



DAILY INFORMATION BULLETIN

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WEDNESDAY, JANUARY 12, 1994

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VISIT PROPOSALS STILL ON THE TABLE: GOVERNOR

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THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, THIS (WEDNESDAY) AFTERNOON SAID THE BRITISH SIDE HAD SUGGESTED TO THE CHINESE SIDE VISITS BY THE DIRECTOR OF IMMIGRATION TO PEKING TO DISCUSS MATTERS CONCERNING THE PASSPORT ISSUE.

SPEAKING TO REPORTERS AFTER VISITING THREE HOUSING ESTATES IN KOWLOON, THE GOVERNOR SAID: "LAST JULY, WE PUT PROPOSALS TO THE CHINESE SIDE ABOUT WAYS IN WHICH WE CAN HELP ON THIS ISSUE, COVERING QUESTIONS LIKE ELIGIBILITY CRITERIA, VALIDATING PASSPORTS AND SO ON.

"WE REITERATED THOSE PROPOSALS IN SEPTEMBER AND WE FURTHER SUGGESTED IN SEPTEMBER AND DECEMBER VISITS BY THE DIRECTOR OF IMMIGRATION TO PEKING AT ANY TIME THAT WAS CONVENIENT TO CHINESE OFFICIALS TO DISCUSS THESE MATTERS.

"WE'VE STILL LEFT THAT AS A PROPOSAL ON THE TABLE THAT THE DIRECTOR OF IMMIGRATION SHOULD GO TO PEKING TO ASSIST CHINESE OFFICIALS.

"IN VIEW OF WHAT'S BEING SAID ABOUT PEOPLE GOING TO PEKING, I'D JUST LIKE TO MAKE THAT ABSOLUTELY CLEAR AND SAY THAT WE HAVEN'T HAD A POSITIVE RESPONSE YET."

IN RESPONSE TO A QUESTION ABOUT AIRPORT TALKS, THE GOVERNOR OUTLINED THE CONTACTS BETWEEN THE TWO SIDES IN THE PAST MONTHS DURING WHICH THE CHINESE SIDE HAD BEEN INFORMED OF THE PROPOSALS TO THE LEGISLATIVE COUNCIL WITH OPTIONS FOR FUNDING AS WELL AS THE AIRPORT CORPORATION BILL.

"SO THERE'VE BEEN MANY MONTHS DURING WHICH CHINESE OFFICIALS HAD EVERY OPPORTUNITY OF CONSIDERING THAT BILL AND ASKING FOR INFORMATION ABOUT IT," MR PATTEN SAID.

HE NOTED THAT A FEW MONTHS AGO, THE LAST MEETING OF THE AIRPORT COMMITTEE UNFORTUNATELY THREW UP CHINESE PROBLEMS OVER LAND AND THE BRITISH SIDE HAD SUGGESTED EXPERT TALKS TO RESOLVE THESE MATTERS BUT NO POSITIVE RESPONSE HAD YET BEEN RECEIVED FROM THE CHINESE SIDE.

"IN ORDER TO GET THESE PROBLEMS SORTED OUT ONCE AND FOR ALL, THE CHINESE SIDE SHOULD COME TO AN AIRPORT COMMITTEE MEETING WITH THEIR SPECIFIC REQUESTS ON THE AIRPORT," THE GOVERNOR SAID.

"THEY SHOULD SAY PRECISELY WHAT THEY WANT, WHAT THEY WANT IN TERMS OF FUNDING, WHAT THEY WANT IN TERMS OF EQUITY INJECTION, WHAT THEY WANT IN TERMS OF LAND.

"WE CAN THEN TELL THE PEOPLE OF HONG KONG WHAT EXACTLY IT IS THAT THE CHINESE SIDE WANT AND WHAT EXACTLY IT IS THAT WE ARE PREPARED TO PROPOSE AND THEN THE PEOPLE OF HONG KONG CAN DECIDE FOR THEMSELVES WHO IS BEING REASONABLE AND WHO IS NOT."

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GOVERNOR AND SHADOW FOREIGN SECRETARY MEET MEDIA

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THE FOLLOWING IS THE TRANSCRIPT OF THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, AND THE SHADOW SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, DR JACK CUNNINGHAM, SPEAKING TO REPORTERS AFTER VISITING THE CHUK YUEN NORTH ESTATE THIS (WEDNESDAY) AFTERNOON:

GOVERNOR: I AM DELIGHTED THAT ON THIS HOUSING VISIT, I'VE BEEN ACCOMPANIED NOT ONLY BY THE CHAIRMAN OF THE HOUSING AUTHORITY, ROSANNA WONG BUT ALSO, OF COURSE, BY DR JACK CUNNINGHAM, ONE OF THE LEADING MEMBERS OF THE LABOUR PARTY, A VERY SENIOR PARLIAMENTARIAN AND THE LABOUR PARTY'S LEADING SPOKESMAN ON FOREIGN AFFAIRS. AND I AM DELIGHTED THAT HE IS ABLE TO SEE SOME OF THE PROGRESS WE'VE BEEN MAKING IN HONG KONG. HE FIRST CAME TO HONG KONG WHEN OUR HOUSING PROBLEMS WERE A GREAT DEAL MORE SEVERE THAN THEY ARE TODAY AND I THINK HE'S BEEN INTERESTED IN THE PROGRESS THAT WE'VE BEEN MAKING IN HOUSING OVER THE LAST COUPLE OF DECADES. YOU'LL KNOW THAT WE ARE COMMITTED IN PARTICULAR TO REHOUSING EVERYONE WHO'S SQUATTING ON GOVERNMENT LAND BY MARCH 1996 AND WE'RE ALSO COMMITTED, AS YOU KNOW, TO GETTING RID OF THE OLDER TEMPORARY HOUSING AREAS BY 1997 AND TO PROVIDE NEW HOMES FOR THREE-QUARTERS OF THOSE WHO ARE AT PRESENT IN TEMPORARY HOUSING AREAS. I'VE BEEN PARTICULARLY PLEASED, ONCE AGAIN, TO SEE THE PROGRESS WE'RE MAKING IN REDEVELOPING SOME OF OUR OLDER PROPERTY AND PROVIDING NEW PEOPLE, LIKE THE FAMILY WE VISITED HERE, WITH ATTRACTIVE NEW FLATS. WE'VE STILL GOT A LOT TO DO BUT I THINK WE'VE MADE VERY CONSIDERABLE PROGRESS AND I AM DELIGHTED THAT DR CUNNINGHAM WAS ABLE TO SEE SOME OF THAT PROGRESS FOR HIMSELF TODAY.

QUESTION: MR PATTEN, MR LU PING SAID THAT SO FAR AS THE HONG KONG GOVERNMENT WON'T SEND MR GORDON SIU TO CHINA TO EXPLAIN BEFORE THE PWC, THERE WON'T BE ANY AIRPORT TALK.

/GOVERNOR:

