.

In December 1978, the Secretary for Social Services established an Interdepartmental Working Group to examine and make recommendations regarding maternity benefits for women in employment in Hong Kong, having regard to similar benefits available elsewhere in the region and in the United Kingdom. The Working Group submitted its report in October 1979 and recommended, *inter alia*, that the ten weeks maternity leave provided for under the Employment Ordinance should be paid at a rate of not less than $\frac{2}{3}$ of the female employee's previous wages, but that paid maternity leave should be limited to two surviving children in order not to make the employer's liability an open-ended commitment. The Working Group further recommended that the existing prohibition of termination of employment of a female employee in connection with maternity in the Employment Ordinance should be made an offence and that a female employee should be entitled to full maternity benefits for the whole of her maternity period for the first two surviving children if she was dismissed before the expiry of her maternity leave.

The Working Group's report was translated into Chinese and circulated to all trade unions (except those trade unions of Government employees whose terms of employment are governed by the Civil Service Regulations), major employers' associations and other interested parties such as the Hong Kong Council of Women, the Hong Kong Association of University Women, the Christian Industrial Committee and the Industrial Relations Institute.

While views from employer and employee organizations understandably differed, in particular, in respect of the proposed rate of maternity leave pay and the restriction to two surviving children for pay entitlement purposes, on the whole, the Working Group's recommendations were well received by all the unions and organizations who were consulted, as well as by members of the public. Indeed the principle of adopting a system whereby women should receive remuneration during maternity leave was *universally* supported notwithstanding differences on the extent, amount, conditions and limitations on the maternity pay itself.

After consulting the Labour Advisory Board on the Working Group's recommendations and taking into account the variety of views expressed by members of the public, employees' trade unions, major employers' associations and other interested parties, it is now proposed to amend the Employment Ordinance to provide for paid maternity leave on the following conditions:—

- (a) the qualifying service for paid maternity leave should be 40 weeks of continuous employment before the commencement of maternity leave;

- (b) a female employee covered by the Employment Ordinance, that is, all female manual employees and all those female non-manual employees earning up to \$6,000 a month, should be paid while on maternity leave at the rate not less than $\frac{2}{3}$ of her previous wages;
- (c) paid maternity leave should be limited to three 'surviving children';
- (d) to verify the number of children she has at the time she applies for paid maternity leave, a female employee should produce to her employer a statutory declaration to that effect;
- (e) prohibition of termination of employment of a female employee in connection with maternity should be made an offence and if convicted an employer should be liable to a fine of \$5,000. In addition, a female employee should be paid full maternity benefits for the whole of her paid maternity leave period if she is dismissed before the expiry of her maternity leave;
- (f) leave taken in connection with miscarriages, as defined in clause 2 of the Bill, should be treated as sick leave rather than maternity leave;
- (g) days off for pregnancy check-ups or post confinement medical treatment should normally be regarded as sick leave;
- (h) a female employee who, without the prior permission of her employer, works for another employer while she is on paid maternity leave shall not be entitled to maternity allowance.

All these proposals have been incorporated into the Employment (Amendment) (No. 2) Bill, which was gazetted on 20 March 1981, and are in the main sufficiently self-explanatory not to require lengthy elaboration today.

However, there is one aspect of the proposals which appears to have caused some confusion and that is the concept of three 'surviving children'. Because the wording of the draft Bill in clause 4 refers, in proposed section 14(2)(d), to 'no more than two children born to her' this phrase has been read out of context and it has been assumed by some to mean that the paid maternity leave benefit applies only to *two* periods of maternity leave. In general terms this in fact means that the paid maternity leave will apply to three surviving children *not* two as recommended by the working party. The reason why the proposed section 14(2)(d) reads 'no more than *two* children born to her' is drafted in that way because that is the situation *prior* to the birth of the third child for whose pregnancy she will be entitled to paid maternity leave. I should add that the inclusion of a limit in the legislation arises from the recommendation of the working party that there should not be an 'open-ended commitment' for the paid leave and the need to limit employer's liability not from considerations of population. And in this connection I should stress that the existing maternity protection provisions to safeguard the health and safety of mother-to-be who are working applies without any limitation as to the numbers of confinements or surviving children.

In order to give employers and employees sufficient time to make any necessary arrangements to comply with these changes in the law, I shall propose that this legislation should come into operation on 1 June 1981.

Sir, I move that the debate on this motion be adjourned.

Motion made. That the debate on the second reading of the Bill be adjourned—THE COMMISSIONER FOR LABOUR.

Question put and agreed to.

