



DAILY INFORMATION BULLETIN

THURSDAY, MARCH 20, 1975

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UNOFFICIAL CALLS FOR JOINT GOVERNMENT/PRIVATE VENTURES
TO CREATE MORE JOBS
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THE GOVERNMENT WAS TODAY URGED TO ENCOURAGE AND WORK TOGETHER WITH PRIVATE INVESTORS TO CREATE MORE INDUSTRIAL AND BUILDING PROJECTS WHICH, THE HON. JAMES WU SAID, WOULD GO A LONG WAY TO EASE THE CURRENT UNEMPLOYMENT SITUATION.

SPEAKING ON THE SECOND DAY OF THE BUDGET DEBATE, MR. WU EXPRESSED GRAVE CONCERN OVER THE +DETERIORATING SITUATION OF UNEMPLOYMENT IN OUR MIDST AT THE MOMENT.+

HE ESTIMATED THAT ABOUT 100,000 TO 150,000 OR OVER 10 PERCENT OF THE TOTAL WORKING POPULATION WERE OUT OF A JOB AT PRESENT. +THE IMMEDIATE PROSPECT COULD EVEN BE DIMMER WITH THE LARGE NUMBER OF SCHOOL-LEAVERS, POST-SECONDARY AND UNIVERSITY GRADUATES AND REDUCED GOVERNMENT RECRUITMENT.+

ALTHOUGH THE LOCAL POPULATION MUCH PREFERRED TO +FEED BY THEIR OWN EFFORTS THAN TO LIVE ON RELIEF,+ MR. WU SAID THERE APPEARED TO BE NO GOVERNMENT AGENCY WHICH JOINTLY OR SEPARATELY ACTED AT THE MOMENT TO PROVIDE DECISIVE AND IMMEDIATE MEASURES TO ALLEVIATE OR MODERATE THIS PROBLEM OF GREAT URGENCY.

HE SHARED THE FEELING OF A CONTEMPORARY ECONOMIST THAT FISCAL BUDGETARY POLICIES DEALING WITH TAXES AND PUBLIC EXPENDITURE, IN CO-OPERATION WITH STABILISING MONETARY POLICIES, SHOULD AIM AT A HIGH EMPLOYMENT AND GROWING ECONOMY, BUT ONE WITHOUT DEMAND-PULL INFLATION, AND HELP PROVIDE A FAVOURABLE ENVIRONMENT WITHIN WHICH THE PEOPLE COULD HAVE THE WIDEST OPPORTUNITY FOR ACHIEVEMENT.

ON THE INDUSTRIAL AND MANUFACTURING SCENE, MR. WU SAID HONG KONG HAD DEVELOPED MAINLY LIGHT INDUSTRIES ON HIGH RISE FACTORIES.

IF NO GREAT REDUCTION WAS MADE IN THE PROPOSED PRICE OR RENT FOR THE INDUSTRIAL ESTATES FOR LAND INTENSIVE INDUSTRIES, +I CAN SEE LITTLE INDUCEMENT WITH LAND COSTING FIVE TO TEN TIMES AS HIGH COMPARED TO NEIGHBOURING COUNTRIES, AND AT A TIME WHEN OVERSEAS MANUFACTURERS GENERALLY HAVE EXCESS CAPACITY AS A RESULT OF REDUCED DEMAND.+

MR. WU CRITICISED THE ABSENCE IN HONG KONG OF A +CENTRAL, INDUSTRIAL DEVELOPMENT OR EXPORT-IMPORT BANK+ WITHOUT WHICH, HE SAID, MANY INDUSTRIALISTS HAD STILL TO PAY INTERESTS AS HIGH AS FOUR TO SIX PER CENT ABOVE THE PRIME RATE OR SIX TO EIGHT PER CENT ABOVE THE SAVINGS RATE FOR MONEY TO FINANCE THEIR INVENTORIES AND EXPORTS.

/HE WENT

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HE WENT ON TO SAY THAT MANY PRIVATE CONSTRUCTION PROJECTS INVOLVING HUNDREDS OF MILLIONS OF DOLLARS AND PROVIDING THOUSANDS OF JOBS WERE STILL BEING HELD UP BY +CUMBERSOME OR INDIFFERENT BUREAUCRACY,+ TAKING YEARS TO DECIDE ON TOWN PLANNING AND LAND USE REQUIREMENTS IN THE URBAN AND RURAL AREAS.

A CONCERNED GOVERNMENT, HE SAID, COULD EASILY HELP, FOR ITS OWN REVENUE'S SAKE AND FOR THE BENEFIT OF THE ECONOMY, IN THAT PROCEEDS FROM SALES OF COMPLETED FLATS COULD BE RECYCLED TO FINANCE FURTHER DEVELOPMENT TO HELP THE ECONOMY.

AT THIS TIME OF A SERIOUS RECESSION, ONE WOULD HAVE GRAVE DOUBTS AS TO WHETHER THE CONTINUED RESTRICTION OF THE USE OF HONG KONG'S LAND RESOURCES WOULD BE IN THE BEST INTEREST OF THE PUBLIC.

+THERE IS FOR ALL PRACTICAL CONSIDERATION AN ABUNDANCE OF LAND IN THE NEW TERRITORIES AND PROVIDED WE OFFER ATTRACTIVE ENOUGH TERMS AND CONDITIONS WE CAN STILL FIND INVESTORS FROM WITHIN AND WITHOUT TO DEVELOP BOTH THE INFRASTRUCTURE AND THE INDUSTRIAL, COMMERCIAL AND RESIDENTIAL ACCOMMODATIONS AT LOWER COSTS TO ENHANCE OUR COMPETITIVE EXPORT POSITION IN THE LONG TERM AND TO PROVIDE EMPLOYMENT IN THE CURRENT RECESSION.+

HE ADVOCATED THAT HONG KONG SHOULD EMBARK ON AN EXPANSIONARY APPROACH, PARTICULARLY BY ENCOURAGING PRIVATE INVESTMENT WITH LITTLE FEAR OF THE PITFALLS OF SELF-INDUCED DEMAND-PULL OR COST-PUSH INFLATION AS IN OTHER ECONOMICS.

HE FELT THAT HONG KONG THRIVED MORE THAN ANYWHERE ELSE ON CONFIDENCE, ENTREPRENEURSHIP AND THE INDUSTRY OF ITS PEOPLE, AND POLICY THAT UNDERMINED OR DISCOURAGED THESE COULD ONLY BRING CALAMITY.

MR. WU NOTED WITH REGRET THAT THE WORK AND SCOPE OF THE ECONOMIC REVIEW COMMITTEE FELL FAR SHORT OF UNOFFICIAL MEMBERS' EXPECTATIONS IN THE EVOLUTION OF ECONOMIC POLICIES. THE TRADE AND INDUSTRY ADVISORY BOARD, HE SAID, FELL INTO THE SAME CATEGORY.

+IT HAS ALWAYS BEEN PUZZLING TO ME THAT WITH ALL THE ENTREPRENEURSHIP, FINANCE (AS EVIDENCED BY RECENT HUGE BANK DEPOSITS) REPUTED ADMINISTRATION IN HONG KONG, THERE IS THIS LACK OF PROPER CO-OPERATION AND CO-ORDINATION TO ACHIEVE EVEN BETTER RESULTS.

+NOR COULD I SEE WHY THIS SHOULD NECESSARILY BE FOLLOWED BY MORE GOVERNMENT CONTROLS AND REGULATIONS WHICH MUST BE RESISTED WITH VIGOUR.+

ON TAXATION, MR. WU EMPHASISED THAT ANY NEW TAX INTRODUCED SHOULD NOT UNDULY DETER RE-INVESTMENT OR FURTHER INVESTMENT IN SKILL-INTENSIVE AND HIGHER TECHNOLOGY MANUFACTURE.

