

OFFICIAL REPORT OF PROCEEDINGS**Thursday, 29th March 1973****The Council met at half past Two o'clock**

[Mr PRESIDENT In the Chair]

PRESENT

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR CRAWFORD MURRAY MACLEHOSE, KCMG, MBE
THE HONOURABLE THE COLONIAL SECRETARY
SIR HUGH SELBY NORMAN-WALKER, KCMG, OBE, JP
THE HONOURABLE THE ATTORNEY GENERAL
MR DENYS TUDOR EMIL ROBERTS, CBE, QC, JP
THE HONOURABLE THE SECRETARY FOR HOME AFFAIRS
MR DONALD COLLIN CUMYNN LUDDINGTON, JP
THE HONOURABLE THE FINANCIAL SECRETARY
MR CHARLES PHILIP HADDON-CAVE, JP
THE HONOURABLE DAVID RICHARD WATSON ALEXANDER, CBE, JP
DIRECTOR OF URBAN SERVICES
THE HONOURABLE JAMES JEAVONS ROBSON, CBE, JP
DIRECTOR OF PUBLIC WORKS
THE HONOURABLE JOHN CANNING, JP
DIRECTOR OF EDUCATION
DR THE HONOURABLE GERALD HUGH CHOA, CBE, JP
DIRECTOR OF MEDICAL AND HEALTH SERVICES
THE HONOURABLE JACK CATER, MBE, JP
SECRETARY FOR INFORMATION
THE HONOURABLE DENIS CAMPBELL BRAY, JP
DISTRICT COMMISSIONER, NEW TERRITORIES
THE HONOURABLE PAUL TSUI KA-CHEUNG, CBE, JP
COMMISSIONER OF LABOUR
THE HONOURABLE IAN MACDONALD LIGHTBODY, JP
SECRETARY FOR HOUSING
THE HONOURABLE DAVID HAROLD JORDAN, MBE, JP
DIRECTOR OF COMMERCE AND INDUSTRY
THE HONOURABLE LI FOOK-KOW, JP
DIRECTOR OF SOCIAL WELFARE
THE HONOURABLE WOO PAK-CHUEN, OBE, JP
THE HONOURABLE SZETO WAI, OBE, JP
THE HONOURABLE WILFRED WONG SIEN-BING, OBE, JP
THE HONOURABLE MRS ELLEN LI SHU-PUI, OBE, JP
THE HONOURABLE WILSON WANG TZE-SAM, OBE, JP
DR THE HONOURABLE CHUNG SZE-YUEN, OBE, JP
THE HONOURABLE LEE QUO-WEI, OBE, JP
THE HONOURABLE OSWALD VICTOR CHEUNG, OBE, QC, JP
THE HONOURABLE ANN TSE-KAI, OBE, JP
THE HONOURABLE ROGERIO HYNDMAN LOBO, OBE, JP
THE HONOURABLE MRS CATHERINE JOYCE SYMONS, OBE, JP
THE HONOURABLE PETER GORDON WILLIAMS, JP
THE HONOURABLE JAMES WU MAN-HON, JP

ABSENT

THE HONOURABLE HERBERT JOHN CHARLES BROWNE, OBE, JP

IN ATTENDANCETHE CLERK TO THE LEGISLATIVE COUNCIL
MR RODERICK JOHN FRAMPTON

Statement

Salary scale of Certificated Masters

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —Sir, at the meeting of this Council on the 14th of February, I drew attention to the tabling of the report of the Working Group of the 1971 Salaries Commission on the salary scale of Certificated Masters.

I also invited the Civil Service Associations and other interested persons or groups to submit their comments by the 14th of March. We have since received a wide range of comments including those from certain staff associations, organizations of teachers, and the Grant and Subsidized Schools Councils.

These comments have been of very great assistance to us in considering the recommendations of the Working Group, and I wish to thank all those who made their views known in this way.

I am now in a position to report the Government's decisions on the Working Group's report, which have this week received the approval of the Executive Council and of the Finance Committee of this Council. These relate to the four recommendations of the Working Group's report, three of which concern the salary scale of Certificated Masters and the fourth the scale of Workshop Instructors.

Before announcing the Government's decisions I would remind honourable Members of the circumstances in which the Working Group, under the chairmanship of Mr MORGAN, was convened. A major readjustment of the salaries of the civil service had just been completed in the light of the 1971 Salaries Commission report. Agreement had also been reached in the Senior Civil Service Council with the representatives of those affected on the revised salaries for the main nursing grades and on all other major outstanding issues connected with salaries for teachers, which had not been dealt with by the Salaries Commission. Naturally an element in these revisions was the balance between the benefits received by different categories. There must be in the Public Service a considerable element of interrelationship.

It was against this background that the Morgan Working Group was asked to make recommendations on the one major item outstanding, the scale for Certificated Masters, and with them for Workshop Instructors.

This followed failure to reach agreement in the staff side/Government side discussions.

The essence of the Masters' claim was that the scale already implemented by Government, that is to say \$1,100-1,750 per month, and

that offered but refused, that is to say \$1,175 per month running to \$1,750 a month, reflected inaccurately the status of Certificated Masters *vis a vis* other professions and grades, and that this would have been more accurately reflected by a scale of \$1,250-1,950.

Consideration of the Masters' claim involved comparison of the work of Certificated Masters with analagous grades, which was a difficult piece of work and one which involved judgements, which to some extent are subjective. To apply such judgements to a large and widely respected professional group was a somewhat invidious task in which freedom from bias was absolutely essential. It was for this reason that the Government considered it proper to refer the question to a completely independent and impartial group rather than continue to consult within the framework of the various staff side/Government side organizations.

The care with which the Working Group pursued its difficult task is indicated by Chapter 7 of its report, which sets out a long series of comparisons with analagous groups and the groups' judgements on them.

I note that many have read the report to be a rejection of the Masters' claim. Careful reading of it on the contrary, shows that to a significant extent it supports it, but not in every single respect.

Thus while it recommended that as things stood the entry point should be \$1,175, it also recommended that as soon as possible the lower entrance qualification of the Teachers' Training College should be abolished and the standard of the Teacher's Certificate raised, and that thereafter the entry point should be \$1,250. The Government has considered these complementary recommendations against the background that while it will do its utmost to raise the standard of the Certificate as soon as possible this may take a little time, and that meanwhile a considerable proportion of graduates no doubt have considerably more than the minimum qualifications. That is to say that some of them already approximate to the standard that will be required once the Teacher's Certificate is raised. The Government has therefore decided on the one hand to press on with raising the standard of the Certificate and thus allow the entry point for all to be raised to \$1,250; but on the other hand, meanwhile, and with effect from the next passing out examination, to arrange with the help of external examiners, to identify graduates who merit a credit, that is to say whose standard approximates to that to be required for the Certificate when its standard is raised, and that these will receive an immediate extra increment and enter the scale at \$1,250.

We have considered whether this could be applied retrospectively, but we have concluded that it would be impracticable to do so, since the necessary system to assess students' performance has not hitherto been in existence.

[THE COLONIAL SECRETARY] **Statement**

The Working Group's third recommendation concerned the top of the scale. It showed concern for the situation of the large proportion of Certificated Masters who reach the top of the scale at a comparatively early age, without prospect of further advancement. It accordingly recommended the creation of an extra scale outside the normal Government pay scale structure.

