

OFFICIAL REPORT OF PROCEEDINGS**Wednesday, 15 May 1985****The Council met at half past two o'clock****PRESENT**

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR EDWARD YOUDE, G.C.M.G., M.B.E.

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

THE HONOURABLE THE FINANCIAL SECRETARY
SIR JOHN HENRY BREMRIDGE, K.B.E., J.P.

THE HONOURABLE THE ATTORNEY GENERAL
MR. MICHAEL DAVID THOMAS, C.M.G., Q.C.

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

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

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

THE HONOURABLE CHEN SHOU-LUN, C.B.E., J.P.

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

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

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

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

DR. THE HONOURABLE HO KAM-FAI, O.B.E., J.P.
THE HONOURABLE ALLEN LEE PENG-FEI, O.B.E., J.P.

THE HONOURABLE HU FA-KUANG, O.B.E., J.P.

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

THE HONOURABLE DONALD LIAO POON-HUAI, C.B.E., J.P.
SECRETARY FOR DISTRICT ADMINISTRATION

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

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

THE HONOURABLE STEPHEN CHEONG KAM-CHUEN, O.B.E., 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, O.B.E., J.P.

DR. THE HONOURABLE HENRIETTA IP MAN-HING

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

THE HONOURABLE CHAN NAI-KEONG, C.B.E., J.P.
SECRETARY FOR LANDS AND WORKS

THE HONOURABLE RONALD GEORGE BLACKER BRIDGE, J.P.
COMMISSIONER FOR LABOUR

THE HONOURABLE CHAN YING-LUN

THE HONOURABLE MRS. RITA FAN HSU LAI-TAI

THE HONOURABLE MRS. PAULINE NG CHOW MAY-LIN

THE HONOURABLE PETER POON WING-CHEUNG, M.B.E., J.P.

THE HONOURABLE YEUNG PO-KWAN, C.P.M.

THE HONOURABLE JAMES MEIL HENDERSON, O.B.E., J.P.
SECRETARY FOR EDUCATION AND MANPOWER

THE HONOURABLE KIM CHAN YAU-SUM, J.P.

THE HONOURABLE KEITH LAM HON-KEUNG, J.P.

THE HONOURABLE JOHN WALTER CHAMBERS, J.P.
SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE MICHAEL LEUNG MAN-KIN, J.P.
DIRECTOR OF EDUCATION

THE HONOURABLE PETER TSAO KWANG-YUNG, C.P.M., J.P.
SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION

THE HONOURABLE DAVID ROBERT FORD, L.V.O., O.B.E., J.P.
SECRETARY FOR HOUSING

THE HONOURABLE IAN FRANCIS CLUNY MACPHERSON, O.B.E., J.P.
SECRETARY FOR TRANSPORT

THE HONOURABLE GERALD AIDIAN HIGGINSON, A.E., J.P.
SECRETARY FOR ECONOMIC SERVICES (*Acting*)

THE HONOURABLE JOHN FRANCIS YAXLEY, J.P.
SECRETARY FOR TRADE AND INDUSTRY (*Acting*)

ABSENT

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

THE HONOURABLE ANDREW SO KWOK-WING, O.B.E., J.P.

THE HONOURABLE WILLIAM CHARLES LANGDON BROWN, O.B.E., J.P.

THE HONOURABLE CARL TONG KA-WING

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL
MR. LI WING

Papers

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

<i>Subject</i>	<i>L.N. No.</i>
Subsidiary Legislation:	
Companies Ordinance.	
Companies (Fees) (Amendment) Regulations 1985-----	106
Companies Ordinance.	
Companies (Forms) (Amendment) Regulations 1985 -----	107
Land Registration Ordinance.	
Land Registration Fees (Amendment) Regulations 1985 -----	108
Land Registration Ordinance.	
Land Registration (New Territories) Fees (Amendment) Regulations 1985 -----	109
Limited Partnerships Ordinance.	
Limited Partnerships Ordinance (Amendment of Schedule) Order 1985 -----	110
Money Lenders Ordinance.	
Money Lenders (Amendment) Regulations 1985 -----	111
Prisons Ordinance.	
Prison (Amendment) Rules 1985 -----	112
Trade Marks Ordinance.	
Trade Marks (Amendment) Rules 1985-----	113
Registration of Persons Ordinance.	
Registration of Persons (Application for New Identity Cards) (No. 4) Order 1985 -----	116
Designation of Car Parks Notice 1985.	
Designation of Car Parks Notice 1985 (Commencement) Notice 1985 -----	117
Road Traffic (Parking) (Amendment) Regulations 1985.	
Road Traffic (Parking) (Amendment) Regulations 1985 (Commencement) (No. 2) Notice 1985 -----	118
Waste Disposal Ordinance.	
Waste Disposal Ordinance (Commencement) Notice 1985-----	119

Sessional Papers 1984-85:

No. 57—Traffic Accident Victims Assistance Fund Annual Report by the Director of Social Welfare Incorporated for the year from 1 April 1983 to 31 March 1984.

No. 58—Supplementary provisions approved by the Urban Council during the fourth quarter of the financial year 1984-85.

Oral answers to questions

‘Meet the Public’ Schemes

1. Mrs. NG asked in Cantonese:—

政府可否就各區議會所推行的「區議員接見市民計劃」的成效，作出聲明？

(The following is the interpretation of what Mrs. NG asked.)

Will Government make a statement on the value of the District Boards’ ‘Meet the Public’ Scheme?

SECRETARY FOR DISTRICT ADMINISTRATION:—Sir, all District Boards have ‘Meet the Public’ sessions on a regular basis. It has proved to be an effective channel through which residents can contact their District Board members to make enquiries, to seek personal assistance or to make suggestions on a whole range of subjects such as housing, traffic and transport and building management. Meeting sessions are held in District Offices and sub-offices once or twice a week; and they are usually arranged after office hours to suit the convenience of the residents. From April 1984 to March 1985, a total of 2 623 cases were handled under the scheme, more than half of which were successfully resolved. In other cases which could not be resolved for a variety of reasons, full explanation was always given to those concerned.

By and large, the scheme has proved to be a success and credit must go to all District Board members for their enthusiastic support. District Board members themselves keep the scheme under regular review and I understand that some District Boards are considering ways to further expand it. On the part of Government, I can assure Members that all departments concerned will continue to give their fullest support to the scheme.

MRS. NG asked in Cantonese:—

閣下，好高興知道區議員接見市民的計劃，得到各界支持，請問政府會不會考慮幫助區議員在每一個選區內推行接見市民的計劃，使代議政制更能充份發揮？

(The following is the interpretation of what Mrs. NG asked.)

Sir, I am happy to know that this scheme has the support of people from all sectors. Would Government consider assisting District Board members in each constituency to have similar schemes of meeting the public so that we can further push ahead with representative government in Hong Kong?

SECRETARY FOR DISTRICT ADMINISTRATION:—Sir, all departments concerned will continue to give their fullest support in the future.

Armed robbery of Time Watch Company

2. MR. PETER C. WONG:—*Will the Government make a statement on the gang robbery of a watch company in Tsim Sha Tsui on the evening of 1 May 1985?*

SECRETARY FOR SECURITY:—Sir, the police obtained information that an armed robbery of the Time Watch Company at 54 Nathan Road was being planned. While this information was correct in essence, it was inaccurate and very scanty in vital respects including when it was all going to happen. This fact had a direct bearing on the events that followed.

On the basis of the information they had available, the police determined their strategy and planned their tactics with great care. They set up ambushes in seven locations around the target premises. Shortly after 10.15 p.m. on 1 May, a gang of six persons stormed into the shop and secured both the premises and the street in the immediate vicinity. They were armed with genuine firearms and pistol-like objects and were wearing masks and bullet-proof vests.

Approximately seven seconds later they were leaving with watches valued at \$1.7 million. The police moved in to block the robbers' escape. An exchange of fire ensued in Nathan Road and in Mody Road where the robbers had parked their getaway van. During this exchange, seven police officers were injured. Two passers-by received minor injuries from flying glass while a female staff member of the shop was slightly injured by the robbers in an attempt to take her hostage. We do not know what casualties the robbers suffered. But we are pretty sure several of them were hit.

The police have recovered the vehicles the robbers used for their escape. They have found in the vehicles a quantity of arms and ammunition. The police have also found arms, ammunition and one bullet-proof vest, all believed to be connected with this case, near Mong Kok Railway Station.

The robbery was professionally planned and ruthlessly executed. If it was not for the intervention of the police, the whole episode would probably have been over in about 15 seconds. So considering, as I said, the police had only a pretty vague idea of what might happen, they reacted very quickly. The gang was prepared to resort to extreme violence and showed a chilling disregard for human life. The police officers on the ground displayed extraordinary courage in their attempts to apprehend them.

I can assure you, Sir, that no effort is being spared to bring these vicious criminals to justice.

MR. PETER C. WONG:—*Sir, will the police be holding an internal inquiry or review regarding this matter especially in view of the fact that more than 84 shots were fired by the police, seven policemen and two pedestrians were injured, and no arrests were made?*

SECRETARY FOR SECURITY:—Sir, the police are carrying out an inquiry and I might perhaps add that no arrests have *yet* been made.

MR. PETER C. WONG:—*Sir, is the Secretary completely satisfied that the ambush was properly planned and executed?*

SECRETARY FOR SECURITY:—Absolutely, Sir, there's no question about that whatsoever. The police considered their overall strategy and their particular tactics with meticulous care. As I said, Sir, the trouble was that they did not know how the robbers actually were going to carry out this particular robbery and when it would be.

MR. PETER C. WONG:—*Sir, was that a case of bad or inferior intelligence on the part of the police?*

SECRETARY FOR SECURITY:—No, Sir, not at all. The police could only act on the information that they have available and of course they used every possible means to improve on the information they had available.

MRS. FAN:—*Sir, during the exchange of fire between armed robbers and the police it is not unusual for passers-by to suffer injuries. Has the Secretary for Security any advice to offer on suitable actions for passers-by to take for their own protection when they are caught in an exchange of fire?*

SECRETARY FOR SECURITY:—Yes, Sir, this is a point that the police take particularly seriously; and to be honest with you, Sir, it handicaps them in dealing with robbers of the sort they were dealing with on that particular day. And frankly, to put it crudely, the best thing that people can do in these circumstances is to get out of the way as quickly as they possibly can.

Allocation of land for refuse collection points

3. MR. KIM CHAM asked:—*Will the Government inform this Council of the Government's current policy on the allocation of land for the provision of off-street refuse collection points to replace on-street refuse collection points?*

SECRETARY FOR LANDS AND WORKS:—Sir, it is Government's policy to reserve and allocate sites for use as refuse collection points (R.C.P.s) in accordance with approved planning standards. As a general rule, off-street R.C.P.s are preferred to on-street ones as the latter may cause obstruction and environmental problems. Sites for off-street R.C.P.s will be allocated on application by the client departments if they are reserved in the Town Plan and can be made available immediately. If no reservation has been made or if the reserved sites are not available, the client departments may identify other suitable sites in consultation with Lands Department and district town planners. No premium or rent will be charged for the allocation of R.C.P. sites.

MR. KIM CHAN:—*Sir, with the large number of on-street refuse collection points one sees in the city these days, what account for the seemingly long delay for the provision of off-street sites?*

SECRETARY FOR LANDS AND WORKS:—As I said in my reply, if the sites are reserved and available immediately they will be allocated immediately on application by the client department. If they are not reserved in the Town Plan or not available immediately the client department can pursue the matter with the Lands Department and in consultation with each other they will try to find suitable off-street sites. I think the problem is that finding suitable sites for refuse collection points in the build up areas is not all that easy.

MR. KIM CHAM:—*In view of the nuisance factor to residents around the refuse collection points will the Government ensure that as a standing policy sites will be provided in the town planning stage for future provision of off-street collection points?*

SECRETARY FOR LANDS AND WORKS:—Sir, it is our policy to reserve sites in the Town Plan for refuse collection points in accordance with approved planning standards.

Services for the blind and deaf

4. MR. ALEX WU asked:—*Will Government make a statement on:*

(a) *the number of blind and deaf people now under government care;*

(b) *the kind of service they are receiving; and*

(c) *the amount of subvention provided to voluntary agencies for providing service to the blind and the deaf in the past three years?*

SECRETARY FOR EDUCATION AND MANPOWER:—

- (a) Sir, there are 7 151 deaf and partially hearing persons, and 12 364 blind and partially sighted persons registered in the Central Registry of the Disabled as receiving services funded or subvented by Government.
- (b) Under Hong Kong's 1984 Rehabilitation Programme Plan blind and deaf people are receiving the following services:
- (i) identification and assessment of their disability;
 - (ii) medical treatment at clinics or hospitals;
 - (iii) special education, depending on age and the extent of disability;
 - (iv) social rehabilitation—compassionate rehousing, recreational services; and for the blind, orientation and mobility training, communication, including braille services, daily living skills, and residential facilities;
 - (v) vocational rehabilitation;
 - (vi) assistance in job placement; and
 - (vii) disability allowance.
- (c) Over the past three years voluntary agencies servicing the blind received \$14.1 million subvention from Government in 1982-83; \$15.7 million in 1983-84; and \$17.2 million in 1984-85. Voluntary agencies servicing the deaf received \$16.3 million in 1982-83; \$18.5 million in 1983-84; and \$21.4 million in 1984-85.