HE WAS VERY MUCH AGAINST THE ONE PER CENT TURN-OVER TAX PROPOSED BY DR. THE HON CHUNG SZE-YUEN YESTERDAY, WHICH MR. WU REGARDED AS +INFLATIONARY AND HIGHLY DAMAGING.+

/HE SAID

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HE SAID THAT MANY HONG KONG BUSINESS AND INDUSTRIES, GARMENT MANUFACTURING FOR EXAMPLE, HAD HIGH TURN-OVER FIGURES BUT VERY LOW MARGIN PROFITS, AND SUCH A TAX WOULD CREATE DIFFICULTIES AND DESTROY ALL INCENTIVES TO INVESTMENT WITH LOSS OF JOBS TO FOLLOW.

IN A FULL EMPLOYMENT SITUATION AS IN THE EARLY 1970S, HE SAID, PEOPLE WOULD NOT REALLY MIND PAYING FOR SOME OF THE SOCIAL SERVICES.

+POLITICALLY, WHAT YOU HAVE NEVER PROVIDED FOR IS NO LOSS, BUT EMPLOYMENT LOST OR CANNOT BE OBTAINED IS NOT ONLY DISAPPOINTMENT BUT HARSHIP.+

ON COMMUNICATION BETWEEN THE GOVERNMENT AND THE PEOPLE, HE NOTED THAT THERE WERE SIGNS OF A HEALTHY CHANGE IN THIS DIRECTION, AND HE CONGRATULATED THE FINANCIAL SECRETARY AND HIS OFFICERS FOR THEIR TACTICS IN THE PRESENTATION OF THE BUDGET, +NOT BY HIS USUALLY LENGTHY THOUGH BY NO MEANS MONOTONOUS SPEECH THE OTHER DAY IN THIS CHAMBER, BUT BY HIS EXCELLENT BACKGROUND INFORMATION, AND PARTICULARLY BY DESPATCHING HIS CHINESE SENIOR LIEUTENANTS TO APPEAR AND ANSWER QUESTIONS IN THE TELEVISION PROGRAMMES.+

THIS, HE ADDED, GREATLY SHORTENED THE COMMUNICATIONS GAP, AND PROVIDED AN OPPORTUNITY FOR THE MAN IN THE STREET TO AIR HIS GRIEVANCE OR SIMPLY SATISFY HIS CURIOSITY, THEREBY CONTRIBUTING TREMENDOUSLY IN MUTUAL UNDERSTANDING BETWEEN THE PEOPLE AND OFFICIALDOM.

HE WAS CONCERNED THAT PROPOSED CUTS IN THE RADIO HONG KONG APPROPRIATION, WOULD NOT AFFECT EFFECTIVE PROGRAMMES LIKE THESE.

IN THIS CONNECTION, HE SAID THE TV PROGRAMME FURTHER ILLUSTRATED THAT WHERE A GOVERNMENT DEPARTMENT WAS HEADED BY AN EXPATRIATE, IT WOULD BE A GREAT ASSET TO HAVE A CHINESE DEPUTY OR ASSISTANT DIRECTOR WHO COULD PARTICIPATE IN DECISION-MAKING AND WHO COULD BE DEPENDED UPON TO SELL THAT DECISION.

HE ALSO CALLED FOR MORE CONTACTS AND COMMUNICATION BETWEEN CHINESE DEPARTMENT HEADS AND KAIFONG LEADERS.

REFERRING TO HOUSING FOR EXPATRIATE AND SENIOR GOVERNMENT OFFICERS, MR. WU SAID GREAT SAVINGS COULD BE EFFECTED IF OFFICERS TOOK SMALLER FLATS WITH MODERN AMENITIES IN THE 1,000 TO 1,300 SQ. FT TYPE HIGH CLASS FLATS.

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CALL FOR REINSTATEMENT OF DEPENDENT PARENTS ALLOWANCE
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THE GOVERNMENT WAS TODAY URGED TO REINSTATE THE DEPENDENT PARENTS TAX ALLOWANCE, ABOLISHED TWO YEARS AGO, AND TO REDUCE EXISTING FEES IN GOVERNMENT CAR PARKS.

ACCORDING TO THE HON. HILTON CHEONG-LEEN, MANY MIDDLE-INCOME FAMILIES PAYING TAX HAD BEEN EXPERIENCING DIFFICULTY BECAUSE OF INFLATION AND RISING PRICES, PARTICULARLY THOSE WITH NON-WORKING PARENTS.

SINCE THE FINANCIAL SECRETARY HAD SEEN FIT TO REINTRODUCE ENTERTAINMENT TAX, THE ALLOWANCE OF \$2,000 FOR EACH NON-WORKING PARENT LIVING IN THE TAXPAYER'S HOUSE-HOLD SHOULD ALSO BE REINSTATED TO EASE THE BURDEN ON THESE TAXPAYERS, HE SAID.

MR. CHEONG-LEEN STRESSED THAT LOOKING AFTER ONE'S PARENTS WAS A TRADITIONAL CHINESE VIRTUE WHICH THE GOVERNMENT HAD A MORAL RESPONSIBILITY TO RESPECT AND UPKEEP. +FURTHERMORE, IN THE LONG RUN THE GOVERNMENT WOULD BE SAVING MONEY BY NOT HAVING TO BUILD SO MANY EXPENSIVE OLD PEOPLE'S HOMES AS IS THE CASE IN OTHER COUNTRIES.+

ON CAR PARK CHARGES, MR. CHEONG-LEEN FELT THEY SHOULD BE REVISED IN VIEW OF THE DRAMATIC DROP IN CAR PARK REVENUE FOLLOWING THE STEEP INCREASES LAST YEAR. ON PRESENT PERFORMANCE, THE REVENUE STOOD TO LOSE ABOUT \$2 MILLION A YEAR, HE SAID.

+NOT ONLY THAT, BUT IN SOME OF THE MULTI-STOREY CAR PARKS, MORE THAN HALF OF THE CAR PARK SPACES SEEM TO BE CONTINUOUSLY EMPTY AND UNUSED.+ BEARING IN MIND THE COST FOR BUILDING THEM AND THE FACT THAT THEY OCCUPIED PRIME LOCATIONS +IT IS AN UNNECESSARY WASTAGE OF VALUABLE SPACE.+

MR. CHEONG-LEEN ALSO PRESSED FOR AN ASSURANCE THAT THE PROPOSED INCREASES IN WATER CHARGES WOULD NOT CAUSE HARDSHIP, PARTICULARLY TO THOSE FAMILIES WHO SHARED THE SAME FLAT IN PRE-WAR BUILDINGS.

IN ORDER TO REDUCE HARDSHIP, HE SUGGESTED THAT THE MAXIMUM QUANTITY ATTRACTING THE PRESENT CHARGE OF \$3 PER THOUSAND GALLONS, BE DOUBLED FROM 14,000 GALLONS TO 28,000 GALLONS FOR THE DIFFERENT FAMILIES LIVING TOGETHER AS A GROUP IN PRE-WAR FLATS IN THE MORE CONGESTED AREAS.

ON THE 2-1/2 PER CENT INCREASE IN BETTING DUTY, MR. CHEONG-LEEN FELT THIS SHOULD BE DOUBLED SO AS TO YIELD \$55 MILLION TO GOVERNMENT REVENUE IN 1975/76.

HE POINTED OUT THAT WHETHER OR NOT THE BETTING DUTY WERE TO BE 7-1/2 OR 12-1/2 PER CENT, THERE WOULD ALWAYS BE A NUMBER OF GAMBLERS WHO WOULD STILL PLACE THEIR BETS WITH ILLEGAL BOOKMAKERS.

/TURNING TO

TURNING TO HOUSING, MR. CHEONG-LEEN ASKED FOR AN ASSURANCE THAT THERE WOULD BE NO SLACKENING OF THE PACE TO PROVIDE DECENT PUBLIC HOUSING AT ECONOMIC RENTS FOR THE LARGE NUMBER OF PEOPLE WHO HAVE BEEN ON THE WAITING LIST FOR MANY YEARS.

HE ALSO EXPRESSED CONCERN OVER HOUSING FOR MIDDLE-INCOME GROUPS.

THE GOVERNMENT, HE SUGGESTED, SHOULD ENCOURAGE THE BANKING COMMUNITY TO MAKE MORE LOANS AVAILABLE TO REAL ESTATE DEVELOPERS AT LOW INTEREST RATES TO HELP REVIVE THEIR PROGRAMME OF BUILDING MEDIUM AND SMALL DOMESTIC FLATS.