INTERPRETATION AND GENERAL CLAUSES (AMENDMENT) (NO. 2) BILL 1981

THE LAW DRAFTSMAN moved the second reading of:—‘A bill to amend the Interpretation and General Clauses Ordinance to empower the Legislative Council, by resolution, to increase fines imposed under Ordinances and subsidiary legislation, to empower increased fines to be provided in subsidiary legislation, and for purposes connected therewith’.

He said:—Sir, I move that the Interpretation and General Clauses (Amendment) (No. 2) Bill 1981 be read the second time.

Inflation coupled with continual changes in the circumstances of offences, like their prevalence, the degree to which they damage society, and the necessity to provide increased punishment and deterrence, mean that there is a constant need to increase the levels of fines provided in our laws. Where these levels are set by ordinances, they can only be changed by the enactment of an amending bill. And this means running the whole gamut of policy approval, drafting instructions, drafting priorities, consideration of the bill by Executive Council and then by the Legislation Committee of U.M.E.L.C.O., followed by the three readings and committee stage in this Council, assent by Your Excellency and finally publication. Not surprisingly therefore, the prescribed limits of fines sometimes tend to lag behind the levels they should maintain. Bills concerned only with increasing a few fines, not unnaturally, do not attract the same priority that more substantial measures do.

Clearly, therefore, some simple and expeditious means of increasing the statutory levels of fines is necessary; means that nevertheless do not by pass this Council. Clause 3 of the Bill provides just such a means by empowering this Council to effect such increases by resolution. While intended primarily for ordinances, this power will incidentally extend to subsidiary legislation. The problem is not so acute in reference to subsidiary legislation, which can be amended rather more simply and expeditiously. Nevertheless the power will be of value in the case of subsidiary legislation, for instance, where it enables the fines in both an ordinance and its subsidiary legislation to be increased at the same time by a single measure.

But there is a related problem in relation to subsidiary legislation, which arises in the following way. The maximum amount of fines that can be provided in subsidiary legislation is fixed by the enabling Ordinance, or, where the enabling Ordinance does not do so, which is not unusual, it is that fixed by the Interpretation and General Clauses Ordinance; and this is only \$2,000. Considering the

present day range of subsidiary legislation, the essential part that such legislation plays in securing the effect of many major legislative schemes and the gravity of many offences contained in subsidiary legislation, \$2,000 is today clearly inadequate. And while a case could no doubt be made for an even higher limit, \$5,000 would seem to be a sensible and not unreasonable limit; a limit which, moreover, should by and large prove adequate. Clause 2 accordingly increases the general limit in the Interpretation and General Clauses Ordinance from \$2,000 to \$5,000. Members will, of course, be able to keep an eye on the level of fines actually prescribed under this increased limit, in that the subsidiary legislation concerned will be tabled in this Council in the ordinary way.

Sir, I move that the debate on this motion be adjourned.

Motion made. That the debate on the second reading of the Bill be adjourned—THE LAW DRAFTSMAN.

Question put and agreed to.

APPROPRIATION BILL 1981

Resumption of debate on second reading (26 March 1981)

Question proposed.

SECRETARY FOR SOCIAL SERVICES:—Sir, as I am replying to the many interesting observations on our social services by Miss BENNETT, Messrs. F. W. LI, Alex WU, S. L. CHEN, WONG Lam, Allen LEE and F. K. HU, and Dr. HO Kam-fai, I fear I may not be as brief as I would wish.

Social Services Expenditure As A Percentage of The Total

To those colleagues and members of the public who expressed concern that expenditure on education, social welfare, or on any other sector, as a percentage of total Government expenditure, or revenue, has decreased, or increased insufficiently, as compared with an earlier year, I must explain that this Government does not, and cannot, operate by allocating fixed percentages of the total expenditure or revenue for its various services. The budget each year is constructed on the funds needed to maintain on-going and approved new services. Our expansion of services is based on programme plans which are reviewed regularly. Where we may not be moving as rapidly as desired this is generally not because of financial constraints, but rather because manpower training and building projects cannot meet shortfalls in provision in a shorter time-frame. I think our programme of improvements in the social services—education, social welfare, medical and health—is impressive and I am glad to note that there are no serious complaints about these general plans.

Loans For Students In U.K.