MR. ALEX WU:—*Are the subventions mentioned in paragraph (c) in the reply given to meet recurrent expenses only?*

SECRETARY FOR EDUCATION AND MANPOWER:—The figures I've given there are I think the recurrent figures, not the capital.

MR. ALEX WU:—*Sir, does Government offer guidance to the agencies receiving such subventions to exploit properties in their possession to generate revenue to supplement government support?*

SECRETARY FOR EDUCATION AND MANPOWER:—I'm sure the Social Welfare Department encourages voluntary agencies to maximise the use of their facilities but one must bear in mind that some of the facilities provided for these kinds of disabilities are not always compatible with the complete maximisation of use.

MRS. CHOW:—*Sir, could the Council be told how successful the assistance rendered to the blind and the deaf is in the way of job placement?*

SECRETARY FOR EDUCATION AND MANPOWER:—The special placements service of the Labour Department was set up about three or four years ago and has made

steady progress. I have the figures for the quarter ending 28 February this year in which the service received nine applications from blind persons and 24 from deaf persons for employment; and they placed during the same period 14 blind persons and 42 deaf persons. If Mrs. CHOW would like more detailed figures I will happily supply them.

Management of audio-visual equipment in schools

5. MR. YEUNG PO-KWAN asked:—*In view of the growing availability and use of audio-visual equipment for teaching purposes in schools, would Government consider:*

- (a) establishing a new Audio-visual Technician grade who should be specifically trained to handle the equipment; and*
- (b) allocating a purpose-built room for the storage and maintenance of such equipment at the school planning stage?*

DIRECTOR OF EDUCATION:—Sir, I confirm that the Government has considered both proposals.

On the first proposal there does not appear to me to be a strong case at present for the establishment of an Audio-visual Technician grade for service in schools.

The procurement, issue and collection, organisation and maintenance of audio-visual equipment, including minor repairs, is the responsibility of existing school staff, including teachers. As part of its policy to encourage and promote audio-visual resource-based learning and teaching, the Education Department includes Educational Technology among the basic areas of study for student teachers in the Colleges of Education, thus equipping them with the ability to handle standard hardware and to produce appropriate software on completion of their teacher education courses.

For serving teachers, the Visual Education Section of the Advisory Inspectorate provides a wide range of advisory services in the use of audiovisual aids through visits, publications, seminars, short courses and workshops conducted by the Media Production Services Unit.

More complex and valuable audio-visual items such as micro-computers, television receivers, video-cassette recorders and the wire-free loop systems used for language learning are all maintained by agents under contract.

The current practice of designating teachers as audio-visual co-ordinators, supported where necessary by clerical staff and laboratory technicians is educationally desirable, appropriate, effective and satisfactory. The provision of an Audio-visual Technician is therefore not considered necessary at this stage.

On the second proposal, Sir, the standard designs of primary and secondary schools are being revised and the need for the use and storage of audio-visual equipment has been taken into account.

In the proposed design for primary schools, consideration is being given to redesigning one of the three Special Rooms for general purposes to facilitate the use of audio-visual equipment. As with other Special Rooms, the General Purpose Room will be provided with an adjacent store room. The proposed schedule of accommodation also includes a security store and a general store.

In the proposed design for secondary schools, while there is no purpose-built room for audio-visual equipment, store rooms are provided adjacent to most Special Rooms for the storage and maintenance of equipment including audiovisual aids. In addition, consideration is being given to the provision of a security store and a number of general stores.

MR. YEUNG PO-KWAN:—*Sir, apart from the knowledge possessed by teachers on the use of audio-visual aids, does the Government agree that greater efficiency and effectiveness could be achieved for teaching purposes through central control in respect of the proper handling of all audio-visual equipment within the premises of the school?*

DIRECTOR OF EDUCATION:—Yes, Sir, we agree fully with this. This is why we have considered the concept of an audio-visual coordinator among teachers in each school. This concept has been in fact discussed with the secondary school teachers over a number of years. Most recently a seminar was held only last year with about 200 teachers and they all fully supported this concept of having one teacher in each school to coordinate and centralise the control and the coordination of such resources.

Compensation for shop tenants affected by re-development programme of Marks I and II public housing estates

6. MRS. NG asked in Cantonese:—

政府可否告知本局，受第一型及第二型公共屋邨重建計劃影響的商戶，會獲得甚麼賠償？

(The following is the interpretation of what Mrs. NG said.)

Can Government inform this Council what compensation is being provided to shop tenants affected by the re-development programme of Mark I and Mark II public housing estates?

SECRETARY FOR HOUSING:—Sir, compensation for shop tenants affected by the re-development programme of Mark I and Mark II estates is made in three ways.

Firstly, cash compensation is paid to tenants based on the size of their shop and its business potential. A tenant of a typical shop of 22 sq m is paid HK\$83,000 as compensation. Incidentally this compensation figure is substantially more than the total rent paid by tenants during the whole period of their tenancy. For example, a tenant of a shop, who started a tenancy on 1 January 1956 and who gave it up on 30 April 1985, will only have paid some \$56,000 in rent during the whole of that 29-year period.

Secondly, and in addition to the compensation, shop tenants affected by redevelopment are offered re-provisioning in new or old estates through a system of restricted tender.

Thirdly, if a shop tenant chooses to bid for a shop through the open tender system in another area and is successful, he will be granted a rent deposit concession equivalent to two months' rent or \$8,000, whichever is the less.

MRS. NG asked in Cantonese:—

閣下，剛才所提及的賠償金額，請問是何時訂定的呢？

(The following is the interpretation of what Mrs. NG asked.)

Sir, when were the rates of compensation just mentioned fixed?

SECRETARY FOR HOUSING:—Sir, the compensation arrangements were last reviewed in 1981 and although we believe, as I've explained, that these rates are quite generous, they are being looked at again now; and the Housing Department will forward recommendations to the Housing Authority for consideration within the next few weeks. But I would point out that we are talking in terms of large sums of money. We still have about 2 800 shops still to be moved and compensated and assuming an average compensation payment of about HK\$83,000 for each shop the amount involved is about HK\$235 million. The financial implications of any possible increase therefore in the compensation rates will have to be looked at very carefully indeed.

Monkeys around Shek Lei Pui Reservoir

7. MR. WONG LAM asked in Cantonese:—

請問漁農處採取了什麼行動去防止在石梨貝水塘附近的猴子騷擾居民和旅遊人士？

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

What action has been taken by the Agriculture and Fisheries Department to prevent monkeys found around Shek Lei Pui Reservoir from causing harm and being a nuisance to residents and picnickers?

SECRETARY FOR ECONOMIC SERVICES:—Sir, monkeys around Shek Lei Pui Reservoir are normally harmless and the many visitors to the area enjoy watching them. However, largely as a result of picnickers feeding them, a number have become accustomed to such treatment and thus approach passersby for food.

The Agriculture and Fisheries Department has taken a number of measures to minimise possible nuisance. Notices have been displayed at prominent locations advising picnickers and nearby residents not to feed or tease the monkeys. Park wardens regularly discourage visitors from feeding them and similar advice is given in the mass media from time to time.

MR. WONG LAM asked in Cantonese:—

閣下，請問在過去一年內，有沒有關於這些猴子傷害該處的居民及旅遊人士的報告？

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

Sir, in the past year did we have any cases of monkeys causing injuries to residents and picnickers there?

SECRETARY FOR ECONOMIC SERVICES:—Sir, I am not aware of the actual medical injuries. There have been complaints of nuisance coming in at a rate of about once a month. We do not have evidence of any injuries.

Relationship between District Board chairmen and District Management Committee

8. MR. KEITH LAM asked in Cantonese:—

請問區議會的主席是否會獲邀請或可否自行參與其區內的地區管理委員會一切會議？

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

Will District Board chairmen be invited or be at liberty to attend all District Management Committee meetings in their districts?

SECRETARY FOR DISTRICT ADMINISTRATION:—Sir, the answer is no for the moment.

The District Management Committee (D.M.C.) is a district co-ordinating committee of departmental representatives whose main duty is to organise coordinated action to meet the needs of individual districts. It is responsible for making prompt and positive responses to the advice of the District Board. The District Officer, who is the chairman, makes regular reports on the work of the committee to meetings of the full Board. As and when necessary, the

departmental representatives also give their views and explain their departmental decisions fully at board meetings. These arrangements will ensure that the D.M.C. remains responsive to the District Board. I would suggest that they should be allowed to get on with their job with a reasonable degree of independence.

Nevertheless, where the chairman of the District Board considers it necessary, and so requests, the District Officer will arrange special meetings between him and the departmental representatives concerned to discuss in detail any district issue which is of concern to the board. Furthermore, every District Board chairman is provided with an office in the District Office and there is therefore no lack of opportunity for contact and co-ordination.

Indeed, I shall be meeting all the newly elected District Board chairmen for the first time next week and this will be one of the items which I will be discussing with them.

Application procedure for major repair works in subvented schools

MR. YEUNG PO-KWAN asked:—*What measures will Government take to simplify and speed up the application procedures for major repair works in subvented schools or bodies?*

DIRECTOR OF EDUCATION:—Sir, the present procedures for major repair projects in aided schools are designed to provide a system which combines expeditious carrying out of repairs with adequate monitoring to ensure effective use of public funds. The system is under constant review and only recently improvements were made to enable technical problems to be more quickly resolved and interim payments more quickly made.

To see if any further improvements can be made, a meeting will shortly be held between the schools' councils and representatives of the government departments involved.

In addition to improving the current system, it is intended to launch a pilot scheme in the next financial year in which the Government will take over responsibility for major repair projects in selected aided primary schools. If this scheme proves to be practicable, consideration would be given to extending it to other aided schools.

MR. YEUNG PO-KWAN:—*Sir, will the Government inform this Council what improvements have recently been made to resolve the technical problems?*

DIRECTOR OF EDUCATION:—Yes, Sir, there have been several improvements made in the last 12 months. In the first place the Building Development Department have agreed to investigate inspections on completed works as soon

as a request is received and to give priority to such inspections. Secondly, a new system on filing and pursuing action is being achieved and implemented in offices in all our districts to ensure that this is done speedily. Thirdly, we have agreed with the Building Development Department to liaise with the school architect direct on any technical problems on the ground rather than through district officers as at present. Fourthly we have agreed to give interim payments to schools direct if the architect certificate is available. And finally, we have agreed to issue letters of approval two months earlier in each financial year, in other words, in March instead of May each year.

MR. YEUNG PO-KWAN:—*Sir, would the Government inform this Council on what basis will the primary schools be selected for inclusion into the pilot scheme?*

DIRECTOR OF EDUCATION:—*Sir, basically the selection is based on two factors. The first is that these primary schools are either within the Housing Department's locality or in rural areas which can be serviced easily by the Building Development Department. Altogether this pilot scheme includes about 400 such schools which can be considered for inclusion in major repairs on a central scale.*

Government business

Motions

PENSIONS (INCREASE) ORDINANCE

THE CHIEF SECRETARY moved the following motion:—That the Second Schedule to the Pensions (Increase) Ordinance be amended with effect from 1 April 1985—

(a) in Part I by adding the following—

‘18. The adjusted pension under paragraph 17 may be further increased by 6 *per cent.*’;

(b) in Part II by adding the following—

‘17. The adjusted pension under paragraph 16 may be further increased by 6 *per cent.*’;

(c) in Part III by adding the following—

‘17. The adjusted pension under paragraph 16 may be further increased by 6 *per cent.*’;

(d) in Part IV by adding the following—

‘16. The adjusted pension under paragraph 15 may be further increased by 6 *per cent.*’;

- (e) in Part V by adding the following—
‘15. The adjusted pension under paragraph 14 may be further increased by 6 *per cent.*’;
- (f) in Part VI by adding the following—
‘14. The adjusted pension under paragraph 13 may be further increased by 6 *per cent.*’;
- (g) in Part VII by adding the following—
‘13. The adjusted pension under paragraph 12 may be further increased by 6 *per cent.*’;
- (h) in Part VIII by adding the following—
‘12. The adjusted pension under paragraph 11 may be further increased by 6 *per cent.*’;
- (i) in Part IX by adding the following—
‘10. The adjusted pension under paragraph 9 may be further increased by 6 *per cent.*’;
- (j) in Part X by adding the following—
‘9. The adjusted pension under paragraph 8 may be further increased by 6 *per cent.*’;
- (k) in Part XI by adding the following—
‘8. The adjusted pension under paragraph 7 may be further increased by 6 *per cent.*’;
- (l) in Part XII by adding the following—
‘7. The adjusted pension under paragraph 6 may be further increased by 6 *per cent.*’;
- (m) in Part XIII by adding the following—
‘6. The adjusted pension under paragraph 5 may be further increased by 6 *per cent.*’;
- (n) in Part XIV by adding the following—
‘5. The adjusted pension under paragraph 4 may be further increased by 6 *per cent.*’;
- (o) in Part XV by adding the following—
‘4. The adjusted pension under paragraph 3 may be further increased by 6 *per cent.*’;
- (p) in Part XVI by adding the following—
‘3. The adjusted pension under paragraph 2 may be further increased by 6 *per cent.*’;

(q) in Part XVII by adding the following—

‘2. The adjusted pension under paragraph 1 may be further increased by 6 *per cent.*’; and

(r) by adding the following—

‘PART XVIII

*Applicable to a basic pension based on a salary in force from 1 April 1984
to 31 March 1985 inclusive*

1. The basic pension may be increased by 6 *per cent.*’.

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

It is approved 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 adjustments to reflect changes in the cost of living.