IN ORDER TO STIMULATE MORE HOME OWNERSHIP, THE GOVERNMENT SHOULD ASSIST THE HONG KONG BUILDING AND LOAN AGENCY TO FIND MORE FUNDS TO ENABLE FAMILIES TO BUY THEIR OWN HOMES.

REFERRING TO THE CIVIL SERVICE, MR. CHEONG-LEEN URGED THE GOVERNMENT TO REVIEW ITS PAY STRUCTURE TO SEE WHETHER IN TODAY'S CIRCUMSTANCES, THE PUBLIC IS GETTING THE BEST VALUE FOR MONEY IN TERMS OF EFFICIENT PERFORMANCE AND HIGHER PRODUCTIVITY BOTH AT THE DEPARTMENTAL AS WELL AS THE INDIVIDUAL LEVEL.

THE MCKINSEY REPORT HAD RECOMMENDED THE SETTING UP OF ANNUAL OPERATING PLANS FOR ALL DEPARTMENTS, HE NOTED, BUT UNFORTUNATELY THIS WAS STILL FAR AWAY FROM IMPLEMENTATION.

HE SUGGESTED THAT THE FINANCIAL SECRETARY SHOULD, AS PART OF HIS BUDGETARY STRATEGY FOR THE NEXT THREE YEARS, PRESS FOR GREATER PRODUCTIVITY IN THE CIVIL SERVICE AND TO PROGRESSIVELY ADJUST CIVIL SERVICE EMOLUMENTS FROM 38 TO 30 PERCENT OF TOTAL RECURRENT PROVISION.

ON THE MASS TRANSIT RAILWAY PROJECT, MR. CHEONG-LEEN SAID THAT MANY PEOPLE WERE NOT CONVINCED OF THE NECESSITY TO BUILD SUCH A RAILWAY AT TIMES LIKE THESE, NOR WERE THEY CONVINCED THAT THE GOVERNMENT COULD KEEP WITHIN THE REVISED ESTIMATED COST CEILINGS IN THE CONSTRUCTION OF THE PROJECT.

HE FELT THAT A FULL AND CLEAR STATEMENT ON THE NECESSITY AND FINANCING OF THE RAILWAY WOULD GO A LONG WAY TOWARDS DISPELLING SUCH MISGIVINGS.

ON THIS YEAR'S DEFICIT BUDGET, WHICH HE DESCRIBED AS A SIGNIFICANT DEPARTURE FROM PREVIOUS TRADITION AND PRINCIPLE, MR. CHEONG-LEEN WONDERED WHETHER THIS STRATEGY WOULD BE FOLLOWED FOR THE NEXT THREE TO FIVE YEARS.

SHOULD IT BE THE CASE, HE SAID, THE GOVERNMENT SHOULD BUILD UP ITS FISCAL RESERVE POSITION TO A MORE RESPECTABLE LEVEL IN RELATION TO ITS ANNUAL ESTIMATED EXPENDITURE AND ENSURE THAT LOAN FINANCE FOR CAPITAL EXPENDITURE SHOULD BE LIMITED TO THE GOVERNMENT'S CAPACITY TO SERVE SUCH LOANS.

AT THE SAME TIME, HE ADDED, THE FINANCIAL SECRETARY SHOULD ENSURE THAT THE DEFICIT AMOUNTS INDICATED IN ANNUAL DEFICIT BUDGETS WOULD NOT BE EXCEEDED.

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POSITIVE POLICY ON RESERVES URGED

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THE GOVERNMENT SHOULD ADOPT A +POSITIVE POLICY+ TO MANAGE HONG KONG'S RESERVES AND SHOULD CLOSELY INVESTIGATE THE MANAGEMENT OF ITS FOREIGN CURRENCY ASSETS, THE HON. LI FOOK-WO SAID TODAY.

SPEAKING IN THE BUDGET DEBATE, HE NOTED THAT HONG KONG'S FISCAL RESERVES HAD BEEN ERODED TO A DANGEROUSLY LOW FIGURE OF ONLY \$2,371 MILLION, AND IN VIEW OF THE PRESENT WORLD-WIDE ECONOMIC RECESSION +IT IS ESSENTIAL FOR GOVERNMENT TO ADOPT A POSITIVE POLICY TO MANAGE OUR RESERVES RATHER THAN TO WAIT PASSIVELY HOPING THAT THE WORST IS OVER.+

MR. LI EXPRESSED SHOCK THAT TAX ARREARS HAD GROWN BIGGER AND SAID THAT +SOMEWHERE ALONG THE LINE, THE SYSTEM OF TAX COLLECTION REQUIRES GREATER CONTROL.+

HE WAS SURPRISED THAT ONLY 85,790 PERSONS PAID SALARIES TAX IN 1973/74 - JUST OVER TWO PERCENT OF THE POPULATION. +I FEEL THAT IT IS EXTREMELY NECESSARY FOR GOVERNMENT TO STRENGTHEN ITS TAX COLLECTION SYSTEM EVEN FURTHER, WITH A VIEW TO INCREASING REVENUE AND PREVENTING TAX EVASION,+ HE SAID.

NOTING THAT MANY PLANNED PUBLIC PROJECTS HAD TO BE POSTPONED OR SLOWED DOWN DUE TO FINANCIAL FACTORS, MR. LI URGED THE GOVERNMENT TO GIVE AN ASSURANCE THAT ONCE FUNDS BECAME MORE READILY AVAILABLE THE PROJECTS WOULD BE RESTORED TO A REASONABLE PRIORITY. WHILE THE PEOPLE'S BASIC NEEDS OF HOUSING, EDUCATION, SOCIAL AND MEDICAL SERVICES MUST HAVE AN OBVIOUS PRIORITY, HE SAID, +WE MUST ENSURE THAT OUR IDEALISM AND PLANNING DOES NOT OUTSTRIP FINANCIAL COMMONSENSE.+

HOWEVER, THE MONEY MUST BE FOUND TO CARRY OUT THE PLANS FOR A BETTER LIFE FOR ALL, AND IN THIS REGARD HE COMMENDED THE FINANCIAL SECRETARY'S BOLD INITIATIVE TO RESORT TO LOAN FINANCING.

MR. LI HIMSELF WAS IN FAVOUR OF OFFSHORE FINANCING AS AGAINST LOCAL FINANCING BECAUSE THE FORMER WOULD INCREASE THE MONEY BASE. +IT IS MORE EXPANSIONARY IN THAT OUR EXPORT AND EMPLOYMENT POSITION WILL NOT BE AFFECTED BY CAPITAL INFLOWS,+ HE SAID.

HE FELT THAT LOCAL FINANCING WOULD CAUSE THE INTEREST RATE TO RISE, WITH THE RESULT THAT INTERNATIONAL CAPITAL FLOW, BEING INTEREST-SENSITIVE, WOULD KEEP THE EXCHANGE RATE OF THE HONG KONG DOLLAR AT AN UNFAVOURABLE LEVEL. +IN OTHER WORDS, MUCH OF THE EXPANSIONARY EFFECTS WILL BE DAMPENED BY THE ADJUSTMENT OF THE EXCHANGE RATE.+

/MR. LI AGREED

MR. LI AGREED WITH THE FINANCIAL SECRETARY THAT IT WAS ESSENTIAL TO KEEP THE FOREIGN EXCHANGE MARKET FREE OF CONTROL BECAUSE IT WAS A SELF-ADJUSTING MECHANISM IN WHICH NO ONE-WAY MOVEMENT COULD CONTINUE FOREVER.

HE WAS DISTURBED, HOWEVER, THAT THE FINANCIAL SECRETARY HAD NOT RULED OUT THE USE OF INTEREST WITHHOLDING TAX AS A POSITIVE REGULATOR IN KEEPING AN ORDERLY MARKET. +TO USE IT AS A REGULATORY DEVICE, SUBJECT TO OCCASIONAL DISCRETIONARY CHANGES, WILL ADD A COMPLICATING DIMENSION TO THE WHOLE PICTURE AND IT CAN NO LONGER BE RELIED UPON AS A STABLE SOURCE OF REVENUE,+ MR. LI SAID.

