

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 5 May 1982****The Council met at half past two o'clock****PRESENT**

HIS HONOUR THE DEPUTY TO THE GOVERNOR (*PRESIDENT*)
THE HONOURABLE THE CHIEF SECRETARY
SIR CHARLES PHILIP HADDON-CAVE, K.B.E., C.M.G., J.P.

THE HONOURABLE THE FINANCIAL SECRETARY
MR. JOHN HENRY BREMRIDGE, O.B.E.

THE HONOURABLE THE ATTORNEY GENERAL (*Acting*)
LAW DRAFTSMAN
MR. GERALD PAUL NAZARETH, O.B.E., 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 CITY AND NEW TERRITORIES ADMINISTRATION

THE HONOURABLE DAVID WYLIE McDONALD, C.M.G., J.P.
SECRETARY FOR LANDS AND WORKS

THE HONOURABLE KENNETH WALLIS JOSEPH TOPLEY, C.M.G., J.P.
SECRETARY FOR EDUCATION

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

THE HONOURABLE ALAN JAMES SCOTT, C.B.E., J.P.
SECRETARY FOR TRANSPORT

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

THE HONOURABLE ERIC PETER HO, C.B.E., J.P.
SECRETARY FOR SOCIAL SERVICES

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

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

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

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

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

THE HONOURABLE COLVYN HUGH HAYE, J.P.
DIRECTOR OF EDUCATION

THE HONOURABLE IAN FRANCIS CLUNY MACPHERSON, J.P.
REGIONAL SECRETARY (NEW TERRITORIES), CITY AND NEW TERRITORIES
ADMINISTRATION

DR. THE HONOURABLE JAMES WILLIAM HAYES, J.P.
COMMISSIONER FOR LABOUR (*Acting*)

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

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

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

DR. THE HONOURABLE HO KAM-FAI, O.B.E., J.P.

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

THE HONOURABLE DAVID KENNEDY NEWBIGGING, O.B.E., 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 CHAN KAM-CHUEN, J.P.

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

THE HONOURABLE STEPHEN CHEONG KAM-CHUEN, J.P.

THE HONOURABLE CHEUNG YAN-LUNG, M.B.E., J.P.

THE HONOURABLE MRS. SELINA CHOW LIANG SHUK-YEE, J.P.

THE HONOURABLE MARIA TAM WAI-CHU

ABSENT

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

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

THE HONOURABLE GRAHAM BARNES, J.P.
REGIONAL SECRETARY (HONG KONG AND KOWLOON), CITY AND NEW
TERRITORIES ADMINISTRATION

THE HONOURABLE WILLIAM CHARLES LANGDON BROWN, J.P.

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL
MRS. JENNIE CHOK PANG YUEN-YEE

PAPERS

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

<i>Subject</i>	<i>L.N. No.</i>
Subsidiary Legislation:	
Kowloon-Canton Railway Ordinance 1982.	
Kowloon-Canton Railway Regulations 1982.....	145
Shipping and Port Control Regulations.	
Shipping and Port Control Regulations (Amendment of Eighth Schedule) Notice 1982	150
Kowloon-Canton Railway Ordinance 1982.	
Kowloon-Canton Railway Ordinance 1982 (Commencement) Notice 1982	151

Sessional Paper 1981-82:

No.49—Mass Transit Railway Corporation Annual Report 1981

Oral answers to questions

Government department responsible for landed property succession applications

1. MR. CHARLES YEUNG asked:—*As from 1 April 1982 which Government department is responsible at the district level for landed property succession applications in the New Territories?*

THE ATTORNEY GENERAL:—Sir, under section 17 of the New Territories Ordinance, on the death of a person in whose name land is registered, it is for the Land Officer on ascertaining the name of the successor, to register that

name. So there are two elements involved, first the ascertainment of the name of the person who is entitled to the land in succession to the deceased; and second, registration of that name.

Where there has been no grant by the Supreme Court of probate or administration the Registrar General, who is the Land Officer, obtains names of successors from the District Officer concerned. The Land Officer is empowered to delegate his functions and he has done this, so that in the New Territories the registration of these successors is carried out in District Land Registries. With effect from 1 April 1982 the new Lands Department has taken over District Land Registries in the New Territories, with the exception of that in Tsuen Wan which remains with the Registrar General's Department, and will be responsible for them until the Registrar General is able to take them over.

To proceed to the ascertainment of successors, this immediately prior to 1 April 1982 was determined by the District Officer concerned and so was the responsibility of the City and New Territories Administration. There has not been any change in this respect and it remains the responsibility of the City and New Territories Administration.

MR. CHARLES YEUNG:—*The acting Attorney General has referred to the delegation of the function of the Registrar General as Land Officer to the District Registry. May I enquire whether the delegation is to a person or to the Registry as a whole?*

THE ATTORNEY GENERAL:—Sir, in relation to Mr. YEUNG's question, I believe that the delegation is to individuals, but I will confirm that and let him have the details in writing.

(The following written reply was provided subsequently.)

There is actually no legal delegation as such of his functions by the Land Officer in the New Territories, whether of the power of approving succession under section 17 of the New Territories Ordinance (Cap. 97) or the duty of registering memorials under the Land Registration Ordinance (Cap. 128). Succession in the New Territories is an administrative responsibility of the District Officers of the City and New Territories Administration (the CNTA). The Secretary for City and New Territories Administration, the Regional Secretary (New Territories) and the District Officers are Assistant Land Officers by virtue of the definition of "Secretary for City and New Territories Administration" in section 2 read with section 9(2) of Cap. 97. By virtue of section 9(2) of Cap. 97 the Assistant Land Officers have the same powers as are conferred upon the Land Officer under that Ordinance as well as the duties of the Land Officers under Cap. 128. These, of course, include the power of approving succession under section 17 of Cap. 97 and of registering instruments affecting land under Cap. 128.

Land Registration, on the other hand, in the New Territories, i.e. the duty of registering memorials and maintaining the registers of instruments affecting land, including succession after it has been approved by a District Officer of the CNTA, is (as from 1 April 1982) a function of the District Lands Officers of the Lands Department. The Director of Lands, the Principal Government Land Agents, the Government Land Agents and the District Lands Officers are appointed Assistant Land Officers by the Governor under section 9(2) of Cap. 97 and they, like the District Officers of the CNTA, have all the powers and obligations of the Land Officer under Cap. 128.

For administrative purposes the District Officers of the CNTA (who, as explained above, already have that legal power) have been given administrative responsibility for approving succession under section 17, approving managers of t'ongs etc. under section 15 and for appointing trustees for minors under section 18 of Cap. 97, while the District Lands Officers of the Lands Department have been given the land registration functions of the Land Officer under Cap. 128.

The Registrar General, by virtue of the Registrar General (Establishment) Ordinance (Cap. 100), is the Land Officer but, again for administrative reasons, he has not hitherto exercised the functions of the Land Officer in the New Territories except in New Kowloon and in relation to some New Territories properties that are registered in the Land Office, Victoria. On the 1 February 1982, however, the Registrar General assumed responsibility for operating the District Land Registry at Tsuen Wan and is therefore now the authority for land registration, including the actual registration of succession after it has been approved by the District Officer, in that District. The District Officer, however, remains, even in Tsuen Wan District, administratively responsible for processing and approving (or refusing) succession under section 17 of Cap. 97. The intention is that the Registrar General will assume responsibility for land registration in the remaining seven District Land Registries of the New Territories as soon as circumstances permit but that, as in the case of Tsuen Wan, the District Officers of the CNTA will retain administrative responsibility for approvals under sections 15 and 17 and appointments under section 18 of Cap. 97.

MR. CHARLES YEUNG:—*The last paragraph of the answer by the Attorney General is regarding pre-1982, April 1. What is the function now of the District Officer and the City and New Territories Administration towards these special succession applications?*

THE ATTORNEY GENERAL:—Sir, as I explained it is to determine the identity of the persons who succeed to the property. Having determined the identity of those persons, the name is communicated to the Land Officer who then proceeds to insert that name in the Land Register.

Distribution of material relating to major Government issues to the media

2. REVD. JOYCE M. BENNETT asked:—*Will Government make a statement on its policy regarding the briefing on Chinese and English language media editors journalists on major Government issues?*

SECRETARY FOR HOME AFFAIRS:—Major Government issues are explained as fully as possible by written material, verbal presentations and at press conferences.

All the written material is produced in English and Chinese. The press conferences are held in a room where simultaneous interpretation in English and Cantonese are available.

All the written material is distributed to all local news media and to news agencies and is available to any overseas correspondents.

All press conferences are open to all news media irrespective of their language of publication.

In short we try to be as even handed and as comprehensive as possible in the distribution of material relating to all major Government issues.

REVD. JOYCE M. BENNETT:—*Will Mr. BRAY confirm that his recent meetings with certain sections of the press were not restricted on grounds of race or language?*

SECRETARY FOR HOME AFFAIRS:—Sir, I have frequent meetings with various members of the press and I could not say the identity of the members present at each one of them without further notice.

REVD. JOYCE M. BENNETT:—*Sir, is it possible for Mr. BRAY to repeat that answer?*

SECRETARY FOR HOME AFFAIRS:—Sir, I have frequent meetings with various members of the news media. I am afraid I cannot with short notice recall the identity of all those present on each occasion.

REVD. JOYCE M. BENNETT:—*Sir, can Mr. BRAY confirm that he will not restrict meetings on grounds of race or language?*

SECRETARY FOR HOME AFFAIRS:—I am not quite sure of the purpose of the question. I frequently meet groups of Chinese people without European people present, and Europeans without Chinese people present. This is a matter which depends on the subject under discussion.

REVD. JOYCE M. BENNETT:—*Sir, is it then the policy of this Government to have separate development of Chinese and non-Chinese?*

SECRETARY FOR HOME AFFAIRS:—I should have thought, Sir, that my original answer answered that question.

Lyemun Bridge

3. MR. LO asked:—*Will Government say when it was first told by its consultants that the Lyemun Bridge will need further studies, when it decided to make these further studies and when such studies were finally commissioned?*

SECRETARY FOR LANDS AND WORKS:—Sir, a preliminary study of a bridge crossing at Lyemun was commissioned in 1974 in conjunction with the Comprehensive Transport Study.

The study concluded in 1975 that it would be feasible to construct such a crossing although it was recognized that severe limitations would be imposed on the bridge design by aviation and marine requirements. But in the climate of the economic situation in the mid 1970s, with the competition between projects for limited resources and the relatively light traffic volumes using the Cross-Harbour Tunnel, the bridge project was not accorded sufficient priority to allow it to proceed further at that time.

However in the late 1970s tunnel traffic volumes increased dramatically and in January 1980 a study of all long and short-term options to deal with cross-harbour traffic demand was commissioned. Of the long-term options selected by the consultants during the course of this two-year study the Lyemun Bridge was given as first preference.

The study identified that the effect on the Kai Tak Instrument Landing System was a major unresolved question requiring more detailed investigation. The detailed studies were ordered in February this year and are scheduled for completion by the end of the year.

If the results prove favourable, detailed design can then be started with a view to completion of the structure by the end of 1986 when the approach roads on the island and mainland are programmed for completion.

MR. LO:—*Sir, the long answer didn't really identify when it was that Government became aware that there was a major unresolved question requiring more detailed investigation on the Kai Tak Instrument Landing System. Could I please be told that?*

SECRETARY FOR LANDS AND WORKS:—Sir, although it was known back in the earlier 70s that such a problem might exist, the definite identification of the possible incompatibility between the Instrument Landing System and the bridge was highlighted in the 1980-81 Consultants' Report.

MISS DUNN:—*Sir, if the results prove unfavourable, is it the Government's intention to proceed with another solution? If so, what is it and could it still be completed in 1986?*

SECRETARY FOR LANDS AND WORKS:—*Sir, it seems unlikely at this point in time that the answer to the studies will be negative; this has already been made fairly clear, but in this extremely unlikely event we would then have to go along with the short-term options and concentrate attention on other suggested long-term options, the other long-term options being another tube alongside the existing Cross-Harbour Tunnel or the Western harbour crossing, but I doubt that either of these could be completed by 1986.*

MR. LO:—*In view of the importance of the Instrument Landing System on the proposed Lyemun Bridge, why did the Government wait some 7-8 years before commissioning a detailed study on that?*

SECRETARY FOR LANDS AND WORKS:—*I think I have already said, Sir, that due to the economic situation at the time in the mid-70s and the competition between other projects, this was decided by the Public Works Priorities Committee for deferral. It was recommended then and agreed by the Public Works Sub-Committee of Finance Committee.*

Preservation of buildings and monuments

4. MR. SO asked in Cantonese:—

政府可否告知本局，對於保存有歷史或文化價值的建築物及古跡，有何進展；又現正採取甚麼措施，以宣揚本港這些建築物及古跡？

(The following is the interpretation of what Mr. SO asked.)