During the latest review period from 1 April 1984 to 31 March 1985, the moving annual average of the Consumer Price Index (A) rose by 9.1 points, or 6.19 per cent. In line with established practice, it is proposed that pensions in payment on 1 April 1985, including previous increases already approved, should be increased by 6 per cent with effect from the same date.

The total cost of increasing all pensions by this amount is estimated at \$37.1 million for a full year. This is a statutory charge which may be authorised by resolution of this Council under the appropriate ordinances.

Sir, I beg to move.

Question put and agreed to.

WIDOWS AND ORPHANS PENSION (INCREASE) ORDINANCE

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

‘38. The pension calculated on the total contributions up to 31 March 1984 inclusive plus the total increases in pension up to 31 March 1985 may be increased by 6 *per cent* with effect from 1 April 1985.

39. The pension calculated on contributions from 1 April 1984 to 31 March 1985 inclusive may be increased by 6 *per cent* with effect from 1 April 1985.’.

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.

PUBLIC FINANCE ORDINANCE

THE FINANCIAL SECRETARY moved the following motion:—With respect to the Capital Works Reserve Fund established by resolution made and passed by this Council on 20 January 1982 and published in the *Gazette* as Legal Notice No. 18 of 1982, and for the purpose of giving effect to arrangements for implementing paragraph 6 of Annex III to the Joint Declaration of the Government of the United Kingdom and the Government of the People's Republic of China signed in Peking on 19 December 1984, that with effect from the entry into force of the Joint Declaration—

- (a) the Fund be administered by the Financial Secretary, who may delegate his power of administration to other public officers;
- (b) the Fund comprises a suspense account, a works account and a reserve account;
- (c) there be credited to the suspense account—
 - (i) premium income obtained from land transactions covered by paragraph 6 of Annex III to the Joint Declaration, pending deduction of the average cost of land production and sharing in accordance with paragraph 6 of Annex III to the Joint Declaration;
 - (ii) all moneys received by way of interest or dividends earned in respect of moneys held in the suspense account;
- (d) there be credited to the works account—
 - (i) the amount deducted from premium income held in the suspense account that represents the average cost of land production;
 - (ii) the amount of premium income held in the suspense account that represents the Government's share;
 - (iii) all moneys received arising from works or commitments entered into for the purposes of the Fund;
 - (iv) unclaimed deposits in respect of moneys referred to in subparagraph (iii) which have been unpaid for 5 years;
 - (v) all moneys received by way of interest or dividends earned in respect of moneys held in the works account;
 - (vi) such donations and other moneys as may be received for the purposes of the Fund;

- (vii) such transfers from the reserve account as the Financial Secretary may authorise;
- (e) there be credited to the reserve account such appropriations from general revenue as may be approved by this Council;
- (f) all moneys received by way of interest or dividends earned in respect of moneys held in the reserve account shall form part of the general revenue;
- (g) the Financial Secretary shall transfer from the suspense account to the works account—
- (i) the amount deducted from premium income held in the suspense account that represents the average cost of land production;
 - (ii) the amount of premium income held in the suspense account that represents the Government's share;
- (h) the Financial Secretary shall pay from the suspense account to banks incorporated in Hong Kong the amount of premium income held in the suspense account that represents the future Hong Kong Special Administrative Region Government's share;
- (i) the Financial Secretary shall at the beginning of each financial year, for the purpose of sharing all moneys credited to the suspense account under sub-paragraph (c)(ii) during the preceding financial year between the Government and the future Hong Kong Special Administrative Region Government—
- (i) divide such moneys in the proportion according to which transfers and payments were made under paragraphs (g) and (h) respectively during that preceding financial year;
 - (ii) transfer the Government's share from the suspense account to the works account and pay the future Hong Kong Special Administrative Region Government's share from the suspense account to banks incorporated in Hong Kong;
- (j) the Financial Secretary may expend moneys from the works account for the purposes of the Government's public works programme and for the acquisition of land, in accordance with such conditions, exceptions and limitations as may be specified by the Finance Committee;
- (k) the Financial Secretary may from time to time—
- (i) transfer from the reserve account to the works account such sums as may be required for the purposes of the Fund;
 - (ii) pay from the reserve account to general revenue any balance in the reserve account which is not required for the purposes of the Fund;

- (l) the Director of Accounting Services shall, under the authority of a funds warrant issued by the Financial Secretary, pay from the Fund such sums as may be required to meet expenditure from the Fund;
- (m) the Financial Secretary in his discretion may authorise the investment in such manner as he may determine of any moneys held in the Fund at any time;
- (n) all moneys held in the Fund on the date on which the Joint Declaration enters into force shall be deemed to be held in the works account;
- (o) paragraphs (a), (b), (c), (d), (e) and (f) of the resolution made and passed by this Council on 27 July 1983, and published in the *Gazette* as Legal Notice No. 250 of 1983, shall cease to apply.

He said:—Sir, I move the motion standing in my name on the Order Paper. Under the provisions of the Public Finance (Amendment) Ordinance 1985, this Council may specify by resolution that certain moneys be credited directly to a fund without the need for appropriation. In order to give effect to arrangements for implementing Annex III of the Joint Declaration on the future of Hong Kong, it is necessary that premium income from land transactions should be specified in this way for direct payment into the Capital Works Reserve Fund. The resolution standing in my name on the Order Paper does this.

The resolution also proposes that the Fund be restructured, with effect from the date that the Joint Declaration enters into force, by the setting up under it of three separate accounts. All premium income from land transactions will immediately upon receipt go temporarily into a *suspense account*. The amount of the deduction of the average cost of land production, together with the Government's share of premium income, will go into a *works account* from which payments for land development and public works projects will be made. The future S.A.R. Government's share will be paid into the bank account or accounts designated by the Chinese side. There will also be a *reserve account* through which additional funds, appropriated from general revenue, will when necessary be transferred to the works account. Interest earned on the funds held in the suspense account will be divided annually, at the beginning of each financial year, in the same proportions as the gross premium income has been divided.

All three accounts will be divisions of the Capital Works Reserve Fund which is referred to in Annex III to the Joint Declaration. The suspense account and the reserve account are required for technical accounting reasons.

Sir, I beg to move.

Question put and agreed to.

MAGISTRATES ORDINANCE

THE ATTORNEY GENERAL moved the following motion: — That the Magistrates (Fees)(Amendment) Regulations 1985, made by the Chief Justice on 6 March 1985, be approved.

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

The Magistrate (Fees) (Amendment) Regulations 1985 set out a new scale of fees to replace the existing one which was fixed in 1976. The increases in fees have been made to reflect inflation since that time, and also bring them into line with the fees charged for similar services in the District Court and the High Court.

The regulations have been made by the Chief Justice, but before they can become law, they require, under section 134 of the Magistrates Ordinance, the approval of this Council, which I now seek.

Sir, I beg to move.

Question put and agreed to.

MATRIMONIAL CAUSES ORDINANCE

THE ATTORNEY GENERAL moved the following motion:—That the Matrimonial Causes (Fees) (Amendment) Rules 1985, made by the Chief Justice on 6 March 1985, be approved.

He said:—Sir, I move the second motion standing in my name on the Order Paper. The motion seeks this Council's approval for the Matrimonial Causes (Fees) (Amendment) Rules 1985 made by the Chief Justice under the Matrimonial Causes Ordinance.

These Rules introduce a 'block fee' system with the aim of increasing efficiency and reducing inconvenience to the public and the legal profession. Instead of a fee charged for each document filed at court, a larger fee to be charged for all documents filed at various stages of an action. This system has already been introduced under the Supreme Court (Fees) Rules and the District Court (Fees) Rules.

The increase in the fees also reflects inflation since 1976, when the fees were last reviewed. So far as they are comparable, the new fees are the same as the fees set by Supreme Court (Fees) Rules and the District Court Fees (Rules).

Sir, I beg to move.

Question put and agreed to.

PNEUMOCONIOSIS ORDINANCE

THE SECRETARY FOR EDUCATION AND MANPOWER moved the following motion:—That the resolution made and passed by the Legislative Council on 3 December 1980 and published as Legal Notice No. 340 of 1980 be amended with effect from 1 June 1985 by deleting ‘\$250,000’ in paragraph (b) and substituting the following—

‘\$1,000,000’.

He said:—Sir, I rise to move the first motion standing in my name on the Order Paper. The change proposed results from a recommendation made by the Pneumoconiosis Compensation Fund Board.

The board administers the Pneumoconiosis Compensation Fund, which is financed by a levy of 0.2 per cent on the value of construction works undertaken and of quarry products produced in Hong Kong. Construction works whose value does not exceed \$250,000 are exempt from the levy.

The Board has recently recommended for the approval of this Council that the limit should be raised from \$250,000 to \$1,000,000. The intention is to reduce the considerable time and effort presently spent in collecting relatively small sums of money.

The proposed adjustment will have an insignificant effect on annual levy income, reducing the amount by 2 per cent only, and will not adversely affect the work of the Board.

The resolution if passed will take effect from 1 June 1985, if approved.

A draft resolution under section 36 of the Pneumoconiosis (Compensation) Ordinance has been prepared to raise the limit for any construction work not liable to the levy, with effect from 1 June 1985, from \$250,000 to \$1 million.

Sir, I beg to move.

Question put and agreed to.

**INDUSTRIAL TRAINING (CONSTRUCTION INDUSTRY)
ORDINANCE**

THE SECRETARY FOR EDUCATION AND MANPOWER moved the following motion:— That the resolution made and passed by the Legislative Council on 17 December 1975 and published as Legal Notice No. 271 of 1975 be amended with effect from 1 June 1985 by deleting ‘\$250,000’ in paragraph (b) and substituting the following—

‘\$1,000,000’.

He said:—Sir, I rise to move the second motion standing in my name.

The Construction Industry Authority has been informed of the recommendation of the Pneumoconiosis Compensation Fund Board to raise the levy threshold under the Pneumoconiosis (Compensation) Ordinance, and supports, for the same reasons, a similar adjustment to the leve threshold set under the Industrial Training (Construction Industry) Ordinance.

Accordingly, a resolution under section 22 of the Industrial Training (Construction Industry) Ordinance has been prepared to raise the limit for any construction work not liable to the levy, with effect from 1 June 1985, from \$250,000 to \$1 million.

Sir, I beg to move.

Question put and agreed to.

COMPANIES ORDINANCE

THE SECRETARY FOR ECONOMIC SERVICES moved the following motion:— That the Companies (Winding-up) (Amendment) Rules 1985 and the Companies (Fees and Percentages) (Amendment) Order 1985, made by the Chief Justice on 4 May 1985, be approved.

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

The Companies (Winding-up) (Amendment) Rules 1985, and the Companies (Fees and Percentages) (Amendment) Order 1985, which were made by the Chief Justice on 4 May 1985, increase certain of the fees and charges payable to the Official Receiver under the Companies Ordinance, and make minor improvements to the winding-up procedure.

The most significant of these proposals increases from \$1,000 to \$10,000 the deposit payable by a petitioner upon presentation of a petition for winding-up under section 22A(1) of the Companies (Winding-up) Rules, and introduces a minimum fee of \$10,000 chargeable under the Companies (Fees and Percentages) Order where the Official Receiver acts as liquidator of a company.

At present, the cost to a prospective petitioner is minimal and petitions are frequently presented when there is no real hope of a meaningful dividend. The Registrar General has estimated that 44 per cent of the cases processed by the Official Receiver involve total realisable assets of less than \$10,000. Each liquidation of this sort costs the Official Receiver alone an estimated \$16,000 or more, and only a small proportion of the cost is recovered in fees and charges. The result of introducing a minimum deposit and fee of \$10,000 will be to discourage creditors from petitioning for winding up where the assets are not likely to yield a worth while dividend. This will lead to a considerable saving in time, effort and money.

In respect of petitioners who are in receipt of legal aid, the minimum deposit and fee of \$10,000 will be paid by the Director of Legal Aid in accordance with existing practice.