ON THE CIVIL SERVICE, HE STRESSED THAT WASTAGE IN MANPOWER MUST BE AVOIDED. THE EFFICIENCY OF THE SERVICE MUST BE INCREASED, OR AT LEAST MAINTAINED, AND SHOULD NOT BE AFFECTED BY ECONOMIES.

+THE MERE FREEZING OR CUTTING DOWN ON THE TOTAL ESTABLISHMENT DOES NOT REALLY ACHIEVE THE DESIRED RESULT,+ HE SAID, ADDING +PERHAPS REDEPLOYMENT OF STAFF CAN MAKE FOR GREATER EFFICIENCY.+

TURNING TO THE \$30.5 MILLION BUDGET FOR THE INDEPENDENT COMMISSION AGAINST CORRUPTION, MR. LI EXPRESSED CONCERN THAT THE ESTIMATES WERE PRESENTED AS A ONE-LINE VOTE WITHOUT DETAILS, UNLIKE THE FORMAT USED BY OTHER GOVERNMENT DEPARTMENTS WHICH GAVE THE BREAKDOWN FIGURES.

IF PAYMENT OF RENT OF QUARTERS AND OFFICE ACCOMMODATION WAS TAKEN INTO CONSIDERATION, THE TOTAL BUDGET FOR THE ICAC IN 1975/76 WOULD PROBABLY AMOUNT TO \$35.2 MILLION, - NOT AN INSIGNIFICANT SUM, HE SAID.

+WE WOULD BE FAILING IN OUR DUTY AND SURRENDERING OUR CONSTITUTIONAL RIGHT OF BUDGETARY CONTROL IF WE WERE TO ACCEPT A BUDGET OF THIS SIZE ON A ONE-LINE VOTE BASIS.+

HE ASKED THAT THE COMMISSION'S ESTABLISHMENT AND SALARIES OF ITS STAFF TOGETHER WITH OTHER ITEMS OF EXPENDITURE BE PUBLISHED ON A BREAK-DOWN BASIS, IN THE SAME MANNER AS THOSE OF THE JUDICIARY AND THE PUBLIC SERVICES COMMISSION WHICH ARE ALSO INDEPENDENT BODIES WITH EXPENDITURE CHARGED TO GENERAL REVENUE.

+THIS WILL GO A LONG WAY TO ASSURE CRITICS AND CONCERNED MEMBERS OF THE PUBLIC THAT THE FUNDS USED FOR THIS IMPORTANT WORK ARE NOT BEING WASTED.+

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OPEN UP RESERVOIR AREAS FOR RECREATION
SAYS LEGCO UNOFFICIAL

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THE HON. J.H. BREMRIDGE TODAY SUGGESTED THAT RESERVOIR AREAS SHOULD BE MADE AVAILABLE FOR RECREATIONAL PURPOSES SUCH AS BOATING, FISHING AND SWIMMING, AS HAD BEEN DONE IN OTHER COUNTRIES.

+SOME OF THE RESERVOIRS BOTH ON HONG KONG ISLAND AND IN THE NEW TERRITORIES ARE IN LOVELY AND EASILY ACCESSIBLE COUNTRY, AND I CANNOT SEE ANY CASE FOR NOT OPENING THEM UP FOR BOATING AND KINDRED ACTIVITIES,+ HE SAID DURING THE BUDGET DEBATE.

NEITHER COULD HE UNDERSTAND ARGUMENTS THAT SUCH ACTIVITIES WOULD POLLUTE THE WATER, SINCE ALL RESERVOIR WATER SUPPLIES WERE FILTERED.

AS FOR THE COST, HE SAID: +A FEW FRANCHISES FOR BOAT OPERATORS, ICE-CREAM VENDORS ETC. SHOULD COVER THE TOTAL COST INVOLVED TO GOVERNMENT IN PROVIDING ACCESS.+

ON THE QUESTION OF HIGHER AIRPORT CHARGES, MR. BREMRIDGE AGREED THAT ALL WHO PROFITTED FROM THE AIRPORT SHOULD PAY THEIR SHARE TOWARDS THE CONSIDERABLE CAPITAL EXPENDITURE OVER THE COMING YEARS. BUT HE FELT THAT THE INCREASES +MUST BE FAIRLY BASED, FAIRLY SPREAD OVER ALL USERS OF THE AIRPORT, AND NOT ARBITRARILY SURCHARGED ON A PORTION OF THE USERS.+

WHILE IT WAS GRATIFYING THAT AIRPORT REVENUE IN 1975/76 WOULD INCREASE BY \$38 MILLION TO \$233 MILLION, +THERE SHOULD BE SOME ASSURANCE THAT PROFITABILITY IS KEPT WITHIN REASONABLE BOUNDS,+ HE ADDED. IN THIS REGARD, HE QUESTIONED WHY THE AIRPORT PROFITABILITY COMMITTEE SHOULD BE COMPOSED ENTIRELY OF CIVIL SERVANTS.

MR. BREMRIDGE TOOK EXCEPTION WITH THE FINANCIAL SECRETARY'S PROPOSAL TO INTRODUCE A SURCHARGE ON AIRCRAFT MOVEMENTS BETWEEN 12 NOON AND 6 P.M.

+IT SEEMS TO ME TO BE IRRELEVANT THAT SUCH A SURCHARGE IS THE PRACTICE AT SOME OTHER INTERNATIONAL AIRPORTS, NOT LEAST BECAUSE MANY OF THOSE SO AFFLICTED ARE NOTORIOUSLY INEFFICIENT,+ HE SAID.

IN ANY CASE, THE PEAK HOURS AT KAI TAK WERE NOT BETWEEN 12 NOON AND 6 P.M. BUT FROM 2 P.M. TO 4.30 P.M., PURELY BECAUSE OF HONG KONG'S GEOGRAPHICAL POSITION AND THE CURFEW HOURS IN JAPAN. NOR WAS IT OPEN TO AIRLINES TO SURCHARGE THEIR FARES, HE SAID.

/HE ADDED:

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HE ADDED: +IT IS ANYWAY ABSURD TO THINK THAT THE AIRLINES WILL CHANGE THEIR SCHEDULE BECAUSE OF A SURCHARGE OF \$500 PER MOVEMENT. THE DEMURRAGE, FOR EXAMPLE, ON A 707 IS ABOUT \$10,000 PER HOUR.+

MR. BREMRIDGE BRANDED THE NEW SURCHARGE +A SIGNAL EXAMPLE OF RANDOM TAXATION+ WHICH SEEMED QUITE UNFAIR, PARTICULARLY WHEN IT WAS NOT POSSIBLE TO SURCHARGE THE FARES OR THE TRANSPORT PRICES AND AS THE SURCHARGE WAS NO DETERRENT.

WHILE HE ACCEPTED THE NEED FOR STRICT LIMITATION ON THE GROWTH OF THE CIVIL SERVICE, MR. BREMRIDGE WANTED AN ASSURANCE THAT RECRUITMENT OF STAFF FOR ESSENTIAL PROJECTS WOULD NOT BE OVER-DELAYED ON THE GROUNDS THAT COMPETITIVE BIDS WOULD HAVE TO BE MADE FOR SOME OF THE 1,600 POSTS WHICH HAS BEEN SET AS THE MAXIMUM NET INCREASE OF THE CIVIL SERVICE FOR NEXT YEAR.

HE ALSO ASKED FOR CONFIRMATION THAT PROJECTS LIKE THE PRINCESS MARGARET HOSPITAL, TWO POLYCLINICS AND A SPECIALIST CLINIC WERE FIRM COMMITMENTS AND THAT THE NECESSARY STAFF WOULD BE PROVIDED FOR THEM.

HE WONDERED HOW THE 1,600 NEW RECRUITS WOULD BE DIVIDED AMONG THE VARIOUS DEPARTMENTS, AND SAID THAT THE MECHANISM FOR OBTAINING APPROVAL TO RECRUIT STAFF FOR ESSENTIAL NEW PROJECTS MAY HAVE TO BE REVIEWED.