Will Government inform this Council of the progress made regarding the preservation of buildings and monuments of a historic or cultural value and say what steps are being taken to publicize the presence of such buildings and monuments in Hong Kong?

SECRETARY FOR HOME AFFAIRS:—*Sir, legal protection of monuments is provided under the Antiquities and Monuments Ordinance. Since this Ordinance came into effect in 1976, 15 monuments have been gazetted, which include ancient rock carvings, inscriptions, forts, temples, villages, historic buildings, etc. In addition about 400 relatively minor items of historic value such as milestones are protected administratively.*

The work on preservation of monuments, carried out by the Antiquities and Monuments Office in the Urban Services Department, has recently received a

boost by the creation this year of a block vote of \$1 million for the restoration and another vote of \$250,000 for the maintenance of monuments.

The Ordinance itself has recently been comprehensively reviewed, resulting in a number of proposed amendments to improve the procedure of legal protection. I hope to be able to present an amendment bill to this Council shortly.

As regards publicity, every time something of historic value is discovered, gazetted, or restored, there is usually considerable publicity, both in newspapers and television, arranged through the Information Unit of the Urban Services Department.

An informative annual report is put out by the Antiquities Advisory Board, available to the public free of charge. The current one is under preparation. Also under preparation is a brochure by the Antiquities and Monuments Office on what is being done to preserve monuments, how it is being done, and the main items under protection. It should be available by the end of the year.

Centralization of transport responsibilities

5. MR. LO asked:—*Will Government state what progress has been made to centralize transport responsibilities?*

SECRETARY FOR TRANSPORT:—Sir, in September last year, the first step in the reorganization of the former Environment Branch was taken, following the decision to separate transport policy and strategic transport planning responsibilities from those in respect of land and environmental protection, and to centralize traffic management responsibilities in the Transport Department.

The new Transport Branch came into being on 1 September 1981, with additional staff, including significantly a Transport Planning Unit which provides the transport planning input to the overall planning of land development and land use.

The augmented Transport Department came into being on 1 April 1982, when most of the Traffic and Transport Branch of the former P.W.D. Highways Office transferred to the establishment of Transport Department. This included the Traffic Engineering Division, the Traffic Control and Surveillance Division, the Road Safety Division and the Traffic and Transport Survey Division.

The third step to complete the picture is the establishment of three regional transport offices, each headed by an Assistant Commissioner responsible for traffic management and public transport services in the respective regions of Hong Kong, Kowloon and the New Territories. Each of these Assistant Commissioners will be supported by professional staff in the Transport and Engineer grades.

Recruitment of two additional Assistant Commissioners is in progress and they are expected to be in post early next month. The staff level below that, involving the possible creation of a new rank of Principal Transport Officer, will be determined later in the light of experience within the next twelve months. The Commissioner for Transport and I have reluctantly accepted this deferment in order to get ahead with the amalgamation. A departmental staffing review will commence in July.

A further aspect of the reorganization is being pursued with the Commissioner of Police; this is the location of a senior police officer in the augmented Transport Department to facilitate co-ordination with the Traffic Headquarters of the Police. A new post of Chief Superintendent of Police has been established in the Police Force under the Deputy Director (Traffic) to liaise with the Transport Department and to advise the Department and my Branch on both traffic management and enforcement.

Finally, Sir, I am giving very close personal attention to the important matter of ensuring that transport policy views and needs are effectively co-ordinated into Government planning and programmes as they are developed and implemented at all levels.

Government dental services in the New Territories

6. MR. CHARLES YEUNG asked:—*Will Government inform this Council whether it has plans to extend Government dental services to the New Territories, with particular reference to the new towns and the outlying islands?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—Sir, when Mr. YEUNG asked a similar question in this Council on 14 May 1980, I stated that treatment for acute cases among the public was available at six Government dental clinics in various parts of the New Territories. These clinics were situated in the new towns as well as on the outlying islands. At that stage, there were plans for six additional clinics for the New Territories up to 1985. Since then, two of these clinics have been completed while the other four should also be completed on schedule. In the process of up-dating our plans, two more clinics, in addition to the four just mentioned, are also scheduled for completion by 1986.

Specialist dental treatment is also already available for appropriate cases in the Princess Margaret Hospital and it is intended that such treatment will be incorporated in the plans for three major hospitals in the New Territories scheduled for completion by the end of the decade.

Further, preventive dental service for primary school children is now available in two school dental clinics and there are plans for six more such clinics, three of which are to be built in the New Territories by 1987.

MR. CHARLES YEUNG:—*Sir, may I ask whether there is any slippage at all on the implementation of the plans since 1980?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Sir, not that I am aware of.*

MR. CHARLES YEUNG:—*How about completion of the Tuen Mun Hospital in this respect?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Sir, at the moment the Tuen Mun Hospital is still at the stage of planning and as far as I am aware there has been no question of slippage yet.*

REVD. JOYCE M. BENNETT:—*Sir, when will there be a dentist in Tuen Mun?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Sir, unfortunately, I am unable to answer specifically this question, and I'll have to check before I inform Miss BENNETT.*

REVD. JOYCE M. BENNETT:—*Sir, may I refer to the question which related with particular reference to the new towns and the outlying islands: how many of these dentists are there in the new towns of Tuen Mun, Sha Tin and Tsuen Wan?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Sir, again I can only say that there are clinics existing or under planning but I have no information on the number of dentists in hand.*

REVD. JOYCE M. BENNETT:—*Can DR. THONG confirm what we were told at the Prince Philip Dental Hospital that there is no dentist at all in Tuen Mun?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Sir, the Tuen Mun Clinic has just been completed but not yet in operation. However, it should be in operation shortly. Therefore, at this moment there is no dentist in Tuen Mun.*

REVD. JOYCE M. BENNETT:—*Sir, what is the situation on the island of Lantau?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*According to information in hand we have dental clinics on Tai O and Cheung Chau but there are no plans yet for establishing clinics anywhere else on the outlying islands.*

REVD. JOYCE M. BENNETT:—*Sir, with reference to the school dental clinics the answer says three of these new ones are to be built in the New Territories, could we be told where they are to be built?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Yes, Sir. The school dental clinics that are scheduled to be built in the New Territories are at Ha Kwai Chung, Sha Tin and Tuen Mun.*

REVD. JOYCE M. BENNETT:—*Sir, what provision is made to get poor children from outlying rural areas to the dentist?*

DIRECTOR OF MEDICAL AND HEALTH SERVICES:—*Sir, the school dental scheme takes into account of course all primary school children in all areas. Therefore children from the outlying areas will have to be incorporated into the scheme as and when necessary.*

The role of Administrative Officers in District Land Offices

7. MR. CHARLES YEUNG asked:—*How many Administrative Officers are deployed in the District Land Offices and what are their duties and responsibilities?*

SECRETARY FOR LANDS AND WORKS:—*Sir, four Administrative Officers are presently deployed in the Lands Offices of the Tuen Mun, Tsuen Wan, Sai Kung and Islands districts. It is intended that in July another four Administrative Officers will be posted to serve the Yuen Long, Tai Po, Sha Tin and North districts.*

The Administrative Officers work directly to the District Lands Officers in a staff capacity and provide liaison between the Lands Office, the District Office, the departments working in the district, the District Management Committee, the District Board and the local community. In addition they have special responsibility within the District Lands Office for the co-ordination of clearance, village removals, the application of the small house policy and village improvement schemes.

MR. CHARLES YEUNG:—*Sir, from the line of duties and responsibilities does it appear to reduce the usefulness of the Administrative Officer into a liaison officer's status?*

SECRETARY FOR LANDS AND WORKS:—*No, Sir, I think he has a very important role to play, certainly a very large role to play, in the District Lands Office.*

MR. CHARLES YEUNG:—*Sir, who is actually looking after the political aspect in the district?*

SECRETARY FOR LANDS AND WORKS:—*This will be left to the District Officer who will be responsible for the district administration and general community development.*

MR. CHARLES YEUNG:—*Sir, in what way will the District Officer apart from the District Lands Officer be responsible for such an aspect—since he has no power whatsoever regarding land?*

SECRETARY FOR LANDS AND WORKS:—He will have the full power of the District Lands Office to support him.

Parking policy

8. MR. SO asked in Cantonese:—

政府可否說明，是否有全面政策，以處理在路旁及離開街道泊車的問題？

(The following is the interpretation of what Mr. SO asked.)

Will Government state whether it has a comprehensive policy for on-and off-street parking for motor vehicles?

SECRETARY FOR TRANSPORT:—Yes, Sir. The policy aims to support the wider strategic objectives of improving public transport and making more economic use of the road system. The main elements of the policy include the development of Multi-storey car parks to help reduce the existing shortfall of parking spaces; the use of land for temporary car and lorry parks; the setting of parking standards for residential and other developments; the encouragement of park and ride facilities; the expansion of parking meter coverage to ensure a better turnover in on-street spaces, and taking enforcement action against illegal parking.

Parking policy has been under review for some time now and, after the advice of the Transport Advisory Committee has been obtained, a submission will be made to Executive Council, I expect within the next two months.

MISS DUNN:—*Sir, precisely what are the criteria which determine the parking standards in residential and other development?*

SECRETARY FOR TRANSPORT:—These are laid down, Sir, in the various appendices I think it is to the town planning and zone plans. Obviously, they are rather lengthy; I will supply copies in writing to Miss DUNN and other Members.

(Copies of the relevant appendices to the Hong Kong Outline Plan were subsequently supplied.)

MISS DUNN:—*Sir, what is the philosophy behind the Government's parking policy—in other words, is it considered that the provision of more parking facilities would help to relieve road congestion, or is it considered that the limitation of parking facilities would improve traffic conditions?*

SECRETARY FOR TRANSPORT:—I am glad to take the opportunity of naming the canard inherent in the second part of that question. There is no question

whatsoever of employing the provision of parking or rather the deliberate non-provision of parking as a measure to restrain traffic, but it is a fact that there is a shortfall and I should think there is a distinct possibility that that has served to restrain the number of people acquiring vehicles. The philosophy is to provide as much as can reasonably be provided. Later on, Sir, in a speech moving a bill I shall refer to this in some detail.

MR. LO:—*Sir, I would be grateful for confirmation that it is to be reviewed within the next two months.*

SECRETARY FOR TRANSPORT:—I thought I have just said that, Sir.

MR. LO:—Thank you.

MR. ALEX WU:—*Sir, is the Government aware that the shortfall of parking spaces is partly due to the occupation of on-street parking spaces by abandoned cars as well as those under repair by garages?*

SECRETARY FOR TRANSPORT:—Yes, Sir, we are aware of this and this comes under the question of enforcement against illegal activities which I mentioned in the last part of my first reply. At the moment cars are being taken away or delivered up voluntarily to an increasing and rather successful extent. We are now, I think, crushing something like 1 000 cars a month. This is some measure of the attack on the abandoned-car problem. On the question of illegal parking, the Commissioner of Police has, of course, limited capacity and must distribute his strength as he can but it is something we are very much aware of.

MR. ALEX WU:—*Does Government really intend to introduce effective measures to prevent the unreasonable use of car park spaces by such garages, and should the garages be required to prove that they have space to do the repairs rather than using public car park spaces to do so?*

SECRETARY FOR TRANSPORT:—Sir, ideally, if we had total capacity we would enforce the policies and the law totally, but I am afraid the fact is we do not have the capacity so it will not be a perfect outcome.

MISS DUNN:—*Sir, is there any scientific evidence that the shortfall in parking facilities has helped to restrain car ownership and usage?*

SECRETARY FOR TRANSPORT:—I wouldn't think so—I did refer to it as a possibility.

Education services provided by child care centres and kindergartens

9. REVD. JOYCE M. BENNETT asked:—*Will Government say how it will better co-ordinate the education services provided by child care centres and kindergartens especially in view of the revised arrangements to be in effect in September 1982?*

DIRECTOR OF EDUCATION:—Sir, there is already a high degree of co-ordination among the Department concerned with pre-primary education and services through a Standing Committee chaired by a senior member of the Government Secretariat. This Committee was established in July 1981 when the White Paper on Primary Education and Pre-Primary Services was published, and it has been meeting monthly since then to co-ordinate the work of the Education Department and the Social Welfare Department in the care and education of children in child care centres and kindergartens. The Committee will continue to meet as long as it is required to implement the proposals of the 1981 White Paper.

As to the arrangements for September 1982—the Standing Committee has been devoting specific attention to the phasing in of the age of entry for kindergartens, arrangements for so-called baby classes, fee assistance, rent reimbursement, the training of staff and the basic equipment for kindergartens. A number of information circulars have already been issued to specify the general requirements covered by the White Paper, and there will be more. There have been formal and informal meetings with the operators of child care centres and kindergartens and they should soon be in no doubt as to what is required of them by September 1982 and in the interim period between then and September 1985, when most of the requirements of the White Paper are expected to be enforced. The essence of these arrangements has been and will continue to be consultation, publicity and flexibility.