This extra scale would be open to those Certificated Masters who had failed to achieve promotion after a period on the maximum of their normal pay scale. Whilst the Government understands the Working Group's wish to ensure that entry to this extra scale should be carefully controlled, it has concluded that this is one point on which there should be a deviation from the Working Group's Report. This is because it appears to be inequitable, discriminatory and even undesirable to ask a Certificated Master to sign away his eligibility for promotion if he enters the extra scale. In any case the proposed rules would have been very cumbersome and difficult to administer. This requirement has therefore not been adopted and the extra scale will be open automatically to any Certificated Master who has served satisfactorily for 5 years on the maximum point of the normal scale. Moreover, the extra scale has been transferred as is only logical, to the Master Pay Scale so that the three salary points now become \$1,850, \$1,950 and \$2,050, thus constituting a distinct improvement over the Working Group's proposed points of \$1,825, \$1,900 and \$1,975.

In effect, therefore, and taking all these decisions together, what is proposed is that as soon as steps have been completed to raise the standard of the Certificate, and I hope this will not be long, the Masters will have a scale starting at \$1,250, if they have credit, rising to \$1,750 and, after a break of 5 years, continuing by triennial increments to \$2,050. Meanwhile the entry point of \$1,250 will apply only to those who receive credit in their graduation examinations. I hope honourable Members will agree that these proposals provide a fair and honourable framework for this rank of the teaching profession.

Turning now to Workshop Instructors, the Working Group's proposed scale of \$1,325 rising to \$1,750 for Workshop Instructors Class II fits in with the scale of \$1,850-2,750 for the recently created Class I promotion rank, and has been adopted.

I should make clear that the salary points to which I have referred are those applicable at the 1st of April 1971. These have since been revised as a result of the 3% pay award effective from the 1st of April 1972 and from which the Certificated Masters benefit in common with all other ranks on the Master Pay Scale.

The only outstanding point concerns representations by Certificated Masters and Workshop Instructors in the Prisons Department which were received too late for the Working Group to consider. These officers will be given the same immediate treatment as officers of the same ranks in the Education Department, whilst their representations will be given separate consideration to see whether they have a case for any further special treatment.

In brief, Sir, the scale for Certificated Masters will be \$1,175 to \$2,050 per month, with annual increments to \$1,750 and thereafter at longer intervals as proposed by the Working Group. From 1973 onwards graduates from the Teacher Training Colleges who are awarded Teacher's Certificates with a "credit" will receive an extra increment, entering the scale at \$1,250. Workshop Instructors Class II will have a scale of \$1,325 to \$1,750.

The total extra cost to the taxpayer of these new arrangements is estimated to be \$13.4 million in the first year of implementation, and the national ultimate annual cost \$34.2 million; this implies an additional \$3.3 million and \$11.3 million respectively over and above the cost of the recommendations in the Working Group's Report.

I very much hope, Sir, that Certificated Masters' both in Government and the aided schools, will recognize that these new arrangements, taken together with the improved promotion prospects provided by the new structure, represent a full and fair recognition of the responsibilities of their rank, whilst encouraging new entrants of first class quality to take up the profession of teaching.

DR CHUNG: —Sir, may I seek from the honourable the Colonial Secretary a clarification on his statement. As I understood it, before the raising of the standard of the certificate, those graduates with a credit will receive a starting salary of \$1,250. Those who just pass will get \$1,175 but, after the raising of the standard of the certificate, all graduates irrespective of whether they have a credit or not will all receive a flat starting salary of \$1,250. Is that correct, Sir?

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —No, Sir, the honourable Member has rather over simplified what I thought I had explained fairly clearly. As an interim measure those who get a credit in the interim period, which broadly speaking represents those at present in the teacher training colleges, will start at \$1,175 unless they get a credit, in which case they will get \$1,250. After the new system has been introduced—and the curriculum will need changing which implies that the curriculum can only come into force after those at present reading for the course have completed it—then those who reach the new standard will get \$1,250; those who don't will either not get in at all or get \$1,175.

Government business**Committee stage of bills**

Council went into Committee.

APPROPRIATION BILL 1973

HIS EXCELLENCY THE PRESIDENT: —We shall consider the Schedule first in accordance with Standing Order No 55, taking the heads in blocks of not more than five. If any honourable Member wishes to speak on a particular Head, the Clerk will call that Head again after discussion on it has finished. The question is that the sums of money for the following Heads stand part of the Schedule.

Head 21 was agreed to.

Head 22

MR WANG: —Sir, in this Head it seems to me that there is a minute estimate of \$100,000 for subhead 10 with \$40,000 for subhead 13 for agricultural and fishery development respectively. This does not seem to me to reflect that Government is giving due recognition to this important service. The period 1969-1971 showed in metric tons a decrease in locally grown vegetables from 73,400 to 59,856 and in salt marine fish from 1,989 to 1,705. This surely is a matter for concern as it must be obvious that unless we can increase this supply to meet the increasing demands of our growing population, prices will rise even faster than hitherto. For many varieties of food we may rely on imports but in the case of vegetables and fish self-sufficiency is essential if reasonable prices, which have a direct effect on our cost of living, are to be maintained.

Taking marine fish as an example, we have been informed that local consumption in 1971 amounted to 93,000 metric tons, while the department forecasts a demand in 1981 for some 135,000 metric tons. This alone points to the need and scope for forward planning, and I hope Government will tackle this problem with greater zeal.

THE FINANCIAL SECRETARY (MR HADDON-CAVE): —Sir, as most development and extension work is carried out by rendering expert assistance to farmers and fishermen, I think the cost of development and extension services is more accurately reflected in salaries under subhead 1. In 1972-73 about \$1.53 million can be directly identified as relating to expenditure on the employment of professional field staff

engaged on development and extension services although, of course, I admit virtually the whole of the Agricultural Branch and the Fisheries Branch is organized to provide such services to the farming and fishing communities.

The Director of Agricultural and Fisheries is conscious of the need to encourage farmers and fishermen to increase production; I think that there can be no doubt about that. My honourable Friend is aware from information recently supplied by the Director that the value of farm production for the period of 1971-72 amounted to some \$521 million. Judged by international standards and given normal conditions of weather, local production levels, especially in farming, are on a par with the best in the world. But unfavourable weather conditions, such as we experienced in typhoons "*Freda*", "*Lucy*" and "*Rose*" last year, can result in widespread damage with a consequent effect on production.

There are, Sir, other forms of Government and private contribution to the two primary sectors of fishing and agriculture in the form of loan funds and cash grants. In the year 1971-72, for example, the Department lent, or organised the lending of, some \$6¼ million to the farming industry, of which \$¾ million was to crop farmers, and over the last decade some \$62 million have been lent to the farming industry as a whole.

In the same ear 1971-72 more than \$4½ million were lent to the fisheries industry, and over the last decade something of the order of \$50 million was lent to that industry.

Head 22 was agreed to.

Head 23 was agreed to.

Head 24

MR SZETO: —Sir, since the compilation and processing of the results of the 1971 population and housing census have been completed and published, and the main report as well as the report on the census of manufacturing establishments will be available early in 1973, why is there a 19% increase in the establishment and a 110% increase in rent for the department budgetted for 1973-74? What are the new or additional functions of the Department and their magnitude that justify such a considerable increase?

DR CHUNG: —Sir, I would like to congratulate the Department for its excellent work in collecting, analysing and publishing increasing and useful statistics on various important subjects in recent years.