COMMENTING ON CRITICISM THAT THE COMMISSION WAS TOO EXPENSIVE, HE SAID: +OF COURSE THE ICAC COSTS MONEY, BUT I CONSIDER ITS BUDGET FOR THIS YEAR TO BE SINGULAR EXAMPLE OF MONEY THAT IS LIKELY TO BE WELL SPENT.+

HOWEVER, HE SHARED HIS UNOFFICIAL COLLEAGUES' VIEWS THAT THE COMMISSION SHOULD BE REASONABLY FORTHCOMING ABOUT ITS COMPOSITION, ITS COSTS INCLUDING SALARIES, AND ITS INTENTIONS.

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CONCERN OVER MEDICAL STAFF

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DR. THE HON. HARRY FANG TODAY QUESTIONED WHETHER ADEQUATE PROVISION WAS BEING MADE TO MEET ADDITIONAL STAFFING REQUIREMENTS FOR THE PRINCESS MARGARET HOSPITAL AND OTHER CLINICS WHICH ARE DUE TO OPEN THIS YEAR OR NEXT.

ONLY 273 EXTRA POSTS WERE PROVIDED IN THE 1975/76 DRAFT ESTIMATES OF EXPENDITURE FOR NEW PROJECTS WHICH TOGETHER WOULD PROVIDE 1,815 MORE BEDS, AND HE WONDERED HOW THIS COULD BE ENOUGH.

HE WAS PARTICULARLY CONCERNED WITH THE STAFFING OF PRINCESS MARGARET HOSPITAL, WHICH WILL MAKE AVAILABLE MORE THAN 1,000 BEDS THIS YEAR, AND ASKED FOR CLARIFICATION AS TO HOW THE HOSPITAL WAS TO BE RUN.

THE 56 MEDICAL OFFICER POSTS ALLOWED IN THE ESTIMATES FOR BOTH THIS HOSPITAL AND THE LAI CHI KOK HOSPITAL, HE SAID, +SEEMS TOTALLY INADEQUATE AND REPRESENTS LESS THAN HALF THE PREVIOUS PLANNING TARGET OF 137 MEDICAL OFFICERS IN 1975/76.+

IN HIS OPINION, THERE WAS LITTLE ROOM FOR REDEPLOYMENT OF STAFF FROM OTHER INSTITUTIONS SINCE SOME OF THEM WERE ALREADY UNDERSTAFFED.

+WHEN TIMES ARE DIFFICULT, IT IS TO BE EXPECTED THAT MORE WILL TURN TOWARDS THE GOVERNMENT FOR MEDICAL AND SOCIAL SERVICES, AND WE MUST BE IN A POSITION TO RESPOND TO SUCH DEMANDS IF SOCIAL DISTRESS IS TO BE AVOIDED,+ HE SAID.

DR. FANG ALSO EXPRESSED CONCERN OVER THE TRAINING COURSES FOR CLINICAL INSTRUCTORS AND NURSE TUTORS WHICH WERE ORIGINALLY SCHEDULED TO BEGIN NEXT SEPTEMBER BUT WHICH HAD NOW BEEN PUT BACK AFTER 1975/76.

HE WONDERED WHETHER THE LIMITATIONS PLACED ON STAFF RECRUITMENT WOULD DELAY VARIOUS PROPOSED MEASURES TO IMPROVE THE SUPPLY OF NURSING PERSONNEL, AND SUGGESTED THAT PRIORITIES BE RE-EXAMINED TO ALLOW THESE MUCH NEEDED AND LONG OVERDUE IMPROVEMENTS TO BE INTRODUCED WITH EVERY POSSIBLE SPEED.

REFERRING TO THE LAMB REPORT SUBMITTED NEARLY NINE MONTHS AGO, DR. FANG ASKED WHAT PROGRESS HAD BEEN MADE IN IMPLEMENTING THE RECOMMENDATIONS AND WHETHER THE PRESENT FINANCIAL STRINGENCY WAS LIKELY TO DELAY IMPLEMENTATION IN SPECIFIC AREAS.

HE ALSO WANTED AN ASSURANCE THAT THE SHORTAGES OF EQUIPMENT AND ESSENTIAL SUPPLIES IN GOVERNMENT HOSPITALS REPORTED BY MISS LAMB HAD, IF THEY EXISTED, NOW BEEN RECTIFIED.

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ON THE METHADONE MAINTENANCE PROGRAMME, HE PERSONALLY FELT THAT METHADONE SHOULD BE USED ONLY AS AN ADJUNCT TO THE TREATMENT OF HEROIN ADDICTION AND NOT AS AN END IN ITSELF.

HE NOTED THAT THE PRINCIPLE OF OFFERING METHADONE TREATMENT AS AN OUT-PATIENT SERVICE HAD NOW BEEN ACCEPTED AND THREE MORE CLINICS HAD BEEN SET UP TO DISPENSE THIS SERVICE. DR. FANG SOUNDED A NOTE OF CAUTION, HOWEVER, AGAINST COMMITTING OURSELVES TO AN EVER INCREASING BURDEN ON THE TAX-PAYER'S MONEY IN ORDER TO SUSTAIN ADDICTS ON METHADONE.

STILL ON MEDICAL SERVICES, HE ASKED THE GOVERNMENT TO STATE WHY THE PILOT STUDY ON THE EMPLOYMENT OF PRIVATE PRACTITIONERS IN OUTPATIENT CLINICS HAD NOT BEEN PURSUED, AND WHAT ARRANGEMENTS WERE BEING MADE TO ENABLE OUT-PATIENT CLINICS TO OPERATE AT MAXIMUM ECONOMY AND EFFICIENCY.

ON THE PROPOSED DISTRIBUTION OF THE INCREASED EXPENDITURE BUDGETTED FOR 1975-76, DR. FANG NOTED THAT NEARLY \$70 MILLION, OR 41.65 PER CENT OF THE INCREASE, WOULD GO TO THE THREE LAW-ENFORCING DEPARTMENTS -- THE POLICE, PRISONS AND LEGAL DEPARTMENTS.

HE FELT THAT IF THE CRIME PROBLEM COULD BE CONTAINED, THE GOVERNMENT WOULD BE IN A BETTER POSITION TO DEVOTE A LARGER SHARE OF HARD EARNED RESOURCES TO IMPROVING THE QUALITY OF THE LIFE OF THE HONG KONG PEOPLE.

IN PASSING, DR. FANG SAID THERE WERE MANY CONTRIBUTING FACTORS INVOLVED IN THE RISING CRIME RATE +BUT THERE CAN BE NO DOUBT THAT ONE OF THE MAIN CAUSES OF OUR UPSURGE IN CRIME IS OUR INABILITY TO IMPOSE DETERRENT SENTENCES, THAT IS TO SAY, ENFORCING THE LAW ON THE DEATH PENALTY.

HE SAID THIS INABILITY HAD BEEN FORCED ON HONG KONG BY THE BRITISH GOVERNMENT AS A POLITICAL MOVE, TOTALLY IGNORING LOCAL SENTIMENTS ON THIS ISSUE.

+IN MY VIEW, THE BRITISH GOVERNMENT HAS A CASE TO ANSWER AND I URGE MOST STRONGLY THAT RENEWED EFFORTS BE MADE TO LIFT THE BAN ON IMPOSING THE DEATH PENALTY.+

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GOVT'S CONCERN IN SOCIAL WELFARE APPLAUDED

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THE HON. MISS KO SIU WAH WELCOMED THE GOVERNMENT'S CONCERN TO PROMOTE SOCIAL SERVICES DESPITE CURRENT FINANCIAL DIFFICULTIES.

SPEAKING IN THE BUDGET DEBATE, SHE NOTED THAT SPENDING ON SOCIAL SERVICES NEXT YEAR AT \$3,057 MILLION REPRESENTED 41.8 PER CENT OF THE TOTAL EXPENDITURE -- AN INCREASE OF 12.4 PER CENT OVER THE REVISED ESTIMATE FOR LAST YEAR.