Other amendments increase the charges payable under the Fees and Percentages Order and replace the percentage scale with a flat rate of 10 per cent chargeable on the total assets realised by the Official Receiver. There is power under section 9 of the Order for the Official Receiver to apply to the court to reduce the fee if it would produce an amount which, particularly in the relatively straightforward cases and where the assets are considerable, would not be justified by the effort involved.

Sir, I beg to move.

Question put and agreed to.

BANKRUPTCY ORDINANCE

THE SECRETARY FOR ECONOMIC SERVICES moved the following motion:—That the Meetings of Creditors (Amendment) Rules 1985, the Bankruptcy (Amendment) Rules 1985 and the Bankruptcy (Fees and Percentages) Order 1985, made by the Chief Justice on 4 May 1985, be approved.

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

The Bankruptcy (Amendment) Rules 1985 and the Bankruptcy (Fees and Percentages) Order 1985, which were made by the Chief Justice on 4 May 1985, make similar provisions under the Bankruptcy Ordinance to those I have just described for the Companies Ordinance. The opportunity has also been taken to re-organise and re-draft the Bankruptcy (Fees and Percentages) Order in its entirety.

In addition, the Meetings of Creditors (Amendment) Rules 1985 extend, from one month to three months after the date of the receiving order, the period of time allowed for the holding of the first meeting of creditors. The purpose of this is to increase the information about assets that will be available, and so to increase the possibility of the creditors appointing outside trustees.

The amendments have been referred to the bankruptcy judge who has indicated his strong support for them.

Sir, I beg to move.

Question put and agreed to.

REGISTERED TRUSTEES INCORPORATION ORDINANCE

THE SECRETARY FOR ECONOMIC SERVICES moved the following motion:—That the Registered Trustees Incorporation Ordinance (Amendment of Second Schedule) Order 1985, made by the Governor in Council on 30 April 1985, be approved.

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

The Registered Trustees Incorporation Ordinance (Amendment of Second Schedule) Order 1985, which was made by the Governor in Council on 30 April 1985, increases some of the fees payable to the Registrar of Companies in connection with the incorporation of registered trustees. These fees were last revised in 1977.

The new fees will not be a burden on the charitable organisations for which the Ordinance provides as, with two exceptions, they concern the provision of documents to third parties enquiring about them. The two exceptions are the fee payable for any alteration or amendment to a certificate by the Governor, and the fee payable for a change of name or seal, both of which are raised from \$20 to \$100.

Sir, I beg to move.

Question put and agreed to.

REGISTRATION OF PATENTS ORDINANCE

THE SECRETARY FOR ECONOMIC SERVICES moved the following motion:—That the Registration of Patents (Fees) (Amendment) Rules 1985, made by the Registrar of Patents on 18 March 1985, be approved.

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

The Registration of Patents (Fees) (Amendment) Rules 1985, which were made by the Registrar of Patents on 18 March 1985, increase the fees payable for various proceedings under the Registration of Patents Ordinance.

The fees were last revised in 1981. The proposed increases are designed to take account of the cost of the service provided and the increase in this cost since 1981.

Sir, I beg to move.

Question put and agreed to.

First reading of bills**LEGISLATIVE COUNCIL (POWERS AND PRIVILEGES) BILL 1985****DANGEROUS GOODS (AMENDMENT) BILL 1985****LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1985****CORRUPT AND ILLEGAL PRACTICES (AMENDMENT) BILL 1985****COMPANIES (AMENDMENT) BILL 1985****BANKRUPTCY (AMENDMENT) BILL 1985****TRUSTEE (AMENDMENT) BILL 1985****CONSUMER COUNCIL (AMENDMENT) BILL 1985****PILOTAGE (AMENDMENT) BILL 1985**

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

Second reading of bills**LEGISLATIVE COUNCIL (POWERS AND PRIVILEGES) BILL 1985**

THE CHIEF SECRETARY moved the second reading of:—'A bill to declare and define certain powers, privileges and immunities of the Legislative Council and of the members and officers thereof; to secure freedom of speech in the Legislative Council; to make provision for regulating admittance to and conduct within the precincts of the Chamber of the Legislative Council; to provide for the giving of evidence in proceedings before the Legislative Council or committees thereof, and for offences in respect of such proceedings and related matters; and for purposes incidental to or connected therewith'.

He said:—Sir, I move that the Legislative Council (Powers and Privileges) Bill 1985 be read a second time.

The primary purpose of the Bill is to make provision for the powers and privileges of the Legislative Council, its members and officers. Whilst the Bill will have the *effect* of granting powers, privileges and immunities to individual members personally, its *objective* is to enable members to discharge their functions properly, without fear or favour, and to uphold the dignity of the legislature.

Traditionally, the main privileges enjoyed by Members of Parliament in Westminster are as follows:

- (1) the privilege of statements made in debate in Parliament, protecting members from any action in the courts for defamation arising out of anything said in debate;
- (2) freedom from arrest, providing members with immunity from arrest anywhere at any time during a session in any civil cause, and protection from arrest within the precincts of the House, while the House is sitting, in a civil or criminal matter, without the leave of the House;
- (3) exemption from jury service; and
- (4) exemption from attending any court as a witness.

Although the legislature of a Crown colony does not, by its mere establishment, acquire all these powers, privileges and immunities, the existing body of law in Hong Kong (principally U.K. case law which applies in Hong Kong under the common law system) the Jury Ordinance and other administrative practices in fact confer all these powers and privileges on Members of this Council. In the Government's view, however, it is desirable to enact legislation generally to codify such powers and privileges. There are several considerations supporting this view.

first, after 1997, any inherent powers and privileges derived from the present status of the Legislative Council as a colonial legislature would cease to have effect in Hong Kong. For example, the powers and privileges derived from case law have never been brought out in any ruling in Hong Kong and, if they are to be retained, they must be the subject of legislation at some stage;

second, to smooth the transition, the necessary legislation to codify these points should be completed earlier rather than later;

third, as Hong Kong moves towards representative government, the present system of consensus politics may come under some pressure. It would therefore be desirable specifically to provide for the rights of Members and for the powers and privileges through which the Legislative Council manages its business to be clearly understood;

fourth, if the Governor is to cease to be the President of the Legislative Council at some future date, it would be desirable for the new Presiding Officer, lacking the other proofs of authority which the Governor has, to have clear legal sanction to hand for the conduct of the Council's business; and

fifth, decisions recently taken to hold meetings of the Finance Committee and the Public Accounts Committee in public make it timely for the position as regards the calling of witnesses and the hearing of evidence to be codified.

Perhaps, also, Sir, one might add that the move to the old Supreme Court Building next October will give the Legislative Council a new and clearer identity, emphasising its separation from the Executive Council and the Administration, and pointing up the need to spell out the powers and privileges of the Council on the basis of which the Council business is conducted.

Turning now to the Bill itself. It follows to a large extent the standard pattern of such legislation as developed for other legislatures in a position similar to Hong Kong. An Ad Hoc Group of Unofficial Members of the Legislative Council, chaired by Miss Maria TAM, was invited to examine the *initial* draft of the Bill and have suggested a number of improvements. I would like to express our gratitude to the Ad Hoc Group for their painstaking examination of that draft of the Bill. I am happy to say that all their recommendations have been incorporated in the Bill which Executive Council has now advised should be introduced today.

Part I of the Bill provides that it will come into force on a date to be fixed by the Governor which will be sometime before the first sitting of the 1985-86 Session. Part I also contains certain important definitions amongst which are those of the Council Chamber and the precincts.

Part II of the Bill deals with the privileges and immunities of the Legislative Council and the Members thereof.

Clause 3 expressly provides for freedom of speech and debate in the Council or any committee and for the corresponding immunity of the proceedings from being questioned in any court or place outside the Council.

Clause 4 confers immunity upon Members from civil or criminal proceedings in respect of matters said, or documents brought before, the Council or any committee.

Clause 5 grants to Members freedom from arrest for civil debt whilst going to, or attending at, or returning from, any sitting of the Council or any committee and also for a criminal offence whilst actually attending a sitting. This latter provision implements in a modified form the Ad Hoc Group's recommendation that freedom from arrest should apply to both civil and criminal cases.

Clause 6(1) prohibits, while the Council is sitting, the service of any civil process within the precincts of the Council Chamber, whether issued in Hong Kong or elsewhere.

Clause 6(2) exempts any Member from attending as a witness in any civil proceedings on a day when the Council is sitting and *clause 6(3)* exempts a Member from service as a juror in accordance with section 5 of the Jury Ordinance.

Clause 7(1) prohibits evidence of proceedings in the Council or a committee being given elsewhere without special leave of the Council.

Clause 7(2) provides that, during a recess or adjournment of the Council, such leave shall be given by the President or, in his absence or incapacity, in accordance with Standing Orders.

Clause 8 regulates the conduct of strangers within the precincts of the Council Chamber and enables the President of the Council to make orders for that purpose and to order 'strangers' (i.e. anybody other than Members or officers of the Council) to withdraw from the Council Chamber or its precincts.

Part III makes provision governing witnesses before the Council and its committees.

Clause 9 empowers the Council or any standing committee to order witnesses to attend and to produce books and documents, and enables the same power to be given to a select committee by resolution of the Council.

Clause 10 requires that an order relating to the attendance of witnesses be notified by way of summons under the hand of the Clerk.

Clause 11 empowers the Council and its committees to require evidence to be given on oath and authorises the administration of an oath.

Clause 12 authorises the arrest of any person who fails to attend to give evidence in response to a summons, and makes provision for the release of such person on entering into a recognisance.

Clause 13 enables the President of the Council to excuse a witness called to give evidence before the Council or a committee, who does not wish to answer a question or produce a document on the grounds that it is of a private nature and does not affect the subject of the inquiry.

Clause 14 confers on witnesses the same privileges as before a court of law and imposes restrictions in respect of questions or documents relating to naval, military or air force matters or any matter relating to the security of Hong Kong or the responsibilities of Her Majesty's Government in relation to Hong Kong.

Clause 15 provides that any question arising in the Council or a committee relating to evidence, or the production of documents, shall be determined in accordance with the usage and practice of the Council prior to the Bill.

Clause 16 enables a witness answering fully and faithfully questions put to him to obtain a certificate to that effect. On production of such a certificate in court, the court is required to stay any further proceedings against him, whether civil or criminal, arising out of that evidence, except proceedings in respect of false statements made by him.

Finally, Part IV deals with offences and penalties.

Sir, a new style Hong Kong Legislative Council is to be assembled with effect from the 1985-86 Session, with a blend of membership appropriate to Hong Kong's circumstances. I commend this Bill to Members as an essential

measure to secure and to strengthen the standards and effectiveness of that new style Council.

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 CHIEF SECRETARY.

Question put and agreed to.

DANGEROUS GOODS (AMENDMENT) BILL 1985

SECRETARY FOR SECURITY moved the second reading of:—‘A bill to amend the Dangerous Goods Ordinance’.

He said:—Sir, I move that the Dangerous Goods (Amendment) Bill 1985 be read the second time.

This Bill seeks to empower the Commissioner of Mines and the Director of Fire Services to amend, by notice in the *Gazette*, the First Schedule to the Dangerous Goods (General) Regulations, and to empower the Director of Marine to amend, also by notice in the *Gazette*, the First, Second and Third Schedules to the Dangerous Goods (Shipping) Regulations.

The First Schedule to the Dangerous Goods (General) Regulations prescribes the specifications for labels to be attached to the packing or containers of dangerous goods. Provisions in this schedule relating to explosives in Category 1 are administered by the Commissioner of Mines and provisions in respect of labels relating to dangerous goods in Categories 2 to 10 are administered by the Director of Fire Services.

The First Schedule to the Dangerous Goods (Shipping) Regulations is a list of approved petroleum wharves. The Second Schedule prescribes the format of Dangerous Goods Manifests. The Third Schedule is a list of approved container terminals. Provisions relating to these three schedules are administered by the Director of Marine.

At present, Sir, amendments to these schedules have to be approved by the Governor in Council. As such amendments are administrative and straightforward, it is proposed that the power to amend be given to the public officers responsible for administering them.

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—SECRETARY FOR SECURITY.

Question put and agreed to.

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1985

THE SECRETARY FOR HOUSING moved the second reading of:— ‘A bill to amend the Landlord and Tenant (Consolidation) Ordinance, and make minor, related amendments to the Lands Tribunal Ordinance’.

He said:—Sir, I move the second reading of the Landlord and Tenant (Consolidation) (Amendment) Bill 1985.

The proposals in this Bill are made following the third in a series of annual reviews of the rent control system. They are designed to further relax rent control with the object of an eventual return to free market conditions but they take account of the situation in 1984 and the prospects for 1985.

1984 saw a stable property market but towards the end of last year and in the early part of this year some rents have risen. The signing of the agreement on the future of Hong Kong last year gave renewed confidence to the residents of Hong Kong and this has helped to resuscitate the property market. But the availability of flats at the end of 1984, coupled with the forecast of a much above average supply in 1985 and 1986, should help ensure that any general rise in rent levels will be moderate. There may be exceptions to this general pattern. On Hong Kong Island, for example, where there is a stronger demand for larger flats, some increases may be greater. The Government will continue to monitor the market carefully and, if necessary, will take measures to ensure that the situation does not get out of control.