[DR CHUNG] **Appropriation Bill—committee stage**

I have two points to make under this head. The first is about per capita GDP. We now know with some certainty that, as far as per capita production of material wealth is concerned, we in Hong Kong are among the highest in Asia and are only second to Japan. However, we must not be complacent about our progress. Per capita Gross Domestic Product is one important, but not the only important, criterion in measuring the development of a territory. Another equally important criterion is the spread or distribution of per capita income. There are many countries, both rich and poor, faced with the threat of social unrest because they had overlooked the importance of ensuring an equitable distribution of material wealth within their own people irrespective of breed and creed. I therefore suggest that the Department should spend some of its resources in assessing the pattern in Hong Kong on the distribution of per capita income.

My second point, Sir, is about economic census. It is understood from the memorandum under this head that the work of the Department in 1973-74 includes planning for certain economic censuses. Will Government explain what types of economic census the Census and Statistics Department has the intention to conduct?

THE FINANCIAL SECRETARY (MR HADDON-CAVE): —Sir, may I deal with my honourable Friend Mr SZETO's question first. The increase in the Department's establishment is largely connected with the current industrial production census, the development of national income statistics, the current household expenditure survey (the results of which will be used to rebase the consumer price index) and the taking over of responsibility from the Labour Department for the collection and analysis of employment statistics. This increase in staff has involved taking over part of the 5th floor of International Building, and the setting up of a sub-office in Asia House. It is true that these activities are more floor intensive than labour intensive.

My honourable Friend Dr S. Y. CHUNG, I think, will recall that, at a meeting of Executive Council on the 1st of November 1971, it was advised that the Census and Statistics Department should undertake the collection of statistics of economic activity as a long term programme—this was subsequently announced in a Government statement. The object is to provide for each economic sector at regular intervals an estimate of its contribution to the Gross Domestic Product, an analysis of its economic structure together with value estimates of the main aspects of its economic activities, and to prepare statistical indicators for a continuing assessment of economic activity during intercensal

years. So far the Department has concentrated its effort on preparing for the census of manufacturing industry, the manufacturing sector being the most important from the point of view of both employment and contribution to the Gross Domestic Product. The census information will refer to 1973 and be collected in 1974. The wholesale and retail trades sector, which includes of course the import and export trade, hotels and restaurants, is the next most important sector, and during 1973-74 planning will continue on how best to tackle this sector—this rather complicated and diffuse sector—and to lay the groundwork for a census. At this early stage, it is not possible to say definitely whether the census will refer to 1974 or 1975; compiling a list of establishments, obtaining preliminary invitation to enable a stratified sample to be taken from the list, consultation with representatives of the sector, preparation of appropriate questionnaires, and the actual method of collecting and analysing the information all require careful study and are time-consuming and staff-consuming operations. We do not wish to make mistakes and we do not wish to irritate those in the private sector. The method of dealing with each sector and the timing of the coverage of each sector will also be further studied in 1973-74 so that a series of planned censuses can be evolved and the regular long-term round of censuses decided upon.

Head 24 was agreed to.

Head 25

DR CHUNG: —Sir, the public living in the north of Kowloon as well as those in North Point are against the use of the Airport after midnight due to the loud noise created by planes landing and particularly taking-off. Will Government give the pros and cons for operating the airport after midnight, and would there be any significant loss to Hong Kong as a whole if landing and take-off after midnight were banned?

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —Sir, I recognize and respect the honourable Member's expressed concern on the subject of night operations at Kai Tak, though he will of course realise that, even if these were banned as a general rule, we should obviously need to cater for emergencies for overdue aircraft and so on. The more restrictive we were the nearer would be the date when the Airport became saturated, and it is partly to investigate this question that we have recently appointed consultants to advise on our future needs; they will not report for at least another 18 months. The Government has, therefore, to consider what the effect of any restrictions would be in the meanwhile. We have approximately until July to do this, when the extension will have reached the stage where night operations would again be possible.

[THE COLONIAL SECRETARY] **Appropriation Bill—committee stage**

The number of passengers and the volume of important air cargo have grown considerably in recent years. Account must also be taken of Hong Kong's important role in the complex network of international air routes and our high reputation in the world of civil aviation. Against all this must be weighed very carefully the disturbance caused to residents living near the Airport. Having regard to the progress made by the contractors on the Airport, night flying could, as I have said, be resumed in July of this year and we have therefore to decide what action should be taken *ad interim* to take account of the many conflicting requirements and the views of all interested parties. It was obvious that these matters must be examined in detail and such examination is being undertaken and proposals should very soon be put to you, Sir, in Executive Council for consideration.

Head 25 was agreed to.

Heads 26 and 27 were agreed to.

Head 28

DR CHUNG: —Sir, I understand that certain efforts were exerted in recent years, particularly during 1972, by the Industrial Development Branch to assist and encourage foreign manufacturing companies to establish sophisticated and technologically advanced industries in Hong Kong. Will Government state what degree of success the Department has achieved and, in the light of the experience gained, what are the major obstacles discouraging foreign investors from establishing technologically advanced industries in Hong Kong?

MR JORDAN: —Sir, my honourable Friend's understanding is correct: the Industrial Development Branch has indeed, within its rather meagre resources, exerted increasing efforts in the past year or two towards assisting and encouraging foreign manufacturing companies to establish themselves in Hong Kong. These promotional activities take time to bear fruit; a period of a year between an initial enquiry and the establishment of a factory is not uncommon.

It is against this background that I quote the figures. During the past two years the branch has assisted 168 potential industrial investors. During the same period 35 overseas companies established wholly owned subsidiaries or entered into joint ventures here. The majority of these companies are quite small. Six of them are in the electronics industry, eight in textiles or garments and two in wigs. Only a few

can be considered as representing high technology. But here I must make it clear that, while we would welcome more sophisticated and technologically advanced industries in Hong Kong, I don't think it would be proper for us to refuse assistance to potential investors who don't meet that criterion. The service we provide must continue to be made available to any potential investor; we must decide what investment, if any, he should make.

At the present moment the branch is in contact with 62 companies who are considering the establishment of a manufacturing operation here. A number of their projects are close to decision, and I expect a further substantial increase in the workload this year both as a result of rising interest in various countries in the possibilities of offshore manufacturing and as a result of increasing promotional activities now being entered into by the Commerce and Industry Department in consultation with the Trade Development Council.

The Council, with the department's assistance, mounted an industrial promotional mission to Sweden last May and dealt with an inward mission from the same country in November. This resulted in a lot of work for the Industrial Development Branch and follow up work is still continuing. As a direct result, two Swedish companies are now in the final stages of negotiating subcontracting agreements with local electronics companies and two more are negotiating joint ventures with local companies in the engineering field.

Wider ranging missions are now being organized on a similar basis. One such mission will leave in May for the United States, Britain, Germany and Denmark. I do not at present have the resources to deal adequately with the follow up work which this and other continuing promotional activities will generate and have consequently sought approval for the establishment of an entirely new branch.

My honourable Friend has also asked what are the major factors discouraging foreign investors from establishing technologically advanced industries here. Basically they are just two: land and labour; the former being the more important obstacle.

The attraction of foreign technology to Hong Kong is itself a competitive exercise. Overseas industrial companies and, indeed to an increasing degree, local industrialists don't consider Hong Kong in isolation when they wish to establish an industrial operation in Asia. They compare us with other possible locations and many countries are competing for their investment. In comparison with almost any other possible site in Asia for a manufacturing plant, the price of industrial land is very high here. Some relatively sophisticated industries can reduce the land cost element in their costings by operating in multi-storey building but, as honourable Members know, this is not possible

[MR JORDAN] **Appropriation Bill—committee stage**

for all industries. And some of those for which it *is* possible cannot, or will not, set up here unless there is a nucleus of supporting industries which must operate in single storey buildings.