It is difficult to say how much better the co-ordination of education services provided by Departments responsible for child care centres and kindergartens can be. Sir, I can assure Miss BENNETT that the Government is sensitive to the needs of the community and all directly concerned with this important area of education.

REVD. JOYCE M. BENNETT:—*Sir, does the current unease expressed by the operators of kindergartens and child care centres not point out the inherent problems of separating pre-primary services between these two types of institutions?*

DIRECTOR OF EDUCATION:—I dare say the operators of kindergartens will always be uneasy about proposals to separate the services to which Miss BENNETT refers, but in actual fact we are informed that they are very much easier in their minds by the announcement that we shall be as flexible as possible in phasing in the arrangements for these two types of operation by September 1985. A year ago Miss BENNETT was told at the debate on the White Paper that of course dual

registration, with everything that entailed, might well be a compromise solution to allay the fears that she has described.

REVD. JOYCE M. BENNETT:—*Sir, is Mr. HAYE now aware that the operators of child care centres are equally concerned lest their educational services to children are going to be hampered?*

DIRECTOR OF EDUCATION:—This really is for my colleague the Director of Social Welfare to speak to some detail, but I cannot see how improving the comfort and the conditions of children in child care centres can possibly hinder their educational development.

REVD. JOYCE M. BENNETT:—*Sir, does Mr. HAYE's unhappiness at answering that question reflect the very real difficulty we have when we separate child care centres from kindergartens instead of having one unit looked after by one Government official?*

DIRECTOR OF EDUCATION:—In that somewhat involved question there lies perhaps the suggestion that our tolerance of baby classes as part of the kindergarten operation is somehow inherently wrong. I had thought that our flexibility in this area in fact meets the very point raised by Miss BENNETT.

REVD. JOYCE M. BENNETT:—*Is it possible, Sir, for the question of child care centres to be examined more thoroughly?*

DIRECTOR OF EDUCATION:—I was under the impression, Sir, that it *had*, in the very long gestation of the White Paper after very considerable debate of the Green Paper.

Statement

Mass Transit Railway Corporation Annual Report 1981

THE FINANCIAL SECRETARY:—Sir, among the papers tabled today is the Annual Report of the Mass Transit Railway Corporation for the year ended 31 December 1981 and its accounts in accordance with section 16(4) of the Mass Transit Railway Corporation Ordinance (Cap. 270).

1981 was the Corporation's first full operational year (the previous financial year included only ten and a half months' operation, as the Modified Initial System opened to the public in February 1980). There was steady growth in passenger traffic and substantial progress in the construction of the Tsuen Wan Extension. The first contracts for the Island Line were awarded. Due moreover

to the increase in passengers carried and improved loan-equity gearing, the Corporation has recently achieved a cash surplus after charging all cash outgoings including loan interest.

You will be aware, Sir, that the Tsuen Wan Extension planned to open in December 1982, will be fully open on 17 May, a week after partial opening. This is excellent progress and reflects credit on all concerned. The Corporation is optimistic that the combined Modified Initial System and the Tsuen Wan Extension will achieve profitability before the Island Line opens in mid-1985.

Government business

Motions

MASS TRANSIT RAILWAY CORPORATION ORDINANCE

THE FINANCIAL SECRETARY moved the following motion:—Under section 12(1) of the Mass Transit Railway Corporation Ordinance that the Schedule to the Resolution of the Legislative Council published as Legal Notice No. 242 of 1975 in the *Gazette* on 31 October 1975 as amended from time to time be further amended by adding as items 40 and 41 the following—

- | | |
|---|--|
| ‘40. Export Credit arranged by Lazard Brothers and Company Limited to finance a Contract placed in U.K. | Hong Kong Dollars Thirty Eight Million (HK\$38,000,000) and such amounts as may become payable in respect of interest and other charges including deferred interest provided that the liability of the Government in respect of deferred interest shall be limited to Hong Kong Dollars Ten Million (HK\$10,000,000) |
| 41. Supplier’s Credit facilities to finance a Contract placed in Japan | Hong Kong Dollars Twenty Eight Million (HK\$28,000,000) and such amounts as may become payable in respect of interest and other charges’. |

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

Section 12 of the Mass Transit Railway Corporation Ordinance requires the authority of the Legislative Council for the Financial Secretary, on behalf of the Government, to grant guarantees in respect of the repayment of loans and other indebtedness incurred by the Corporation.

Authority is sought for a Government guarantee to cover repayment of a loan of HK\$66 million and such amount as may become payable in respect of interest and other charges.

The sum borrowed under this guarantee will be used to finance the Island Line contracts for the supply, manufacture and installation of trainborne and trackside equipment and the construction of tunnels between Shau Kei Wan and Chai Wan Depot.

If Members approve this motion, the Government's total guarantee commitment in respect of outstanding loans available to the Mass Transit Railway Corporation will be HK\$7,318 million. This contingent liability is provided for within our reserves.

Sir, I beg to move.

Question put and agreed to.

PENSIONS (INCREASE) ORDINANCE

THE SECRETARY FOR THE CIVIL SERVICE moved the following motion:—

That the Second Schedule to the Pensions (Increase) Ordinance be amended with effect from 1 April 1982:—

(a) in Part I by adding the following—

‘15. The adjusted pension under paragraph 14 may be further increased by 12 *per cent.*’;

(b) in Part II by adding the following—

‘14. The adjusted pension under paragraph 13 may be further increased by 12 *per cent.*’;

(c) in Part III by adding the following—

‘14. The adjusted pension under paragraph 13 may be further increased by 12 *per cent.*’;

(d) in Part IV by adding the following—

‘13. The adjusted pension under paragraph 12 may be further increased by 12 *per cent.*’;

(e) in Part V by adding the following—

‘12. The adjusted pension under paragraph 11 may be further increased by 12 *per cent.*’;

(f) in Part VI by adding the following—

‘11. The adjusted pension under paragraph 10 may be further increased by 12 *per cent.*’;

(g) in Part VII by adding the following—

‘10. The adjusted pension under paragraph 9 may be further increased by 12 *per cent.*’;

- (h) in Part VIII by adding the following—
‘9. The adjusted pension under paragraph 8 may be further increased by 12 *per cent.*’;
- (i) in Part IX by adding the following—
‘7. The adjusted pension under paragraph 6 may be further increased by 12 *per cent.*’;
- (j) in Part X by adding the following—
‘6. The adjusted pension under paragraph 5 may be further increased by 12 *per cent.*’;
- (k) in Part XI by adding the following—
‘5. The adjusted pension under paragraph 4 may be further increased by 12 *per cent.*’;
- (l) in Part XII by adding the following—
‘4. The adjusted pension under paragraph 3 may be further increased by 12 *per cent.*’;
- (m) in Part XIII by adding the following—
‘3. The adjusted pension under paragraph 2 may be further increased by 12 *per cent.*’;
- (n) in Part XIV by adding the following—
‘2. The adjusted pension under paragraph 1 may be further increased by 12 *per cent.*’;
- (o) by adding the following—

‘PART XV
*Applicable to a basic pension based on a salary
in force from 1 July 1981 to
31 March 1982 inclusive*

1. The basic pension may be increased by 12 *per cent.*’.

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

It is the Government’s declared policy to maintain the original purchasing power of civil service pensions, including pensions payable under the Widows and Orphans Pension Scheme and under the Widows’ and Children’s Pensions Scheme. This is achieved by periodic pension adjustments to reflect changes in the cost of living.

Last year I announced in this Council that it was intended to bring the review period for pensions, and the effective date of any pension adjustment, into line with the arrangements for salary adjustments. The current pensions review therefore covers a transitional 9-month period from 1 July 1981 to 31 March 1982.

During this review period the Moving Annual Average of the Consumer Price Index (A) rose by 26.1 points or 11.4 per cent. The usual practice would be to round this down and adjust pensions by 11 per cent. However, since 1976, when the present arrangements for adjusting pensions against movements in the Consumer Price Index (A) were introduced, the percentage increases have been rounded down in five years out of six; this has resulted over the years in a net arithmetic rounding down of 0.59 per cent. (Details are given in the *footnote* to the stencilled version of this speech). It is therefore considered reasonable to round up this year's adjustment from 11.4 per cent to 12 per cent, and to apply it to all pensions in payment on 1 April 1982.

The total cost of this increase is estimated at \$40.2 million for a full year.

Sir, I beg to move.

Question put and agreed to.

WIDOWS AND ORPHANS PENSION (INCREASE) ORDINANCE

THE SECRETARY FOR THE CIVIL SERVICE moved the following motion:—That the Schedule to the Widows and Orphans Pension (Increase) Ordinance be amended by adding the following—

- '32. The pension calculated on the total contributions up to 30 June 1981 inclusive plus the total increases in pension up to 31 March 1982 may be increased by 12 *per cent* with effect from 1 April 1982.
33. The pension calculated on contributions from 1 July 1981 to 31 March 1982 inclusive may be increased by 12 *per cent* with effect from 1 April 1982.'

Footnote

Pension adjustments since 1976

<i>Year</i>	<i>Increase in cost of living as reflected by CPI (A)</i>	<i>Pension increase</i>	<i>Rounding up (+) or down (-)</i>
1976	11.35%	11%	.35% (-)
1977	5.51%	6%	.49% (+)
1978	5.05%	5%	.05% (-)
1979	8.04%	8%	.04% (-)
1980	<u>15.34%</u>	<u>15%</u>	<u>.34% (-)</u>
1981	<u>14.30%</u>	<u>14%</u>	<u>.30% (-)</u>
Total	<u>59.59%</u>	<u>59%</u>	<u>.59% (-)</u>
1982	<u>11.40%</u>	<u>12% (proposed)</u>	<u>60 (+)</u>
	<u>70.99%</u>	<u>71%</u>	<u>.01 (+)</u>

He said:—Sir, my speech on the first motion standing in my name on the Order Paper covers also the subject of the second motion standing in my name. I therefore beg to move.

Question put and agreed to.

FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE

THE COMMISSIONER FOR LABOUR moved the following motion:—That the Factories and Industrial Undertakings (Work in Compressed Air) (Amendment) Regulations 1982 made by the Commissioner for Labour on 6 April 1982 be approved.

He said:—Sir, I move the resolution standing in my name on the Order Paper for the approval of the Factories and Industrial Undertakings (Work in Compressed Air) (Amendment) Regulations 1982, which I made on 6 April 1982. In accordance with section 7(3) of the Factories and Industrial Undertakings Ordinance, these regulations have been submitted to the Governor and are now referred to this Council for approval.

The new Regulations amend existing regulation 28 of the Factories and Industrial Undertakings (Work in Compressed Air) Regulations to provide for annual instead of the existing six-monthly radiological examinations of the large joints of workers engaged in this type of work.

The Factories and Industrial Undertakings (Work in Compressed Air) Regulations were made in 1975 when compressed air work was new to Hong Kong. The regulations aimed at the fullest protection of the workers' health and safety, and the requirements were closely modelled on the United Kingdom Medical Code of Practice for Work in Compressed Air which was and still is accepted internationally as the most authoritative professional guide to such work. Among other precautionary measures then introduced, radiological examination of exposed workers at six-monthly intervals was considered appropriate to detect early evidence of bone necrosis.

Review of health experience in Hong Kong since work in compressed air started in 1977, and similar review in Britain, have confirmed a very low incidence of bone necrosis. Bearing in mind that the diagnostic and preventive potential of radiological examinations must be balanced against possible ionizing radiation hazard to the individual, it is now considered that annual rather than six-monthly examinations are more appropriate for the detection of bone necrosis. This will halve ionizing radiation exposure without forfeiting any appreciable disease preventive potential.

I have been informed that a similar change will be recommended for incorporation in the next issue of the UK Code of Practice for Work in Compressed Air.

Sir, I beg to move.

Question put and agreed to.

First reading of bills

HONG KONG ASSOCIATION OF BANKS (AMENDMENT) BILL 1982

FERRY SERVICES BILL 1982

MOTOR VEHICLES (FIRST REGISTRATION TAX) (AMENDMENT) BILL 1982

**ROAD TRAFFIC (REGISTRATION AND LICENSING OF VEHICLES)
REGULATIONS (AMENDMENT) BILL 1982**

**DUTIABLE COMMODITIES (AMENDMENT OF DUTY ON LIGHT OILS) BILL
1982**

PENSIONS (AMENDMENT) BILL 1982

EMPLOYMENT (AMENDMENT) BILL 1982

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

Second reading of bills

HONG KONG ASSOCIATION OF BANKS (AMENDMENT) BILL 1982

THE FINANCIAL SECRETARY moved the second reading of:—‘A bill to amend the Hong Kong Association of Banks Ordinance’.