I would like to thank Mr. WU and Mr. Allen LEE—and indeed all Unofficial Colleagues on the Finance Committee—for their support of the financial assistance schemes which we have developed to help Hong Kong students studying in the United Kingdom on first degree and higher diploma courses. The reestablishment of the emergency loan fund has provided a means of alleviating the hardship which has resulted from the United Kingdom Government's decision to increase to full costs the tuition fees for overseas students. The longer term scheme will ensure that first degree and higher diploma students from Hong Kong wishing to study in the United Kingdom will not be prevented from doing so merely because of the disparity between the 'home' and 'overseas' tuition fees.

While Hong Kong values these academic links with the United Kingdom, we are also reviewing the provision of our own higher education places, and the Committee to Review Post-Secondary and Technical Education under Mr. TOPLEY's chairmanship is forging ahead with its work. While I agree with Mr. WU that we need to know much more about our students overseas, I must warn that this information is not always easy to assemble or to assess. Accordingly, whatever the Topley Committee's ultimate conclusions, I agree with Mr. WU that in our situation it would not be sensible from the educational point of view for us to attempt to be self-sufficient in all disciplines, particularly as a proportion of Hong Kong students will as a matter of choice wish to seek their higher education elsewhere, including the United Kingdom.

Technical Education and Industrial Training

I can assure Mr. S. L. CHEN that adequate funds for technical education as well as industrial training will be provided. I might add that the Topley Committee is also having a close look at the co-relation between these two areas of importance to technical manpower development.

Laboratory Technicians

I understand Miss BENNETT's concern and disappointment at the apparent slow progress made on the provision of laboratory technicians for secondary schools, but can confirm that specific proposals are now being processed. Subject to their acceptance, an item will be put to the Finance Committee of this Council for the voting of the necessary funds.

Advisory Inspectorate

Miss BENNETT appears to argue that because the advice from the Advisory Inspectorate on a specific proposal was not immediately acted on by the Government, then the Advisory Inspectorate should be abolished and their posts re-deployed for something else. The logical extension of this line of argument means that any senior officer, who makes a recommendation which is subsequently not accepted by Your Excellency, for whatever reason, should be given the sack. If this were the rule I wonder how many of us would be left here today (*laughter*)! Surely, the Education Department must be responsible

for monitoring standards and for helping to improve the quality of education, and this role must clearly continue to be that of the Advisory Inspectorate.

Language Teaching

Miss BENNETT has raised a number of questions related to language teaching. While there has been no single, specific survey on the teaching of English and Chinese, the situation is constantly monitored. There is an on-going programme of improvement in teaching methods in both languages. It is this continuous appraisal of the local situation and awareness of international developments in language teaching which are the bases for syllabus revision, and for the continuous up-dating of initial and in-service courses for language teachers.

Miss BENNETT made specific reference to the English Language Adviser. As a result of his work over the last three years, which has been founded on a very thorough study of the local situation, a revised syllabus for the teaching of English in primary schools has been prepared and will shortly be issued to schools for comment; a series of courses has been organized by the British Council to improve standards of English among teachers in primary and secondary schools; and other major proposals are currently being examined, including one to establish an Institute for Language in Education.

The situation with regard to Chinese is that a complete Form I to Form V secondary school syllabus was issued in 1978; the Form IV to Form V syllabus being first examined in the Hong Kong Certificate of Education Examination in 1980. The present syllabus for primary schools was introduced in 1975 and amended in 1978.

Miss BENNETT has also asked what surveys have been conducted on textbooks for the teaching of Chinese and English. Again this is a continuous process with the lists of textbooks for use in kindergarten and primary and secondary schools being updated each quarter. These lists, the result of the Education Department's text-book review system and discussion and liaison with publishers' associations, indicate to schools those text-books suitable for use with the suggested syllabuses. There has, I venture to suggest, been a marked improvement in standards as a direct result of the checks this system provides.

Teachers' Pay and Class Ratio

Sir, I was originally trained for taxation work with the Inland Revenue Department. When I started examining tax returns I was warned by an experienced but possibly cynical colleague to be on the look out for a claim of loss where there has been a shortfall in the realized profit from that originally anticipated: the difference between these two figures being the loss claimed (*laughter*)! I wonder whether there may be some analogy between this notional loss and that of the Vice-Principal which Miss BENNETT complains about?

Let me emphasize at the outset that the Standing Commission on Civil Service Salaries and Conditions of Service is charged, as its title implies, with keeping civil service salaries under review. The extension of the salary scales for teachers

in the Government schools to their counter-parts in the aided schools is a separate matter which was first accepted in principle in the 1965 Education White Paper (at paragraph 25 therein) and implemented from the early 1970s. This is an important landmark in the relationship between the salaries of teachers in the Government and the aided schools, which has relevance to the social work and subvented hospital sectors as well, but this Government undertaking is not the responsibility of the Standing Commission.