The Government has recognized the effect which this situation can have on our industrial—and therefore economic—development. As Your Excellency said at the opening of the 1972 Chinese Manufacturers' Association Exhibition:

"Government has for some time been aware of the benefits which could accrue to Hong Kong if certain types of engineering industry, and perhaps other industries of an advanced technological character, could be established here. Consideration is now being given to making certain areas of land available for sale on a restricted user basis confined to these industries; and it is hoped that one lot in Tsing Yi Island will be sold on this basis in the near future."

That particular lot was advertised internationally last month.

There are for the industrialist other difficulties with industrial land apart from its price. These are, principally, its general scarcity and the methods of sale which, although fair, can be so time consuming as to deter overseas companies. Once they have come to a decision to pursue a project they frequently expect to be able to take immediate action on it. And they can do this in most countries with little difficulty.

The overall supply of labour is not too great a problem for the technologically advanced industries in which we are interested for they are, of course, less labour intensive than our older industries. Skilled labour, technicians, technologists and engineers are, however, still in relatively short supply. Some other countries can at present do better. My honourable Friend is aware of the steps being taken to overcome this difficulty.

The question of labour cost has also to be taken into account. In comparison to the majority of developing countries in Asia, to which potential investors will look, our labour costs are high. While we all hope that the real wages of our work force can continue to increase, this does mean that we must rely increasingly on the more sophisticated industries—and in this field we are in competition with other developing countries in the region.

DR CHUNG: —Sir, although we do not wish to discriminate amongst any firms coming to Hong Kong nevertheless, in view of the limited resources the Department has, we should and must give priority to

assist those firms wishing to operate industries of high technology in Hong Kong.

My second point, Sir, is about the site that my honourable Friend mentioned on Tsing Yi. Could he tell us whether the results so far are encouraging?

MR JORDAN: —On the first point, Sir, I think I must stick to what I said just now. I think we must continue to make our services available to anybody who comes to ask for them; though I think that in practice the sort of discrimination that my honourable Friend is thinking about will occur naturally, because if somebody comes along with a project which, from the information that we will give him at the first meeting, manifestly isn't suitable for development in Hong Kong, then that particularly inquiry isn't likely to take up much of our resources any more. It's only those people who see on their first inquiries that our answers give them some encouragement to continue who will continue to make work for us by going on with their projects developing them in greater detail and so forth.

As regards the piece of potential land that was offered for sale recently, I cannot say anything more at the moment as the matter is under consideration.

Head 28 was agreed to.

Heads 29 to 34 were agreed to.

Head 35

MR WANG: —Sir, in examining this Head we are reminded of the time when the Council reluctantly approved the contribution of £ 40 million in cash and in kind to the British Government for the period 1971-1976. Then our one consolation was the promise of Her Majesty's Forces returning to us a good number of acres of land for much needed development. Sir, two years have gone by without any actual handing over. We were told in reply to my recent question that a body was still making a survey but that recommendations would be forthcoming. Here I would emphasize the element of urgency for we badly need more land for development. Sir, in the meantime may I ask whether Government has begun to negotiate with Her Majesty's Forces for the possible relinquishment of the pieces of land now occupied by the present Dockyard and Victoria Barracks? Do they need to remain in the heart of the city? Could they not be resited in a less central district such as Lantau, Tsing Yi or Stonecutters' Island? What a difference it would make to life on Hong Kong Island if another road

[MR WANG] **Appropriation Bill—committee stage**

could be built to join Connaught and Gloucester Roads and a further one, perhaps, to link up Des Voeux and Hennessy Roads, not to mention the chance to make use of a piece of land now valued at over \$10,000 per square foot.

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —Sir, the Services needs for land, particularly for land in central urban areas, are kept under the most careful review. When reviewing them we must take due account of many factors, for example, of security as well as of our shortage of urban land for development. It is because of this shortage that the Services have most helpfully released substantial and very valuable areas in central Hong Kong and Kowloon, such as Whitfield Barracks.

The Financial Secretary announced in this Council some 18 months ago plans for the release of further land; as then contemplated, we shall be obtaining some in Chatham Road and in the Argyle Street area once the camps there are re-accommodated, as the honourable Member has suggested elsewhere. But in addition, as the Director of Public Works informed the Council in January, an Army Works Study Team has been examining possible ways of consolidating facilities in order to release even more land. I am very hopeful that the outcome will be of further help to us.

Head 35 was agreed to.

Head 36

MR SZETO: —Sir, as the two technical institutes planned for Kwai Chung and Kwun Tong have not even been upgraded to Category A in the Public Works Programme to date, and therefore the buildings will certainly not be ready until well into 1975, may I ask why the Draft Estimates provide 1 principal, 5 principal lecturers and 12 assistant lecturers for each of these yet non-existing institutes, and what are the supporting staff that are required to service these personnel in 1973-74?

MR WANG: —Sir, as you may have noticed, I have deliberately refrained from commenting on matters concerning education this year, being anxious not to step on the toes of my honourable colleague Mr P. C. Woo and his committee. However, under this Head I must just

mention that in memorandum note 53 we are told that increased costs of examinations have necessitated a review of entrance fees, and that the Director of Education expects to introduce increased fees by September this year. I do hope Government will not take this step. The Hong Kong Certificate of Education Examination is an integral part of our secondary educational system and every graduating fifth-former naturally aims to sit for it. It is not an extra-curricular activity. On the contrary, it is surely right and just to relieve candidates from the burden of bearing the full cost, particularly in the case of candidates who are taking the examination for the first time. I maintain that fees here should be nominal and, if any, they should be only enough to deter casual entrants. Personally, I am content that the present level fulfils these requirements.

MRS SYMONS: —Sir, I hope my honourable Friend the Director of Education will bear with me as I ask for clarification on several points under Head 36. As this is my first attempt at probing some items of expenditure, I trust he will consider nothing too insignificant.

Memorandum notes 8 and 10 of the annually recurrent personal emoluments refer to 130 supernumerary posts for the Inspectorate Division and 662 similar posts required for the Secondary Education Division during the implementation of the new grade and salary structure. Why are these posts required? Has the Education Department committed itself in the secondary sector to doing all the clerical work involved in such implementation in order to relieve the aided schools of the additional burden? This would be most welcome news. Equally welcome is the indication of ever fresh research being carried out by the inspectorate in studying new books and materials.

In memorandum note 21 of the inspectorate the considerable sum of \$53,000 has been earmarked for books and materials. Will this expensive collection be augmented by complimentary copies from publishers, and what future use is planned for these books and materials?

Another welcome sign is the encouragement given to the English junior schools in memorandum note 26 of primary education, but is there any sum committed for the use of Chinese primary schools that may want to experiment on new teaching methods. Eminent among new teaching media is the use of educational television and the professional and detailed planning of our ETV year by year augurs well for its success and usefulness. But would it be possible to diversify into the preparation of programmes for forms 1, 2 and 3 if funds are available this year? I refer to memorandum note 49 under Educational Television.

[MRS SRMONS] **Appropriation Bill—committee stage**

My final question on Head 36 is the item of overtime allowances. \$100,000 has been set aside for such allowances in the administration, \$4,000 in the inspectorate, \$123,000 in primary education, \$24,000 in secondary education, \$1,000 in technical education, \$45,000 in further education, \$20,000 in educational television and \$65,000 in examinations. What is the justification for overtime allowances in the Education Department and what is the rate per hour? I think there must be very good reasons for these allowances, but the whole concept is so strange to the one and aided sector that I must plead ignorance. (*Laughter*).