He said:—Sir, I move that the Hong Kong Association of Banks (Amendment) Bill 1982 be read the second time.

This Bill seeks to provide member banks of the Hong Kong Association of Banks with greater flexibility than at present in the appointment of representatives to serve the Association.

Under the principal Ordinance only one individual can be designated at any one time to represent a member bank. It is therefore extremely difficult to

establish specialist sub-committees. Moreover the procedure for designating a replacement representative is too inflexible to cope satisfactorily with the unexpected absence of a principal representative.

If the proposed Bill is passed, there will be no limit on the number of persons who may at the same time be nominated by a member to represent it at different meetings of the Association, save that only the person who is the formally designated representative may represent a member at a general meeting (including any electoral meeting) or at a meeting of the Disciplinary Committee.

This amendment has in fact been requested by the Committee of the Hong Kong Association of Banks.

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

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

Question put and agreed to.

FERRY SERVICES BILL 1982

THE SECRETARY FOR TRANSPORT moved the second reading of:—‘A bill to provide for the granting of franchises and licences to operate ferry services, the regulation of the operation and maintenance of such services, and for matters incidental thereto and connected therewith’.

He said:—Sir, I rise to move the second reading of the Ferry Services Bill 1982. It provides for the repeal of the Ferry Services Ordinance (Chapter 104), the Hong Kong and Yaumati Ferry Companies (Services) Ordinance (Chapter 266) and the Star Ferry Company (Services) Ordinance (Chapter 274) and their replacement by a single Ordinance to be called the Ferry Services Ordinance.

The two major ferry companies presently operate under their own Ordinances and smaller operators are governed by the Ferries Ordinance (Chapter 104). The purpose of the Bill is to bring together all the transport, franchise and licensing aspects of the law relating to ferry operators. These have hitherto been basically permissive and do not provide for any Government controls other than over the level of fares charged and the routes to be operated.

Part II of the Bill requires all ferry services to be operated under franchises or licences, with some minor exceptions.

Part III deals with the grant of franchises and limits the period of a franchise to 15 years at any one time. Provision is also made for the appointment by the Governor of not more than two directors to the Board of a grantee. This

provision is designed to enable the Government to be fully informed of the grantee's activities and to enable the Government through the directors to provide the grantee with appropriate advice.

Part IV deals with the operation and control of franchised services. Clause 12 introduces the concept of proper and efficient services which grantees must provide to the satisfaction of the Commissioner for Transport. Clause 22 requires the annual preparation of a plan of the operations of a grantee on the following five years. In the event that a forward plan cannot be agreed by operators and the Commissioner for Transport, the Secretary for Transport will decide on the points at issue. Certain powers of direction are also given to the Commissioner for Transport (clauses 14, 15 and 20). These powers would not normally be exercised if agreement had been reached in discussions over forward planning, but problems may arise which are not covered by forward planning arrangements and which would require the Commissioner's direction. Clause 16 affords the grantee the right to object and provides for the necessary procedures.

Concern has been expressed, Sir, by the ferry companies about the powers conferred upon Government by these provisions, and about the more detailed stipulations covering similar areas of Government control in the franchises which in draft form are now under discussion with the companies. Their anxiety, as I understand it, is that the ferry companies may be required to operate unprofitable services against prudent commercial principles, and thereby suffer financial loss. I would like to make two points: first, that the services which are the subject of these provisions are public transport services and it is necessary in the interests of the travelling public that the Government should be able to exert a degree of control over the provision of services. Second, although circumstances may arise in which it would be necessary to direct a franchised ferry company to provide a service which as an individual service might be unprofitable, Government is bound to take such factors into account when assessing the overall performance and profitability of the operator in the context of determining the levels of fares to be charged and the overall pattern of services to be provided.

Other provisions in Part IV provide for the variation or suspension of routes (clauses 13 and 17) and the determination of fares (clause 18). Clause 21 enables the Commissioner and the Financial Secretary to obtain certain information from grantees. Clause 23 provides for financial penalties when a grantee fails to comply with the terms of the franchise or the Ordinance but where it is considered that a lesser sanction than the termination of a franchise would be appropriate.

Part V deals with emergency and revocation procedures and provides for the continued provision of essential franchised ferry services in an emergency, the suspension or revocation of franchises and for the Government to take possession of property used by the grantee if a proper and efficient service is not maintained.

Part VI of the Bill is concerned with licensed services and enables the Commissioner to grant licences and determine fares and time-tables. It is not generally intended to impose detailed control on kai-to type operations but to reinforce control over those services which are licensed under existing arrangements.

In clause 37 in Part VII of the Bill, provision is made for the introduction of a profit control scheme with the approval of the Governor in Council. It is not at present the intention to enter into such agreements with either of the franchised operators but provision is made should it be considered desirable at any time to do so.

Clause 44 provides for the Governor in Council to make regulations which give operators adequate powers to control the conduct of passengers and to exert a measure of control over their own services. Clause 45 provides that a grantee may make its own by-laws. Provision is made under clause 46 for the continuation of existing by-laws until they are replaced by by-laws made under clause 45.

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 TRANSPORT.

Question put and agreed to.

MOTOR VEHICLES (FIRST REGISTRATION TAX) (AMENDMENT) BILL 1982

THE SECRETARY FOR TRANSPORT moved the second reading of:—‘A bill to amend the Motor Vehicles (First Registration Tax) Ordinance’.

He said:—

CONTENTS	<i>Paragraph</i>
Introduction and background	1
Congestion—the evidence	14
Road development and growth of vehicles	19
Present measures to reduce congestion	36
Goods vehicles	50
Summary	51
Possible restraint measures	53
Possible restraint on ownership	55
Possible restraint on usage	56

CONTENTS	<i>Paragraph</i>
Proposals for private motor vehicles	60
First registration tax	61
Annual licence fees	63
Duty on light oils	70
Other forms of transport	77
Conclusion	80

Sir, I rise to move the second reading of the Motor Vehicles (First Registration Tax) (Amendment) Bill 1982.

2. This Bill and two related Bills which I shall subsequently move, were, as directed by the Governor's Deputy in Council, published in an *Extraordinary Gazette* earlier today, together with three Public Revenue Protection Orders. A short Government statement was made at the same time. I trust that Members of this Council will understand the necessity to introduce these Bills without normal notice for revenue protection reasons. Debate on all three Bills will today be adjourned and resumed at a subsequent sitting of Council.

3. Unavoidably, Sir, I shall speak at some length, and as the subjects of the Bills are inter-related, in moving the first Bill I shall explain the background of and proposals in all three Bills.

Background

4. The measures proposed are aimed at stopping the growth of congestion on the roads of Hong Kong, in particular the urban areas. The clogging up of road systems by long queues of vehicles which, if not completely halted for periods of time, can only crawl along or move in fits and starts, is a problem which, in greater or lesser degree, infuriates drivers in all large cities in the modern world, not least in the rapidly growing urban areas in the South-East Asia.

5. Hong Kong, however, has special features which distinguish it even in comparison with our South-East Asian neighbours. It is a small place with a relatively large population; over five million people in an area of just over 1,000 square kilometres. This density would be significant even if the terrain were geographically more hospitable, or if the population were more evenly spread out, as for example in Singapore. The greater part of our land area is not usable, or could be made usable only by means of massive expenditure on, among other things, transport infrastructure. Three-quarters of our population live and work in less than 40 square kilometres around the harbour of Victoria, most of them in high-rise buildings. This is the densest population concentration in the world.

6. To enable this sheer weight of population to get about its daily business and its leisure pursuits, together with the commercial traffic of Hong Kong, has placed an enormous and rapidly growing strain on the necessarily limited road system. The building of the new towns, while it has improved the housing and social environment seems to have added to the traffic burden rather than relieving it, in part because the change in place of employment usually lags behind the change in domestic address.

7. Despite Government's efforts to build more roads through its extensive road development programme; to increase the capacity of existing roads by way of road improvement schemes and traffic management measures; and to bring into operation off-road public transport systems such as the Mass Transit Railway and the modernized Kowloon-Canton Railway, the fact is that traffic conditions on our roads continue to deteriorate. Congestion is occurring more frequently in more locations. We face the possibility of deterioration to the point of immobility in many locations over considerable parts of the day. This could have serious effects on the economy, on law and order, and on life and property.

8. As far as the economy is concerned, goods vehicles play a crucial economic role for which (apart from the case of rail-borne goods from China) there is no substitute. They are the blood stream moving our goods about Hong Kong and to locations for export from Hong Kong, and if that blood stream cannot flow efficiently, because its arteries are blocked or near blockage, the life of the patient will suffer accordingly. And the vitality of the patient, Hong Kong, depends upon efficient movement.

9. The effect of immobility through congestion upon law and order requires some, but not much, imagination. Hong Kong is a busy, thriving, thrusting society. Frustration of movement would be most serious in its effect on everyday behaviour and human relationships. Anti-social and criminal elements would be less inhibited in their activities. The authorities would be as obstructed in moving to deal with problems as the frustrated population itself.

10. The effect on life and property is easier to imagine. At present, the Fire Services Department deals with 50 fire calls per day and 500 ambulance calls per day. Already, delays to fire appliances due to congestion are at a serious level—just over 10% of the calls in Hong Kong and Kowloon in the first quarter of this year were thus delayed. Delays to ambulances run at an even higher incidence.

11. The graphic term used to describe total congestion is 'a traffic lock-up'. Instances lasting five hours or more have occurred in other urban areas, that is, not in Hong Kong. I ask Members to imagine the catastrophic effect of such a lock-up in Hong Kong, with our density of buildings and population. We have a fire disaster potential worse than most other great cities.

12. Members may think that I am trying to carry them away with a doomsday scenario. I believe, as do our professional advisers, that we must face facts and practicalities and that the 'Micawber solution' simply will not work. The Micawber solution, may I remind Members, was to 'wait for something to turn up'. In this case, we must enable wheels to turn round, rather than hope for things to turn up. Government is fully aware of the difficulty of gaining public acceptance of the need to act now, to take measures which will adversely affect one section of the population, notwithstanding that they are for the benefit of the mobility of the community as a whole and for the continuing efficient working of the economy. All of us will realize that the success story that is Hong Kong will paradoxically make it more difficult to gain that acceptance, because the adaptability and the survivorship of the individual in this community have so often made great problems seem small, and drastic measures unnecessary.

13. And we are not unaware also of the psychological elements of car ownership—deep waters, these—and man's love-hate relationship with technology—welcoming the motor-car which makes mobility possible, but loathing the traffic jam which makes it impossible.

Congestion—the evidence

14. Let me now, Sir, turn to the evidence of congestion.

15. Congestion is not easy to quantify: its incidence fluctuates and it can occur randomly for many different reasons. One must try to piece together the evidence and come to a general conclusion. Some supporting evidence is specific; for example, public transport journey speeds have dropped in recent years. In respect of one of the major bus companies, it is estimated that to keep up the 1979 level of service in 1981, i.e. over two years, required 86 additional buses. In respect of Hong Kong Tramways, the same size of fleet in 1981 was able to cover 38% less mileage than in 1971. This not only is inefficient in terms of service, it is inefficient economically. It means higher fares to pay for maintaining the same level of service, or worse, decreasing levels of service.

16. One indicator of congestion is the number of major intersections at which congestion is a regular peak period feature. In the urban area of Kowloon and Hong Kong, there are at present 56 such locations, but it is projected that if the current rate of growth of vehicles continues, that number will rise to 132 within five years. Off-peak periods are relatively speaking free of congestion, but because peak periods in Hong Kong are more spread out than elsewhere, the scope for redistribution of traffic from peak to off-peak periods is limited, with present commercial, domestic and social patterns of behaviour.

17. Members will no doubt have heard radio and television station bulletins broadcasting information from the Police and other sources advising motorists

of locations of congestion due to heavy traffic, road works, traffic light failures and specific occurrences such as fires or accidents. *Footnote (1)* to this speech gives some details of Police bulletins and R.T.H.K. broadcasts. The significant point in this is that the Police do not issue a warning of congestion until vehicle speeds are reduced to 2 to 3 m.p.h. (3 to 5 k.p.h.). In other words, vehicles travelling faster than that, even if only marginally faster in clogging conditions, are not deemed to constitute congestion. In one week in the middle of March, the number of reports of congestion in urban Hong Kong and Kowloon averaged 46 per day.

18. Another indicator of how close we are to the margin between what mobility we still have and really damaging congestion is the speed with which clog-back develops in the case of an accident or breakdown—invoking a metaphor from transport of an earlier vintage, these are the straws which break the camel's back. A more general indicator is the effect of a rainy day, which of course brings out more vehicles, as well as slowing down vehicle speeds. We all know and curse the resulting congestion—last week provided several excellent examples.