SOCIAL WELFARE ALONE WOULD GET \$326.7 MILLION INCLUDING \$214.84 MILLION FOR THE PUBLIC ASSISTANCE SCHEME AND DISABILITY AND INFIRMITY ALLOWANCES, REPRESENTING INCREASES OVER LAST YEAR OF 56.6 MILLION AND \$50.34 MILLION RESPECTIVELY. THESE INCREASES IN THE PRESENT SITUATION SHOULD BE WELCOMED, SHE SAID.

IT WAS ALSO ENCOURAGING, SHE ADDED, THAT DESPITE A FORECAST DEFICIT OF \$900 MILLION AND STRICT ECONOMY MEASURES, SUBVENTION FOR SOCIAL WELFARE VOLUNTARY AGENCIES WOULD BE GRANTED AN INCREASE OF 16 PERCENT OVER THE PREVIOUS YEAR.

IN OTHER AREAS WHERE THERE WERE ONLY TO BE RELATIVELY SMALL INCREASES, MISS KO WARNED THAT IT MIGHT NOT BE EASY TO MAINTAIN THE PRESENT AMOUNT AND LEVEL OF SERVICES OWING TO INCREASED OPERATIONAL COSTS.

+THE SOCIAL WELFARE FIVE-YEAR PLAN WILL CERTAINLY SUFFER A CONSIDERABLE SETBACK AND I DO HOPE THAT MORE PROVISION WILL BE MADE AS SOON AS POSSIBLE IN ORDER TO KEEP PACE WITH THE ON-GOING PLANS,+ SHE SAID.

SHE EMPHASISED THAT VOLUNTARY ORGANISATIONS, AS WELL AS THE GOVERNMENT, SHOULD EXERCISE THE STRICTEST ECONOMY TO ELIMINATE WASTEFUL SPENDING.

SHE HOPED THAT THE SOCIAL WELFARE DEPARTMENT AND THE HONG KONG COUNCIL OF SOCIAL SERVICE WOULD JOINTLY PLAY A MORE ACTIVE ROLE IN CONSIDERING WHAT AREAS COULD BE STRENGTHENED AND WHICH PROGRAMMES WERE OVERLAPPING, OUTDATED OR IMPRACTICAL. +IN SOME CASES, A MERGER OF ORGANISATIONS OR PROJECTS MAY BE DESIRABLE+ SHE SUGGESTED.

/MISS KO ALSO

MISS KO ALSO URGED THAT MORE USE BE MADE OF VOLUNTEER SERVICE -- AN AREA OF GREAT POTENTIAL WAITING TO BE TAPPED AND EXPLORED. BESIDES ENCOURAGING MORE PEOPLE TO WORK TOWARDS A FULLER LIFE AND TO MAKE A CONTRIBUTION TO THE COMMUNITY, SHE SAID, USING MORE VOLUNTEER WORKERS IN THE FIELD OF SOCIAL SERVICE WOULD MAKE IT POSSIBLE TO MAINTAIN SOME EXISTING PROGRAMMES AND CARRY OUT SOME PLANNED PROJECTS IN A MORE ECONOMICAL WAY.

REGARDING THE NECESSITY OF INCREASING REVENUE BY RAISING TAXES, FEES AND CHARGES, MISS KO SAID +IT IS WISE NOT TO ADD TOO MUCH BURDEN ON THOSE WHO ARE IN THE LOWER INCOME BRACKET.+

SHE QUOTED THE ECONOMIC BACKGROUND TO THE 1975/76 BUDGET WHICH PUT THE NUMBER OF UNEMPLOYED AT THE END OF 1973 AT ABOUT 100,000 AND INDICATED A FURTHER INCREASE IN UNEMPLOYMENT IN 1974.

BECAUSE OF THE APPARENT UNEMPLOYMENT SITUATION, GREAT PRIORITY SHOULD BE GIVEN TO CREATE JOB OPPORTUNITIES IN COMMERCE, INDUSTRY AND OTHER SPHERES OF EMPLOYMENT. +IT IS NECESSARY TO TAP ALL POSSIBLE RESOURCES, INCLUDING LOANS TO SUPPORT AND ENCOURAGE ALL ENDEAVOURS IN THIS ASPECT,+ SHE SAID.

SHE ADDED: +ALTHOUGH WE ARE FACING WORLD ECONOMIC RECESSION, IF WE EARNESTLY ASSIST THE DEVELOPMENT OF COMMERCE AND INDUSTRY, CONSIDER SOCIAL SERVICE PROGRAMMES AS HIGH PRIORITIES, AND HELP PROTECT THE LIVELIHOOD OF THE PEOPLE OF HONG KONG ESPECIALLY THOSE IN THE LOWER INCOME BRACKET, WE ARE WORKING TOWARDS A MORE STABLE AND HEALTHIER ECONOMY IN THE LONG TERM.

+I HOPE THE PROPOSED INLAND REVENUE ORDINANCE REVIEW COMMITTEE AND THE OTHER AUTHORITIES CONCERNED WILL TAKE THESE POINTS INTO CONSIDERATION IN THEIR TASKS.+

MISS KO COMMENDED THE CONSUMER COUNCIL FOR ITS SUCCESS IN CONTROLLING PRICES AND FIGHTING PROFITEERING, BUT THOUGHT IT WAS TIME TO EMPHASIS MORE ON PROMOTING CONSUMER EDUCATION.

SHE HOPED THAT THE COUNCIL AND THE ECONOMIC BRANCH OF THE COLONIAL SECRETARIAT WOULD WORK CLOSER TOGETHER SO THAT THE COUNCIL COULD +MAKE A MORE EFFECTIVE CONTRIBUTION IN RESPECT OF ISSUES AFFECTING CONSUMERS IN HONG KONG.+

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NEED FOR MORE INDUSTRIAL PROMOTION

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THE HON. FRANCIS TIEN TODAY CALLED FOR A REAPPRAISAL OF HONG KONG'S APPROACH TO INDUSTRIAL INVESTMENT PROMOTION AND URGED THE GOVERNMENT NOT TO BE STRINGENT WITH FUNDS FOR THIS PURPOSE.

THE 'MEAGRE' \$200,000 EARMARKED FOR PROMOTING INDUSTRIAL DEVELOPMENT AND INVESTMENT, HE SAID, +IS TOTALLY INADEQUATE.+ HE PERSONALLY FELT THAT A SUM TEN TIMES THIS WOULD BE MONEY WELL SPENT.

+INDUSTRIAL PROMOTION IS AN EXPENSIVE BUSINESS, BUT THE RETURNS CAN BE VERY HANDSOME,+ HE ADDED.

IN THE LONG TERM, HE SAID, THE ONLY WAY THE GOVERNMENT COULD OBTAIN MORE MONEY WAS BY ENSURING THAT ECONOMIC ACTIVITIES WERE STEPPED UP AND HONG KONG GOODS EARNED MORE. IT WAS VITALLY IMPORTANT THEREFORE TO INVEST IN INDUSTRIAL PROMOTION SO AS TO WIDEN THE RANGE OF PRODUCTS SO THAT WHEN THE ECONOMIC CLIMATE IMPROVED HONG KONG WOULD BE IN A GOOD POSITION TO TAKE ADVANTAGE OF IT.

MR. TIEN BLAMED FLOATING OF THE HONG KONG DOLLAR AS A MAJOR CONTRIBUTING FACTOR IN THE DOWN TURN OF HONG KONG'S TRADING PERFORMANCE, AND HE HOPED THAT A FIXED PARITY COULD BE SET SOON, PREFERABLY AT A LEVEL WHICH WOULD NOT ADVERSELY AFFECT HONG KONG INDUSTRIES' COMPETITIVENESS IN FOREIGN MARKETS.

IN THE SHORTER TERM, HE FELT THAT SOME MEASURE SHOULD BE ADOPTED TO STOP THE INFLOW AND ENCOURAGE THE OUTFLOW OF UNWANTED U.S. DOLLARS. THIS, HE SUGGESTED, COULD BE ACHIEVED BY LOWERING THE PRIME LENDING RATE FOR INDUSTRY STILL FURTHER.