Sir, let me now deal with the main proposals in the Bill.

The first proposal is that the life of Part II of the Ordinance should be further extended for two years, beyond its expiry date of 18 December 1985. At present, some 107 000 wholly-let domestic flats are subject to Part II controls which provides the dual protection of control on rent increases and security of tenure.

Despite a series of adjustments to the rent control mechanism, the disparity between controlled rents and prevailing market rents continues. Average controlled rents now stand at about 64 per cent of prevailing market rent, but some two thirds of controlled tenancies are below this overall level, and about one third are still paying below 45 per cent of prevailing market rents. To remove completely the protection of rent control, particularly for the low rental tenants, would be socially disruptive and therefore quite unacceptable. It is for this reason above all that the Government intends to allow only a *gradual* return to a free rental market.

As Members will recall, so-called luxury premises have been de-controlled progressively by lowering their rateable value exclusion point over the past four years. Starting with a value of \$80,000 in 1981, the exclusion point reached \$35,000 in 1984. Now, it is proposed, with effect from 19 December this year,

that it should go down a little further to \$30,000, the level recommended by the Committee of Review in 1981.

Of the nearly 1 400 controlled premises having rateable values of \$30,000 or above to be excluded this year, two thirds are corporate tenancies and the average controlled rent of all the 1 400 premises is 83 per cent of prevailing market rent, and as they are so close to market levels, rent control does not affect significantly the amount that tenants have to pay. Their exclusion from Part II would transfer them to Part IV which provides for security of tenure at prevailing market rents.

It is proposed that the old rateable values, that is those as at 10 June 1983 and not those introduced in April 1984, should apply in this Bill. This is because the old values provide a consistent valuation basis, readily understood by all concerned, both landlords and tenants and furthermore, from a practical point of view, it would be difficult to move to the current rateable value list since there are still a large number of appeals against the new rateable values which remain unsettled.

For other post-war tenancies, in order to prevent exceptionally low controlled rents from falling even further below market levels, it is proposed to raise the minimum percentage component in the rent increase mechanism in Part II— from 45 per cent to 55 per cent. This would also take effect from 19 December this year.

If this proposal is accepted, Sir, some 26 000 low-rent tenancies (i.e. 24 per cent of the 107 000 protected tenancies) would be subject to rent increases which could bring their rents up to 55 per cent of the market level. The average monthly increase for them would be about \$536 or 48 per cent of their current rent. But these tenants are presently paying somewhat low rents below 43 per cent of prevailing market rents and even with the increase, they would continue to pay significantly less than *new* tenants for comparable premises. For the remaining 76 per cent of the protected tenancies, their permitted rent increases would continue to be determined by the existing rule permitting a 30 per cent maximum biennial increase on current rent.

As for pre-war domestic tenancies, the aim is to bring their rents closer to the minimum permitted rents of near-comparable *early post-war* premises. For prewar premises, standard rent for the purpose of the Ordinance is their rent as at 25 December 1941. Current permitted rent is set at 21 times this level and it is now proposed to make a modest increase to 27 times the standard rent.

This change would result in an average increase of about 29 per cent or \$234 per month on current permitted rents and would affect only about 2 500 domestic units. It would serve to bring their average permitted rents also up to 55 per cent or prevailing market rents.

Last of the main provisions in the Bill are those for fees to be payable to the Commissioner of Rating and Valuation for processing certain applications. These fees, which would be fixed by the Financial Secretary, are proposed principally to recover some of the Government's costs. The Bill also seeks to clarify the powers of the Lands Tribunal in certain landlord and tenant matters. Other minor changes feature in the Explanatory Memorandum to the Bill, so I will not rehearse them.

Sir, public reaction to the Bill since its publication on 26 April this year has been muted, and there seems to be broad acceptance of these rather mild proposals. They aim to take another step along the road of phasing out rent control, but the step is a moderate one since we are always conscious of the need to avoid hardship. It is never easy to please both landlords and tenants, but in the present circumstances I believe that the proposals contained in the Bill constitute a reasonable compromise.

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

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

Question put and agreed to.

CORRUPT AND ILLEGAL PRACTICES (AMENDMENT) BILL 1985

THE SECRETARY FOR ADMINISTRATION SERVICES AND INFORMATION moved the second reading of:—‘A bill to amend the Corrupt and Illegal Practices Ordinance’.

He said:—Sir, I move that the Corrupt and Illegal Practices (Amendment) Bill 1985 be read a second time.

This is a short but important Bill. It provides for the provisions of the principal Ordinance to be extended to apply to the elections to this Council, which are to be held in September, and represents another step in progressive development of the arrangements for these elections.

The vast majority of the amendments proposed in the Bill are straightforward and call for no elaboration. However, perhaps I should say a few words on those set out in clause 7(a) and clause 8.

In 1984, section 16 of the principal Ordinance was amended to make it an offence for any person to make or publish a false statement of fact about a candidate, or for a candidate himself to do so. However, as the result of an oversight there was introduced at the time no penalty for contravention of these provisions. This omission it is now sought to correct by providing that breach of the provisions shall be subject to the general penalty provided in section 10 of

the Ordinance, namely a fine of \$500 and imprisonment for three months upon summary conviction, or a fine of \$2,000 and imprisonment for six months on conviction upon indictment.

An effect of the Bill will be also to clear the way for an Order to be sought from the Governor in Council prescribing the maximum level of expenses which may be incurred by a candidate standing in the Legislative Council elections. In the case of the functional constituencies, the ceiling that we have in mind is \$20,000, and electoral college constituencies is \$10,000.

These maxima, although arbitrary, are proposed having regard to the ceiling set for candidates in the District Boards elections. The functional constituencies will mostly comprise an electorate substantially smaller than that of the average District Board constituency. However, the difference in numbers is offset by the fact that electors in functional constituencies will be more dispersed and have, for example in the case of the Teaching constituency, a very much wider geographical spread. It is thus considered not unreasonable to adopt for candidates in these constituencies the District Board maximum of \$20,000.

In the electoral college constituencies, on the other hand, the eligible electorate will be very limited. In no one constituency will their numbers exceed 59, and their geographical spread will be minimal. The expenses which candidates in these constituencies will need to incur on electioneering will accordingly be relatively small and it is felt for this reason that the ceiling on their expenses should be cast at the lower level of \$10,000.

On a per capita basis, these proposed ceilings would allow an average expenditure of \$2.86 per elector in the case of the functional constituencies, as compared to an average of \$2.28 per elector in the District Board constituencies. In the electoral college constituencies, however, the proposed ceiling of \$10,000 would produce the very higher per capita figure of \$277 per elector, and further consideration is being given as to whether this ceiling should not be substantially reduced. The problem is essentially one of striking a ceiling which is realistic but which is yet not seen to be derisory.

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— SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION.

Question put and agreed to.

COMPANIES (AMENDMENT) BILL 1985

THE SECRETARY FOR ECONOMIC SERVICES moved the second reading of:— ‘A bill to amend the Companies Ordinance’.

He said:—Sir, I move that the Companies (Amendment) Bill 1985 be read the second time.

In his Budget speech for the current financial year, the Financial Secretary announced the Government's intention to raise the fees and charges payable to the Registrar General's Department. A full review of these fees and charges has now been completed. The purpose of the amendments proposed in this Bill is to increase certain of the fees and charges payable to the Registrar General under the Companies Ordinance and to simplify and improve winding-up procedures.

A large burden of the work under the Companies Ordinance falls on the Official Receiver, and the workload of his office has increased significantly during the last five years. An increasing number of insolvencies does not necessarily mean an increase in bad business, but is an indicator of more business. Measures to increase the productivity of the Official Receiver's Office are therefore timely. In formulating the present proposals, the objective has been to seek to reduce the workload of the Official Receiver's Office, and thereby increase its productivity, and at the same time to increase revenue.

Firstly, therefore, I propose to encourage the use of outside liquidators by amending section 196 to allow the remuneration of an outside liquidator to be decided either by agreement between the liquidator and the committee of inspection or by the court, and to allow the Official Receiver to apply to the court for a review of the remuneration of the liquidator. At present, section 196 provides only for the court to decide fees.

Secondly, I propose to increase from \$10,000 to \$200,000 the limit on the value of the property of a company in respect of which the Official Receiver may wind up the company by way of summary procedure under section 227F. The effect of increasing this limit will be to enable the Official Receiver to use the summary procedure in a greater number of cases and so reduce the workload of his office. The limit of \$10,000 has not been changed since the summary procedure was introduced in 1976, and the White Paper on the Reform of the Insolvency Law recently published in the United Kingdom recommended that a similar limit in the British Act be increased to £ 15,000. A figure of \$200,000 is therefore appropriate for Hong Kong. The opportunity has also been taken to simplify the summary procedure.

Thirdly, I propose to amend section 295 to create a minimum limit of \$100,000 to the amount of creditor's funds which may be invested, at the request of the committee of inspection, by the Official Receiver for the benefit of the creditors, and to limit the interest payable on such funds to a maximum of 3.5 per cent per annum or such other rate as may be fixed by the Financial Secretary. The interest in excess of 3.5 per cent on sums of over \$100,000 and the interest on sums of less than \$100,000 invested by the Official Receiver shall be transferred to the General Revenue. It is estimated that the introduction of this measure will go some way towards meeting the cost of the Official Receiver's Office.

Finally, Sir, I propose to increase some minor fees which have not been increased since 1977, and to make consequential amendments to the Companies (Winding-up) Rules.

If implemented, the amendments I just described would raise additional revenue of about \$7.7 million per annum. They would also help to reduce the workload of the Official Receiver's Office and thereby enable the Official Receiver to concentrate on those cases in which there is some real possibility of recovering a dividend for the creditors.

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—SECRETARY FOR ECONOMIC SERVICES.

Question put and agreed to.

BANKRUPTCY (AMENDMENT) BILL 1985

THE SECRETARY FOR ECONOMIC SERVICES moved the second reading of:—‘A bill to amend the Bankruptcy Ordinance’.

He said:—Sir, I move that the Bankruptcy (Amendment) Bill 1985 be read the second time.

The proposed amendments make similar provision in respect of the remuneration of the trustee of a debtor's estate, and the application of summary procedure, as the proposed amendments to the Companies Ordinance which I have just described.

If implemented, they will have a similar effect in reducing the workload of the Official Receiver's Office.

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—SECRETARY FOR ECONOMIC SERVICES.

Question put and agreed to.

TRUSTEE (AMENDMENT) BILL 1985

THE SECRETARY FOR ECONOMIC SERVICES moved the second reading of:— ‘A bill to amend the Trustee Ordinance’.

He said:—Sir, I move that the Trustee (Amendment) Bill 1985 be read the second time.

The purpose of the proposed amendments is to increase the percentage charges levied on trust estates that are administered by the Official Trustee, and to increase certain fees payable by trust companies. These fees were last fixed in 1968.

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— SECRETARY FOR ECONOMIC SERVICES.

Question put and agreed to.

CONSUMER COUNCIL (AMENDMENT) BILL 1985

THE SECRETARY FOR ECONOMIC SERVICES moved the second reading of:— ‘A bill to amend the Consumer Council Ordinance’.

He said:—Sir, I move that the Consumer Council (Amendment) Bill 1985 be read for the second time.

The purpose of this Bill is to amend the Consumer Council Ordinance to provide *firstly*, for a Vice Chairman to be appointed by the Governor; *secondly*, that the Executive Director shall cease to be an *ex officio* member of the Council; and *thirdly*, that the title of Executive Director be changed to that of Chief Executive.

The provision for the appointment of a Vice Chairman is to alleviate the heavy responsibility and workload of the Chairman, particularly if the Chairman is precluded by temporary incapacity or absence from discharging his or her duties.

The other two minor amendments aim to reflect more accurately the role of the Chief Executive.

The Consumer Council, which proposed these amendments, supports the Bill.

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— SECRETARY FOR ECONOMIC SERVICES.

Question put and agreed to.

PILOTAGE (AMENDMENT) BILL 1985

THE SECRETARY FOR ECONOMIC SERVICES moved the second reading of:— ‘A bill to amend the Pilotage Ordinance’.

He said:—Sir, I move that the Pilotage (Amendment) Bill 1985 be read the second time.

The purpose of this Bill is to amend the Pilotage Ordinance to provide for compulsory pilotage for ships navigating within Hong Kong waters.

The majority of ocean-going ships in the port of Hong Kong already use the services of pilots on a voluntary basis. However, in view of the increasing number, speed and size of such ships, it is desirable to insist that they do so. This requirement, which reflects the high level of activity in the port, will improve safety and efficiency.

The Bill declares the waters of Hong Kong to be a pilotage area and requires compulsory pilotage in those waters for all ships specified in the First Schedule. The Bill also exempts certain categories of ships from compulsory pilotage and empowers the Director of Marine, as the Pilotage Authority, to exempt certain other ships should circumstances so require. One effect of these provisions is to exempt from compulsory pilotage ferries and hydrofoils operating to and from Macau and the Pearl River and also certain working craft operating within Hong Kong waters. The masters of these vessels are expected to be totally familiar with local conditions and, under normal circumstances, would not require the services of a pilot.