As regards the specific issue of the Vice-Principal's salary which by extension applies to the aided secondary schools as well, the fact is that Report No. 5 of the Standing Commission recommended, and the Government accepted, a salary arrangement that harmed none and substantially benefitted many. I would stress that what the Standing Commission recommended are improvements to the pay scales of the Assistant Education Officer and Education Officer ranks and *not* a reduction in the pay scale of the Senior Master rank.

In recommending the merger of the Education Officer and Senior Master ranks the Commission did recognize that there were functional differences between these two ranks. In any broad-banding exercise problems of this sort have to be resolved one way or another. In the event the Commission considered these differences were not sufficiently significant to justify completely different pay scales.

The merger of the two ranks does not mean that there should no longer be Vice-Principals. It simply means that one or more persons selected by a school management (and this includes the Director of Education in the case of a Government school) to perform the functions of the Vice-Principal is remunerated under the merged Education Officer/Senior Master scale. Let us not forget that differential salary scales for graduate teachers, including Principals, in the aided schools is a recent development; and our aided schools flowered on the former single scale for all graduate teachers from the Principal down to the most recent entrant.

As the Standing Commission is a continuing body, I suggest that it would not be unreasonable for what it has recommended, and the Government has accepted, to be tried out in good faith. If insuperable difficulties do arise a review is still possible at a later stage.

Although I am not competent to comment on the sampling methods adopted by Miss BENNETT in her survey—and I note that her circular to her teacher colleagues states in part '... I am doing my best to speak out on behalf of the teachers in the Aided Sector ...'—there can be no denying that there is an immense difference between educating a small, able, well-motivated elite for further academic work, and educating an entire population. However, any major revision of this class to teacher ratio involves not only increased expenditure but the provision of extra trained teachers. Accordingly, the time for considering this will be after we have achieved the expansion targets for aided and Government secondary schools, when we should again be reviewing the quality of education in

the secondary sector—but I do not intend this observation to suggest that specific improvements will not be considered sooner. As Miss BENNETT is aware we are already in the process of reviewing the quality of education in the primary schools.

Care for the Disabled

Mr. WONG Lam and Dr. HO have proposed a relaxation of eligibility criteria for the disability allowance. This allowance is intended to relieve families of the extra financial burden arising from the special needs and demands of their severely disabled members, including the profoundly deaf. The eligibility for the allowance is based on 100% loss of earning capacity as defined in the Employees' Compensation Ordinance, or to a mental or physical condition either producing a broadly comparable degree of disablement or requiring from other persons constant attendance or continual supervision.

However, since April 1980, we have made provision for those who suffer less than 100% loss of earning capacity; a disability supplement is payable to recipients of public assistance who are partially disabled with 50% or more loss of earning capacity or a broadly comparable disablement and who would otherwise have extra difficulties or needs arising from such disability. The mentally handicapped can, of course, qualify under the existing criteria and I do not consider it reasonable to introduce further refinements for them alone.

Dr. HO may have been influenced by the low wages received by the moderately and mildly handicapped persons in sheltered employment during the period 1968 to 1978 who featured in the Polytechnic study. However, it is questionable whether the wages they received then are representative of the wage-earners in sheltered employment in general today. In any case, in addition to their wages sheltered workers also receive an incentive payment currently at the rate of \$5.50 per day. If such worker still does not earn enough to support himself, he should apply for public assistance and may thereby qualify for a disability supplement as well.

As regards the provision of extra places, Dr. HO will wish to know that on the advice of the Rehabilitation Development Co-ordinating Committee a Working Party comprising Government and voluntary sector representatives has been appointed to conduct an overall review of sheltered employment: its aims, objectives and the numbers of sheltered work places to be provided in future. Pending the completion of this review an additional 300 places is being provided each year and on present plans this total should reach approximately 3,000 by 1983-84.

I agree with Dr. HO that vocational training for the disabled should be improved both qualitatively and quantitatively. To improve the quality of vocational training, the Education Department has assumed primary responsibility for vocational training with the transfer to that Department of the World Rehabilitation Fund Day Centre in August 1980; transfer of other vocational training centres currently operated by the Social Welfare Department will be

completed in 1981-82. Special studies on the development of vocational assessment, and of new vocational training programmes to link up with the needs of commerce and industry, are being carried out by experts from the International Labour Organization under the United Nations Development Programme. The results of these studies are expected to be available before the end of the year to provide bases for further improvement. As regards vocational training places, the programme plan provides for the current provision of 714 places to be expanded to 1 600 places by 1984-85 with provision for the mentally handicapped therein rising from 528 to 900 places.