Road development and growth of vehicles

19. A rough index of congestion, Sir, or at least a comparison at points in time can be made by putting the growth of road capacity against the growth of vehicles.

20. Expenditure on road building at current prices increased at the rate of 24% per annum from 1969-70 to 1980-81. This does not include considerable expenditure on road construction in the new towns. In spite of these efforts, the length of trafficable roads increased by an average of just under 2% per annum only over that period; and the substantial proportion of new roads in the new towns obviously does not contribute towards improving through traffic in the urban areas.

Footnote (1)

Traffic Police Bulletins

These bulletins are issued by the Police Public Relations Wing to give advice and assistance to drivers. The main categories of incident reported are:—

- (a) corridor heavy traffic and congestion, i.e. where vehicle speeds are reduced to between 2-3 m.p.h.;
- (b) junctions where traffic lights are out of order;
- (c) road closures for road works;
- (d) special occurrences, such as fire and accidents.

2. Each of these causes delay and congestion. The Police emphasize that their announcements of heavy traffic under (a) are made only when speeds have deteriorated to the low speeds

Footnote (1) (cont'd)

quoted. Congestion with vehicles travelling at speed levels of only 4 m.p.h. upwards is not announced.

3. The instance of congestion is indicated by two weeks taken as samples, the first two weeks in March. These provide numerical evidence only. It is not possible to quantify them by duration as restoration to normal conditions is not always announced.

4. *Table 1* summarizes Police bulletins issued over period 1-14 March 1982.

5. *Table 2* summarizes reports of traffic congestion issued by R.T.H.K. (English programme) from 17-21 March 1982.

TABLE 1
Traffic Police Bulletins
1-14 March 1982

Number of announcements of congestion due to:

<i>Date</i>	<i>Day</i>	<i>Heavy Traffic</i>	<i>Road Works</i>	<i>Traffic Light Failure</i>	<i>Special Incidents</i>	<i>Total</i>
<i>March</i>						
1	Monday	12	4	10	2	28
2	Tuesday	16	2	0	2	20
3	Wednesday	6	1	2	3	12
4	Thursday	14	1	2	3	20
5	Friday	12	2	1	1	16
6	Saturday	2	2	3	2	9
7	Sunday	2	1	2	4	9
8	Monday	10	—	1	—	11
9	Tuesday	7	1	5	—	13
10	Wednesday	4	1	2	2	9
11	Thursday	17	1	5	1	24
12	Friday	8	—	6	1	15
13	Saturday	10	1	2	2	15
14	Sunday	7	2	1	1	11
Total		127	19	42	24	212

TABLE 2
Reports of Traffic Congestion issued by R.T.H.K. (English)
Period 17-21 March 1982

<i>Day</i>	<i>Date</i>	<i>Numbers of Reports a.m.</i>					<i>p.m.</i>					<i>Total</i>
		<i>HK</i>	<i>Kln</i>	<i>NT XHT*</i>	<i>Both sides</i>	<i>Total</i>	<i>HK</i>	<i>Kln</i>	<i>NT XHT*</i>	<i>both sides</i>	<i>Total</i>	
Wednesday	17/3	6	12	1	1	20	10	11	3	1	25	45
Thursday	18/3	9	22	3	1	35	12	9	4	1	26	61
Friday	19/3	6	10	5	1	22	11	12	3	1	27	49
Saturday	20/3	19	16	3	1	39	20	11	—	1	32	71
Sunday	21/3	5	6	1	—	12	12	5	2	1	20	32
Total		45	66	13	4	128	65	48	12	5	130	258

* Cross-Harbour Tunnel.

21. The capacity of a road system is not directly related to the length of trafficable roads, and improvements can be obtained for example by road widening and improved alignments. Such improvements again are not easy to quantify, but even with these, it is estimated that road capacity overall has increased by not more than 3% per annum over the past decade.

Growth in vehicles

22. The demand for road space, however, as reflected in the number of vehicles, has increased at an annual growth rate of 8.4% from 1971 to 1981. Total registered vehicles increased from 125 000 to 330 000 in that period. Private cars increased from 80 000 to over 211 000.

23. Let me, Sir, emphasize those figures: in broad terms, over the past decade, road capacity overall has increased by not more than 3% per annum, while vehicles have grown at 8.4% per annum.

24. There is no indication of any easing in the high rate of growth in vehicles; indeed, in the last five years it was significantly higher than the first five years of the period. Private cars have grown at the rate of over 13% per annum in the last five years. *Footnote (2)* to this speech sets out the growth in registrations by categories of vehicle over the period.

25. Another indicator of deteriorating traffic conditions is the number of registered vehicles per kilometre of trafficable road space. This increased from 131 vehicles per kilometre in 1969, to 282 vehicles per kilometre at the end of 1981. This is higher than any other territory in the world, including even Monaco at 200 vehicles per kilometre, although in practical terms Monaco is part of its neighbour's road system. Comparative available figures as at 1976 for the United Kingdom, West Germany and Japan were 47, 43 and 28 vehicles per kilometre (these are countrywide figures).

26. The 1979 White Paper on Internal Transport Policy considered, among other things, the effects of unrestrained growth in the numbers of cars and other uneconomic users of road space and said:

‘157. If unacceptable road congestion is to be avoided, the Government believes that some restraint on road use by motor cycles and private cars will be unavoidable. The Government has no wish to impose restraints before they are necessary, but will watch closely how traffic flow is maintained against a background of increasing registrations on the one hand and the development of new roads on the other.’

27. The policies in the White Paper were established after consideration of the 1976 Comprehensive Transport Study. This Study was, inter alia, set up to establish what rate of growth in private vehicles could be coped with, given the

Footnote (2)

Changes in Motor Vehicle Registration 1966-1981

Year	Private Vehicles						Public Vehicles							
	Private Cars	Motorcycles and tricycles	Private buses	Private Light Buses	Dual Purpose Vehicles	Total	Taxis and Public Cars	Public Buses (C.M.B. & K.M.B.)	Other Public Buses	Public Light Buses	Total	Goods Vehicles	Govt. Vehicles	Grand Total
1966	56 911	10 549	195	—	2 065	69 720	3 728	1 550	175	—	5 453	15 319	2 411	92 903
1967	60 949	11 597	238	—	2 295	75 079	4 585	1 540	263	—	6 388	15 378	2 522	99 367
	(7.1)	(9.9)	(22.1)		(11.1)	(7.7)	(23.0)	(-0.7)	(50.3)		(17.2)	(0.4)	(4.6)	(7.0)
1968	69 062	12 375	325	—	2 346	84 108	4 813	1 520	361	—	6 694	16 124	2 728	109 654
	(13.3)	(6.7)	(36.6)		(2.2)	(12.0)	(5.0)	(-1.3)	(37.3)		(4.8)	(4.9)	(8.2)	(10.4)
1969	80 209	13 035	369	1 088	—	94 701	4 280	1 451	545	3 458	9 734	18 017	2 913	125 365
	(16.1)	(5.3)	(13.5)			(12.6)	(-11.1)	(-4.5)	(51.0)		(45.4)	(11.7)	(6.8)	(14.3)
1970	92 884	14 205	406	1 368	—	108 863	4 178	1 569	898	3 784	10 429	21 298	3 097	143 687
	(15.8)	(9.0)	(10.0)	(25.7)		(15.0)	(-2.4)	(8.1)	(64.8)	(9.4)	(7.1)	(18.2)	(6.3)	(14.6)
1971	105 874	16 692	386	1 567	—	124 519	4 290	1 661	1 028	3 813	10 792	25 790	3 277	164 378
	(14.0)	(17.5)	(-4.8)	(14.6)		(14.4)	(2.7)	(5.9)	(14.5)	(0.8)	(3.5)	(21.1)	(5.8)	(14.4)
1972	120 725	19 915	367	1 684	—	142 691	4 511	1 768	1 113	3 828	11 220	28 794	3 488	186 193
	(14.0)	(19.3)	(-4.8)	(7.5)		(14.6)	(5.2)	(6.4)	(8.3)	(0.4)	(4.0)	(11.7)	(6.4)	(13.3)
1973	129 309	23 341	340	1 743	—	154 733	5 860	1 889	1 222	3 943	12 914	31 534	3 594	202 775
	(7.1)	(17.2)	(-7.4)	(3.5)		(8.4)	(30.0)	(6.8)	(9.8)	(3.0)	(15.1)	(9.5)	(3.0)	(8.9)
1974	119 273	23 292	308	1 648	—	144 521	6 018	1 966	1 236	4 277	13 497	31 596	3 825	193 439
	(-7.8)	(-0.2)	(-9.4)	(-5.5)		(-6.6)	(2.7)	(4.1)	(1.1)	(8.6)	(4.5)	(0.2)	(6.4)	(-4.6)
1975	114 260	22 316	293	1 447	—	138 316	6 037	2 189	1 228	4 307	13 761	32 034	3 907	188 018
	(-4.2)	(-4.2)	(-4.9)	(-12.2)		(-4.3)	(0.3)	(11.3)	(-0.6)	(0.7)	(2.0)	(1.4)	(2.1)	(-2.8)
1976	143 665	21 303	265	1 245	—	136 478	6 316	2 402	1 252	4 346	14 316	37 108	3 844	191 746
	(-0.5)	(-4.5)	(-9.6)	(-13.6)		(-1.3)	(4.6)	(9.7)	(2.0)	(0.9)	(4.0)	(15.8)	(-1.6)	(2.0)
1977	122 858	21 358	263	1 079	—	145 558	7 119	2 459	1 276	4 350	15 204	42 798	3 961	307 521
	(8.1)	(0.3)	(-0.8)	(-13.3)		(6.7)	(12.7)	(2.4)	(1.9)	(0.1)	(6.2)	(15.3)	(3.0)	(8.2)
1978	142 049	22 105	242	1 026	—	165 422	7 663	2 624	1 469	4 350	16 106	47 405	4 217	233 150
	(15.6)	(3.5)	(-8.0)	(-4.9)		(13.6)	(7.6)	(6.7)	(15.1)	(0.0)	(5.9)	(10.8)	(6.5)	(12.4)
1979	162 762	23 796	222	964	—	187 244	8 762	2 715	1 667	4 350	17 494	51 780	4 410	260 928
	(14.6)	(5.4)	(-8.3)	(-6.0)		(13.2)	(14.3)	(3.5)	(13.5)	(0.0)	(8.6)	(9.2)	(4.6)	(11.9)
1980	190 146	25 543	226	955	—	216 870	9 856	3 074	1 854	4 350	19 128	58 801	4 590	299 395
	(+16.8)	(+9.6)	(+1.8)	(-0.9)		(+15.8)	(12.5)	(+13.2)	(11.1)	(0.0)	(9.4)	(13.6)	(4.1)	(+14.7)
1981	211 556	27 443	27 443	224	—	240 147	11 061	3 418	2 078	4 350	20 907	64 214	5 041	330 309
	(+11.3)	(+7.4)	(-)	(-1.9)		(+10.7)	(+12.2)	(+11.2)	(12.1)		(+10.3)	(+9.2)	(+9.8)	(+10.3)

assumed development of road network year by year, up to 1991, allowing for a level of congestion approximately not worse than that existing in 1973.

28. The Study produced projections based first, on unrestrained growth in private cars and second, restrained growth rate at 5% per annum. A graph showing these two projections, and the actual growth, is annexed as *Footnote (3)* to the printed version of this speech.

29. The restrained growth rate, at 5% per annum, was considered acceptable. This would have produced, by the beginning of 1982 about 169 000 cars. In fact, by 31 March 1982 there were 217 000 registered cars, that is, nearly 50 000 more than the level considered as acceptable in 1973 equivalent congestion terms. There were in addition, over 28 000 motorcycles, and any driver will confirm that a motorcycle takes up nearly as much linear road space as a car—and most motorcyclists for safety reasons, I think, would accept that. This enormous growth rate is mainly due to the economic growth of Hong Kong, a level of growth which I think nobody would have predicted in the post-1973 recession period, when the consultants were working.