MR CANNING: —Sir, if I might deal with the honourable SZETO Wai's question first. The target opening date for the Kwun Tong and Kwai Chung technical institutes is September 1975. For these institutes 2 principal posts and 10 head of department posts have been included in the 1973-74 staff estimates. Some of these will be advertised in the autumn of this year in Hong Kong and/or overseas and others will be filled by departmental promotions or transfers. It is hoped to be able to fill these posts by April 1974. It is expected there will be some difficulty in recruiting suitable staff because staff in the field of technical education are hard to come by. These officers once appointed will assist with the establishing of the 2 new institutes, including general planning and installation of equipment, the planning of courses, curriculum development and the recruiting and training of teaching staff. Some of the principals and heads themselves will also undergo training either overseas or in Hong Kong and will understudy experienced counterpart staff. Supporting staff for the two new institutes will be easier to recruit and such posts will be included in the 1974-75 staff estimates. In addition to the above, 96 professional posts will be required in the first year of operation building up to a total strength of 152.

If I might turn now to the question raised by my honourable Friend Mr Wilson WANG. The policy with regard to fees for fifth form examinations is set out in the White Paper on educational policy which arose as a result of the report of the Working Party on the recommendations of the Education Commission 1963. That Working Party, of which my honourable Friend Mr WANG was a member, recommended that the direct cost of the examination—that is, the cost of payments to examiners, temporary staff, invigilators, printing, duplication, stationery and sundry expenses—should be covered by the examination fees. The Working Party recommended that Government should subsidize examinations to the extent of the cost of approved

permanent staff as well as the capital cost of accommodation and equipment and the cost of approved fee remission. The present fees were introduced in 1969. Under the present scale of fees, candidates taking 9 subjects, the maximum number permitted, are required to pay \$15 to enter the examination and \$2 for every subject taken. In other words, the maximum fee payable is \$33. Even at that time, a candidate taking the maximum number of subjects did not bear the full direct costs. The present cost of a candidate taking the full 9 subjects is about \$55, which is \$22 more than the total fee he pays. Now this is not to say that of necessity fees should move to these levels, but clearly a review is now necessary in view of Government's declared policy.

If I might deal now with the questions raised by Mrs SYMONS. Mrs SYMONS has asked about the supernumerary posts which appear under Head 36. The position is as set out in paragraph 5 of the memorandum note on Head 36. We are in a transitional stage of implementing the new staffing structure and this will not be completed before the 1st of April 1973. The retention of 4,086 posts in the old structure on a supernumerary basis, held against 4,082 posts in the new structure with personal salaries as appropriate, is necessary until the holders are either regraded or vacate their posts. This does not increase the number of officers employed or their salaries beyond the levels approved by Finance Committee. The supernumerary posts will lapse over time as their holders are transferred into the new structure.

Mrs SYMONS also asked about the sums available for text books for curriculum development and questioned about copies of books received from publishers. We receive copies of textbooks which are issued by publishers. These textbooks are reviewed in my Department and then later sent to the City Hall Librarian who includes them in the section of the library devoted to textbooks. The \$53,000 which Mrs SYMONS mentioned covers the cost of books, periodicals and teaching aids which are necessary if the committees engaged in curriculum planning and development are to be brought fully up to date on new developments. There are 39 of these committees and some 500 teachers are involved.

Mrs SYMONS also asked about Chinese schools being allowed to experiment in new teaching methods. In the context of curriculum renewal and development in the primary field, my Department in cooperation with 4 Chinese primary schools is experimenting with new teaching methods. These new teaching methods were introduced in September 1972 in primary 1 and it is intended to extend the experiment to primary 2 in September this year. The results of this experiment will be most useful in the evolving of new methods and curricula for primary schools generally.

[MR CANNING] **Appropriation Bill—committee stage**

If I might deal now with the question on educational television. Mrs SYMONS asked whether there was any approved planning for post primary schools. I am happy to say that this preliminary planning has started and a questionnaire on the subject was sent to all Government grant, subsidized and private schools in February of this year, and of the 295 schools which received the circular, 92% of the schools replied. The consensus of school opinion is that there should be education television for the first three years post-primary education in the following subjects in order of preference: the sciences, English, economics and public affairs, modern mathematics and Chinese. The schools would also like these programmes to be bilingual to suit the Anglo-Chinese schools and the Chinese middle schools. Policy proposals in this respect are now under consideration in my Department and I hope to submit further proposals in due course to Government.

Mrs SYMONS also mentioned overtime which appears under Head 36, possibly with the implication that teachers are paid overtime. Teachers are not paid overtime; if they teach in the evening in classes organized by the evening institutes, they are paid separately for this work on approved scales. The overtime allowances in Head 36 are intended to cover the overtime work by non-teaching staff, mainly school servants and clerical staff in the Headquarters. The payment of overtime allowances is made only for hours worked in excess of the conditioned hours in a standard working week, which is normally 44 hours gross per week or the aggregate working hours in a fortnight, as the case may be. The question of overtime for teachers does not therefore arise.

MR WANG: —Sir, I think one does grow wiser and kinder in a lapse of 10 years, and different circumstances certainly require a revision of policy. When the policy came into recommendation we hardly knew of the words "free primary education" or "universal education" or "social service" to the extent that we are now thinking of. I hope, therefore, that the policy will be taken up for a review.

Head 36 was agreed to.

Heads 37 and 38 were agreed to.

Head 39

MR SZETO: —Sir, among the proposed architectural staff of the new Department, there is provision for a landscape architect. As far as I know, this is the first time the services of this profession are employed

on Government building projects. Whilst I welcome the increase in environmental amenities for our future public housing, I would like my honourable Friend the Secretary for Housing to confirm that these amenity plans would provide sufficient scope to utilize such talent.

MR WONG: —On Head 39, where \$135,516,000 were estimated for the next financial year for the Housing Department, I would like to enquire whether the Housing Secretariat was included in the estimate. Furthermore, in view of the magnitude of the 10-year public housing programme and the urgency of quick implementation, I would like to ask whether sufficient staff are included in the proposed establishment and would draw Government's attention to the increased scope of work, as it appears that the establishment as proposed and listed on pages 186 to 197 is merely a combination of the staff of the Housing Division of the Urban Services Department, the Resettlement Department and the Housing Authority.

MR LIGHTBODY: —Sir, dealing first with the landscape architect, it is true as my honourable Friend Mr SZETO Wai said that here we are breaking new ground. The decision to seek this post of landscape architect arises from a growing sense of unease about the enormous acreage of undiluted concrete lying in and around our estates, mainly the resettlement estates. I have no doubt—and this is borne out by the results of our recent clean-up operations in the estates which have exposed additional acreages of concrete—that the services of this landscape architect can be employed from morning to night for the normal contract period.

Dealing with my honourable Friend Mr Wilfred WONG's query about the posts in Head 39, he is correct, Sir. Indeed these Head 39 posts represent nothing more than a holding operation, that is, they continue the existing Housing Division and Resettlement Department posts. I have indeed put forward recommendations for a substantial number of extra posts both for the Housing Authority Secretariat and for the additional architectural and engineering staff required to implement the 10-year public housing programme. The pressure of business in the Colonial Secretariat surrounding the Estimates, I am afraid, has made it necessary to defer the consideration of these recommendations, but I am assured they will come forward within the next few months.