The Selective Placement Service set up in the Labour Department in July 1980 now caters for the physically disabled, the blind and the deaf. It is planned that this Service should take over responsibility for the placement in employment of the mentally handicapped and the mentally ill during 1982-83. To this end, a Labour Officer is receiving special training in the United Kingdom in the placement of this particular disabled group; and a further two Assistant Labour Officers will be sent overseas for similar training towards the end of the year. In the interim, the Social Welfare Department is devoting as much resources to this work as it possibly can. Despite the difficulties inherent in these placements, the Social Welfare Department successfully placed 55 mentally handicapped job-seekers during the period July 1980 to February 1981.

The community education and the promotion campaigns launched during this International Year of Disabled Persons, and directed at arousing public awareness of the abilities of the disabled and their need for gainful employment, are also expected to bring about general improvements in the job opportunities for the disabled.

On the question of access, following a comprehensive review of the transport needs of the disabled, it has been decided to provide special transport where the need is demonstrated for rehabilitation services ranging from pre-school treatment and care to employment. And this policy is being implemented. In regard to work places, special reference has been made by both Dr. HO and Mr. WONG Lam to the rehabus service operated by the Hong Kong Society for Rehabilitation. At present, Government subvents the operation of nine buses in Hong Kong and Kowloon. Government has agreed, in principle, to subvent the operating costs of two more buses in 1981-82. The further expansion of this service is currently being examined by the Director of Social Welfare in conjunction with the Society for Rehabilitation.

On the question of residential care for the disabled, raised by Mr. F. K. HU, the planned provision in 1981-82 is 2,107 places, representing an increase of 287 places or 15.8% over the provision of 1,820 places in 1980-81. Within this overall target, the increase in provision for the severely mentally retarded is 110 places or 27.6%. Existing plans aim for 3,776 places by 1983-84, more than doubling the 1980-81 provision. Of this number, 1,078 places will be for the severely mentally handicapped, which should then meet over 90% of the estimated demand.

The Aged

Mr. WONG Lam and Mr. F. K. HU asked for more residential places for the aged. The next few years will see a rapid growth in this service. By 1984-85 it is planned to provide over 2,000 additional places in hostels and homes for old people in public housing estates. A further 875 places will be provided in purpose-built homes outside public housing estates. A common problem faced by these hostels and homes is the difficulty of looking after those residents who, although mobile and in relatively good health on admission, have subsequently deteriorated to an extent where they require long-term nursing care or more intensive personal care than they are geared to provide. An ideal solution would be to have care and attention facilities in every home. 16 homes planned to open during the next few years will have such combined facilities. Altogether an additional 2,135 care and attention places will be provided by 1983-84 which should then meet the present planning target of four places per 1,000 population over the age of 60. This planning target will, of course, be reviewed regularly in the light of changing circumstances.

Home Help Service Scheme

Mr. WONG Lam will be interested to know that in 1980-81 an equivalent of 166 full-time home helpers were subvented to serve various client groups, including the elderly, the disabled and families in need of such assistance. This compared with 127 home helpers in 1979-80. To ensure the most efficient use of these resources, the Social Welfare Department and the Hong Kong Council of Social Service are examining ways of providing a more uniform and co-ordinated service to cater for all client groups. Pending the outcome of this study and the determination of long term planning targets, it is intended to subvent an additional 100 home helpers in 1981-82.

Services for Offenders

I can assure Mr. F. K. HU that the Government is conscious of the need to maintain high standards in probation and other services for young offenders, and subject to sufficient staff being available, the aim is to reduce the caseloads of probation officers—especially those dealing with high court cases.

In the related area of treatment of offenders, an overseas adviser has recently reviewed all aspects of the operation and organization of the five correctional institutions operated by the Social Welfare Department. The adviser, who has long experience working in probation and correctional homes in the United Kingdom, paid a first visit to Hong Kong in February this year. His preliminary report has outlined some constructive recommendations on the approaches to be adopted in institutional correctional work and on the internal organization, structure and staffing requirements of our correctional homes. These recommendations are now being studied within the Social Welfare Department. The adviser will visit Hong Kong again later in the year to consolidate his findings

and conduct more detailed examination into the content of rehabilitation programmes in the institutions, staff training requirements and improvements to the design of institutions.