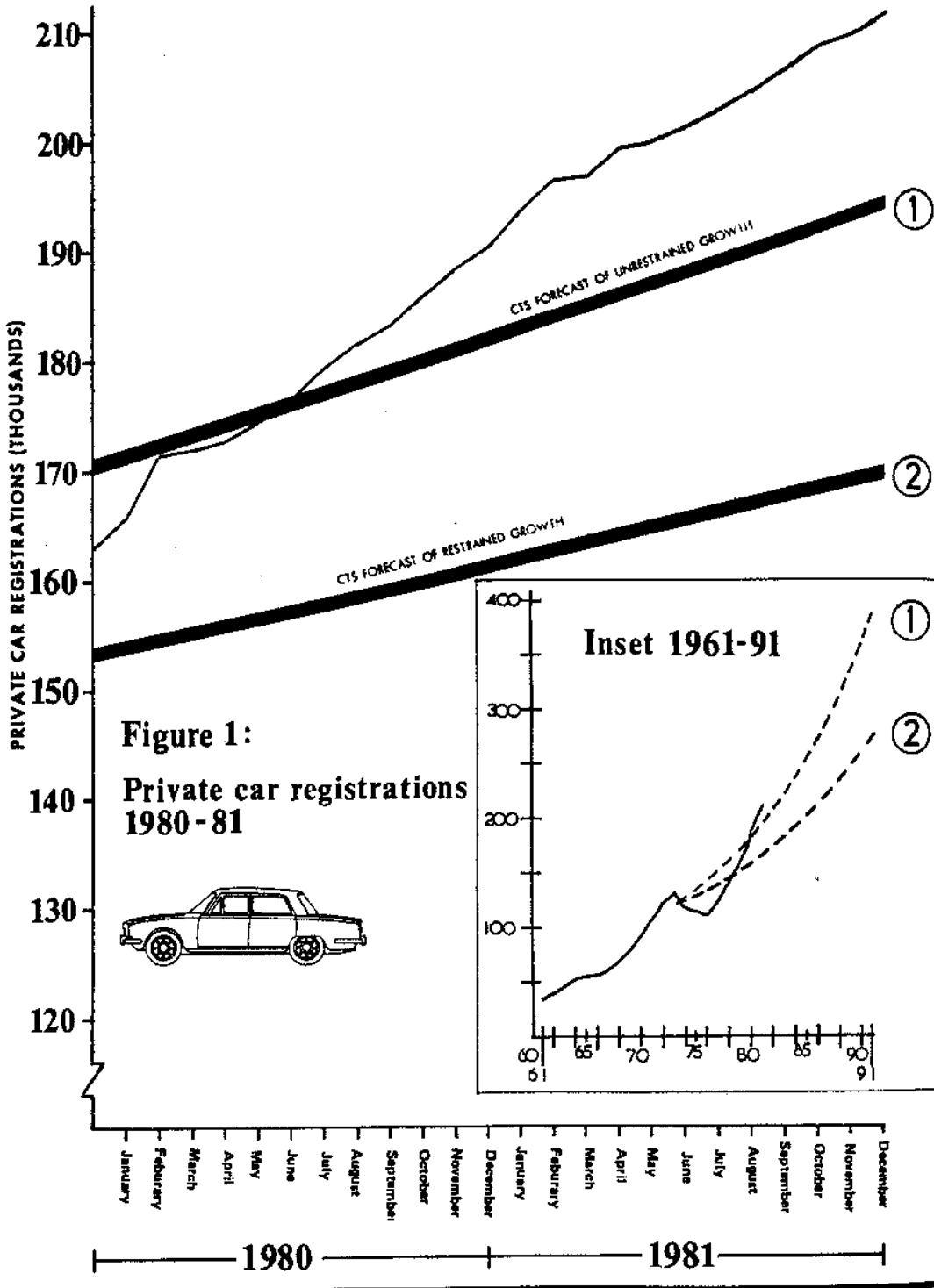
30. It is a frequent criticism that an inadequate road development programme is responsible for our troubles. I ask Members to reflect on the figures I earlier quoted of the growth in trafficable roads and the fact that a proportion of new roads are not in the urban area, and compare them with the growth of vehicles. Even if the increase in trafficable road had been twice that achieved, the growth rate of vehicles would still be well above the level required to maintain congestion at 1973 levels.

31. I must weary you, Sir, and Members, with more figures. I mentioned that there are now 217 000 private cars registered. If the trend of the past five years continues unrestrained, there will be over 300 000 cars on the roads by 1987. By 1991 this could reach 400 000 or even more. These figures are, simply, frightening, and the efforts of certain people to reduce their present or future significance can only be described as spitting in the wind. We refer consistently to 'registered vehicles', and the fact that a number of these are not licensed, or have been scrapped or exported or, for one reason or another, temporarily unlicensed, does not affect comparisons of the degree of congestion over time, as long as one's definitions are constant, and proportions do not vary significantly. Over the years, around 10% of registered vehicles are unlicensed. Any vehicle which has been unlicensed for two years is deregistered and removed from the statistics.

32. Broadly speaking, if the number of private cars were to reach 40 000, it would be necessary to duplicate much of the existing urban area major road network. This would require the double decking of miles and miles of existing roadway, and the wholesale demolition of private property. In the light of

A NOTE ON THE COMPREHENSIVE TRANSPORT STUDY FORECASTS

In both the main graph and the inset the two curves marked (1) and (2) show the approximate levels of car ownership predicted in the CTS: the upper curve (1) assumed unrestrained growth projected from 1973 car ownership levels, whilst the lower curve (2) shows the rate of growth which would have obtained if successive levels of restraint had been imposed by progressive increases in licence fees. When the restrained growth was tested against the assumed capacity of the road network for the appropriate year it gave a level of congestion no worse than that experienced in 1973, which was regarded as acceptable. Present-day interpretation of these assumption should recognise slippages in the road programme assumed in the CTS.



experience with elevated roads so far, to say nothing of common sense, such a programme is likely to prove distinctly unacceptable, quite apart from the financial implications. It would also require a massive off-street parking programme to accommodate all those vehicles. Government cannot see this as a realistic proposition. Some form of restraint of the rate of growth in vehicles is the only sensible and practicable alternative. It is considered that a growth rate of private motor vehicles of 5% per annum, although still serious, would be manageable.

33. Government's substantial programme of road building will continue. Several large projects, including the Island Eastern Corridor, the Sha Tin/Tai Po coastal road, the additional carriageway of the Tuen Mun Road, the Tuen Mun by-pass, and the Airport Tunnel Road will be completed during the next few years. Even if considerable additional funds could be injected, the programme could not be speeded up significantly, given necessary lead times, technical resources and other demands on the construction industry. Quite a number of other major and much needed projects are in the planning stage or approaching that point, but the high cost and technical complexity means they must be looked at particularly by the Public Works Sub-Committee of this Council very carefully against other financial and resource priorities.

34. The opportunities for adding to the dense road network in the urban area are obviously limited. Other claims on land often prevent the widening of heavily congested arterial roads. Major road projects in the urban areas increasingly involve reclamation or construction of tunnels or elevated roadways. These factors all add to costs and we must face the return on investment in additional road capacity in the urban area will diminish progressively and quickly. The road capacity, I repeat, simply cannot be increased to meet unrestrained growth of vehicles.

35. So what else has been done, and can be done, to reduce congestion?

Present measures to reduce congestion

36. Measures fall under four heads:

- (1) traffic control and management;
- (2) the development of off-road public transport systems;
- (3) the development of on-road public transport systems; and
- (4) parking facilities and controls.

I will develop these seriatim but must first dismally observe that improvements to mobility almost always increase the demand for travel beyond that projected. More roads and better roads encourage more vehicles to come onto the roads

and to move about more; better public transport evokes increasing passenger trips, and new transport modes uncover new areas of unfulfilled or unpredicted demand.

37. The usual retort to these observations is that planners and decision-makers should take account of every projected need and add a substantial contingency. Apply this to all development fields, and its logic is quickly exposed. If applied in the transport field only, it would give transport a preemptive priority on resources which would please neither the proponents of other programmes nor the general public.

38. *First*, traffic control and management measures. These include the sophisticated area traffic control scheme in West Kowloon which synchronises traffic signals by computer. This has much reduced journey times and increased vehicle speeds by as much as one-third, in broad terms. Financial approval to extend this to East Kowloon and introduce it on Hong Kong Island is about to be sought. Area traffic control, however, can only improve traffic flow; it cannot operate if congestion is already so severe that traffic cannot be shifted around within the road system concerned.

39. Traffic management measures include the monitored phasing of traffic signals at key junctions, prohibition of right-hand turns, one-way traffic, urban clearways, and prohibition of stopping during peak hours. These measures are already extensively used and will be extended wherever possible. They are particularly useful in dealing with localized specific problem areas, but opportunities for such measures are limited.

40. The aim is overall mobility, but where this cannot be achieved and where there is general congestion along a corridor, management schemes are introduced which favour public transport vehicles over private vehicles, if the overall effect is beneficial. The result is that the mass carriers can make more journeys and carry more passengers and should attract passengers from less economic or slower, although perhaps more comfortable, modes. 52 potential locations were identified for such priority schemes last year, which are being examined in detail. Two have been started successfully at Junction Road and Pok Fu Lam Road; six have been found unsuitable; and the remainder will be implemented during 1982 and early 1983.

41. Again, I have to emphasize that the extent to which we can improve road capacity by traffic management and other control schemes is limited and the additional capacity provided is used up as the volume of traffic continues to grow. For example, if by traffic management schemes, which may include roadworks, we can improve the capacity of a given stretch of road by, say, 10%, then in less than a year at the present rate of growth of vehicles, that additional

capacity will be used up. The travelling public will also have had to put up with the inconvenience caused in setting up the scheme by way of roadworks, diversions, etc.

42. *Second*, the expansion and improvement of off-road public transport. Rail-based systems such as the K.C.R. and the M.T.R. are expensive to construct, and for economic reasons, therefore, must be deployed on high capacity fixed routes. Their effect on road congestion is to that extent limited. The Modified Initial System of the M.T.R. has made a significant contribution to moving people, but it has not eased road congestion to the degree expected because of the high proportion of trips deriving from previously unfulfilled or latent demand.

43. The ferry services deserve mention here because they do ease road congestion and they actually carry about 7% of daily public transport passengers. Their usefulness however is limited by the areas to and from which they can operate and by their carrying capacity. (7% of the daily public transport passenger represents nearly half a million, as a matter of interest).

44. *Third*, the improvement of public road transport, a fundamental part of our policy, and one being pursued with vigour. The core of improvement to franchised bus services is route development, bus purchasing programmes and priority measures. Maxicab and residential bus services are being strongly encouraged because these do to an extent meet the need which would otherwise be met by private motor cars and taxis.

45. *Fourth*, the disputatious question of parking facilities and controls. There is no doubt that the provision of off-street car parking is beneficial when it serves to reduce on-street parking which hinders traffic flow. Off-street parking can also be of use at public transport interchanges on the outskirts of the urban area, to encourage motorists to make part of their journey by car and the remainder, in the urban area, by public transport. Planners must, however, take into account two aspects in the provision of off-street car parking: first, it is little use to provide car parks if the journey of which they are the terminus is a nightmare of slow progress and congestion; and second, a car park itself requires road access and exit, and the effect on traffic flows of large numbers of cars entering and leaving car parks, particularly during peak hours, cannot be ignored.

46. All that said, let me emphasize that as much parking space as possible should be provided, without generating more traffic than the local road network can carry without worsening congestion. There is no question of using the provision, or rather the deliberate lack of provision, of car parking as a restraint on car usage in busy areas. A review of car parking development and policy is about to be finalized, as I said in reply to a question from Mr. So earlier today.

47. A relatively minor instrument of control is by way of vehicle examinations. Although designed to ensure road worthiness rather than to control numbers, the enforcement of higher maintenance standards, particularly upon older vehicles, will reduce breakdowns which in congested situations have a disproportionate effect. There is a programme to expand vehicle inspection centres and to extend inspection to all goods vehicles and to private cars over six years old.

48. Finally, Sir, I mention, but not by way of offering any solution, the problem of on-street trading well known to many of us. It is not so much that pavement hawkers spill on to the road, although they do, but rather that they cause pedestrians to walk on the road; and this is not only a danger to the pedestrians but a hindrance to the traffic flow. Some minor roads have had to be given over partly or completely to street traders, which takes those roads out of the network and reduces the relief which they might otherwise provide for major roads.

49. Although we continue to apply and press forward the various management and control measures I have described, they cannot by themselves prevent further deterioration in conditions if the current growth rate of vehicles continues. This considered view of the Administration was endorsed by the Transport Advisory Committee which recommended that a package of proposals for restraint should be put forward for consideration by the Governor in Council.

Goods vehicles

50. I should like, Sir, at this point to refer to goods vehicles. All I have said so far refers to private vehicles being less efficient road users as compared with public transport. Until work began on the preparation of the 1979 White Paper on Internal Transport Policy, it was generally assumed that all goods vehicles efficiently fulfil commercial purposes essential to the economy and should not therefore be subject to restraint; but the growth in the numbers of goods vehicles has been so great—from 18 000 in January 1970 to 64 000 in December 1981— that is, an average rate of increase of 11.2% per annum—that the assumption can no longer be left alone. A critical evaluation of the contribution they make towards congestion must be carried out. This is particularly so in respect of light goods vehicles which are cheap to run and many of which have a dual registration option and could be used as a substitute for private cars. Although the measures proposed today do not affect light goods vehicles, we are well aware of the possibility that because of the dual registration option for these vehicles, there may be a movement towards these vehicles as a substitute for private cars, in order to escape the effects of the proposals. This situation will be watched carefully and if such a trend emerges, very quick action will be taken.