+A FURTHER REDUCTION IN LENDING RATES, AT LEAST FOR THE INDUSTRIAL SECTOR, WOULD ALSO GIVE SOME ALLEVIATION TO THIS HARD-PRESSED SECTOR BY PROVIDING THEM WITH A CHEAPER SUPPLY OF CASH,+ HE ADDED.

MR. TIEN ALSO URGED THE GOVERNMENT TO PRESS FOR EARLY REMOVAL OF EXTRA TARIFF QUOTAS IMPOSED RECENTLY BY AUSTRALIA ON A WIDE RANGE OF ADDITIONAL TEXTILE AND GARMENT IMPORT ITEMS OF WHICH HONG KONG WAS EITHER THE PRINCIPAL, OR ONE OF THE MAJOR SUPPLIERS. THE RESTRICTIONS WERE INTRODUCED OUTSIDE THE SCOPE OF THE INTERNATIONAL ARRANGEMENT REGARDING TRADE IN TEXTILES.

ON THE EUROPEAN FRONT, MR. TIEN WAS HOPEFUL THAT THE RECENT VISIT OF AN EEC DELEGATION WOULD LEAD TO THE REDUCTION AND EVENTUAL REMOVAL OF DISCRIMINATION AGAINST HONG KONG.

/HOWEVER,

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HOWEVER, HE URGED THAT THE MOMENTUM BUILT UP BY THIS ON-THE-SPOT VISIT AND THE EFFORTS OF THE BRITISH AND HONG KONG OFFICIALS AT THE EEC BE KEPT UP BY INVITING OFFICIALS FROM EEC MEMBER STATE CAPITALS TO VISIT HONG KONG.

THESE ARE THE PEOPLE, HE SAID, WHO WOULD EVENTUALLY APPROVE ANY PROPOSALS MADE BY THE EEC DELEGATION.

ON THE FORTHCOMING NEGOTIATIONS WITH THE EEC FOR A NEW TEXTILE AGREEMENT, MR. TIEN THOUGHT LOCAL MANUFACTURERS WOULD NOT OBJECT TO TEMPORARY RESTRAINTS ON OUR EXPORTS AS LONG AS THE DEMANDS WERE REASONABLE -- +BY THAT I MEAN THAT THEY WILL ENABLE HONG KONG TO CONTINUE TO TRADE AND TO IMPROVE ON ITS POSITION,+ HE SAID.

HE WAS CONFIDENT THAT THE HONG KONG REPRESENTATIVES FROM THE COMMERCE AND INDUSTRY DEPARTMENT WOULD BE VIGOROUS AND PRAGMATIC IN THESE NEGOTIATIONS.

HE WAS EQUALLY CONFIDENT THAT THE DIRECTOR OF COMMERCE AND INDUSTRY WOULD DO EVERYTHING HE COULD TO ENSURE A SATISFACTORY TREATMENT OF HONG KONG IN THE U.S. GENERALISED SCHEME OF PREFERENCES.

+GIVEN THE SIZE OF THE U.S. MARKET, THIS IS PROBABLY THE MOST IMPORTANT SINGLE SCHEME. EXCLUSION FROM IT, OR DISCRIMINATION UNDER IT, COULD HAVE VERY SERIOUS EFFECTS, PROBABLY WORSE THAN THOSE WE HAVE EXPERIENCED IN THE EUROPEAN MARKETS,+ HE WARNED.

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DEBATE ON SEVEN BILLS ADJOURNED
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DEBATE ON SEVEN BILLS IN LEGISLATIVE COUNCIL THIS (THURSDAY) AFTERNOON HAS BEEN ADJOURNED.

IN ADDITION TO THE FINANCIAL SECRETARY'S APPROPRIATION BILL WHICH SETS OUT THE PROPOSED EXPENDITURE OF THE GOVERNMENT FOR THE COMING FINANCIAL YEAR, THERE WERE THE SUMMARY OFFENCES (AMENDMENT) BILL 1975, THE PUBLIC ORDER (AMENDMENT) BILL 1975, THE CORONERS (AMENDMENT) BILL 1975, THE TRUSTEE (AMENDMENT) BILL 1975, THE CHINA FLEET CLUB INCORPORATION (AMENDMENT) BILL 1975 AND THE FIRE SERVICES (AMENDMENT) BILL 1975.

THE SUMMARY OFFENCES (AMENDMENT) BILL RAISES THE PENALTY FOR POSSESSING OFFENSIVE WEAPONS TO A \$5,000 FINE OR TWO YEARS IMPRISONMENT AND TRANSFERS THE RESPONSIBILITY FOR ISSUING PUBLIC SUBSCRIPTION PERMITS FROM THE COMMISSIONER OF POLICE TO THE DIRECTOR OF SOCIAL WELFARE.

THE PUBLIC ORDER (AMENDMENT) BILL MAKES THE COMMON PARTS OF ALL BUILDINGS, SUCH AS STAIRCASES, CORRIDORS AND LIFTS, +PUBLIC PLACES+ SO THAT THE CARRYING OF AN OFFENSIVE WEAPON IN THESE PLACES WITHOUT REASONABLE EXCUSE WOULD ALSO CARRY THE EXISTING MANDATORY CUSTODIAL SENTENCE.

REQUIREMENTS FOR A COMPANY SEEKING REGISTRATION AS A TRUSTEE COMPANY ARE REVISED UNDER THE TRUSTEE (AMENDMENT) BILL. BESIDES OTHER NEW ARRANGEMENTS, THE ISSUED AND PAID UP CAPITAL OF SUCH A COMPANY WOULD HAVE TO BE NOT LESS THAN \$1 MILLION AND THE VALUE OF ITS INVESTMENTS DEPOSITED WITH THE ACCOUNTANT GENERAL WOULD HAVE TO BE \$500,000.

THE CORONERS (AMENDMENT) BILL ENABLES THE COMMISSIONER OF POLICE TO RECEIVE A MEDICAL REPORT AT THE SAME TIME AS THE CORONER TO AVOID DELAYS IN POLICE INVESTIGATIONS.

THE FIRE SERVICES (AMENDMENT) BILL TIGHTENS UP EXISTING FIRE SAFETY REQUIREMENTS AND STREAMLINES DISCIPLINARY PRODECURES WITHIN THE SERVICES.

AT TODAY'S SESSION, AN UNOFFICIAL MEMBER'S BILL -- THE BOY SCOUTS ASSOCIATION (AMENDMENT) BILL 1975 -- ALSO PASSED ITS SECOND AND THIRD READINGS THROUGH THE COUNCIL.

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LOAN SCHEME FOR BAPTIST COLLEGE STUDENTS
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THE GOVERNMENT TODAY ANNOUNCED A LOAN SCHEME TO ASSIST HONG KONG BAPTIST COLLEGE STUDENTS TO CONTINUE THEIR STUDIES SHOULD THEY BE AFFECTED BY THE COLLEGE'S DECISION TO INCREASE TUITION FEES.

THE COLLEGE HAS ANNOUNCED AN INCREASE OF FEES, EFFECTIVE FROM SEPTEMBER THIS YEAR, FROM \$1,800 TO \$2,800, FOR AN ACADEMIC YEAR OF TWO SEMESTERS.

THE FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL HAS APPROVED AN ALLOCATION OF UP TO \$1,485,000 FROM THE DEVELOPMENT LOAN FUND TO SET UP AN INTEREST-FREE LOAN SCHEME TO STUDENTS AT THE BAPTIST COLLEGE.

THE MAXIMUM AMOUNT OF LOAN FINANCE REQUIRED FOR 1975-76 WILL BE 45 PER CENT OF THE TOTAL INCOME THE COLLEGE MAY DERIVE FROM THE INCREASE OF TUITION FEES BY \$1,000. THE ALLOCATION IS RENEWABLE ANNUALLY.

THE INTEREST-FREE LOANS TO STUDENTS WILL BE REPAYABLE IN 16 EQUAL QUARTERLY PAYMENTS OVER FOUR YEARS FROM THE TIME A STUDENT LEAVES THE COLLEGE.

LOANS UP TO A MAXIMUM OF \$1,000 A YEAR WILL BE GRANTED ON THE BASIS OF A MEANS TEST TO STUDENTS WHO ARE IN NEED OF ASSISTANCE TO PAY THE INCREASE IN FEES.