Expenditure on Social Work Activities

Mr. F. K. HU has drawn attention to the large proportion of the provision under the Social Welfare Department head of expenditure devoted to social security payments. However, the relative sums of money involved should not detract from the real increases in provision for social work activities both by the Department and, more significantly, by the voluntary agencies through whom an ever increasing share of the funds earmarked for social welfare services are being channelled.

As regards departmental expenditure, approximately \$7 million is provided in the 1981-82 draft Estimates for the development and improvement of existing services and for the introduction of new services. This constitutes nearly 7% of the total provision for social welfare services as opposed to social security programmes.

Provision for social welfare subventions includes an additional \$13.3 million for expanding and improving existing services and \$3.4 million for new services—in other words, a growth in expenditure of nearly 10% over the amount of money required to maintain services at existing levels. In terms of expenditure, the most significant areas of increase are services to the elderly, the disabled and young people with increases in gross expenditure over the revised estimates for 1980-81 of 52%, 31% and 39% respectively.

I think Mr. F. W. LI's request for more generous assistance to be provided for voluntary agencies subvented on discretionary grants arises from the Report of the Working Party on Provision of Social Welfare Services and Subvention Administration. This Report recommends a new system in the place of discretionary grants for all. The proposed basic cost subvention system will entail a firm commitment on the part of Government to meet the full cost of a basic standard of service in accordance with the essential and necessary services set out in the Five-Year Plan for Social Welfare Development. Briefly, the proposal includes a key staff grant based on mid-point salaries but adjusted to reflect the actual salaries of staff which may be higher or lower than the mid-point calculations, and a grant to meet other expenses based either on units of output or on a flat rate per centre. No basic change is proposed in the system of discretionary grants for other services which are classified in the Report as 'desirable'. It is possible that the introduction of new concepts of 'essential', 'necessary', and 'desirable' services is causing concern among voluntary agencies which find their services classified as 'desirable'. Their concern is understood, and I can assure Mr. LI that the voluntary sector has been consulted and their comments are being considered prior to the seeking of the advice of the Social Welfare Advisory Committee and the Rehabilitation Development Co-ordinating Committee.

Social Work Training Fund

Mr. F. K. HU suggests that the Social Work Training Fund be used to finance a special social work training programme in training institutions over the next five years in order to make up for the shortfall of trained social workers. Of course, the Social Work Training Fund now supports social work training for individuals rather than institutions and the funds available are limited. If extra funds have to be injected into the Fund to take on this new commitment, Mr. HU does not explain how such funding will be superior to channels like the University and Polytechnic Grants Committee.

The Government believes that the planning and financing of university and polytechnic education, including social work education, is best provided through the triennium block grants to the Universities and Polytechnic Grants Committee. The Topley Committee to which I have made earlier references is now reviewing the requirements for and provision of post-secondary and technical education and will be advising on student target numbers for the decade beginning 1984. Requirements for social workers in the coming five years have been notified to that Committee, but I am bound to add that these shortfalls are calculated on present ratios and cannot possibly take into account Miss BENNETT's request for one full-time social worker for every 120 slow learners. Of course, increased training capacity alone will not entirely solve the problem, particularly over the short term. I have therefore appointed a working party under the chairmanship of my deputy, with representatives from both Government and the voluntary sector, to review the present utilization of trained social workers, to refine the supply and demand figures, and to advise on ways and means of meeting the estimated shortfall in manpower.

Sickness, Injury, Death and Unemployment Benefits

Dr. HO has urged the early introduction of the voluntary contributory sickness, injury and death benefit scheme mooted in the 1977 Green Paper which he considers will also provide an effective and equitable method of providing income security for those unemployed. Pending the successful launching of this contributory scheme Dr. HO suggests that the Special Needs Allowance be extended to include a non-means-tested Unemployment Allowance.

Superficially, this may seem to be a simple way to deal with transitional problems, but which cause so much trauma for those affected. cursory examination however discloses that this proposal brings fundamental problems in its wake. In the first place the Special Needs Allowance scheme, as its name implies, is intended to meet the specific needs of vulnerable groups over and above their basic needs. Thus the severely disabled and the elderly qualify for such an allowance because they have needs which other members of the community do not have. Their eligibility through age or assessed condition is easily ascertainable. The unemployed as a group is not in quite the same situation. Their difficulties arise because they are not in a job. In many cases even this basic fact will not be easily ascertainable: the possibility of hawking and part-time or casual work demonstrates the large grey area this throws up. Even where we can be

certain the claimant is not in employment or business we will still have the further problem whether this situation is voluntary or involuntary. We would need an army to check on each case, and this would destroy the simplicity of Dr. HO's proposal. However, the absence of these safeguards will mean that this is an allowance available on demand. Apart from the large commitment this could involve such a development could undermine the basic provisions of the Public Assistance Scheme as well as the work ethos of our whole community.