GOVERNOR: LET ME RESPOND IN THE SAME SORT OF WAY THAT THE FINANCIAL SECRETARY, I THINK, HAS EARLIER IN THE DAY. I AM SURPRISED BY SOME OF THE THINGS THAT'S SAID IN PEKING, EXTREMELY SURPRISED PARTICULARLY SINCE, I AM SURE, PEKING OFFICIALS WANT AS WE DO TO DO EVERYTHING POSSIBLE TO CONTRIBUTE TO THE PROSPERITY AND STABILITY OF THIS TREMENDOUS COMMUNITY. WHAT DIRECTOR LU PING KNOWS IS THAT IN THE MIDDLE OF LAST MONTH, ON DECEMBER 15, WE TOLD THE CHINESE SIDE DURING THE JLG MEETING THAT WE WOULD NEED TO COME TO THE LEGISLATIVE COUNCIL WITH PROPOSALS, WITH OPTIONS FOR FUNDING IN ORDER TO KEEP DOWN COSTS, REDUCE COSTS IF POSSIBLE AND KEEP THE MOMENTUM OF THE PROJECT GOING. HE ALSO, I AM SURE, KNOWS THAT EARLIER THIS MONTH BEFORE WE PASSED THE DOCUMENTS TO THE LEGISLATIVE COUNCIL, WE PASSED THE DOCUMENTS TO THE CHINESE SIDE, TO CHINESE OFFICIALS SO THEY WERE WELL INFORMED IN ADVANCE OF WHAT WAS HAPPENING. EQUALLY, IF ONE LOOKS AT THE AIRPORT CORPORATION BILL, WE GAVE A DRAFT OF THAT BILL TO THE CHINESE SIDE WITH EXPLANATORY NOTES IN JULY AND IN JULY, WE SAID THAT WE'D LIKE TO PUBLISH IT AS A WHITE BILL FOR PUBLIC DISCUSSION IN HONG KONG. IN NOVEMBER, SOME MONTHS AFTER JULY, CHINESE OFFICIALS SAID O.K. GO AHEAD TO CONSULTATION WHICH IS WHAT WE'VE NOW DONE. SO THERE'VE BEEN MANY MONTHS DURING WHICH CHINESE OFFICIALS HAD EVERY OPPORTUNITY OF CONSIDERING THAT BILL AND ASKING FOR INFORMATION ABOUT IT. BUT, IF WE ARE ALL COMMITTED AS WE SHOULD BE TO GETTING ON WITH THE AIRPORT AGAINST THE BACKGROUND I'VE DESCRIBED, IT'S FAR BETTER FOR US TO DO SO IN THE AIRPORT COMMITTEE THAN BY EXCHANGING OBSERVATIONS WITH ONE ANOTHER AT THOUSANDS OF MILES' DISTANCE THROUGH TELEVISION CAMERAS. AND A FEW MONTHS AGO, WE HAD OUR LAST MEETING OF THE AIRPORT COMMITTEE. THAT UNFORTUNATELY THREW UP CHINESE PROBLEMS OVER LAND. SO WE SUGGESTED THAT THERE SHOULD BE EXPERT TALKS ON LAND TO RESOLVE THOSE MATTERS. WE'VE STILL, ALAS, NOT RECEIVED A POSITIVE RESPONSE FROM THE CHINESE SIDE. AGAIN, THERE IS A LAND COMMISSION WHERE WE CAN RESOLVE THOSE MATTERS JUST AS THERE IS AN AIRPORT COMMITTEE. SO, WHAT I SUGGEST IS THIS. IN ORDER TO GET THESE PROBLEMS SORTED OUT ONCE AND FOR ALL, THE CHINESE SIDE SHOULD COME TO AN AIRPORT COMMITTEE MEETING WITH THEIR SPECIFIC REQUESTS ON THE AIRPORT. THEY SHOULD SAY PRECISELY WHAT THEY WANT, WHAT THEY WANT IN TERMS OF FUNDING, WHAT THEY WANT IN TERMS OF EQUITY INJECTION, WHAT THEY WANT IN TERMS OF LAND. WE CAN THEN TELL THE PEOPLE OF HONG KONG WHAT EXACTLY IT IS THAT THE CHINESE SIDE WANT AND WHAT EXACTLY IT IS THAT WE ARE PREPARED TO PROPOSE AND THEN THE PEOPLE OF HONG KONG CAN DECIDE FOR THEMSELVES WHO IS BEING REASONABLE AND WHO IS NOT. YOU ALL KNOW EVERYONE IN HONG KONG, EXCEPT CONCEIVABLY THE DIRECTOR OF THE NCNA, KNOWS THAT WE CAN ACTUALLY SOLVE THE PROBLEM OF THE AIRPORT LIKE THAT, IF THERE WAS THE WILL. I HOPE THAT WILL CAN BE CREATED IN THE COMING WEEKS AND MONTHS BECAUSE IF IT IS NOT, IT WILL BE THE SAR GOVERNMENT AND THE PEOPLE OF HONG KONG AND THE PEOPLE OF SOUTHERN CHINA WHO WILL SUFFER MOST. SO, LET'S GET BACK TO THE AIRPORT COMMITTEE. LET'S TALK IN THE AIRPORT COMMITTEE AND LET'S STOP MAKING POLITICAL POINTS. WE ARE NOT GOING TO DO THAT. I HOPE NO CHINESE OFFICIALS WILL.

QUESTION: WHAT IS YOUR REACTION TO THE ARTICLE WHICH APPEARED IN THE AUSTRALIAN BY MALCOLM FRAZER WHICH ACTUALLY IS QUITE NASTY.....?

GOVERNOR: I RESPONDED IN A LETTER WHICH WAS PUBLISHED IN THE AUSTRALIAN, I THINK, EITHER YESTERDAY OR TODAY. IT'S AN EXTREMELY GOOD LETTER AND I AM SURE MR FRAZER WOULD HAVE FOUND IT PROFOUNDLY CONVINCING. I AM DELIGHTED THAT THE UNDERSTANDING SHOWN BY THE AUSTRALIAN GOVERNMENT FOR OUR POSITION AND I AM PARTICULARLY DELIGHTED BY THE REMARKS THAT'VE BEEN MADE FROM TIME TO TIME BY THE AUSTRALIAN FOREIGN MINISTER.

QUESTION: MR LU PING HAS ALSO SAID THAT IT IS BETTER TO PUT MORE RESERVE FUND INJECTING INTO THE AIRPORT PROJECT, SO GOES IN LINE WITH THE MOU TO MAKE THE DEBT DOWN TO \$5 BILLION, DO YOU THINK IT IS POSSIBLE AND DO YOU THINK IT HELPS TO KEEP THE WORK GOING?

GOVERNOR: I AM A BIT CONFUSED AND I DON'T WANT TO BE CRITICAL BECAUSE AS I'VE SAID, WE SHOULD BE TRYING TO RESOLVE THESE ISSUES ROUND THE TABLE IN THE AIRPORT COMMITTEE RATHER THAN AT SEVERAL THOUSAND MILES' DISTANCE THROUGH THE TELEVISION CAMERAS BUT I DID FIND WHAT DIRECTOR LU PING WAS SAYING YESTERDAY SLIGHTLY PUZZLING. ON THE ONE HAND, HE WAS SAYING "DON'T YOU PUT ANY MORE MONEY INTO THE AIRPORT TO KEEP THE PROJECT GOING". ON THE OTHER HAND, HE WAS SAYING "THE HONG KONG GOVERNMENT SHOULD PUT MORE TAXPAYERS' MONEY INTO THE PROJECT" SO IT'S A LITTLE BIT CONFUSING. AND, PERHAPS, IT IS ANOTHER REASON WHY WE NEED A MEETING OF THE AIRPORT COMMITTEE SO THAT WE CAN RESOLVE THOSE MATTERS.

QUESTION : MR PATTEN, MR CUNNINGHAM WILL GO TO BEIJING TO SEE MR LU PING LATER THIS WEEK. SO, WILL YOU ASK HIM TO PASS ANY MESSAGE FOR YOU TO THE CHINESE SIDE TO EASE THE RELATIONSHIP AT THIS MOMENT ?

GOVERNOR : DR CUNNINGHAM IS WELL BRIEFED AND KNOWS THE SITUATION VERY WELL FOR HIMSELF. I'LL LET HIM ANSWER. BUT ALL THAT I WOULD HOPE THAT HE WOULD SAY TO DIRECTOR LU PING IS THAT WE REMAIN POSITIVE AND CONSTRUCTIVE THAT WE WOULD LIKE TO HAVE TALKS ABOUT POLITICAL DEVELOPMENT AND OTHER MATTERS AT ANY TIME WHICH IS CONVENIENT FOR THE CHINESE SIDE. I VERY MUCH HOPE THAT WE CAN PROCEED ON THE BASIS OF AGREEMENT. IF WE CAN'T PROCEED ON THE BASIS OF AGREEMENT, THEN WE HAVE RESPONSIBILITIES FOR THE PEOPLE OF HONG KONG WHICH WE INTEND TO DISCHARGE.