A STUDENT WHO QUALIFIES FOR A LOAN IN ONE ACADEMIC YEAR WILL NOT AUTOMATICALLY RECEIVE THE SAME AMOUNT OF ASSISTANCE IN SUBSEQUENT YEARS AS HIS CIRCUMSTANCES MAY ALTER.

THE SCHEME WILL BE ADMINISTERED BY AN ALLOCATION COMMITTEE COMPRISING STAFF MEMBERS OF THE BAPTIST COLLEGE AND A REPRESENTATIVE FROM THE EDUCATION DEPARTMENT.

THE COMMITTEE WILL CONSIDER APPLICATIONS FROM CURRENT AND PROSPECTIVE COLLEGE STUDENTS AND WILL RECOMMEND LEVELS OF FINANCIAL ASSISTANCE IN INDIVIDUAL CASES.

IT WILL ALSO TAKE INTO ACCOUNT ANY SCHOLARSHIP, REMISSION OF FEES OR OTHER AWARD WHEN ASSESSING THE FINANCIAL RESOURCES OF APPLICANTS, ALTHOUGH ANY AWARDS MADE ON THE BASIS OF ACADEMIC EXCELLENCE WILL NOT DETRACT FROM AN APPLICANT'S ELIGIBILITY FOR ASSISTANCE.

THE RECOMMENDATIONS OF THE ALLOCATION COMMITTEE WILL BE SUBMITTED TO THE EDUCATION DEPARTMENT FOR FINAL APPROVAL AND FOR THE PREPARATION OF LOAN AGREEMENTS. LOANS WILL BE PAID BY THE TREASURY.

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MANPOWER SURVEY ON BUILDING AND CIVIL ENGINEERING INDUSTRY
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A MAJOR MANPOWER SURVEY OF HONG KONG'S BUILDING AND CIVIL ENGINEERING INDUSTRY WILL BE CARRIED OUT BETWEEN APRIL 1 AND 4, 1975.

THE SURVEY, THE THIRD OF ITS KIND, IS CONDUCTED BY THE BUILDING AND CIVIL ENGINEERING INDUSTRY TRAINING BOARD OF THE HONG KONG TRAINING COUNCIL WITH THE ASSISTANCE OF THE LABOUR DEPARTMENT AND THE PUBLIC WORKS DEPARTMENT.

THE SURVEY WILL COVER ALL ACTIVE BUILDING AND CIVIL ENGINEERING SITES AT THE TIME OF THE SURVEY AND THE CONTRACTOR FIRMS CONCERNED. ARCHITECTURAL AND CIVIL ENGINEERING CONSULTANT FIRMS WILL ALSO BE SURVEYED AT THE SAME TIME.

QUESTIONNAIRE FORMS AND RELEVANT DOCUMENTS IN BOTH ENGLISH AND CHINESE WERE SENT TODAY TO ALL THE CONSTRUCTION SITES AND FIRMS.

THE INFORMATION WHICH EMPLOYERS ARE REQUESTED TO SUPPLY INCLUDES THE NUMBER OF WORKERS AT PRESENT EMPLOYED- THE NUMBER OF WORKERS AT PRESENT UNDER TRAINING- AND THE NUMBER OF EXISTING VACANCIES.

DURING THE SURVEY PERIOD, INTERVIEWERS WILL VISIT EACH OF THE PRIVATE CONSTRUCTION SITES AND CONTRACTOR FIRMS TO COLLECT THE COMPLETED QUESTIONNAIRE FORMS FROM EMPLOYERS. ARCHITECTURAL AND CIVIL ENGINEERING CONSULTANT FIRMS ARE REQUESTED TO RETURN THEIR INFORMATION BY POST.

THE SECRETARY OF THE BUILDING AND CIVIL ENGINEERING INDUSTRY TRAINING BOARD, MR. WONG MAN-KAI STRESSED TODAY THAT THE INFORMATION COLLECTED WOULD BE HANDLED IN STRICT CONFIDENCE AND WOULD BE PUBLISHED ONLY IN THE FORM OF STATISTICAL SUMMARIES WITHOUT REFERENCE TO ANY INDIVIDUAL SITE OR FIRM.

FOR THE BENEFIT OF THE INDUSTRY, EMPLOYERS ARE URGED TO CO-OPERATE BY PROVIDING THE ACCURATE INFORMATION SO THAT PLANS CAN BE FORMULATED TO MEET THE INDUSTRY'S MANPOWER NEEDS, HE SAID.

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JOINT EXHIBITION OF PUPILS' WORKS
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A JOINT EXHIBITION OF THE WORKS DONE BY PUPILS OF 12 SECONDARY SCHOOLS IS BEING HELD AT SIR ROBERT BLACK COLLEGE OF EDUCATION, CALDECOTT ROAD, PIPER'S HILL, TODAY (THURSDAY) AND TOMORROW (FRIDAY) BETWEEN 9.30 AM AND 3.30 PM.

PLAYS AND MUSICAL ITEMS WILL BE PERFORMED BY THE SECONDARY SCHOOL PUPILS IN THE COLLEGE HALL.

THE EXHIBITION FOLLOWS A REPETITION OF LAST YEAR'S SUCCESSFUL EXPERIMENT ON INTEGRATED PROJECT TEACHING ON THE TOPIC "PROTECTION OF THE ENVIRONMENT" WHICH BEGAN ON MARCH 3 AND ENDED YESTERDAY.

THE 12 SCHOOLS ARE: CLEMENTI MIDDLE SCHOOL = GOOD HOPE SCHOOL = JOCKEY CLUB TECHNICAL SCHOOL = KEI CHI MIDDLE SCHOOL = HO MAN TIN GOVERNMENT MIDDLE SCHOOL = POOI TO MIDDLE SCHOOL = PRECIOUS BLOOD GOLDEN JUBILEE SCHOOL = QUEEN'S COLLEGE = ST. CATHERINE SCHOOL FOR GIRLS, KWUN TONG = SHA TIN GOVERNMENT SCHOOL = TAK OI GIRLS' SCHOOL AND WAH YAN COLLEGE KOWLOON.

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NOTE TO EDITORS: YOU ARE INVITED TO HAVE THE EXHIBITION COVERED.

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H.K.C.E.E. ADMISSION FORMS FOR PRIVATE CANDIDATES
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ADMISSION FORMS FOR THIS YEAR'S HONG KONG CERTIFICATE OF EDUCATION EXAMINATION ARE NOW AVAILABLE FOR PRIVATE CANDIDATES.

THEY ARE ADVISED TO COLLECT THE EXAMINATION DOCUMENTS, INCLUDING A TIME TABLE, AN ADMISSION FORM AND A COPY OF INSTRUCTION TO CANDIDATES, ON THE DATES SPECIFIED ON THE INDIVIDUAL NOTIFICATIONS POSTED TO THEM EARLIER.

ANY PRIVATE CANDIDATE WHO HAS NOT RECEIVED THE NOTIFICATION BY APRIL 3 SHOULD CALL IN PERSON AT THE AUXILIARY MEDICAL SERVICE KOWLOON SUB-OFFICE AT 393 CANTON ROAD DURING NORMAL OFFICE HOURS ON APRIL 4 TO COLLECT THE DOCUMENTS.

CANDIDATES ARE REMINDED TO BRING WITH THEM THEIR HONG KONG IDENTITY CARDS AND THE RECEIPTS FOR PAYMENT OF ENTRY FEES FOR IDENTIFICATION PURPOSES.

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NEW DISTRICT OFFICER FOR TSUEN WAN
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TSUEN WAN WILL HAVE A NEW DISTRICT OFFICER AS FROM MONDAY (MARCH 24). HE IS MR. JAMES W. HAYES.

THE OUT-GOING DISTRICT OFFICER, MR. JOHN WARREN, IS BEING TRANSFERRED TO THE FINANCE BRANCH OF THE COLONIAL SECRETARIAT.

MR. WARREN HAS BEEN DISTRICT OFFICER OF TSUEN WAN FOR MORE THAN FOUR YEARS.

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