The Public Assistance Scheme is also applicable to the able-bodied unemployed. The savings limit of \$4,500 for a single person and \$3,000 for each family member means that no person needs to exhaust his savings before he becomes eligible for help. I therefore do not believe that it is right, nor do I feel that there is public support, for the unemployed to be given a flat rate non-contributory allowance without regard to his means or the resources of his family members. I believe instead that our priority in this area is to improve the Public Assistance Scheme to make sure that those dependent on it will be able to buy a basket of goods and services appropriate to to-day's Hong Kong—a point touched on specifically by Mr. F. K. HU, and referred to indirectly by Mr. F. W. LI. And I can add that this latter matter is presently receiving the Government's careful consideration.

As regards the voluntary contributory Sickness, Injury and Death Benefit Scheme, my conclusion is that the proposals in the Green Paper are not viable. However, alternative ways of covering these contingencies have been drawn up and we shall be consulting the relevant advisory committees and boards shortly, before submission to Your Excellency in Council.

Sir, I support the motion.

SECRETARY FOR HOME AFFAIRS:—Sir, I shall speak about conditions in squatter areas which were mentioned by Mr. LOBO, and on his remarks and on Mr. F. K. HU's remarks on recreation.

Squatter Areas

Mr. LOBO's plea for better services to squatter areas was part of his thesis that 'too wide a gap is developing between what is statistically satisfactory and what is personally satisfying'. In referring to conditions in squatter areas he was perhaps contrasting the lot of those long time squatters cleared to make way for development and cleared into modern well appointed public housing and those who may have lived in squatter areas for many years, and in these areas where no early development is likely to take place.

The fact that many people have lived in squatter areas for a long time may arise as much from their own personal choice as from ignorance or any other cause. Residence in a squatter area qualifies a family for public housing if they satisfy the income criteria. The waiting time for public housing is long but it is not infinite. Any family which had applied for public housing before 1974 would by

now have been offered public housing. Yet many squatters have lived in these areas for a long time and will continue to do so.

It is no part of housing policy that the occupants of squatter huts should be denied of proper public housing but the fact is that the requirements for public housing are so enormous that they cannot be satisfied for some years. What is to be done in squatter areas which will not be cleared for a long time?

A Working Party under the chairmanship of the Secretary for Home Affairs was established in August last year to consider this question. The latest estimate of the squatter population is three quarters of a million people. I think this estimate must be treated with caution until we see the census figures. But on our present counting rather more than half of them, that is to say 400-450,000 are living in squatter areas which are expected to have a life of at least three years, but more probably five or perhaps even ten years.

A pilot study is now being conducted in a selected squatter area to see how difficult it will be to undertake a comprehensive improvement programme. This would include the provision of improved facilities such as metered water supply to each house, better cleansing and drainage, improved paths and public lighting. But we need to go further and draw up rules which will enable the people themselves to improve the quality of the buildings they live in. For many years squatter control staff have prevented the use of any but the most temporary materials in tolerated squatter huts. If we acknowledge that people will live in these places for years we must now make some allowances. Of course if the buildings are improved into decent little cottages eventual clearance will become more difficult. The possibility of rackets is obvious. These are problems to be solved. They do not in themselves justify a policy of enforced long-term squalour when the whole aim of housing policy is that everybody should live in adequate permanent self-contained accommodation.

While the Working Group is developing these plans, District and City District Officers will continue to institute improvement programmes in various squatter areas on a district scale under the guidance of District Management Committees.

When we have completed proposals for renovation of some of these squatter areas we shall probably need the help of the Housing Authority to implement them. It is reassuring to know that in Mr. LOBO we shall have at least one member of the Authority keen to help on the improvements in these areas.

Provision for Recreation

Mr. LOBO went on to refer to the uneven provision of recreational facilities. I am afraid he is right. They are not evenly spread though I would not agree that all good things are centred in central areas—Chai Wan for instance is much better endowed than Shau Kei Wan.

It is precisely this unevenness of the provision of facilities—and not only in recreation—that has led to the new emphasis on District Administration. Both the District Boards and, I suspect, an Urban Council whose elected members represent districts will in future give greater attention to the neglected areas.