DR CUNNINGHAM : I AM NOT GOING, IN ANY SENSE, AS AN FOR THE GOVERNOR OR FOR THE BRITISH GOVERNMENT. I AM GOING AS THE GOVERNOR SAID, THE LABOUR PARTY'S PRINCIPAL SPOKESMAN ON FOREIGN POLICY. I SHALL BE LISTENING VERY CAREFULLY TO WHAT MR LU PING AND HIS COLLEAGUES HAVE TO SAY AND REITERATING UNEQUIVOCALLY OUR SUPPORT FOR EXTENDING THE FRANCHISE IN HONG KONG AND FOR THE GOVERNOR'S MODEST PROPOSAL FOR A DEMOCRATIC REFORM. IF, IN SOME WAYS, AS A RESULT OF THOSE DISCUSSIONS AND I CAN BE HELPFUL IN PERSUADING MR LU PING THAT TALKS SHOULD BE RESUMED, OF COURSE, THAT WOULD BE A GREAT BONUS. I DON'T REALLY ANTICIPATE THAT OUTCOME BUT LET'S WAIT AND SEE WHAT HAPPENS AT THE TALKS.

QUESTION : YOU AND THE CHINESE SIDE HAVE DIFFERENT VIEW POINTS ON POLITICS. WHAT DO YOU EXPECT TO GET FROM THE MEETING... ?

DR CUNNINGHAM : WELL I DON'T KNOW. I'M GOING TO LISTEN TO WHAT DIRECTOR LU PING AND HIS COLLEAGUES, THE VICE MINISTER FOR FOREIGN AFFAIRS AND ONE OF THE STATE LEADERS WHO I HOPE TO MEET. I DON'T KNOW WHO WOULD BE YET. I AM GOING TO LISTEN TO WHAT THEY HAVE TO SAY. WE HAD DISCUSSIONS WITH THEM THROUGH THEIR AMBASSADOR IN LONDON AND WITH MR ZHU RONGJI WHEN HE WAS IN LONDON. THEY HAVE NEVER BEEN EXPLICIT IN THOSE DISCUSSIONS WITH ME ABOUT WHAT EXACTLY THEIR OBJECTIONS TO THE GOVERNOR'S PACKAGE OF PROPOSALS ARE AND WHAT THEIR PROBLEMS ARE. MAYBE WHEN I'M IN BEIJING, I'LL GET A CLEARER UNDERSTANDING OF WHAT EXACTLY THE CHINESE POSITION IS AND WHY THEY HAVE TAKEN THAT POSITION.

QUESTION : MR CUNNINGHAM, MR LU PING STRESSED THAT IF CHINA WILL ... BACKDOWN IN ITS DISPUTE. WILL YOUR PARTY RECONSIDER ITS POSITION ?

DR CUNNINGHAM : NO, OUR POSITION IS QUITE CLEAR. I'VE HAD THAT PROPOSALS PUT TO ME IN LONDON SOME TIME AGO THAT WE SHOULD WITHDRAW OUR SUPPORT FOR THE POSITION TAKEN UP BY THE GOVERNOR AND BY THE BRITISH GOVERNMENT. WE REMAIN COMMITTED AS A DEMOCRATIC SOCIALIST PARTY TO PEOPLE'S DEMORATIC AND HUMAN RIGHTS. ALTHOUGH, OF COURSE, WE WANT AS ANYONE SENSIBLY WOULD TO HAVE GOOD AND FRIENDLY RELATION WITH THE PEOPLE'S REPUBLIC OF CHINA. THAT DOESN'T MEAN WE WOULD AGREE WITH EVERYTHING THEY SAY AND IT DOESN'T MEAN WE CAN'T HAVE SENIBLE RELATION WITH THEM JUST BECAUSE WE DISAGREE WITH THEM ON THIS PARTICULAR POINT.

QUESTION : DO YOU THINK THAT BECAUSE OF THE SINO-BRITISH TALKS BREAK DOWN, SINO-BRITISH RELATIONSHIP HAS BEEN WORSENERED BY THE CONSERVATIVE GOVERNMENT AND THE LABOUR PARTY IS GOING TO IMPROVE ...?

DR CUNNINGHAM : NO GOVERNMENT WANTS TO HAVE A FAILURE IN ANY TALKS AS HAVING WITH THE GOVERNMENT ON MATTERS OF MUTUAL INTEREST. THAT VIEW WOULD BE COMMON, I WOULD PRESUME, TO ALL POLITICAL PARTIES AND ALL GOVERNMENTS IN ALL COUNTRIES. BUT THESE THINGS DO HAPPEN FROM TIME TO TIME AS WE KNOW. I HAVE DISPUTES WITH MY SOCIALIST COLLEAGUES IN THE EUROPEAN COMMUNITY FROM TIME TO TIME. BUT WE DON'T STOP TALKING TO THEM. WE GO ON TALKING AND NEGOTIATING ABOUT MATTERS OF MUTUAL INTEREST. I THINK IT'S IN EVERYONE'S INTEREST, IN THE INTEREST OF THE PEOPLE'S REPUBLIC, IN THE INTEREST OF THE MEMBERS OF LEGCO AND OF COURSE THE GOVERNOR, AND MOST OF ALL, IN THE INTEREST OF THE PEOPLE OF HONG KONG THAT THERE IS A SENSIBLE OUTCOME TO THESE PROPOSALS.

GOVERNOR : CAN I JUST ADD ONE OTHER POINT ON ANOTHER SUBJECT BECAUSE IT'S WORTH CLARIFYING AS WELL. DIRECTOR LU PING MADE SOME REMARKS YESTERDAY ABOUT PASSPORTS AND THE ISSUE OF PASSPORTS BY THE SAR GOVERNMENT. I JUST WANT FOR THE RECORD TO MAKE THIS CLEAR. LAST JULY, WE PUT PROPOSALS TO THE CHINESE SIDE ABOUT WAYS IN WHICH WE CAN HELP ON THIS ISSUE, COVERING QUESTIONS LIKE ELIGIBILITY CRITERIA, VALIDATING PASSPORTS AND SO ON. WE REITERATED THOSE PROPOSALS IN SEPTEMBER AND WE FURTHER SUGGESTED IN SEPTEMBER AND DECEMBER VISITS BY THE DIRECTOR OF IMMIGRATION TO PEKING AT ANY TIME THAT WAS CONVENIENT TO CHINESE OFFICIALS TO DISCUSS THESE MATTERS. WE'VE STILL LEFT THAT AS A PROPOSAL ON THE TABLE THAT THE DIRECTOR OF IMMIGRATION SHOULD GO TO PEKING TO ASSIST CHINESE OFFICIALS. IN VIEW OF WHAT'S BEING SAID ABOUT PEOPLE GOING TO PEKING, I'D JUST LIKE TO MAKE THAT ABSOLUTELY CLEAR AND SAY THAT ALAS, WE HAVEN'T HAD A POSITIVE RESPONSE YET. BUT I VERY MUCH HOPE THAT DIRECTOR LU PING'S REMARKS YESTERDAY COMING AS THEY DO AFTER WHAT WE'VE BEEN SAYING FOR THE LAST FEW MONTHS REPRESENT A CHINESE RESPONSE WHICH WILL BE ABLE TO FOLLOW UP BECAUSE IT IS THE SORT OF AREA WHERE WE SHOULD BE ABLE TO COOPERATE IN THE INTERESTS OF PEOPLE OF HONG KONG ON AN ISSUE ABOUT WHICH EVERYBODY FEELS VERY STRONGLY. THANK YOU VERY MUCH INDEED.

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PASSPORT AND TRAVEL DOCUMENTS OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION

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THE FOLLOWING IS ISSUED ON BEHALF OF THE OFFICE OF THE BRITISH SENIOR REPRESENTATIVE OF THE SINO-BRITISH JOINT LIAISON GROUP:

WE HAVE NOTED WITH INTEREST THE REPORTED COMMENTS OF DIRECTOR LU PING IN PEKING ON 11 JANUARY ON THE SUBJECT OF SAR PASSPORTS. THIS IS A MATTER WHICH THE BRITISH SIDE OF THE JLG TOOK THE INITIATIVE IN RAISING WITH THE CHINESE SIDE IN JULY 1993. WE ARE PLEASED TO HAVE THIS CONFIRMATION THAT THE CHINESE GOVERNMENT RECOGNISES THE IMPORTANCE AND URGENCY OF THE PROBLEM AND THAT THEY ARE INTERESTED IN COOPERATING WITH THE BRITISH SIDE TO FIND SOLUTIONS.