Summary

51. Such then, Sir, is the present position on congestion, with the measures in progress and planned by way of development, management and control of our road systems and road transport.

52. Congestion is a creeping condition and it is all too easy to say day by day and year by year 'after all, it is not too bad' or 'it's not really much worse than last year'. We must take a longer term view. I ask Members to cast their minds back to conditions on our roads in 1973, and compare them with today; and then to think forward and imagine the likely situation in five years' time or ten years' time, if we do not now restrain the growth of vehicles.

Possible restraint measures

53. In turning to possible measures of restraint which have been considered, I must apologize again for the length of this speech; but I wish to assure this Council and through it, the public of Hong Kong, that these important matters have been very carefully considered.

54. Restraint measures can be classified broadly in two categories—on ownership, and on usage. On social and economic grounds, it is considered undesirable to deny completely aspirations of ownership, and Government considers therefore that other measures should be tested before direct restraint on ownership is resorted to.

Restraint on ownership

55. The most direct and effective restraint on ownership is a limitation on the number of vehicles. Such a limit could be set as the present number of registered vehicles plus a determined annual growth rate, to be reviewed periodically in the light of road capacity and level of usage of vehicles. This measure is simply defined, quickly and easily introduced, and effective in operation; it can be accurately evaluated, controlled and flexibly handled. It would not affect existing car owners, only the relatively small number of intending car owners coming forward each year. It would not produce additional revenue, but would actually reduce the rate of growth of revenue and would not therefore involve confusing arguments about restraint measures being imposed in order to raise revenue. But it would present great difficulties as to the method of allocation of such additional vehicles as would be permitted each year.

56. There are variations on the theme—such as allowing one car only per household; or not allowing ownership of a vehicle unless parking space is provided, and so on. Although limitation on numbers is not proposed at present, we cannot rule it out for the future; it may be necessary if the measures now proposed prove insufficient. Only 17% of households in Hong Kong own

or have the use of a car; a very low proportion in comparison with developed countries. Continuing prosperity in Hong Kong will increase demand, as will the ability to travel by better roads spreading out through Hong Kong. Comparisons with other countries in arithmetical terms in this context are not really helpful because their populations are much more widely distributed than ours; but figures of ownership such as 60% in the United Kingdom, and 95% in the U.S.A., are unthinkable for Hong Kong. An increase even to 25% in Hong Kong from the present 17%, could be coped with only over a very long period in the light of our geographical layout and the finite capacity for improvement in the transport infrastructure.

Restraints on usage

57. There are a number of possibilities, and I will first go through those which have been considered and discarded. The aim of such restraints is to deter usage at peak periods and in locations of congestion. In Hong Kong, this presents unusually difficult features. Various measures have been tried with varying degrees of success in other countries including, for example, odd and even day usage, which allows a vehicle only on every other day to go into the designated areas; or allowing the car owner to nominate one or more days a week for non-usage, designated by a sticker on the windscreen. We consider both these measures too liable to fraud and evasion in Hong Kong and they would require a considerable enforcement commitment. There is also the point that not only would existing owners of two or more motor cars avoid the effects of such measures, but it might actually encourage the purchase of more vehicles.

58. Many people who are disposed to accept the case for restrictions on usage in congested areas, point out that usage should not be restrained on open roads or at non-peak times. We have studied also area licensing schemes and road pricing schemes (including the so-called 'black box'—charging for the use of roads by means of electronic sensors fitted to vehicles, activated by devices in the road—an attractive idea but one which is not yet developed enough to take what would be a considerable economic and enforcement plunge). We cannot recommend any of these for two main reasons: they are unenforceable in practice because in Hong Kong one cannot satisfactorily define limited congested areas or provide entry and exit points or alternative routes, to say nothing of the amount of fringe urban parking which would be required. The fact is that too many roads over too wide an area are congested.

59. Another type of restraint is peak hour licensing, imposing an extra licence fee on vehicles which are on the road during stated peak hours. This is a specific and even-handed approach to the problem, but as the poet said, there is a snake in the grass; indeed, there are several *Footnote (4)*. For the geographic reasons I

Footnote (4)

Virgil, Eclogue iii, 97 latet anguis in herba.

have described and because congestion is so widespread, our conclusion is that such a scheme would have to apply territory-wide. Any more specific approach could not be equitably enforced. The enforcement capacity required territory-wide could not be met, and this would invite widespread disregard of the scheme, an unacceptable possibility in terms of respect for the law. Administratively, it would place an excessive strain on the fixed penalty system which is already over-extended; and the capacity of the courts would be severely strained by defended cases. The opportunities for evasion by forging or corruption are the final significant objection. I might add that the attempt to enforce such a system effectively would itself affect traffic flow, by the stoppage of vehicles for verification of licences.

Proposals

60. It was therefore concluded that the first measures to restrain the rate of growth of private motor vehicles should be to increase the cost of acquiring, keeping and using them. This does not deny the opportunity for the individual to have a car or motorcycle, but it leaves him to make his personal budgetary decision. It is proposed to increase the three main charges which affect such vehicles, namely first registration tax, annual licence fees and the duty on light oils, that is, motor and aviation spirit.

First registration tax

61. First registration tax is levied on new and used vehicles when first imported into Hong Kong, as a percentage of C.I.F. value. These taxes were last revised in 1979. It is proposed that the tax on private cars and motor cycles be doubled on each value band, as in the table set out in the pointed version of the speech.

	<i>Rate of Tax</i>	
	<i>1979</i>	<i>Proposed</i>
Private cars		
(a) under \$20,000 in value	35%	70%
(b) \$20,000-\$30,000	40%	80%
(c) over \$30,000	45%	90%
Motorcycles/motor tricycles	35%	70%

These increases are estimated to add between 16 and 19% to market prices, assuming the full increase is passed on by dealers. This proposal, Sir, is the subject of the Bill which I am now moving.

62. The next two proposals are the subject of two later Bills on the Order Paper, but I shall explain them now, with your permission.

Annual licence fees

63. Annual licence fees for private motor cars and motorcycles were last revised in 1979. To bring them up-to-date in real terms would require an increase of 67-75%. It is, however, proposed to increase them broadly threefold as follows (and the table is set out in the printed version of this speech).

	<i>1979</i>	<i>Proposed</i>
	<i>\$ Per Annum</i>	
For private cars of which the cylinder capacity of the engine:—		
(a) does not exceed 1 000 c.c.	400	1,800
(b) does not exceed 1 500 c.c.	600	1,800
(c) does not exceed 2 500 c.c.	900	2,700
(d) does not exceed 3 500 c.c.	1,200	3,600
(e) does not exceed 4 500 c.c.	1,500	4,500
(f) exceeds 4 500 c.c.	1,800	5,400
Motorcycles (including scooters, etc.)	200	600

Four-month fees would remain pro rata

64. This, Sir, will be immediately recognized as the central and most important part of the proposed package, and I should explain the basis of these increases.

65. In referring earlier to the Comprehensive Transport Study (completed in 1976) and to its restrained and unrestrained projections of private vehicle growth, I mentioned that the restrained projection was for an annual growth of 5% per annum. Previously, in 1966, the Passenger Transport Study had recommended that annual licence fees should be increased to an average of \$2,000 per annum by the early 1970s if vehicle growth was not to get out of hand. In fact, the average licence fee, even by 1973, was only \$232.

66. The Comprehensive Transport Study recommended that by 1991, the average licence fee should be \$2,632 at 1974 prices. Taking a linear increase and allowing for inflation, the interpolated figure at the end of 1981 would be approximately \$2,850 at current prices. The average in fact on 31 March 1982 was \$695.

67. The Comprehensive Transport Study was carried out during the period of recession and it worked on an under-estimation of the growth in G.D.P. from 1976 onwards. The Study's figures of required levels of annual licence fee are therefore also under-estimated. For many years, growth—and not only in Hong Kong—in vehicles ownership has had a clear correlation with growth in the

G.D.P. and household income. We have so to speak lost ground by not increasing licence fees over the last five years to the levels recommended in the Comprehensive Transport Study. The proposals made today would produce an average annual licence fee of about \$2,100.

68. Members will observe that it is proposed to combine the existing two categories, that is, one below 1 000 c.c. and the one between 1 000 c.c. to 1 500 c.c. *Footnote (5)* into one category. The largest share of all vehicles falls in these two categories taken together and it is thought appropriate to combine them, not least because a shift in ownership from the higher category to the lower would lessen the impact of the proposals. And in relation to the impact of the proposals, may I assure Members that references by the Radio Television Hong Kong today to increases of 300 to 450% are wrong. They have been advised of the difference between three fold and 300% and so on (*laughter*).

69. Increases of this magnitude are considered the minimum necessary to have a significant effect on the rate of growth in new registrations, and on existing car owners' individual decisions on continuing ownership. Licence fees can of course be easily further adjusted, depending on the effect of these increases.

Duty on light oils

70. The duty on light oils, that is, motor and aviation spirits, is at present \$0.50 per litre. There is separately a duty on heavy oils (that is, diesel oil for road vehicles) of \$0.35 per litre.

71. Members will have noted that it is not proposed to increase the duty on diesel oil used by public transport, in this context buses, public light buses and taxis, because of the effect, although relatively small, it would have on the cost of operation.

72. The duty on oils was last revised in 1976 to restore the level of incidence of duty. To restore the level of incidence in 1982 would require an increase of \$0.70 per litre on light oils.

Footnote (5)

<i>Cylinder Capacities</i>	<i>Number of private cars at 31 March 1982</i>
(1) Not exceeding 1 000 c.c.	15 363
(2) Exceeding 1 000 c.c. but not exceeding 1 500 c.c.	88 233
(3) Exceeding 1 500 c.c. but not exceeding 2 500 c.c.	90 287
(4) Exceeding 2 500 c.c. but not exceeding 3 500 c.c.	17 186
(5) Exceeding 3 500 c.c. but not exceeding 4 500 c.c.	2 524
(6) Exceeding 4 500 c.c.	3 745
	<u>217 338</u>

73. Hong Kong's relatively short travelling distances mean that fuel costs to the private motorist are not as high a proportion of the total cost of motoring as elsewhere. An increase in duty, unless it is really swingeing, is unlikely of itself to prove a great deterrent to usage; but it can be a useful part of the package of measures now proposed. It is, therefore, proposed to increase the duty on light oils by 70 cents per litre. This does no more than bring it up to the level of incidence of 1976. The inference remains that for transport policy reasons, quite apart from fiscal reasons, consideration can be given to further increases on a subsequent occasion.

74. Logically, the duty on heavy oil used by private vehicles should also be increased. To enforce this, however, in respect of diesel oil used by private vehicles *only* would be difficult and costly to implement, and very liable to evasion and fraud. Yet in equity, some means should be found of adding to the cost of running a diesel-engined private car, some amount comparable or similar to the effect of the increase in duty on light oils on the cost of running a petrol-driven car.

75. Although there is insufficient data to determine the average mileage of a private motorist, if one assumes 8 000 miles per annum, at 25 miles per gallon, he would use 320 gallons or 1 453 litres per annum. An additional 70 cents duty per litre on his petrol would increase his fuel bill by just over \$1,000 per annum. It is therefore proposed to add \$1,000 per annum to the annual licence fees of diesel-engined private motor cars. I admit that this is somewhat arbitrary and a new concept, but if Members accept it, a benchmark relationship will have been established for the purpose. I suppose I should add the caveat that benchmarks are not necessarily sacred cows. For the record, there are about 4 500 such vehicles registered at present.

76. Other users of light oils who would be affected include a small number of light aircraft and a larger number of boat users and owners—nearly 5 000 of the latter. The increase in duty would add 25% approximately to their fuel costs. As they are not the target of these measures, this is indeed regrettable; but the practical difficulties of differential duty arrangements unhappily rule out special arrangements being made for these two categories. It is scant consolation to them, but at least the increase only restores the level of incidence of duty.

Other forms of transport

77. No changes are proposed in respect of goods vehicles, public and private buses, public and private light buses (including maxicabs) and taxis. In regard to taxis, I confirm that they are a necessary and useful adjunct to public transport; but there can be no assumption that they will always be treated as favourably as at present, namely 15% first registration tax and \$900 per annum annual licence fee. That position will be monitored accordingly.

78. As to private light buses, some 900 are at present registered. If there is any evidence of a move towards such vehicles as a substitute for private cars, very quick action will be taken. They will be monitored in the same way as light goods vehicles to which I referred earlier.