Mr. HU mentioned the need for a comprehensive long-term plan for recreational services. A comprehensive long-term plan is being drawn up but if it is to be comprehensive and long-term and visionary and all the other good things it should be it will take a long time, and it will stop us getting on with providing what we can now. This is the problem of planning anything but we are having a go at it. In the meantime we continue to provide more recreational facilities in accordance with a much more rough and ready working plan in the form of the Development Plan for Leisure which we already have. This provides the framework on which current plans for the provision of recreational facilities are based.

Mr. HU also asked us to consider a number of specific suggestions. He said we could wait until after the comprehensive plan is complete but as I have no idea when this will be perhaps I better say where we stand on each point now.

On the New Territories there have been recent discussions between a number of Government departments and proposals are now being put forward to provide additional recreational facilities as soon as possible by advancing the timing in the Public Works Programme.

On more space in the Urban Areas (he suggested space under flyovers), and inter-departmental working group has recently concluded a survey of the space under flyovers—there are dozens of them and some quite spacious places to be found. Proposals for a number of these to be put to recreational use are now coming forward.

On housing estates the Director of Housing is at the moment looking into the possibility of providing additional recreational facilities associated with public housing estates in the New Territories.

Mr. HU suggested three avenues for encouraging the private sector to provide public recreational facilities. Several schemes are under examination, and in some cases developers have not waited for any initiative from us. I agree that more can be done here. Much is done to provide free or cheap recreational facilities at public expense but with increasing affluence we must make it easier for those who want to pay for their own recreational facilities to do so.

On the promotion of water sports, I agree that there is much more spare water than spare land but waterside land which is required is scarce. Several schemes are being developed.

There are no plans at present to provide a specialist college of physical education and recreation, as we think current output of the Colleges of Education, augmented by the existing university extra-mural courses are sufficient for the foreseeable future.

I should not like Mr. HU to think that I feel I have dealt adequately with his points. If I have been brief to-day it is because Mr. HU is an energetic member of the Council for Recreation and Sport and Chairman of its Community Recreation Sub-Committee, so he will have plenty of opportunities to continue to pursue me—and indeed in helping to follow up some of the ideas he has put forward.

*Motion made. That the debate on the second reading of the Bill be adjourned—*THE CHIEF SECRETARY.

Question put and agreed to.

DEPOSIT-TAKING COMPANIES (AMENDMENT) BILL 1981

Resumption of debate on second reading (25 March 1981)

Question proposed.

Question put and agreed to.

Bill read the second time.

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

Committee stage of bills

Council went into Committee.

DEPOSIT-TAKING COMPANIES (AMENDMENT) BILL 1981

Clauses 1 to 4 were agreed to.

MAGISTRATES (AMENDMENT) BILL 1981

Clauses 1 to 4 were agreed to.

Council then resumed.

Third reading of bills

THE ATTORNEY GENERAL reported that the

DEPOSIT-TAKING COMPANIES (AMENDMENT) BILL and the

MAGISTRATES (AMENDMENT) BILL

had passed through Committee without amendment and moved the third reading of each of the Bills.

Question put on each Bill and agreed to.

Bills read the third time and passed.

Unofficial Member's bill**First reading of bill****CHATER MASONIC SCHOLARSHIP FUND (AMENDMENT) BILL 1981**

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

Second reading of bills**CHATER MASONIC SCHOLARSHIP FUND (AMENDMENT) BILL 1981**

MR. LOBO moved the second reading of:—‘A bill to amend the Chater Masonic Scholarship Fund Ordinance’.

He said:—Sir, I move that the Chater Masonic Scholarship Fund (Amendment) Bill 1981 be read a second time.

The purpose of this Bill is to extend the scholarships provided by the Chater Masonic Scholarship Fund to any seat of higher learning outside Hong Kong.

Sir, I move that the debate on this motion be adjourned.

Motion made. That the debate on the second reading of the Bill be adjourned—MR. LOBO.

Question put and agreed to.

SOCIETY OF BOY'S CENTRES INCORPORATION BILL 1981**Resumption of debate on second reading (11 March 1981)**

Question proposed.

Question put and agreed to.

Bill read the second time.

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

Committee Stage of bill

Council went into Committee.

SOCIETY OF BOY'S CENTRES INCORPORATION BILL 1981

Clauses 1 to 10 were agreed to.

Council then resumed.

Third reading of bill

MR. YEUNG reported that the

SOCIETY OF BOY'S CENTRES INCORPORATION BILL

had passed through Committee without amendment and moved the third reading of the Bill.

Question put on the Bill and agreed to.

Bill read the third time and passed.

Suspension of sitting

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

Suspended accordingly at ten minutes to four o'clock.