FOLLOWING AGREEMENT ON TRANSITIONAL ARRANGEMENTS FOR THE CONTINUED VALIDITY AFTER 1 JULY 1997 OF EXISTING TRAVEL DOCUMENTS ISSUED BY THE HKG, THE BRITISH SIDE OF THE JLG PUT DETAILED AND COMPREHENSIVE PROPOSALS TO THE CHINESE SIDE ON 15 JULY 1993, AND HANDED THEM A CONSULTATION PAPER, COVERING THE HONG KONG SAR PASSPORT AND OTHER TRAVEL DOCUMENTS OF THE SAR. OUR PROPOSALS DEALT WITH SUCH ISSUES AS ELIGIBILITY CRITERIA, TYPES OF TRAVEL DOCUMENT AND PERIOD OF VALIDITY. WE URGED THE CHINESE SIDE TO ENTER INTO DETAILED DISCUSSIONS WITH US ON THESE AND OTHER RELEVANT MATTERS AT EXPERT LEVEL IN THE JLG AS SOON AS POSSIBLE, WITH THE AIM OF ENSURING THAT PROPER ARRANGEMENTS COULD BE AGREED AND IN PLACE FOR ISSUING THE DOCUMENTS IMMEDIATELY FROM 1 JULY 1997. WE STRESSED THAT TIMELY RESOLUTION OF THIS PROBLEM WOULD AVOID DISRUPTION AND INCONVENIENCE TO HONG KONG RESIDENTS AND CONTRIBUTE TO A SMOOTH TRANSITION.

WE HAVE PRESSED THE CHINESE SIDE FOR A RESPONSE THROUGH THE JLG ON A NUMBER OF OCCASIONS, INCLUDING AT JLG XXVII IN PEKING IN SEPTEMBER AND AT JLG XXVIII IN LONDON IN DECEMBER. AT THE LATTER MEETING WE PROPOSED THAT THE DIRECTOR OF IMMIGRATION, MR LAURENCE LEUNG, SHOULD HOLD TALKS WITH CHINESE EXPERTS AS SOON AS POSSIBLE. WE MADE IT CLEAR THAT HE WOULD BE WILLING TO TRAVEL TO PEKING FOR SUCH A MEETING IF THAT WOULD BE MORE CONVENIENT TO THE CHINESE SIDE. WE HAVE MOST RECENTLY SUGGESTED, THROUGH JLG CHANNELS, SPECIFIC DATES FOR SUCH A VISIT. THE CHINESE SIDE OF THE JLG HAVE NOT YET GIVEN US A REPLY. HOWEVER, WE ARE ENCOURAGED BY DIRECTOR LU PING'S LATEST REMARKS, AND VERY MUCH HOPE THAT AN EXPERT MEETING ON THIS SUBJECT CAN BE ARRANGED IN THE VERY NEAR FUTURE.

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WEDNESDAY, JANUARY 12, 1994

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346 CONSTITUENCIES PROPOSED FOR DISTRICT BOARD ELECTIONS

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THE BOUNDARY AND ELECTION COMMISSION (BEC) HAS PROPOSED A TOTAL OF 346 CONSTITUENCIES FOR THE DISTRICT BOARD ELECTIONS TO BE HELD IN SEPTEMBER THIS YEAR.

A REPORT CONTAINING THE COMMISSION'S RECOMMENDATIONS RELATING TO THE NUMBER OF ELECTED MEMBERS AND THE CONSTITUENCY BOUNDARIES FOR THE ELECTIONS WAS SUBMITTED TO THE GOVERNOR LAST MONTH AND TABLED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE THREE-VOLUME REPORT WAS COMPILED FOLLOWING A MONTH-LONG CONSULTATION EXERCISE ON THE COMMISSION'S PROVISIONAL RECOMMENDATIONS RELEASED LAST OCTOBER.

OUTLINING THE COMMISSION'S LATEST RECOMMENDATIONS AT A PRESS CONFERENCE, THE COMMISSION'S CHAIRMAN, MR JUSTICE WOO KWOK-HING, SAID THE COMMISSION HAD CONSIDERED CAREFULLY ALL THE REPRESENTATIONS RECEIVED AND HAD, WHEREVER PRACTICAL AND REASONABLE, RESPONDED TO THEM IN A POSITIVE MANNER.

AS A RESULT, EIGHT ADDITIONAL CONSTITUENCIES HAVE BEEN PROPOSED TO MEET THE SPECIAL CIRCUMSTANCES IN SIX DISTRICTS.

"THREE ARE FOR THE ISLANDS DISTRICT AND ONE EACH FOR SOUTHERN DISTRICT, WONG TAI SIN, YUEN LONG, TAI PO AND SAI KUNG.

"THE BOUNDARIES OF QUITE A NUMBER OF THE PROVISIONAL CONSTITUENCIES HAVE BEEN REVISED TO SOME EXTENT," HE SAID.

THE NAMES OF OVER 50 PROVISIONAL CONSTITUENCIES HAVE ALSO BEEN CHANGED IN THE LIGHT OF PUBLIC VIEWS.

IN DRAWING UP ITS PROVISIONAL RECOMMENDATIONS, THE BEC APPLIED A POPULATION QUOTA OF 17,464 FOR EACH CONSTITUENCY ALLOWING A DEVIATION OF NOT MORE THAN 25 PER CENT ABOVE OR BELOW THE QUOTA.

"WHILE THE POPULATION FACTOR IS THE PRIMARY CRITERION, THE COMMISSION HAS ALSO TAKEN INTO CONSIDERATION COMMUNITY IDENTITIES, PRESERVATION OF LOCAL TIES, THE PHYSICAL FEATURES, ACCESSIBILITY AND DEVELOPMENT OF THE RELEVANT AREAS," MR JUSTICE WOO SAID.

IN ITS REVISED RECOMMENDATIONS, THE POPULATION QUOTA FOR EACH CONSTITUENCY HAS BEEN ADJUSTED TO 17,061 AND THE POPULATION OF 26 PROPOSED CONSTITUENCIES WERE ALLOWED TO FALL OUTSIDE THE 25 PER CENT RANGE OF THE POPULATION QUOTA.

"THE COMMISSION IS CONVINCED THAT THEY ARE JUSTIFIED FOR THE REASONS OF PRESERVING COMMUNITY IDENTITIES AND LOCAL TIES, AND ALLEVIATING THE DIFFICULTIES AND INCONVENIENCE ASSOCIATED WITH LARGE GEOGRAPHICAL SPREAD OR SCATTERED COMMUNITIES," MR JUSTICE WOO SAID.

THE TIN PING CONSTITUENCY IN THE NORTH DISTRICT HAS THE HIGHEST POPULATION OF 23,890, WHICH IS 40 PER CENT ABOVE THE POPULATION QUOTA.

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THE SAI KUNG NORTH CONSTITUENCY IN TAI PO DISTRICT HAS THE LOWEST POPULATION OF 2,329 OR 86.35 PER CENT BELOW THE POPULATION QUOTA.

IT HAS BEEN DELINEATED AS A SEPARATE PROPOSED CONSTITUENCY ON ACCOUNT OF ITS WIDE GEOGRAPHICAL SPREAD AND INACCESSIBILITY.

ALSO PRESENT AT TODAY'S PRESS CONFERENCE WERE BEC MEMBERS, PROFESSOR LEUNG CHI-KEUNG AND NORMAN LEUNG NAI-PANG, WHO HAS REPLACED THE FORMER MEMBER, MR ROBERT KOTEWALL, QC, WITH EFFECT FROM JANUARY 1.

MR JUSTICE WOO SAID THE COMMISSION WAS GRATEFUL TO THE INDIVIDUALS AND ORGANISATIONS WHO HAD TENDERED THEIR VIEWS TO FACILITATE THE COMMISSION'S DELIBERATIONS.