The Bill provides for the introduction of the initial phase of compulsory pilotage to come into effect on 1 August 1985. This phase will provide for compulsory pilotage to apply to three classes of ships: *firstly*, to all ships over 10 000 gross registered tonnes; *secondly*, to all ships over 1 000 gross registered tonnes proceeding to and from certain specified points or carrying certain specified dangerous goods; and *thirdly*, to ships of 300 gross registered tonnes or over which are disabled for any reason or which are likely to pose a threat to property.

It is hoped that the second phase for all ships over 5 000 gross registered tonnes and the third phase for all ships over 1 000 gross registered tonnes will come into force in 1987 and 1989 respectively. The reason for the phased introduction of compulsory pilotage is to allow time for necessary operational adjustments to be made and for additional pilots to be recruited and trained.

These proposals have been drawn up in close consultation with the Hong Kong Pilots Association, the Ports Committee, the Ports Operation Committee and the Pilotage Advisory Committee, all of whom endorse the need for compulsory pilotage in the manner suggested.

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— SECRETARY FOR ECONOMIC SERVICES.

Question put and agreed to.

DUTIABLE COMMODITIES (AMENDMENT) BILL 1985

Resumption of debate on second reading (1 May 1985)

Question proposed.

MR. PETER C. WONG:—Sir, the pros and cons of the duties on cosmetics and non-alcoholic beverages have already been debated at length in this Council. I shall confine my remarks to the technical aspects of the Bill.

Anyone familiar with tax legislation will appreciate that it is by no means easy to draft a bill which is precise enough to cover the tax intended and yet simple enough for the average person to understand and for the tax authorities to apply. In my view, the Dutiable Commodities (Amendment) Bill 1985 is a good piece of legal drafting, particularly the definitions of cosmetics and nonalcoholic beverages, and to a large extent meets the general criteria described above.

There are, however, three specific areas in which I would like to see further improvement or clarification. I am pleased to report, Sir, that the Administration has agreed to three amendments, which I will move at the committee stage.

First, one of the assumptions under the new section (2A) in clause 5(b) determining the normal price of any dutiable goods manufactured in Hong Kong states that the seller will bear 'freight, insurance, commission and all other costs, charges and expenses incidental to the sale and the delivery of the goods to the buyer'. The Concise Oxford Dictionary defines 'freight' as the hire of ship or aircraft for transporting goods or the transport of goods in containers. Since this section is intended to apply only to goods manufactured and used locally, 'freight' is perhaps not the most appropriate word. Local made goods for local consumption are not normally transported by air or ship or in containers. It has therefore been agreed that the word 'transport', which carries a more general meaning, should be used instead.

Second, defining 'cosmetics' as 'any preparation to improve, beautify and generally increase the attractiveness of the person by external application' is somewhat subjective and may give rise to difficulties in interpretation and construction. To remove doubt, it has been agreed that the word 'designed' should be added after 'preparation' so that the definition would read 'any

preparation *designed* to improve, beautify' etc. This, Sir, would effectively eliminate the subjective element.

Third, the word 'fastidiousness' in the definition of cosmetics is both superfluous and undesirable. There are no scientific or artistic standards as to which preparation is likely to promote fastidiousness. Indeed, some people who use the products under this category, i.e. talcum powder, deodorant, depilatory, antiperspirant, suntan product or a salt or foam for the bath, might feel offended by being described as 'fastidious'. I would be surprised if anyone would object to the deletion of this somewhat 'fastidious' word altogether.

The Financial Secretary has given notice that he will be moving two amendments to this Bill. They appear to be in order and therefore have my support.

Sir, subject to the agreed amendments, I support the motion.

THE FINANCIAL SECRETARY:—Sir, the sensible, fastidious and proposed amendments to be moved by Mr. Peter WONG have my full support.

Sir, I beg to move.

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).

INLAND REVENUE (AMENDMENT) (NO. 3) BILL 1985

Resumption of debate on second reading (1 May 1985)

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).

ROAD TRAFFIC (DRIVING LICENCES REGULATIONS AND REGISTRATION AND LICENSING OF VEHICLES REGULATIONS) (AMENDMENT) BILL 1985

Resumption of debate on second reading (1 May 1985)

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).

OATHS AND DECLARATIONS (AMENDMENT) BILL 1985

Resumption of debate on second reading (1 May 1985)

Question proposed.

MR. CHAN KAM-CHUEN:—Sir, the explanatory memorandum of this Bill is brief and states that ‘the purpose of this Bill is to provide a Legislative Council Oath which may be taken by Members of the Legislative Council as an alternative to taking the Oath of Allegiance’ but does not give the reason why this alternative is necessary.

The Government press release on 16 April 1985 was more informative which stated, *inter alia*, ‘anyone who has lived in Hong Kong for more than ten years can be a candidate for election to the Council whether he or she is a British Dependent Territories citizen or not ... in order to ensure as wide a field of candidates for election as possible, two oaths will in future be available for use’.

The elected element is no hindrance as elected British MPs in the House of Commons still have to take the Oath of Allegiance nor does the non-British element bars existing Unofficial Members who are CI holders from taking the Oath of Allegiance or Affirmation in this Council. This amendment to the principal Ordinance may be misinterpreted as further distancing of Hong Kong by the UK.

However, months before this Bill and the Government press release were published, one already learned from a television interview that an aspirant to the seat in this Council stated that if the Oath of Allegiance rule was not changed he would resign even if elected. This may be misconstrued as dictating to the Government the terms of entry to the Legislative Council. These misconceptions should be emphatically denied otherwise it would not only undermine British administration before 1997 to the detriment of stability and prosperity of Hong Kong, but would also create a special privileged class among Legislative Councillors.

The intention of bending over backwards to accommodate more may be good but if we overdo it we may fall overboard.

In fact, the whole question of the Oath of Allegiance evolves around the question of loyalty and treason. It is unthinkable for a man to be without loyalty. Therefore those who hold important public offices have to make solemn declarations or assertions under penalty of divine retribution for intentional falsity and have to pledge allegiance to their sovereign state directly, or in the case of a constitutional monarchy, in the name of the Crown, or in the name of the ruling party in a totalitarian country.

Sir, the affirmation was originally a concession to those whose religious belief prevented the swearing of oaths but the two important elements of loyalty (such as allegiance to H. M. the Queen, etc.) and divine retribution (such as so Help Me God) still remain.

If we now concede the allegiance to the sovereign state, then it follows that we may have to concede to atheists the divine retribution phrase of 'So help me God' in future. The Oath of Allegiance would then be substituted by an 'Oath of Convenience' called the Legislative Council Oath. It is degrading in that it is stateless and undignified as it pledges no loyalty to any sovereign state.

The Joint Declaration stated that 'China has decided to resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997'. Before this date, the British flag still flies here and British law and administration will maintain stability and prosperity in Hong Kong. Too early a change in loyalty would change Hong Kong into a 'Chameleon Land'.

It is unthinkable to have important public office holders in London pledge allegiance to London City only and not to the United Kingdom and those in Shanghai not pledging loyalty to China. If the wording of the proposed Legislative Council Oath amounts to pledging loyalty to Hong Kong only, then it may than be wrong in principle as Hong Kong is not an independent state. The date 1 July 1997 is a clear-cut political dividing line which affects our allegiance, economy, society etc., it is important that it is not blurred too soon.

With these reservations, Sir, I abstain from voting on this Bill.

MRS. NG delivered her speech in Cantonese:—

督憲閣下：本年初，本局就「代議政制在香港的進一步發展白皮書」進行辯論時，曾有議員呼籲將效忠誓詞予以適當修改，以便實施白皮書所提出的各項建議。我很高興知悉，政府在這方面採取非常開明的態度。今日呈交本局省覽的法案，旨在修訂原有條例，以便本年稍後立法局新會期開始時，民選和委任議員除可按現有方式宣誓外，還可選擇另一種宣誓方式。

此舉清楚顯示政府有誠意和決心去發展較開放政制。立法局將於九月舉行首次選舉，而保留只向英皇宣誓效忠的現有宣誓方式是不適當的。由於香港正發展更具代表性的政制，以及鑑於香港將在一九九七年之後成為中國的一個享有高度自主權地區，香港的殖民地色彩應逐漸消失。要是保留這項硬性規定，可能會令部分打算參加立法局選舉的人士裹足不前，導致政府被指為沒有真正決心去推行政制改革。本法案肯定有助於消除市民存在的疑慮，若法案獲得通過，將會幫助消除一項重大障礙，並會盡量使各方面的人士參加即將舉行的立法局選舉。

建議的立法局誓詞形式，不再是宣誓效忠英皇，而是公開聲明責任的承擔，表示議員在奉委或當選為議員後，願意負起責任，並會以立法局議員的身份，誠心誠意為香港人努力，這項規定無疑會令各議員更能直接向整個社會負責。

閣下，有人表示關注，當法案獲得通過後，本局各議員會否只因為其在當選或獲委任入立法局時所選擇的宣誓形式而分裂為兩派。我認為他們毋須過慮。因為我確信，並且肯定本局同寅亦會同意，立法局議員共同的最終目標便是為香港人服務，議員是會全心全意去履行他們的職責，為增進大眾的利益而努力，為香港的穩定繁榮而奮鬥。

先賢曾經說過：「誓詞只是字句，而字句只是空言。」對於這句話本人不敢苟同，我深信，不論議員選擇那一種宣誓方式，他們所注重的不僅是字句，而是誓詞的內在含義。

閣下，本人謹此陳辭，支持動議。

(The following is the interpretation of what Mrs. NG said.)

Sir, early this year, when the White Paper on the Further Development of Representative Government in Hong Kong was debated, there were calls for the Oath of Allegiance to be suitably modified so as to facilitate the implementation of the proposals outlined in the White Paper. I am pleased to see that the Government is very forthcoming in this respect. The Bill laid before us this afternoon seeks to amend the principal Ordinance to give effect that a member elected or appointed to the Legislative Council for the new session would have an alternative form of oath to the present one.

This move clearly shows the Government's sincerity and commitment towards building a more open government. In September, the first election to the Legislative Council will be held and it is undesirable to retain the oath in its present form which swears allegiance to the Queen alone. In the context of developing a more representative government in Hong Kong and in the run up to 1997, by which time Hong Kong would turn into a highly autonomous region within China, the image of Hong Kong as a colony should gradually fade. The retention of such mandatory requirement might deter some candidates from seeking election to the Legislative Council resulting in allegations that this Government is far from genuine in its commitment towards political reform. This Bill definitely helps to dispel any lingering doubts and if passed, will go a long way to removing a major obstacle and to ensuring that a wide field of candidates as possible will be encouraged to stand in the coming Legislative Council election.

Instead of pledging loyalty to the Crown, the proposed Legislative Council Oath takes the form of a public affirmation of duty to show that the member accepts the responsibility which he or she has incurred by appointment or election and that he or she would conscientiously and truly serve the people of Hong Kong as a member of the legislature. This provision would undoubtedly instil a greater sense of direct accountability to the community as a whole.

Sir, concerns were raised that the passing of this Bill, a scenario would occur whereby members of this Council would be split into two groups purely by the

oath which they choose to take upon their election or appointment to the legislature. I am of the view that this should not cause any undue alarm. I firmly believe, and I am sure my colleagues would agree, that members sitting within this Chamber have the sole aim to serve the people of Hong Kong, and would do nothing but to foster the interest of the public.

There is a saying, 'Oaths are but words, and words are but wind.' Although I cannot entirely agree to this, I am very sure that no matter which oath members take, the thoughts behind it is more important and will go much further beyond the words themselves.

Sir, with these remarks, I support the motion.

SECRETARY FOR ADMINISTRATION SERVICES AND INFORMATION: — Sir, while I am disappointed that Mr. K. C. CHAN feels unable to support the motion, equally his personal views and feeling are well understood. I am very grateful to Mrs. Pauline NG for her support for the Bill. So it might be useful to restate the object of the proposed amendments to the Oaths and Declarations Ordinance. These amendments are designed to achieve two purposes, namely:—

- (a) that the oath-taking at the Legislative Council should be so constructed that they would not impede, and indeed should facilitate, the development of a more representative government; and
- (b) to provide an alternative oath which may be taken by any member of the Legislative Council who does not wish to take the Oath of Allegiance. I can assure Mr. CHAN that, as always, the amendments sought have been most carefully considered before they were put to this Council and they are certainly not in any way whatsoever a response to the one illusive person aspiring to a seat on this Council to which Mr. CHAN made reference.

Sir, I beg to move.

Question put and agreed to.

Bill read the second time.

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

Committee stage of bills

Council went into Committee

DUTIABLE COMMODITIES (AMENDMENT) BILL 1985

Clauses 1 to 4, 6 to 8, 10, 11, 13 and 14 were agreed to.