Head 39 was agreed to.

Heads 40 to 48 were agreed to.

Head 49

Appropriation Bill—committee stage

DR CHUNG: —Sir, when I said two weeks ago in this Council that I would like to see the abolition of the fees in the third class wards in Government hospitals so as to provide a free medical service to Hong Kong citizens, my interpretation of the word "free" is different from my honourable Friend Dr CHOA'S. My proposal is to provide free medical services to any Hong Kong citizen who needs the service and not, as both the honourable Financial Secretary and the honourable Director of Medical and Health Services have put it, for those who are prepared to fill in Government forms begging for remission. I recognize that it is difficult for the honourable Financial Secretary—indeed for any Finance Minister—to see the need for spending money in social development. Nevertheless, this is the trend of the world today, and I am confident that time will tell that I am right.

Sir, as background information I would like to ask my honourable Friend Dr CHOA whether it would be possible for him to give a statement on both the annual revenue and expenditure in respect of first, second and third class wards of all Government hospitals for the past, say, two or three years.

DR CHOA: —Sir, I regret that the information requested is not readily available, as statistics are not kept in this form. What can be said, however, is that for the last 10 years the total revenue collected by the Medical and Health Department has been running at about 7 to 8% of total expenditure not including capital. During 1971-72 for in-patients the approximate cost per bed per day for Queen Elizabeth Hospital and Queen Mary Hospital was \$115, but this figure reduces to about \$50 per day for such hospitals as Castle Peak and Tsan Yuk. These figures include all the various specialist services provided but exclude, again, capital expenditure. In regard to the estimated cost of treating out-patients, a rough exercise was done for the year 1969-70, which showed that the costs were running at something like \$10 per out-patient visit—an average figure covering both the specialist and the general clinics. I trust these figures are of some help to my honourable Friend.

Head 49 was agreed to.

Heads 50 to 60 were agreed to.

Head 61

MR SZETO: —Sir, among the items of special expenditure for Public Works Department Headquarters, that for metrication is \$1.58 million, which is almost seven times that for the current year. Can we

be informed of the progress that has been made to date on this work, and what is programmed for the coming year that entails such a sizeable sum?

My second point, Sir: overtime allowance figures prominently in most of the sub-departments of the PWD. The Electrical and Mechanical Office has the highest, \$4½ million for the coming year, which is followed by the Waterworks Office with \$3.7 million. Several other sub-departments are each provided with over \$1½ million. However, the Buildings Ordinance Office is allowed only a negligible sum of \$6,500. In the light of the huge backlog of work in the Buildings Ordinance Office, can my honourable Friend the Director of Public Works explain why a greater amount of overtime work is not planned? If senior officers of this sub-department have been working overtime but receive no overtime pay, can the Director indicate what extent of overtime work has been performed in the current fiscal year?

MR WANG: —Sir, a heavy expenditure of public funds is involved in what may be appropriately described as a supervisory service for the building industry by the Buildings Ordinance Office under this Head. I suggest that Government should keep a close watch over three essential aspects of this service: namely, its economy, effectiveness and efficiency. Its present performance makes me doubt if it meets these requirements. With the estimated cost to Government of this office running into \$8 million next year, the public is concerned about its net cost to Government after the deduction of revenue received in return. Its effectiveness may be doubted in view of the poor standards of a fair number of constructions, while complaints over delays in obtaining approval of plans suggest that its efficiency might call for close examination. Undoubtedly rainstorms have constituted a contributory cause, but I think it remains true that the whole system of supervision may well have to be revised. Delays caused by the present somewhat tedious process of approval can result in setbacks in many development schedules, and such delays are now reckoned at six months to one year. It is by no means a groundless allegation that the current soaring rents are the result, at least in part, of this delay which has caused a hold up in the supply required to meet the heavy demand. I feel that perhaps Government should consult with our architects to seek a better solution. It has been suggested that in some cases architects and contractors have been inclined to leave too much to the Buildings Ordinance Office, submitting any plans and leaving it to the Department to make any desired corrections.

MR ROBSON: —Sir, dealing first with metrication, the PWD programme, as I think possibly Members of the Public Works Sub-Committee of this Council know, is controlled by a Metrication Committee,

[MR ROBSON] **Appropriation Bill—committee stage**

which is served by a full-time Metrication Officer. The programme calls for a gradual introduction of the use of the metric system in the PWD and in our works projects; this is really pioneering the introduction of the metric system for the Colony. This has already begun and it is envisaged that the metric system will be used exclusively for new projects by the end of 1974, and for the new underground railway we are preparing drawings on the metric system. In 1973 and 1974—that is, dealing with the Estimates now under consideration—the funds provided will be expended for the purchase of metric equipment for survey and drawing office equipment, publication, text books, publicity material and visual aids. An extensive in-service training programme is in train, and appropriate legislation is in draft; the training programme has started, our own staff being the first to undergo it. If honourable Members are interested, I can arrange for them to receive copies of the PWD metrication bulletins which are issued quite regularly, as members of Finance Committee know, and these give details of progress. I have here with me, Sir, a publication which is produced called "Metrication in the Public Works Department", an information paper which I think was circulated to Members of Public Works Sub-Committee—and I give my Friend a copy now. (*Laughter.*)

Coming now to the question of the overtime allowance paid in the Buildings Ordinance Office as compared with those paid in Water Authority and the CEME—that's the Electrical and Mechanical Workshops basically. The difference is because there are different animals who work in these organizations. In the E. and M. Office and the Water Authority, the overtime allowances are really payable to technicians, artisans, labourers and junior clerical staff; these have very large workshops, really a manufacturing industry. That is why, of course, we have large payments of overtime, because these workshops are organised on a two-shift system basically; they are working from early in the morning to late at night. In the Buildings Ordinance Office, however, the staff is basically professional and they don't get paid any overtime.

Coming now to the question of the Buildings Ordinance Office again (a rather lengthy answer), really my Friend is doubting the efficiency of the staff. It is not of the highest calibre to carry out the work that its undergoing. He made reference, in actual fact (my honourable Friend Mr Wilson WANG), to economy in the Buildings Ordinance Office. It is not primarily a revenue producing office. If it were, we would have to alter the legislation so as to charge a fee; so there is no relationship at all between the revenue this Office makes and what it costs to run the Office. It is basically a watchdog, seeing

that the plans submitted by private architects do comply with the Ordinance, and I do assure my Friend that this is necessary. I know it's very well to say that the architects can be relied upon to submit plans which comply with the Ordinance and which are safe, but I would have thought that the events of last year illustrated that this is not quite the case. Not only that, the architect and his developer are really more interested in maximizing their profits rather than in the conditions under which the people will live once the building is completed. I am afraid I must repeat that it has been shown to be necessary to have the Buildings Ordinance Office, and this applies by and large to most of the architectural profession. I am not criticising this unduly, but their job—the architects'—is to produce something which is financially viable to their client rather than what is going to be the end product. The recommendation is that we should consult with the architects to see if a better solution could be found for speeding up the processing of the plans: this in actual fact is done. We have a regular liaison committee which meets regularly; the private architects do make recommendations on how niggling matters in the Buildings Ordinance Office can be dealt with and their recommendations we do try to meet with. Nevertheless, I do agree that there is a backlog of work in the Buildings Ordinance Office and therefore we are going to have to see how this can be resolved. I have this in mind and something is being done about it.