HE ALSO PAID TRIBUTE TO THE FORMER MEMBER, MR KOTEWALL, WHO HAD RESIGNED FROM HIS APPOINTMENT DUE TO HIS OTHER HEAVY COMMITMENTS, FOR HIS INVALUABLE CONTRIBUTION TO THE COMMISSION'S WORK.

COPIES OF THE REPORT WILL BE AVAILABLE FOR PUBLIC INSPECTION DURING OFFICE HOURS FROM TOMORROW (THURSDAY) AT THE REGISTRATION AND ELECTORAL OFFICE, DISTRICT OFFICES AND THEIR SUB-OFFICES AND PUBLIC ENQUIRY SERVICE CENTRES.

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SPECIAL TEAM TO LOOK INTO FIRE INCIDENT
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A GOVERNMENT SPOKESMAN ANNOUNCED TODAY (WEDNESDAY) THAT THE DIRECTOR OF FIRE SERVICES WILL SET UP A SPECIAL INTER-DEPARTMENTAL INVESTIGATION TEAM TO LOOK INTO THE TRAGIC INCIDENT THAT OCCURRED AT THE SHEK KIP MEI BRANCH OF THE HONG KONG BANK ON JANUARY 10.

THE TEAM WILL LOOK INTO THE CAUSE AND CIRCUMSTANCES OF THE FIRE, AND CONSIDER AND RECOMMEND TO THE SECRETARY FOR SECURITY WHETHER ANY IMPROVEMENTS NEED TO BE MADE TO FIRE PROTECTION MEASURES AND MEANS OF ESCAPE PROVIDED IN COMMERCIAL PREMISES OF SIMILAR LAY-OUT.

THE INTER-DEPARTMENTAL TEAM WILL COMPRISE MEMBERS OF THE FIRE SERVICES DEPARTMENT, THE BUILDINGS DEPARTMENT AND THE HOUSING DEPARTMENT.

IT WILL START WORK IMMEDIATELY AND HOPES TO COMPLETE ITS WORK AS SOON AS POSSIBLE.

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NUMBER OF INSOLVENCY CASES STABLE LAST YEAR

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THE TOTAL NUMBER OF NEW COURT INSOLVENCIES AGAINST THE TOTAL NUMBER OF COMPANIES IN HONG KONG LAST YEAR REMAINED STABLE AT 0.18 PER CENT, REPRESENTING NO CHANGE FROM THE PREVIOUS YEAR.

REVIEWING THE WORK OF HIS DEPARTMENT IN 1993, THE OFFICIAL RECEIVER, MR ROBIN HEARDER, SAID THERE WERE 408 NEW COMPULSORY COMPANY LIQUIDATIONS AND 329 NEW PERSONAL BANKRUPTCIES COMPARED WITH CORRESPONDING FIGURES OF 342 AND 295 IN 1992, AN INCREASE OF 15.7 PER CENT.

HOWEVER, THE INCREASE HAD BEEN OFFSET BY THE CONCURRENT INCREASE IN THE NUMBER OF NEW COMPANIES SETTING UP IN HONG KONG, MR HEARDER SAID.

THE BUSINESSES MAINLY AFFECTED BY COMPULSORY COMPANY LIQUIDATIONS AND BANKRUPTCIES INCLUDED KNITTING AND GARMENT MANUFACTURING, RESTAURANTS AND CANTEENS, CONSTRUCTION AND ENGINEERING, ELECTRICAL AND ELECTRONIC MANUFACTURING, IMPORTERS AND EXPORTERS, AND COMPANY DIRECTORS GIVING PERSONAL GUARANTEES.

PETITIONS WERE FILED BY THE DIRECTOR OF LEGAL AID (40 PER CENT), TRADE CREDITORS (37 PER CENT), BANKS AND FINANCIAL INSTITUTIONS (16 PER CENT) AND OTHERS (SEVEN PER CENT).

MORE COMPLICATED OR SIGNIFICANT INSOLVENCIES DURING THE YEAR WERE LAM WO ENTERPRISES LIMITED, ENIM OIL COMPANY LIMITED, META-GROW LIMITED, CONSO ELECTRONICS (FAR EAST) LIMITED, WATSON TRADING COMPANY LIMITED, HEROFORM INDUSTRIES LIMITED, PAN PACIFIC SECURITIES MANAGEMENT LIMITED, CHAN NIM CHI AND BRUNO GALARDI ESTE.

ONE HUNDRED SUMMONSES AS AGAINST 55 IN 1992 WERE ISSUED AGAINST BANKRUPTS AND DIRECTORS OF COMPULSORILY WOUND-UP COMPANIES FOR FAILURE TO SUBMIT STATEMENT OF AFFAIRS TO THE OFFICIAL RECEIVER, FAILURE TO KEEP PROPER BOOKS AND RECORDS AND MISCONDUCT.

SIXTY-SIX BANKRUPTS OR DIRECTORS AS AGAINST 45 IN 1992 WERE CONVICTED AND THE TOTAL AMOUNT OF FINES IMPOSED BY THE COURT WAS \$326,458 AS AGAINST \$298,390 IN 1992.

A BANKRUPT HANG HANSON WHO WAS CONVICTED OF OBTAINING CREDIT WITHOUT DISCLOSING HIS BANKRUPTCY STATUS WAS SENTENCED TO TWO MONTHS' IMPRISONMENT SUSPENDED FOR 18 MONTHS.

TOTAL DIVIDENDS DECLARED BY THE OFFICIAL RECEIVER DURING 1993 AMOUNTED TO \$179.38 MILLION IN 251 INSOLVENCIES, AS AGAINST \$221.36 MILLION IN 207 INSOLVENCIES IN 1992.

IN TERMS OF THE NUMBER OF INSOLVENCIES WITH DIVIDENDS DECLARED, THERE WAS AN INCREASE OF 21.27 PER CENT.

ONE HUNDRED PER CENT PREFERENTIAL OR ORDINARY DIVIDEND WAS DECLARED IN 89 INSOLVENCIES, INCLUDING FIRST BANGKOK CITY FINANCE LIMITED (\$21.8 MILLION) AND THAI MERCANTILE DEVELOPMENT FINANCE LIMITED (\$10.8 MILLION).

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SUBSTANTIAL DIVIDENDS WERE ALSO DECLARED TO THE CREDITORS OF CHINA UNDERWRITERS LIFE AND GENERAL INSURANCE COMPANY LIMITED (\$67.6 MILLION) AND MOSBERT ACCEPTANCE LIMITED (\$12.5 MILLION).

FUNDS ADMINISTERED BY THE OFFICIAL RECEIVER AT THE END OF 1993 TOTALLED \$4,115 MILLION COMPARED WITH \$4,973 MILLION AT THE END OF 1992, REPRESENTING A REDUCTION OF \$858 MILLION.

THE OFFICIAL RECEIVER, TOGETHER WITH A JOINT LIQUIDATOR, ALSO ADMINISTERED SUMS OF U.S.\$2 MILLION (U.S.\$12.2 MILLION AT THE END OF 1992) AND JAPANESE YEN 272 MILLION (JAPANESE YEN 27.5 MILLION AT THE END OF 1992).

THE REDUCTION IN FUNDS WAS ESSENTIALLY ATTRIBUTABLE TO THE PAYMENT OF DIVIDENDS BY THE OFFICIAL RECEIVER, PARTICULARLY THE PAYMENTS MADE TO THE DEPOSITORS OF THE BANK OF CREDIT AND COMMERCE HONG KONG.

THE TOTAL NUMBER OF ACTIVE INSOLVENCY CASES BEING HANDLED BY THE OFFICIAL RECEIVER'S OFFICE AT THE END OF THE YEAR WAS 2,062, REPRESENTING 1,259 COMPULSORY LIQUIDATIONS AND 803 PERSONAL BANKRUPTCIES, AS AGAINST A TOTAL OF 1,903 AT THE END OF 1992.

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SECURITIES (INSIDER DEALING) (AMENDMENT) BILL 1994
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THE GOVERNMENT IS INTRODUCING A BILL TO EXTEND THE SCOPE OF THE SECURITIES (INSIDER DEALING) ORDINANCE TO THIRD PARTY ISSUED DERIVATIVE PRODUCTS, THE ACTING SECRETARY FOR FINANCIAL SERVICES, MR TAM WING-PONG, SAID TODAY (WEDNESDAY).