Clause 5

MR. PETER C. WONG:—I move that clause 5 be amended as set out in the paper circulated to Members for the reasons which I have stated in my speech.

*Proposed amendment***Clause 5**

That clause 5 be amended in paragraph (b) of the new subsection (2A) by deleting ‘freight’ and substituting the following—
‘transport’.

The amendment was agreed to.

Clause 5, as amended, was agreed to.

Clause 9

MR. PETER C. WONG:—I move that clause 9 be amended as set out under my name in the paper circulated to Members for the reasons which I have stated earlier.

*Proposed amendment***Clause 9**

That clause 9 be amended in the definition of ‘cosmetics’ in the new section 76—

- (a) by inserting after ‘preparation’ where it first appears the following—
‘designed’; and
- (b) in paragraph (c) by deleting ‘or fastidiousness’.

The amendment was agreed to.

THE FINANCIAL SECRETARY:—Sir, I move that clause 9 also be amended as set out under my name in the paper circulated to Members. I have accepted a representation that essential oil unless specifically intended to be used as a cosmetic should not generally be so classed.

*Proposed amendments***Clause 9**

That clause 9 be amended in paragraph (d) of the definition of ‘cosmetics’ in the new section 76 by deleting ‘, toilet water or essential oil’ and substituting the following—

‘or toilet water’.

The amendment was agreed to.

Clause 9, as amended, was agreed to.

Clause 12

THE FINANCIAL SECRETARY:—Sir, I move that clause 12 be amended as set out in the paper circulated to Members. The heading to the new Part VI in the Schedule to the principal regulations is expanded to include concentrates as well as non-alcoholic beverages. This is consistent with other provisions in the Bill which has effect on the movement of concentrates into, out of and within Hong Kong.

*Proposed amendment***Clause 12**

That clause 12 be amended in the heading to Part VI by inserting after ‘BEVERAGES’ the following—

‘AND CONCENTRATES’.

The amendment was agreed to.

Clause 12, as amended, was agreed to.

INLAND REVENUE (AMENDMENT) (NO. 3) BILL 1985

Clauses 1 to 4 were agreed to.

ROAD TRAFFIC (DRIVING LICENCES REGULATIONS AND REGISTRATION AND LICENSING OF VEHICLES REGULATIONS) (AMENDMENT) BILL 1985

Clauses 1 to 3 were agreed to.

OATHS AND DECLARATIONS (AMENDMENT) BILL 1985

Clauses 1 to 5 were agreed to.

Council then resumed.

Third reading of bills

THE ATTORNEY GENERAL reported that the

INLAND REVENUE (AMENDMENT) (NO. 3) BILL

ROAD TRAFFIC (DRIVING LICENCES REGULATIONS AND REGISTRATION AND LICENSING OF VEHICLES REGULATIONS) (AMENDMENT) BILL and the

OATHS AND DECLARATIONS (AMENDMENT) BILL

had passed through Committee without amendment and the

DUTIABLE COMMODITIES (AMENDMENT) BILL

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

Question put on the Bills and agreed to.

Bills read the third time and passed.

4.10 p.m.

HIS EXCELLENCY THE PRESIDENT:—At this point, the Council might like to take a short break.

4.25 p.m.

HIS EXCELLENCY THE PRESIDENT:—council will resume.

Adjournment

Motion made. That this Council do now adjourn—THE ATTORNEY GENERAL.

4.25 p.m.

HIS EXCELLENCY THE PRESIDENT:—Honourable Members, six Members have given notice of their intention to speak. Although I am sure they will be concise, I do not think we can finish in a half-hour. So I propose to exercise my discretion under Standing Orders 9(7) and 9(8) to allow Members such time as is necessary to complete their speeches, and such time as is then necessary for the Official Member to reply to those speeches, before putting the question on the adjournment.

The Vietnamese Refugee Problem in Hong Kong

DR. HO:—Sir, I would like to outline the factual background of the Vietnamese refugee problem in Hong Kong before my colleagues and I speak on different aspects of the problem and make proposals for solving it.

The refugee problem in Hong Kong dates back to 1975, when South Vietnam fell. The first group of Vietnamese refugees to arrive in Hong Kong were the 3 745 on board the 'Clara Maersk' in May 1975. Thereafter, refugees continued to arrive in small numbers, but the trickle grew to flood when, in the first seven months of 1979, 66 000 refugees arrived in Hong Kong. Faced with this problem, and at the instigation of the British Government, an international conference on Indo-Chinese Boat Refugees was convened in Geneva by the United Nations Secretary General. As a result of this conference it was agreed that:

- (a) all those leaving Vietnam in boats would be presumed to be refugees;
- (b) all countries in the region would grant these unfortunate people asylum; and
- (c) third countries would resettle these refugees.

The rates of arrival fell after the Geneva Conference but Hong Kong still received 6 800 in 1980; 8 500 in 1981; and 7 840 in 1982. Unfortunately, the rate of resettlement dropped even faster—37 500 refugees were resettled from Hong Kong in 1980; 17 800 in 1981; but only 9 200 in 1982, and 3 700 in 1984.

Hong Kong has accepted all refugees who have sought asylum here. None has been turned away. But the basic solution to the Vietnamese refugee problem is to speedily move these people from a place of asylum to countries of permanent resettlement. Nearly 103 000 have been resettled from Hong Kong, with America taking 60 000; Canada taking 16 500; the United Kingdom taking 12 000 and Australia taking 4 500.

However, only America, Canada and Australia have on-going resettlement programmes from Hong Kong, taking 100, 50 and 50 per month, respectively. Although the United Kingdom's early record of resettlements was good, it took only 240 refugees from Hong Kong in 1982, 101 in 1983 and a disappointing 88

last year. Out of these 88, 27 were rescued by British ships at sea, which the U.K. was obliged to take. Therefore, the United Kingdom took only 61 refugees voluntarily from Hong Kong. In the same year, Finland took 54 refugees from here!

Hong Kong has not only been a country of first asylum. We have absorbed 14 500 displaced people from Indo-China since 1975, mostly between 1975 and 1979. Hong Kong's crowded environment and immense immigration pressures do not allow us to absorb more. For example, the United Kingdom has a population density of 230 persons per square kilometre; the U.S.A. has a density of 20 per square kilometre; Hong Kong has an average figure of 5 000 and, in some parts of Sham Shui Po, the figure soars to 165 000 persons per square kilometre. Our population has been increased by 600 000 immigrants from China over the past ten years, which represents a population increase of 12 per cent.

Faced with a continuing high rate of arrivals and rapidly diminishing resettlement opportunities, the Hong Kong Government reluctantly followed other countries in the region and introduced closed centres.

The closed centre policy is introduced to reduce, not to stop, the rate of arrivals in Hong Kong. It is a deterrent. Since its introduction, in July 1982, arrival in Hong Kong have decreased faster than in the region as a whole. For example, the regional decrease in 1984 compared to 1983 was 11 per cent, whereas the figure for Hong Kong was almost 40 per cent. It is also reported in the press that a substantial number of refugees coming in boats have chosen to continue with their voyage rather than to land in closed centres here.

Under the present conditions in Vietnam, the abolition of the closed camp policy is definitely not in the interest of Hong Kong. It is tantamount to opening the floodgates and inviting an endless influx of refugees to Hong Kong.

The recent report by the Home Affairs Committee of the House of Commons recommended that U.K. should relax the family reunion criteria for Vietnamese refugees. I whole-heartedly endorse this recommendation. However, this measure alone is not enough. If U.K. really wants to solve the Vietnamese refugee problem in Hong Kong, it should seriously consider accepting a reasonably large number of refugees from Hong Kong on top of the family reunion category. This lead by U.K. will be catalytic in effect. The major resettlement countries for our Vietnamese refugees have indicated that they would further reduce their respective resettlement offer if U.K. is not seen to be playing its full part. On the other hand, if U.K. increases its intake, they would follow suit.

Britain claims that it has a special responsibility towards Hong Kong, and has time and again assured Hong Kong that it will discharge this responsibility conscientiously. Hong Kong is at present under tremendous strain in tackling the Vietnamese refugee problem, is it not the most appropriate time now for

U.K. to demonstrate to us its concern and sincerity by removing a significant portion of our refugee burden?

Hong Kong has been kindest in its treatment of the Vietnamese boat people. We have never turned them away, while some other countries have reportedly kept them off their waters by firing at their boats or towing their boats into the open seas. We have given them temporary asylum, housed and fed them and allowed a number of them to seek employment. I think all this humane treatment might have eased the conscience of the resettlement countries and has directed their attention and compassion towards relieving the Vietnamese refugees elsewhere who have been subjected to a much less humane reception. Consequently, the number of refugees resettled from Hong Kong has fallen behind that of other major places of first asylum. For instance, the offtake rate from Hong Kong in 1985 is only 7 per cent of its refugee population, as compared to 21 per cent for both Malaysia and Indonesia, 8 per cent for Thailand and 9 per cent for the Philippines. As a result, we have the highest boat refugee population in the region, with 11 300 (33 per cent) out of a regional total of 34 000 as at 1 April 1985. It is ironic that we are being penalised by our humanitarian policy towards the Indo-Chinese boat people.

Apart from adopting a much larger intake, the United Kingdom should act on Hong Kong's behalf in the following manners:—

Firstly, Her Majesty's Government should remind the United Nations High Commissioner for Refugees of its pledges and promises that the Vietnamese refugees are only taking temporary asylum in Hong Kong and it should ensure that arrangements are being made for their permanent resettlement elsewhere as expeditiously as possible.

Secondly, Hong Kong's predicament in respect of the Vietnamese refugees should be presented to the U.N.H.C.R. and the Executive Committee of the U.N.H.C.R. in Geneva should be asked to call an international conference for resettlement.

Thirdly, the U.K. Government should try its best to persuade the European Economic Community and the British Commonwealth countries to compassionately accept more Vietnamese refugees for resettlement.

And lastly, the Vietnamese Government should be urged through the diplomatic channels to exercise checks on further outflow and to accept repatriation of its nationals and those refugees who are willing to return to their homeland.

MR. WONG LAM delivered his speech in Cantonese:—

督憲閣下：香港雖然在幫助越南難民方面的能力極為有限，但所盡的努力，是世人目共睹的。本局部份議員對此將詳加說明，本人無意在此重覆各項事實。

本人認為任何持論公正之士在討論香港處理越南難民問題時，都應以同情和瞭解為出發點，同情香港能力的局限，和瞭解到解決問題的重心在於防止難民潮的再次湧現和將現時

滯留本港的難民移居各國，不直接就這問題的核心討論而單指責本港的措施不人道，正好比一位坐在勞斯萊斯房車內的人指責一位經已超載的巴士司機不在車頂放置更多座位容納更多乘客一樣，既不切實際，亦不公允。我們需要的是各國實際行動的幫助。

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

Sir, although Hong Kong can do very little to assist Vietnamese refugees, the efforts we have already made is well known to the world at large. As my honourable colleagues will soon elaborate on this point, I have no intention of reiterating them here.

In my opinion, when any person with an impartial mind in commenting on the way in which Hong Kong handles the issue of Vietnamese refugees, he should take a viewpoint of sympathy and understanding. Apart from sympathising with Hong Kong's limitation in this regard, he should understand that the key to a solution lies in preventing the recurrence of a refugee influx, and in assisting the Vietnamese refugees presently staying in Hong Kong to resettle in various countries. If one avoids to discuss the crux of the matter and just accuses Hong Kong of adopting inhumane measures, he may be likened to a person sitting alone in a Rolls Royce car and accusing the driver of an overloaded bus of not placing extra seats on top of the bus to accommodate more passengers. His comments are neither pragmatic nor fair. What we need is international assistance rendered through practical action.

MR. ALLEN LEE:—Sir, in 1979, I wanted to ask a question with regard to Vietnamese refugees in this Chamber. My question was to be, what is Government's policy towards Vietnamese refugees? What is the financial implication? Will we end up in accepting these refugees in the future? I put the question forward but it was ruled out of order before I had a chance to ask. Due to my inexperience at that time, I thought I could not pursue this matter any further. I have since visited refugee camps, and read the reports on Vietnamese refugees with great interest. Hopefully, the countries accepting refugees for resettlement from Hong Kong will understand our situation.

Just recently, I went back to the Vietnamese refugee camps and I can say with a clear conscience that the treatment of these Vietnamese refugees are getting in Hong Kong is better than a lot of people living in Hong Kong who are genuine Hong Kong residents. We have already spent close to half a billion dollars on refugee problem and we are continuing to spend money on a daily basis out of the public purse. In my view, we have done more than our share based on humanitarian grounds or any other ground. Very few people realise that we have already accepted 14 500 refugees into our community. We can stand up to the world and to any criticism with regard to our treatment of these Vietnamese refugees. I would now like to ask the Hong Kong Government the question I was not able to ask in 1979. What is our policy towards Vietnamese refugees? What would be the long term implications to Hong Kong? Do we have to accept the rejects into our community and what is the solution?