MR WANG: —In case I have been misunderstood, I was pointing to the inefficiency of the service rather than the personnel for whom I have the greatest respect and who have had an over-burden of work in the past year or so particularly. And nor do I suggest that this service be revenue producing; I am just hoping that the net cost to public funds could be reduced by charging an appropriate fee for the service rendered.

Head 61 was agreed to.

Head 62 was agreed to.

Head 63

MR WANG: —Sir, this next to the last of my chances to speak today is on the cost of the Public Works programme for the coming year, which has been estimated to total, including the following subheads, over \$1,000 million. Is this a very large or a very small sum? It depends on how you look at it. It is very large not only because it represents an increase of well over one third of last year's actual expenditure but also because our limited labour force, already heavily

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committed in the private sector, makes it doubtful if all the work can be completed as planned. As my honourable Friend the Financial Secretary rightly mentioned, a further increase in the number of contracts might not necessarily result in an increase in the amount of work done but rather result in an inflationary effect on building costs. But then we must remember that there are many urgently needed projects which we would want to be included in this year's programme.

Though in the past we were justly proud of our reputation for high-speed construction, the present limited capacity of our labour force has altered the picture, placing us in a dilemma. I submit that our engineers might concentrate more on the training of labour and on the employment of more modern methods of construction, including increased mechanization, to improve productivity. I suggest that Government, the biggest spender in this field, could play a leading part, with the Public Works Department taking the initiative. For example, the Department, when letting out a contract, could stipulate the better methods of construction, the use of better machinery and equipment and, at the same time, completion dates might be considered along with tender estimates in the terms of cost. Many contractors tend to shy away from new methods—that is admitted—and tend to raise their prices when told to employ them; but I think it is most likely that, once they have tried them, the obvious outcome in the long run would be increased productivity and labour saving, which are bound to be profitable to all concerned.

MR ROBSON: —Sir, my honourable Friend brought up, in actual fact, a number of points in his speech. The first point was the training of labour. I do agree that training is necessary and, to give the building industry its due, it has for many years been trying to press for the bringing into being of a training school—a technical workshop—for the building operators in particular; this has been applied in many other branches of industry too. I think this should be done and I think it will be done. But we have done quite a lot; I mean we have brought in our technical institutes and we are now upgrading our Technical College to a Polytechnic. Unfortunately, the building boom has compounded with a boom in the public sector and there is just a shortage of labour and capacity in the building industry. But the building industry, to give it its due, has responded. There is a great amount of mechanisation in the building industry. If we deal with buildings themselves, that is ordinary buildings—if you walk round the streets you will now see the tower cranes and the mechanization which takes place on very small and difficult sites.

On civil engineering works, the training now is to large plant, both for marine works and for land works, and our contracts are becoming bigger and bigger, which means that the contractors are bringing in bigger machinery. In actual fact I did answer this question to some extent in November last year, when the same point was raised, and I pointed out that completion dates and the time for completion are in fact considered at least in the public works side. In other words, if a contractor offers an earlier completion date we work out what that is worth to Government and this is taken into account in arriving at who should get the contract. And also, I think it is obvious, from your knowledge of the building industry, which I am sure you have, that those firms which did go for mechanization and professional management are now becoming very competent and very large indeed; I can't mention names, it might be called advertising (*laughter*), but I think a number are known to people.

In the private sector, of course, again the private developer is even more conscious of the need to consider the time of completion when awarding a tender; in other words, an early time for completion means an awful lot. But this doesn't mean to say that you always get the early time for completion. You sometimes award a tender to what you think is going to be the best tender, because one chap says he is going to complete early—but he doesn't, so you are not so much better off. I think you'll have to, for the present moment, sort of grit your teeth and bear it. The building industry is under strain but it is doing a good job in expanding as rapidly as it possibly can.

Head 63 was agreed to.

Heads 64 to 68 were agreed to.

Head 69

DR CHUNG: —Sir, I have only a very short question. Is Government in a position to give an account of its policy with regard to the improved version of identity cards for young persons bearing both photographs and thumb prints?

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —Government's policy, Sir, was announced in this Council last year. Briefly, the age of first registration is to be raised to eleven and the improved form of juvenile card, bearing a photograph, is to be introduced. Finance Committee of this Council has accepted the financial implications involved and the necessary legislation has now been drafted. Subject to the approval of you, Sir, in Executive Council, it

[THE COLONIAL SECRETARY] **Appropriation Bill—committee stage**

should be introduced within a few weeks. If it is then enacted in this Council, I hope that the new arrangements can take effect in August. Plans have been made accordingly.

DR CHUNG: —Sir, in my question, I made mention of two things. One is the photograph, the other one is the thumbprint. I only heard my honourable Friend's answer on the photograph.

THE COLONIAL SECRETARY (SIR HUGH NORMAN-WALKER): —I cannot anticipate the decision of Executive Council or the advice which it tenders to you, Sir, but the recommendation is that neither the juvenile card covering the age from eleven to eighteen nor the adult card will in future bear a thumbprint. The complete fingerprints of the applicant for a card will be recorded in the Registration of Persons Office and that is all that is necessary either for police or for identification purposes. The thumbprint alone is of very little use for any purpose.

Head 69 was agreed to.

Heads 70 to 74 were agreed to.

Head 75

MRS SYMONS: —Sir, under this Head I have a small question related to memorandum note 33 under "Miscellaneous". How many schools are involved in the *luenyi* scheme and is the money to be provided sufficient?

MR CANNING: —Sir, in 1972-73 there were 60 pairs of schools participating in the *luenyi* scheme. This means that 60 secondary schools in the urban areas linked up in pairs with 60 primary schools in the rural areas. The primary schools vary in size from one-class-room school upwards. Last year we provided \$84,000, or \$1,400 for each pair of schools. The total expenditure to date has been \$35,000 approximately, leaving \$49,000 unspent. This year we have estimated that 70 pairs of schools will participate in the scheme and have accordingly provided in the Estimates for a sum of \$98,000. On the basis of past expenditure, this sum should be adequate and my aim is to encourage schools to spend up to their allocation.

Head 75 was agreed to.

Heads 76 to 78 were agreed to.

Head 79

MR WOO: —Sir, the establishment of the Transport Department in 1972-73 is 314 including supplementary provisions. For the year 1973-74 it is 307—that is, a reduction of seven. I am not concerned with the reduction of the number of staff but rather I am concerned with the lack of experts employed in this department in solving the traffic and transport problems in Hong Kong. In my speech on the second reading of this bill I mentioned the improvement of our increasing chaotic traffic and transport problems, and I said that it is not only a question of more staff but also of vastly improving the present organization within Government for dealing with these methods. I would like to ask my honourable Friend the Financial Secretary for a statement on the action which is proposed by Government in this matter. I would like to stress that it is not sufficient merely to increase the number of staff in this department; basic organizational changes are needed. Furthermore, there must also be an increasing degree of expertise involving the recruitment of persons who have specialized knowledge of traffic and transport problems in other big cities of the world and who would be able best to deal with the implementation of those measures which need to be taken in Hong Kong at present.

MR SZETO: —Sir, while fees for driving tests have been increased with a view to reduce the large number of applicants to manageable size, there is no indication in the Draft Estimates for any increase of driving test examiners to cope with the situation. Indeed, there is no provision at all for such officers compared with the current year's 34. Can Government explain the total absence? There is an apparent imbalance in the proposed establishment of the department in respect of the relative importance of its activities. There are only two men and a typist in a rather high-sounding section called Public Transport Division. Can anyone really expect effective control and improvement of our public transport with a two-man team? On the other hand, there is a hierarchy of no less than 47 looking after the Lion Rock Tunnel, which I regret to say is fast becoming a dirty and choking tube. (*Laughter*).