THE SECURITIES (INSIDER DEALING) (AMENDMENT) BILL 1994 WILL BE INTRODUCED INTO THE LEGISLATIVE COUNCIL ON JANUARY 26.

"INSIDER DEALING AS DEFINED IN THE ORDINANCE NOW APPLIES ONLY TO LISTED SECURITIES OR SOME LISTED DERIVATIVE PRODUCTS ISSUED BY COMPANIES IN RESPECT OF THEIR OWN LISTED SECURITIES.

"IN OTHER WORDS, THE ORDINANCE DOES NOT COVER TRADING OF DERIVATIVES ISSUED BY AN UNRELATED THIRD PARTY OR WHERE SUCH INSTRUMENTS ARE NOT LISTED IN HONG KONG.

"THIS IS AN ANOMALY IN THE ORDINANCE WHICH SHOULD BE RECTIFIED SINCE THE FLEDGLING DERIVATIVE MARKET MAY PROVIDE A MEANS TO GET AROUND WITH THE INSIDER DEALING LEGISLATION," MR TAM SAID.

ILLICIT PROFITS CAN BE GAINED FROM DEALING IN DERIVATIVES. FOR EXAMPLE, SOMEONE IN POSSESSION OF INSIDER INFORMATION ABOUT A LISTED COMPANY "X" CAN DEAL IN WARRANTS ON THE SHARES OF "X" WITHOUT BEING CAUGHT BY THE INSIDER DEALING LEGISLATION AS LONG AS THE WARRANTS ARE ISSUED BY A COMPANY "Y" WHICH IS UNRELATED TO "X".

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SINCE THE PRICE OF WARRANTS AND SHARES IN QUESTION TENDS TO MOVE IN PARALLEL, THE INSIDER CAN OBTAIN PROFIT FROM THE TRADING OF THE WARRANTS JUST AS HE CAN BY DEALING IN THE UNDERLYING SHARES.

ONE EXAMPLE OF DERIVATIVES FALLING INTO THE ABOVE CATEGORY IS THIRD PARTY ISSUED WARRANTS.

THE NUMBER OF THESE WARRANTS TRADED ON THE STOCK EXCHANGE HAS BEEN ON THE INCREASE SINCE THE LISTING OF THE FIRST SUCH PRODUCT IN DECEMBER 1989.

BY NOVEMBER 1993, THERE WERE 54 SUCH INSTRUMENTS TRADED ON THE EXCHANGE. STOCK OPTIONS INTENDED TO BE INTRODUCED THIS YEAR BY THE STOCK EXCHANGE OF HONG KONG LTD ARE ANOTHER EXAMPLE.

"SIMILAR PROBLEMS ARISE WHEN A DERIVATIVE IS NOT LISTED ON THE STOCK EXCHANGE OF HONG KONG LTD. AGAIN, SUCH PRODUCTS FALL OUTSIDE THE SCOPE OF THE ORDINANCE," MR TAM SAID.

EXAMPLES OF THESE INCLUDE THE AMERICAN DEPOSITARY RECEIPTS WHICH ARE NOT LISTED IN HONG KONG WHILE THE UNDERLYING SECURITIES MAY BE LOCAL STOCKS.

THE BILL SEEKS TO EXTEND THE SCOPE OF THE ORDINANCE TO COVER THIRD PARTY ISSUED DERIVATIVE PRODUCTS IN RESPECT OF LISTED SECURITIES IN HONG KONG WHETHER OR NOT THESE PRODUCTS ARE TRADED ON THE LOCAL STOCK EXCHANGE.

"THE BILL IS INTENDED TO PLUG AN EXISTING LOOPHOLE IN THE LEGISLATION. IT DOES NOT COVER SUGGESTIONS SUCH AS WHETHER THE SCOPE OF INSIDER INFORMATION SHOULD BE EXTENDED OR SHOULD INSIDER DEALING BE MADE A CRIMINAL OFFENCE.

"THESE ARE COMPLICATED MATTERS WHICH NEED TO BE REVIEWED SEPARATELY," MR TAM SAID.

THE BILL WILL BE GAZETTED ON FRIDAY (JANUARY 14).

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OLD AGE PENSION SCHEME LEAFLET NOW AVAILABLE
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THE GOVERNMENT HAS PUBLISHED A LEAFLET TO HELP THE PUBLIC UNDERSTAND BETTER THE PROPOSED OLD AGE PENSION SCHEME.

PRINTED IN FULL COLOUR AND IN BOTH ENGLISH AND CHINESE, THE LEAFLET EXPLAINS IN SIMPLE LANGUAGE THE PRINCIPLE OF THE SCHEME, ITS ADVANTAGES AND BENEFITS FOR THE ELDERLY, THE GOVERNMENT'S POLICY INTENTION AND COMMITMENT AS WELL AS THE NEXT STEPS IT WILL TAKE.

THE LEAFLET ALSO CONTAINS A SIMPLE COMPARISON BETWEEN CONTRIBUTIONS AND PAYOUTS UNDER THE PROPOSED SCHEME AND A CENTRAL PROVIDENT FUND.

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A SPOKESMAN FOR THE EDUCATION AND MANPOWER BRANCH SAID TODAY (WEDNESDAY) THAT THE PROPOSED SCHEME HAD ATTRACTED A CONSIDERABLE AMOUNT OF COMMENTS FROM ALL QUARTERS SINCE ITS ANNOUNCEMENT LAST MONTH.

"WE APPRECIATE THE KEEN PUBLIC INTEREST IN THE ISSUE OF PROVIDING FINANCIAL SECURITY FOR THE AGED," THE SPOKESMAN SAID.

"THE LEAFLET IS AIMED AT PROVIDING MEMBERS OF THE PUBLIC THE NECESSARY INFORMATION ON THE PROPOSED SCHEME IN THE HOPE THAT DISCUSSION ON THE ISSUE WILL BE CONSTRUCTIVE," HE STRESSED.

ALTOGETHER, 200,000 CHINESE AND 100,000 ENGLISH COPIES OF THE LEAFLET HAVE BEEN PRINTED.

THESE COPIES WILL BE AVAILABLE FROM TOMORROW (THURSDAY) AT ALL PUBLIC HOUSING ESTATE OFFICES, DISTRICT OFFICES OF THE CITY AND NEW TERRITORIES ADMINISTRATION AND THE GOVERNMENT PUBLICATIONS CENTRE ON THE GROUND FLOOR OF THE GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, HONG KONG.

IN ADDITION, COPIES WILL BE DISTRIBUTED AT MASS TRANSIT RAILWAY STATIONS IN CENTRAL, CAUSEWAY BAY, KWUN TONG, WONG TAI SIN, MONG KOK AND TSUEN WAN BETWEEN 4.30 PM AND 7 PM TOMORROW.

COMMENTS ON THE PROPOSED SCHEME ARE MOST WELCOME AND SHOULD BE SENT TO THE EDUCATION AND MANPOWER BRANCH, 38TH FLOOR, EXCHANGE SQUARE II, 8 CONNAUGHT PLACE, CENTRAL.

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GOVERNOR SEES HOUSING DEVELOPMENT IN CENTRAL KOWLOON

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THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, TODAY (WEDNESDAY) SAW PUBLIC HOUSING DEVELOPMENT IN CENTRAL KOWLOON DURING HIS VISIT TO UPPER WONG TAI SIN, CHUK YUEN SOUTH AND NORTH ESTATES.

ACCOMPANYING HIM ON THE VISIT WERE THE VISITING SHADOW SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, DR JACK CUNNINGHAM, CHAIRMAN OF THE HOUSING AUTHORITY, MS ROSANNA WONG, AND DIRECTOR OF HOUSING, MR FUNG TUNG.

THE PARTY FIRST TOURED THE RELATIVELY OLD UPPER WONG TAI SIN ESTATE TO SEE THE MARK I AND FORMER GOVERNMENT LOW COST HOUSING BLOCKS BUILT BETWEEN 1958 AND 1965.