On 7 May, I read a newspaper article in the South China Morning Post that Mr. Clive SOLEY, a Labour M.P., said, 'I want to make the point that unless the British Government takes a large number of the Vietnamese refugees from Hong Kong then these poor people are going to be there forever. The United Kingdom should accept 10 000 of these refugees so other countries like Canada, the United States and Australia will take the rest and we can close the camps in Hong Kong. What I am after is for us to take a sufficiently large number to bring the other countries in and we could absorb these people without too much difficulty.' I welcome Mr. SOLEY's statement, furthermore, I hope Members of the British Parliament realise that the United States, Canada have taken a much greater number of Vietnamese refugees from Hong Kong than the United Kingdom and it is about time that the United Kingdom did its part about this sad situation. I will be jumping with joy if the United Kingdom will accept 10 000 refugees. In fact, I would be satisfied if the United Kingdom accepts half that number. However, for the record, last year, the United Kingdom accepted as Dr. Ho said a pathetic number of 88 refugees from Hong Kong of which only 61 were not ship rescue cases. I hope the United Kingdom meant what it said that Britain has special responsibilities to Hong Kong and I would urge the British Government to show that special responsibility by accepting these refugees in the quantities that Mr. SOLEY mentioned.

Finally, Sir, I would like to say a few words about the closed camp policy. The closed camps in Hong Kong are a deterrent for Vietnamese refugees to come to Hong Kong. It has been shown in a number of incidents that when the refugees sail into Hong Kong on their boats, they do not want to stay in Hong Kong in the closed camps. Therefore, I strongly urge the Government not to remove the closed camp policy.

MRS. CHOW:—Sir, the closed camp policy for Vietnamese refugees in Hong Kong came into force in July 1982.

It was no easy decision, but one that was adopted after much deliberation and assessment over the pros and cons. In the end three major justifications outweighed the other considerations.

- (1) International pressure was on Hong Kong, this most receptive place of first asylum in the South East Asian region, to come up with some form of 'humane deterrent', and unless we demonstrated our resolve, there was a real danger of a further decline of resettlement prospects of refugees already in Hong Kong, not to mention new ones who might arrive. In 1981 there were signs that resettlement prospects had already substantially waned. Compared to 1980 in which 37 500 refugees were accepted by the various countries, 1981 only saw a figure of 17 800, less than half of the previous year.

- (2) As a result of dwindling resettlement prospects, Hong Kong, at that time the only place in South East Asia to allow its refugees the freedom of open camps and local employment and had absorbed 14 500 from Indo-China since 1975, justifiably feared that it might be relied upon by all those concerned as a place of permanent resettlement.
- (3) Our treatment of Vietnamese refugees at the time was not in line with either policies of other Asian countries most of which had been operating closed camps, or our own towards illegal immigrants from the north, whom, once we captured, we repatriated.

In the face of the only realistic options open to Hong Kong at the time regarding Vietnamese refugees, i.e. to repatriate them, to turn them away or to offer them asylum in closed camps, the last was certainly the least inhumane.

With the wisdom of hindsight, we can say that the objective, although by no means a pleasant one, but definitely a necessary one, has been achieved.

The monthly arrivals in 1982 two months after the adoption of the closed camp policy (which was the time estimated for the news to get back to Vietnam) the number of arrivals dropped quite dramatically. For the last four months of 1982, the total arrivals numbered only half of those over the same period the previous year. In 1983 the total arrivals were less than half of 1982, and in 1984 the total was only 60 per cent of that of 1983.

The closed camps are part and parcel of measures necessary to curb the aggravation of an international problem. Unless and until the world can help us see the end of the tunnel, Hong Kong cannot afford to act otherwise.

DR. IP:—Sir, in the global management of refugees, one ought to distinguish between the different roles played by countries of first asylum and countries of final resettlement. The former have to cope with large numbers of refugees without choice whereas the latter have ample time to choose whom they like. A comparison of how much a country assists in tackling the refugee problem must be made like with like.

For the Vietnamese refugees, 13 countries are quoted to be of the former type with six Southeast Asian countries bearing 97 per cent of the total turnover of half a million Vietnamese. Hong Kong ranks second and have up till 1985, coped with the arrival of more than 110 000 of them.

All these six countries operate some form of closed camps to cope with such large influxes, with Hong Kong being the last to follow suit. As seen from U.N.H.C.R. figures, none of these six countries seem to have accepted for permanent resettlement any of the refugees who arrived at their shores, with the exception of Hong Kong.

In essence Hong Kong has performed a dual role!

The Executive Committee of the High Commissioner programme upon the recommendation of its subcommittee on international protection of refugees, at their 13th session, concluded that 'in cases of large scale influx, persons seeking asylum should always receive at least temporary refuge'.

Hong Kong is doing more than that ... the reason why the temporary status has gone on for ten years is because their second conclusion, 'and at the request of the state concerned receive immediate assistance from other states in accordance with the principle of equitable burden-sharing' have not been abided to adequately by other countries!

It is very noble of the U.K. Home Affairs Committee to recommend that 'Britain should relax its family reunion criteria', so as to 'attract offers of additional resettlement places from other countries,' and that negotiations should be held 'to reduce drastically the size of Hong Kong's Vietnamese refugee population', and lastly that 'as part of a burden-sharing agreement, Britain should accept a small share of those who are hard to resettle'. Britain should take in more refugees as a matter of policy and spell out their noble proposals into concrete figures. I quote from the report, 'It is time to put the matter to test'.

I believe that such a lead by Britain would indeed be followed by the major resettlement countries. The United States and Australia have indicated that they would view such a lead positively.

It is reassuring that the Home Affairs Committee recognises that United Kingdom is responsible for Hong Kong, that other countries are reluctant to do more to help Hong Kong in the absence of a further United Kingdom resettlement effort or programme, that Hong Kong, being densely populated and coping with its own half a million odd squatters without a permanent shelter have already accepted for permanent resettlement some 14 500 refugees since 1975, and lastly that integration in countries of first asylum (which Hong Kong is one) is not a realistic option except on a small scale.

Having recognised all these, does the Home Affairs Committee really consider it equitable and possible for Hong Kong to accept any more refugees for resettlement or to do away with closed camps?

Sir, in concluding, I respectfully submit that Hong Kong is one of the six Southeast Asian countries or territories which had to cope with and is still coping with the aftermath of a large influx of refugees. Like the other five countries, in managing this problem Hong Kong needs to continue to operate the closed camps, although with reluctance, and until and when all such refugees are properly resettled elsewhere, Hong Kong does not have a better alternative. Rather than to criticise us doing the best we can with a problem they do not have to face, other countries should be more positive in their assistance.

Sir, lastly, I repeat that Hong Kong has played a dual role in the global management of Vietnamese refugees and have shouldered more than our fair share of the burden. It is now time for other countries to do a bit more!

MRS. FAN:—Sir, Hong Kong accepts all the Vietnamese refugees that come here to seek asylum; no control is exercised over the number of influx. The resettlement of these refugees is totally at the discretion of the resettlement countries. This is an open-ended situation. With the large number of Vietnamese refugees arriving by boat and the declining resettlement rate, the number of refugees in Hong Kong increased as well as their length of stay here. The Vietnamese refugee problem in Hong Kong showed every promise of draining our limited resources to an unbearable extent. It became imperative that a way must be found to deter Vietnamese refugees from coming to Hong Kong. Hence, the closed camp policy. This policy has been effective in containing the problem. Before a solution to this problem is discovered, it would be impractical simply to abolish the closed camp policy. Moreover, it would not be in the best interest of Hong Kong people who have to shoulder the full responsibility and consequence of such a decision.

I appreciate that life in closed camps are comparatively dull, as refugees cannot seek outside work or leave the camps at will. However, they do enjoy freedom of conscience and are free from political harassment. Their basic needs are well catered for and facilities in closed camps compare favourably with open camps, and in some aspects, even better than our own people living in squatter and temporary housing areas. There are opportunities for education and training of skills for children and adults which will be useful to the refugees when they are resettled. For those who wish to work, there are opportunities for jobs in the camps. Although the salaries are much less than outside work, they can engage in meaningful and useful activities. Refugees in closed camps are treated in friendly and pleasant manners by the staff and volunteers.

Sir, the closed camps are not the ideal solution for the refugees, the ideal solution is to have them resettled as soon as possible. However, the closed camps in themselves are not inhumane or demoralising. What is really demoralising for the refugees is that they have to wait year after year in Hong Kong and have their applications rejected by resettlement countries.

Hong Kong is a small and densely populated place. We need the assistance of resettlement countries to solve our Vietnamese refugee problem. Britain is responsible for Hong Kong affairs for the next 12 years. It is logical that Britain should take the initiative to help Hong Kong to resettle these refugees. Yet, in 1984, a large country like Britain only accepted 88 refugees from Hong Kong of which over 20 were ship-rescue cases. Britain's intake of refugees from Hong Kong in the last three years amounts to only 2.5 per cent of the resettled refugees. With this level of help from Britain, what chances have we got to convince other countries to take in more refugees from Hong Kong? The

stringent policy practised by the Home Office in U.K. even bar family reunion of refugees with close relatives residing in Britain. I therefore welcome the recommendation in the recent report of the Home Affairs Committee that Britain should relax its family reunion criteria. Indeed, Britain should at least follow the examples of the two Commonwealth countries, namely, Australia and Canada, which accepted 20 per cent and 27 per cent respectively of the refugees from Hong Kong in 1984.

Short of a renewed commitment by U.K., we cannot expect other countries to take up a more substantial burden than they have already done. It is therefore imperative that Britain should seek to take the lead. If Britain cannot take up this responsibility, then there will be more frustrated, bitter and 'hard core' refugees in Hong Kong, and the people of Hong Kong have to live with this problem indefinitely. We have always been willing to help others in need. However, there is a limit to patience and understanding. When the threshold is passed, it is only natural that Hong Kong people will request for more drastic measures.

There appears to be gaps in the understanding of the Vietnamese refugee problem between Hong Kong and Britain. I therefore urge the Government to ensure that every piece of information is provided to persuade Britain to set a good example.

SECRETARY FOR SECURITY:—Sir, I am most grateful to honourable Members for their confirmation of the Hong Kong Government's policies in respect of Vietnamese refugees and for their general support for the way Hong Kong Government is implementing these policies.

Mr. Ho Kam-fai has set out clearly the background history and Mrs. CHOW has set out clearly why we had to introduce our closed centre policy. This closed centre policy has, we are sure, been successful; but it has, inevitably I suppose, come in for some criticism. As it happens, in the past few days the Commissioner of the United States Immigration and Naturalisation Service and some of his staff, and the United Nations High Commissioner for Refugees and some of his staff have visited some of our closed centres. While, like us, they may deplore the need for these centres, they had no criticisms of the way in which they were being run. This moment is perhaps an appropriate one in which to echo the words of Mrs. FAN and to congratulate the staff of the Correctional Services Department for the effective way in which they manage these centres.

It is also an appropriate moment for me to convey, once again, our profound thanks to the United Nations High Commissioner for Refugees and the staff of his offices for the very great help they have given Hong Kong in respect of refugees from Vietnam. And equally, I would like to thank the Governments of the United States, Canada and Australia, in particular, for their continued interest in resettling refugees.

In brief, Sir, we will be passing Members' comments in this debate and the proposals to the appropriate authorities. Basically, they are all in keeping with the Hong Kong Government's policies (which leads me to Mr. Allen LEE's four questions) and many of them are already being implemented.

Mr. LEE's first question is: What is the Hong Kong Government's policy towards Vietnamese refugees? The answer is that Hong Kong is prepared to continue to be a place of first asylum for Vietnamese Refugees for as long as the international presumption is that they are refugees and resettlement countries are prepared to take them. For the reasons Members have pointed out, Hong Kong itself cannot be expected to take on again the role of resettlement as well as being a place for first asylum.

Mr. LEE's second question is what would be the long term implications? If I catch the sense of his question correctly, the long term implications are that if resettlement countries are not prepared to accept the refugees for resettlement, then we Hong Kong Government should have to reconsider our policies. It is no secret that those now arriving here, and whom we, as a place of first asylum, accept, are finding it very much more difficult to meet the criteria for resettlement the resettlement countries are now choosing to apply.

Will we then, asks Mr. LEE, have to accept the rejects into our community? This inevitably is a very difficult question to answer. Our hope is that resettlement countries will honour their international obligations and take all refugees arriving here from Vietnam.

Finally my honourable friend asks what is the solution? Sir, I wish I knew the answer. The best solution is for there to be a much higher rate of resettlement and this possibility remains our preferred answer. But the extent to which we keep the entry door open for arrivals must depend on the extent to which the resettlement countries are prepared to keep our exit door open for resettlement. What I can say is, on the advice of Executive Council, we are pursuing all the realistic possibilities hard with the countries and international organisations concerned, but there are certainly no easy solutions to what is a very difficult problem.

Question put and agreed to.

Next sitting

HIS EXCELLENCY THE PRESIDENT:—In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on 29 May 1985.

Adjourned accordingly at four minutes passed five o'clock.