79. Contract hire cars, a relatively recent innovation, are private cars operating with a licence to carry passengers. They will continue to be treated as private cars and will thus have to meet the new annual licence fees and if petrol-driven, the new rate of duty on light oils; if diesel-driven, the additional licence fee. The new rates of first registration tax will also apply to them.

Conclusion

80. It will, I hope, Sir, be clearly understood that the measures are proposed in the interests of the majority of the population having regard to physical, geographic and resource constraints, and to the claims of other development programmes. Transport affects the daily lives of nearly all our population; over 80% do not own private vehicles and can be expected to welcome measures which aim to facilitate and improve the operation of public transport on our roads. In the nature of things, the significance of that majority is likely to be matched by its silence. No government likes to act adversely to affect even a small minority of its citizens, but in this case the Government believes the case proven that the interests of the majority require restraint on growth in private motor vehicles.

81. Although goods vehicles and public transport will not be directly affected by the proposals, there will be certain economic effects. To the extent that the demand for road space by private motor vehicles is reduced, there should be benefit to the economy through the enhanced mobility of people and goods. On the other hand there may be, and I stress may be, a reduction in the numbers employed in the transportation industry and in the motor trade generally, relative to what would have occurred if growth were not restrained. We are advised that losses in the latter respect should in broad economic terms be more than offset by the gains in overall efficiency.

82. As to staffing implications, earnest students of the growth of the Civil Service will be pleased to know that there are unlikely to be any staffing or staff-related expenditure implications.

83. This speech, Sir, is not sanguine by any means and the measures proposed in it are unlikely to prove the ultimate solution. I hope that rational examination of the realities and practicalities will lead Members to accept them. It is intended to try them, to assess their effects, and if necessary accentuate them or bring in additional measures to achieve the objective of getting the growth rate of private vehicles back to 5% per annum, which we regard as

manageable. I think the position can usefully be reviewed within twelve months, at the same time as the report of the consultancy on goods vehicles, if it is by then ready.

84. Modern urban society depends upon the wheel, and Hong Kong is no exception. The efficient flow of people and goods is so vital to the economic and social health of Hong Kong that it must be understood that Government means business and intends to achieve its objective.

Sir, I beg to move.

THE FINANCIAL SECRETARY:—Sir, the Secretary for Transport in moving the first of three Bills has given the reasons why Government must now take steps to stem the growth of congestion on our roads in the interests of the community as a whole.

Additional taxation is involved, and it is thus appropriate that comment should be made by the Financial Secretary.

For many years it has been Government policy that taxes should in the main be raised for fiscal purposes. This policy must naturally have regard not only to the concept of annuality in budgets but also to the need to make savings in good times so as to be protected when bad times arise. This is well understood by every prudent businessman and head of family.

There are of course macro-economic considerations as well which particularly reflect the imperatives of sensible anti-inflationary measures and policies.

I am myself opposed as a general rule to the concept of taxation for non-fiscal ends, as I made clear in my budget speeches. I am, however, persuaded that the Government must now take action with regard to the obvious problem of growing road congestion, which will require exceptionally the use of all practicable means as a matter of commonsense. The means involve fiscal measures designed not to raise revenue but rather to act as restraints directed at vehicle usage.

Your Honour consequently signed yesterday Public Revenue Protection Orders with regard to First Registration Tax, annual licence fees, and the duty on light oils, to come into effect after midnight on 4 May.

The additional recurrent revenue in 1982-83 is estimated to be about \$1.0 billion, but could be less depending upon the extent to which these measures are effective. The calculation is quite empirical. This unexpected windfall will be treated with the prudence to which I have just referred: while hypothecation of revenue is absolutely out of the question, it will obviously not weaken the Government's determination to press on with its very substantial transport programmes involving major expenditure for the foreseeable future.

Sir, I move that the debate be now adjourned.

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

Question put and agreed to.

ROAD TRAFFIC (REGISTRATION AND LICENSING OF VEHICLES) REGULATIONS (AMENDMENT) BILL 1982

THE SECRETARY FOR TRANSPORT moved the second reading of:—‘A bill to amend the Road Traffic (Registration and Licensing of Vehicles) Regulations.’

He said:—Sir, I rise to move the second reading of the Road Traffic (Registration and Licensing of Vehicles) Regulations (Amendment) Bill 1982. This Bill specifies the proposed increases in the annual licence fees for private motor cars and motorcycles which I described earlier this afternoon.

Sir, I move that the debate be now adjourned.

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

Question put and agreed to.

DUTIABLE COMMODITIES (AMENDMENT OF DUTY ON LIGHT OILS) BILL 1982

THE SECRETARY FOR TRANSPORT moved the second reading of:—‘A bill to amend the duty payable on light oils under the Dutiable Commodities Ordinance’.

He said:—Sir, I rise to move the second reading of the Dutiable Commodities (Amendment of Duty on Light Oils) Bill 1982. This Bill specifies the proposed increase in duty on light oils which I described earlier this afternoon.

Sir, I move that the debate be now adjourned.

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

Question put and agreed to.

PENSIONS (AMENDMENT) BILL 1982

THE SECRETARY FOR THE CIVIL SERVICE moved the second reading of:—‘A bill to amend the Pensions Ordinance’.

He said:—Sir, I move the second reading of the Pensions (Amendment) Bill 1982, which makes amendments to the legislation governing the service pensions of public officers.

One of the purposes of this amending Bill is to put right certain irregularities to which the Director of Audit has drawn attention. The Bill also includes a number of amendments designed to improve the working of the legislation.

The various amendments are all described in the Explanatory Memorandum accompanying the Bill. I should however like to elaborate on five of them. These cover—

- (a) the suspension of pension payments in certain disciplinary cases;
- (b) the treatment for pension purposes of no-pay leave prior to retirement;
- (c) the rules governing enhancement of benefits on the invaliding or death of a serving officer;
- (d) the taking into account of periods of service shorter than one month; and
- (e) the provision of retirement or death benefits for officers serving on probation who are killed on duty, or compulsorily retired on medical or redundancy grounds.

The suspension of pension payments in certain disciplinary cases

At present, an officer who is compulsorily retired on disciplinary grounds starts to draw his full pension, or a reduced pension, from the date of his retirement, unless, exceptionally, the Governor has ordered that the pension be withheld altogether. This tends to place an officer retired on disciplinary grounds in a more favourable position than the generality of efficient officers who must continue serving until normal retirement before drawing a pension. Clause 3 of the Bill therefore provides that where an officer has been compulsorily retired on grounds of misconduct the Governor may order the suspension of pension payments until the officer attains the normal retirement age of 55. This should provide a useful additional sanction in disciplinary cases.

The treatment for pension purposes of no-pay leave prior to retirement

Hitherto the Pensions Ordinance has been so interpreted that where an officer has enjoyed a period of no-pay leave immediately, or shortly, prior to retirement, his pension has benefited from any salary adjustment which took effect during the period of no-pay leave. Following comments by the Director of Audit, it is proposed, by means of clause 4, to ensure that an officer's pension does not in future benefit in this way unless the period of no-pay leave is followed by at least an equal period of duty or leave with pay.

The rules governing enhancement of benefits on the invaliding or death of a serving officer

At present, when an officer with more than five but less than 20 years' service is invalided or dies in service, the length of his service is doubled, subject to

a maximum of 20 years, for the purpose of calculating his retirement or death benefits. This enhancement is quite straightforward in most cases; but anomalies do arise where the officer has a mixture of pensionable service and qualifying service, since the latter does not count for the calculation of retirement or death benefits. Thus, in the case of an officer dying after 25 years' service, made up of seven years' qualifying service and 18 years' pensionable service, only the 18 years' pensionable service is used in calculating the death benefits payable to his estate. By contrast, in the case of an officer dying after only 15 years' service, but all of it pensionable, the death benefits payable to his estate are calculated on the basis of an enhanced length of service of 20 years. Following comments by the Director of Audit, clause 5 proposes a formula to remove this anomaly.

The taking into account of periods of service shorter than one month

When the Hong Kong Pensions Ordinance and Regulations were enacted in 1949, they adhered to the model Ordinance and Regulations prepared by the United Kingdom Government for overseas territories in providing that only complete months of service should count for the calculation of retirement and death benefits. In 1971, the rules under the United Kingdom Superannuation Act applicable to the United Kingdom Civil Service were amended to allow for complete days of service to count for pension. Clause 6 of the present Bill proposes a similar provision in the Hong Kong legislation.

The provision of retirement or death benefits for officers serving on probation who are killed on duty or compulsorily retired on medical or redundancy grounds

When the Pensions Regulations were last amended in 1980 one unintended consequence was to leave us without any lawful basis for calculating the retirement or death benefits for officers serving on probation who are killed on duty (and there are some) or compulsorily retired on medical or redundancy grounds. Clause 6 of the Bill seeks to remedy this omission by specifying that the officer's highest pensionable emoluments are to be used for this purpose.

It is considered equitable that some of the provisions in this Bill which are to be applied to pensionable officers should extend also to non-pensionable officers. For this purpose clause 6 includes appropriate amendments to the Pensions Regulations.

Clause 1 of the Bill provides for some of the amendments to be retrospective. This is in order to give legal effect to certain pension payments which so far have only been authorized provisionally.

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 SECRETARY FOR THE CIVIL SERVICE.

Question put and agreed to.

EMPLOYMENT (AMENDMENT) BILL 1982

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

He said:—Sir, I move the second reading of the Employment (Amendment) Bill 1982 which makes amendment to the provision of statutory holidays.

In June 1981, public opinion was sought by the Labour Department, the New Territories Administration and the Home Affairs Department, as they then were, regarding the disparity between the general holidays which totalled 17 days and the statutory holidays which totalled only ten days. The consultation indicated, not unexpectedly, divergent views between employers and employees. The former were generally averse to any changes in the number of general and statutory holidays, whilst many of the latter favoured increasing the statutory holidays to the same number as the general holidays. However, there were indications from employees that a general increase of statutory holidays was acceptable, and that the additional statutory holidays should be provided as floating holidays to allow greater flexibility to employers and employees. Consultation also brought forth comments that some of the general holidays which had special significance in the past had little meaning now, for example, 1 July which used to be a bank holiday.

Accordingly, it was proposed:

- (i) to bring together general holidays on a Saturday and the Monday following to enable the general public to enjoy longer weekends;
- (ii) to increase the number of statutory holidays, as a first step, by one additional day to make a total of 11 statutory holidays a year with effect from 1983 and this additional floating holiday could be used as an additional day of paid annual leave.

To implement the first part of these proposals, this Council approved a resolution under section 6 of the Holidays Ordinance, Chapter 149 on 10 February 1982. In order to bring into operation the second part, I now move before this Council the Employment (Amendment) Bill 1982.

Clause 2 of the Bill seeks to amend:

- (a) Section 39(1) of the Employment Ordinance to bring statutory holidays into line with the resolution made under section 6 of the Holidays Ordinance;

- (b) Section 39(4) to provide that where a statutory holiday, an alternative holiday or a substituted holiday falls on a rest day, all employees shall be granted a holiday on the next day thereafter;
- (c) Section 39(5) to provide an additional floating holiday for employees;
- (d) Section 39(8) to provide that where an employer does not fix one or both of the floating holidays, then such day or days shall, at the request of an employee, be granted as an additional day or additional days of annual leave with pay; and
- (e) introduces a new section 39(9) to provide that where floating holidays are not fixed by the employer and the employee does not request that they be added to the annual leave with pay, the employee shall be granted holidays on the Monday immediately following the second Saturday in June and on the last Monday in August.

If honourable Members of this Council approve this Bill, it is intended that it shall come into effect on 1 January 1983.

Sir, I now 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.

PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) BILL 1982

Resumption of debate on second reading (28 April 1982)

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

Council went into Committee.

PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) BILL 1982

Clauses 1 and 2 were agreed to.

Council then resumed.

Third reading of bill

THE ATTORNEY GENERAL reported that the

PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) 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.

UNOFFICIAL MEMBER'S BILL**Second reading of bill****PORTUGUESE COMMUNITY SCHOOLS INCORPORATION (AMENDMENT)
BILL 1982****Resumption of debate on second reading (28 April 1982)**

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

Council went into Committee.

**PORTUGUESE COMMUNITY SCHOOLS INCORPORATION
(AMENDMENT) BILL 1982**

Clauses 1 to 9 were agreed to.

Council then resumed.

Third reading of bill

MR. ALEX WU reported that the

**PORTUGUESE COMMUNITY SCHOOLS INCORPORATION
(AMENDMENT) 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.

Adjournment and next sitting

HIS HONOUR THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on Wednesday, 19 May 1982.

Adjourned accordingly at twenty-four minutes to five o'clock.