THEY WERE TOLD THAT ALL THE 20 BLOCKS CONTAINING 6,325 FLATS HAD BEEN SCHEDULED FOR REDEVELOPMENT IN TWO PHASES, THE FIRST PHASE OF WHICH INVOLVING 13 BLOCKS WOULD BE CARRIED OUT IN 1994/95.

A HOUSING SPOKESMAN SAID THE AFFECTED 3,200 FAMILIES WOULD BE REHOUSED TO NEW FLATS ACROSS THE ROAD IN LOWER WONG TAI SIN ESTATE.

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THE PARTY THEN DEPARTED FOR CHUK YUEN SOUTH ESTATE AND TOURED THE SHOPPING CENTRE WHICH SERVED 13,400 FAMILIES OF BOTH THE CHUK YUEN SOUTH AND NORTH ESTATES.

AT THE FIVE-STOREYED SHOPPING CENTRE, THEY SAW DIFFERENT KINDS OF GOODS AVAILABLE FROM THE 45 SHOPS AND 180 MARKET STALLS, AS WELL AS A NUMBER OF RESTAURANTS, SUPERMARKETS AND COOKED FOOD STALLS.

THE GROUP THEN DROPPED INTO THE CHUK YUEN INDOOR GAMES HALL, ONE OF THE SOCIAL FACILITIES PROVIDED FOR TENANTS. A WIDE RANGE OF COMMUNITY, WELFARE AND EDUCATIONAL SERVICES WERE ALSO PROVIDED IN THE ESTATES.

THEY THEN CAME TO A CHINESE-STYLE CARP GARDEN WHICH PROVIDED A PLEASANT RESTING AREA FOR THE ESTATE COMMUNITY AS WELL AS A MAJOR VISITING SPOT FOR LOCAL AND OVERSEAS VISITORS SINCE ITS OPENING IN EARLY 1991.

THE PARTY THEN WENT TO THE ROOF TOP OF A BLOCK FOR A PANORAMIC VIEW OF PUBLIC HOUSING DEVELOPMENT IN THE AREA.

THEY WERE BRIEFED THAT AT PRESENT THERE WERE ONLY 13,700 PEOPLE LIVING IN THE DIAMOND HILL SQUATTER AREAS, WHICH HAD FOR MANY YEARS BEEN THE SITE OF ONE OF THE TERRITORY'S LARGEST CONCENTRATION OF SQUATTER SETTLEMENTS.

THIS WAS ACHIEVED AFTER THREE MAJOR CLEARANCE OPERATIONS CARRIED OUT BY THE GOVERNMENT BETWEEN 1987 AND 1992 TO MAKE WAY FOR THE TATE'S CAIRN TUNNEL, THE FUNG TAK ROAD EXTENSION AND A PUBLIC TRANSPORT INTERCHANGE, THE SPOKESMAN SAID.

REHOUSING PLANS FOR THE REMAINING SQUATTER POPULATION WERE IN PROGRESS, HE ADDED.

MR PATTEN AND THE PARTY THEN VISITED A FAMILY OF FOUR LIVING IN A 36.5-SQUARE-METRE FLAT IN WAI YUEN HOUSE, CHUK YUEN NORTH ESTATE.

THEY LEARNED THAT THE COUPLE AND THEIR SON AND DAUGHTER HAD MOVED INTO THE FLAT FOUR YEARS AGO THROUGH AN EXTERNAL TRANSFER FROM KAI YIP ESTATE IN NGAU CHI WAN.

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PUBLIC ACCOUNTS COMMITTEE HEARING POSTPONED
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THE PUBLIC ACCOUNTS COMMITTEE'S PUBLIC HEARING SCHEDULED FOR TOMORROW (THURSDAY) AT 9 AM WILL BE POSTPONED AS FORMER DIRECTOR OF BUILDINGS AND LANDS, MR CHAU CHAM-SON, AN IMPORTANT WITNESS IN THE SALE OF A COMMERCIAL SITE IN GARDEN ROAD, WILL BE UNABLE TO TURN UP AT THE MEETING.

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NEW UNIVERSITY BUILDING TO STIMULATE ENGINEERS
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THE CHINESE UNIVERSITY OF HONG KONG NOW HAS SOME WORLD-CLASS RESEARCH LABORATORIES IN WHICH TO CHALLENGE AND STIMULATE NEW GENERATIONS OF ENGINEERS WITH THE OPENING OF THE HO SIN-HANG ENGINEERING BUILDING TODAY (WEDNESDAY).

OFFICIATING AT THE OPENING OF THE BUILDING, THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SAID: "THE CHALLENGES, THE OPPORTUNITIES FACING ENGINEERS TODAY ARE PROBABLY GREATER THAN THEY HAVE EVER BEEN."

THE CHALLENGES AHEAD WERE TO DEVELOP PROCESSES THAT MADE MORE EFFICIENT USE OF ENERGY AND OTHER RESOURCES, THAT PREVENT WASTE AND POLLUTION AS WELL AS TO PROVIDE THE MEANS TO TACKLE THE PROBLEMS ALREADY CREATED.

MR PATTEN SAID HONG KONG, CHINA AND COUNTRIES THROUGHOUT THE ASIA-PACIFIC REGION WOULD LOOK TO ENGINEERS TO DEVISE SOLUTIONS IN THE YEARS AHEAD.

HE EXPRESSED CONFIDENCE THAT THE UNIVERSITY'S GRADUATES WOULD HELP TO SUSTAIN AND TO NOURISH HONG KONG AS IT RESPONDED TO THE DEMANDS AND OPPORTUNITIES OF THE COMING CENTURY.

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FAMILY CARE AND DEMONSTRATION CENTRE SET UP
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THE IDEA OF PRESERVING FAMILY SHOULD BE PROMOTED, ESPECIALLY NOWADAYS WHEN PEOPLE THINK TOO MUCH OF THE PURSUIT OF INDIVIDUAL GOALS, RIGHTS AND BENEFITS, THE DIRECTOR OF SOCIAL WELFARE, MR IAN STRACHAN, SAID TODAY (WEDNESDAY).

SPEAKING AT THE LUNCHEON MEETING OF THE ZONTA CLUB OF HONG KONG, MR STRACHAN SAID THE FAMILY CARE AND DEMONSTRATION CENTRE WAS PART OF THE SOCIAL WELFARE DEPARTMENT'S EFFORTS TO ACHIEVE THIS GOAL.

THE SETTING UP OF THE CENTRE IS ONE OF THE INITIATIVES TO COMMEMORATE THE INTERNATIONAL YEAR OF THE FAMILY THIS YEAR.

A SURVEY AMONG CASEWORKERS OF SERVICE UNITS IN THE DEPARTMENT HAS IDENTIFIED A NEED TO DEVELOP A FAMILY PRESERVATION PROGRAMME.

THE CENTRE IS AN INNOVATIVE ATTEMPT TO PROVIDE SUPPORT TO CASEWORKERS AND TO ORGANISE PROGRAMMES FOR FAMILIES IN NEED OF HELP FOR REBUILDING, READJUSTMENT AND STRENGTHENING FAMILY LIFE.

OFFERING A COMFORTABLE AND STIMULATING LEARNING ENVIRONMENT, THE CENTRE IS DESIGNED IN A HOME-LIKE SETTING TO GIVE A SENSE OF WARMTH AND SECURITY. FAMILIES CAN LEARN THROUGH SHARING AND SUPPORT AMONG THEMSELVES.

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PEOPLE WHO VISIT THE CENTRE WILL BE INSPIRED TO IMPROVE THEIR HOME ENVIRONMENT. THEY WILL BE GIVEN GUIDANCE TOO.

SOME ROOMS IN THE CENTRE SUCH AS THE SPECIAL CARE ROOM, COOKING AND WORK ROOM, ARE DESIGNED TO PROVIDE TRAINING ON BABY CARE, CARING FOR THE ELDERLY OR SICK MEMBERS IN FAMILIES.