Sir, in terms of annual expenditure the Transport Department is among the highest revenue producing Government agencies. Its estimated expenditure for 1973-74 is \$5.6 million against an estimated revenue of \$93 million, and this excludes public transport royalties and

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taxi concessions. While I am aware of my honourable Friend the Financial Secretary's contention that revenue from transport must not be channelled for use on transport, I am disappointed to see the very meagre provision of special expenditure for this department. Also I cannot see the reason for not including the simulator equipment for indoor driving instruction as a means to reduce road congestion, which was recommended by the Transport Advisory Committee some two years ago.

MR WANG: —Sir, the comments which I am about to make came to me in half an hour that I had at my disposal this morning, so I apologize for not warning the Financial Secretary beforehand.

Sir, I would like to give him a very good suggestion that he could cut off about \$1 million under this Head if he would only agree to remove the 50 cents toll on the Lion Rock Tunnel. (*Laughter*). My honourable colleagues have just pointed out the large number of staff engaged for this purpose and I must add that there must be additional expenditure shown somewhere else on the maintenance and repair of equipment, together with other indirect costs involved in the collection of the toll. My honourable Friend the Financial Secretary said yesterday that this charge could act as a restraint on the use of the tunnel which, if freely available, would be choked with traffic diverted from Tai Po Road. I am not convinced that without this toll people from the west side of Kowloon, for instance, would go all the way round to pass through the tunnel if it is not time saving. Surely no one would prefer to waste precious time in order to save 50 cents, nor is it our intention to force anyone to waste time unnecessarily. Sir, there is no evidence to suggest, at least, that this tunnel can be choked with traffic except perhaps on weekends and public holidays. I would therefore urge my honourable Friend to consider at least to start with the removal of this toll charge during weekdays. The loss of revenue collected during those weekdays must be very little, and the saving of costs of collection must be very substantial. Besides, such a concession should give, beyond any trace of doubt, a genuine relief to the New Territories residents.

MR CHEUNG: —Sir, can I without giving notice to my honourable Friend the Financial Secretary make a further suggestion about the tunnel. I would not object to the retention of the 50 cents fee if my honourable Friend, in co-operating with the Director of Public Works, would improve the standard of lighting in that tunnel up to the standards

of the harbour tunnel, and remove those dreadful reflecting plastic sides of that tunnel which distract every motorist driving through it. I would be happy if he would keep the 50 cents and use it for that purpose.

THE FINANCIAL SECRETARY (MR HADDON-CAVE): —Sir, perhaps I could deal with my honourable Friend Mr SZETO Wai's first and third points together—why is there no provision for driving test examiners and what about expediting the simulator driving instruction centre. At present, driving test examinations, as I think I have stated before in this Council, are conducted by Executive Officers; this is, however, only an interim arrangement. Following the approval in principle by the Governor in Council in September 1972 of a new system of off-street link trainer driving instruction and testing up to the intermediate level, the Commissioner for Transport submitted requests for large number of new posts of driving instructors, assistant driving instructors and driving supervisors as well as for funds for the purchase of a set of 18 link trainers required for the implementation of the new system. The Commissioner's requests have been under consideration outside the context of the Estimates, because it is rather a complicated submission, but it will be submitted to Finance Committee with a view to seeking the appropriation of funds shortly.

With regard to my honourable Friend Mr SZETO Wai's second point concerning the imbalance of staff, taking into account their relative importance between the Lion Rock Tunnel and the Public Transport Division, it is of course difficult to draw a comparison between any sections. But as far as the two chosen by my honourable Friend are concerned, most of the staff of the Lion Rock Tunnel work in three shifts a day. Their duties involve the manning of the toll gates, supervision of the tunnel traffic and general administration on the ground, whereas the Public Transport Section is solely concerned with planning and research. Apart from its three officers and one typist, the Public Transport Section has the support of eleven transport inspectors, one statistical clerk and two clerical assistants and, if and when it is thought more staff are required, more staff would be sought.

I think in a way I have already answered Mr Wilson WANG's suggestion that we would be saving a lot of money if we dispensed with the present toll. Of course we would by no means be able to dispense with all the staff employed on the tunnel but only with those on the toll gates. My honourable Friend Mr Wilson WANG suggests that there is no evidence that the tunnel would become choked; nor is there any evidence that it would not become choked. The fact of the matter is that it is the advice of the experts—and, I might add, the consultants as well—that a toll is necessary to divert traffic to the Tai Po Road.

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I don't think that either the honourable Director of Public Works or I can accept responsibility for the somewhat old-fashioned look of the Lion Rock Tunnel. (*Laughter*). It was built some years ago and it does compare unfavourably, I suppose, with the Cross Harbour Tunnel, a more recent enterprise. There have been previous complaints of course about the lighting and the problems of reflection. There is little we can do about it, I am afraid, at this stage anyway, but should we ever strip the walls and replace the tiles with some other covering then we will bear my honourable Friend Mr Oswald CHEUNG'S points in mind.

DR CHUNG: —Sir, I think at least we will have the hope that the second Lion Rock Tunnel will be different.

THE FINANCIAL SECRETARY (MR HADDON-CAVE): —Sir, I must apologize to the Senior Unofficial Member for completely ignoring his questions. (*Laughter*). The fact that I did not refer to his suggestion yesterday about the organization of the Transport Department and the organization of Government's internal administration for transport matters in no way means that his observations were not noted. But my speech yesterday was already overly long, and I think I can do no more today than say that certainly his observations have been noted, and I would remind him that I have said twice now that it is the Government's hope that a full-scale debate on transport policy can be arranged in this Council in the near future. But may I end on one slightly discordant note: I cannot accept that the conditions on our roads are increasingly chaotic. I think this is, quite honestly, something of an overstatement. Of course the conditions on our roads become increasingly chaotic in some areas, but there are areas of improvement too, for instance cross harbour traffic. The contribution of the Cross Harbour Tunnel Company, together with the Roads Division of the Public Works Department, has speeded up traffic from one side of the harbour to the other in a most noticeable way.

Head 79 was agreed to.

Heads 80 to 83 were agreed to.

Question put that the Schedule stand part of the bill and agreed to.

Clauses 1 and 2 and the Preamble were agreed to.

DANGEROUS GOODS (AMENDMENT) BILL 1973

Clauses 1 to 3 were agreed to.

ENTERTAINMENTS TAX (AMENDMENT) BILL 1973

Clauses 1 and 2 were agreed to.

**FIXED PENALTY (TRAFFIC CONTRAVENTIONS)
(AMENDMENT) BILL 1973**

Clauses 1 and 2 were agreed to.

**PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT)
(NO 2) BILL 1973**

Clauses 1 to 4 were agreed to.

Council then resumed.

Third reading of bills

THE ATTORNEY GENERAL (MR ROBERTS) reported that the

Appropriation Bill 1973

Dangerous Goods (Amendment) Bill 1973

Entertainments Tax (Amendment) Bill 1973

Fixed Penalty (Traffic Contraventions) (Amendment) Bill 1973

Public Health and Urban Services (Amendment) (No 2) Bill 1973

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

Question put on each bill and agreed to.

Bills read the third time and passed.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT: —In accordance with Standing Orders I now adjourn the Council until 2.30 p.m. on Wednesday, the 11th of April.

Adjourned accordingly at twenty minutes past four o'clock.