SOCIAL WORKERS INCLUDING CASEWORKERS AND PARA-PROFESSIONALS, LIKE FAMILY AIDES AND HOME HELPERS, WILL ORGANISE SPECIALLY DESIGNED PROGRAMMES FOR THEIR CLIENTS.

EXAMPLES ARE FAMILY SESSIONS TO FACILITATE COMMUNICATION BETWEEN SPOUSES, AND BETWEEN PARENTS AND CHILDREN; TRAINING IN COOKING AND PRACTICAL HOUSEHOLD ARRANGEMENTS.

THE STAFF OF THE CENTRE WILL ALSO RUN REGULAR TRAINING PROGRAMMES ON TOPICS OF COMMON INTEREST FOR CLIENTS.

"ALL OUR PROGRAMMES ARE AIMED TO HELP THE PARTICIPANTS TO BE MORE COMPETENT IN SHOWING THEIR CARE AND CONCERN TO THEIR FAMILIES IN EVERYDAY LIFE.

"THE IDEAS ACQUIRED AND THE SKILLS THEY LEARN CAN CONTRIBUTE TOWARDS THE ENHANCEMENT OF FAMILY LIFE," MR STRACHAN SAID.

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FINANCE COMMITTEE MEETS ON FRIDAY

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THE FINANCE COMMITTEE WILL HOLD A MEETING AT 2.30 PM THIS FRIDAY (JANUARY 14) AT THE LEGISLATIVE COUNCIL CHAMBER.

MEMBERS OF THE PUBLIC ARE WELCOME TO OBSERVE THE PROCEEDINGS FROM THE PUBLIC GALLERY. THEY MAY RESERVE SEATS BY CALLING 869 9492.

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ATTENTION NEWS EDITORS:

YOUR REPRESENTATIVES ARE INVITED TO COVER THE MEETING.

ADVANCE COPIES OF THE PAPERS FOR THE MEETING WILL BE AVAILABLE AFTER 2.30 PM TOMORROW (THURSDAY) IN THE PRESS ROOM OF THE LEGISLATIVE COUNCIL BUILDING, JACKSON ROAD, CENTRAL. PLEASE NOTE THAT THE CONTENTS OF THE PAPERS ARE NOT FOR USE UNTIL THE MEETING IS OVER.

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WEDNESDAY, JANUARY 12, 1994

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RATES FOR FIRST QUARTER DUE ON JANUARY 31

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RATES FOR THE FIRST QUARTER OF THIS YEAR ARE DUE FOR PAYMENT BY THE END OF THIS MONTH.

PAYMENT MAY BE MADE BY TELEPHONE, OR BY POST ADDRESSED TO THE DIRECTOR OF ACCOUNTING SERVICES, P O BOX 8000, G P O, HONG KONG, OR IN PERSON AT ANY OF THE FOLLOWING OFFICES:

- * THE TREASURY HEADQUARTERS COLLECTION AND PAYMENT OFFICE, IMMIGRATION TOWER, FIRST FLOOR, 7 GLOUCESTER ROAD, WAN CHAI, HONG KONG;
- * THE CENTRAL SUB-TREASURY, CENTRAL GOVERNMENT OFFICES (WEST WING), 11 ICE HOUSE STREET, HONG KONG;
- * THE NORTH POINT SUB-TREASURY, MAX SHARE CENTRE, FIRST FLOOR, 373 KING'S ROAD, HONG KONG.
- * THE SAI WAN HO SUB-TREASURY, EASTERN LAW COURTS BUILDING, GROUND FLOOR, 29 TAI ON STREET, SAI WAN HO, HONG KONG;
- * THE YAU MA TEI SUB-TREASURY, KOWLOON GOVERNMENT OFFICES, FOURTH FLOOR, 405 NATHAN ROAD, KOWLOON;
- * THE KOWLOON CITY SUB-TREASURY, MAN SANG COMMERCIAL BUILDING, FIRST FLOOR, 348-352 PRINCE EDWARD ROAD, KOWLOON;
- * THE DISTRICT OFFICE AT SAI KUNG, SHA TIN, TAI PO, NORTH, YUEN LONG, TUEN MUN, TSUEN WAN OR KWAI TSING.

A SPOKESMAN FOR THE TREASURY SAID DEMAND NOTES HAD BEEN ISSUED.

"RATEPAYERS WHO HAVE NOT RECEIVED THEM SHOULD BRING ALONG DEMAND NOTES FOR ANY PREVIOUS QUARTER TO ANY OF THE TREASURY COLLECTION OFFICES.

"DUPLICATE DEMAND NOTES WILL THEN BE ISSUED TO THEM," HE SAID.

IF THE RATEPAYERS CANNOT PRODUCE DEMAND NOTES FOR ANY PREVIOUS QUARTER, THEY SHOULD INQUIRE OF THE TREASURY RATES SECTION, IMMIGRATION TOWER, 30TH FLOOR, 7 GLOUCESTER ROAD, WAN CHAI.

THE SPOKESMAN SAID NON-RECEIPT OF THE DEMAND NOTE DID NOT ALTER THE REQUIREMENT THAT THE RATES MUST BE PAID ON OR BEFORE JANUARY 31, 1994.

UNLESS SO PAID, RATEPAYERS MAY BE SUBJECT TO A SURCHARGE OF 5 PER CENT UNDER THE RATING ORDINANCE, HE SAID.

A FURTHER SURCHARGE OF 10 PER CENT MAY BE LEVIED ON THE OUTSTANDING AMOUNT, INCLUDING THE 5 PER CENT SURCHARGE, THAT REMAINS UNPAID SIX MONTHS AFTER THE DUE DATE, HE ADDED.

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RATEPAYERS WHO HAVE SUBMITTED A VALID DIRECT DEBIT AUTHORISATION SHOULD NOTE THAT PAYMENT SHOULD STILL BE MADE BY OTHER MEANS AS STIPULATED IN THE DEMAND NOTE UNLESS THE WORDING 'PAYMENT TO BE MADE BY AUTOPAY' IS SHOWN IN THE DEMAND NOTE.

IN THIS CASE, PAYMENT WILL BE MADE BY DIRECT DEBIT TO THEIR BANK ACCOUNTS ON JANUARY 31. RATE PAYERS SHOULD ENSURE THAT THEIR BANK ACCOUNTS CONTAIN THE NECESSARY FUNDS ON THAT DATE.

RATES ARE PAYABLE ON VACANT PROPERTIES BUT ARE REFUNDABLE UNDER THE CONDITIONS SPECIFIED IN SECTION 30 OF THE ORDINANCE.

UNDER SECTIONS 30(1A) AND (2A), HOWEVER, NO REFUNDS WILL BE MADE IN THE CASE OF A VACANT TENEMENT LAST USED OR INTENDED TO BE USED WHOLLY OR PRIMARILY FOR DOMESTIC PURPOSES OR FOR THE PARKING OF VEHICLES, UNLESS VACANT BY REASON OF AN ORDER OF THE GOVERNMENT.

TO SAVE QUEUEING TIME, RATEPAYERS ARE URGED TO SETTLE PAYMENT BY TELEPHONE, OR BY POST USING CHEQUES OR CASHIER ORDERS, OR BY EARLY PERSONAL ATTENDANCE AT ANY OF THE COLLECTION OFFICES.

HOWEVER, THE SPOKESMAN SAID THE MOST CONVENIENT PAYMENT METHOD WAS AUTOPAY UNDER WHICH RATEPAYERS' BANK ACCOUNTS WOULD ONLY BE DEBITED ON RATES DUE DATES.

APPLICATIONS FOR AUTOPAY ARE OBTAINABLE FROM TREASURY COLLECTION OFFICES, DISTRICT OFFICES AND ALL MAJOR BANKS IN HONG KONG OR BY TELEPHONING 829 5019.

FOR ADDITIONAL INFORMATION ABOUT PAYMENT BY TELEPHONE SERVICE, PLEASE CALL 170 222 329.

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HONG KONG GOVERNMENT EXCHANGE FUND
MONEY MARKET OPERATIONS

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\$ MILLION

OPENING BALANCE IN THE ACCOUNT	2,066
REVERSAL OF LAF	+1,934
BALANCE AFTER REVERSAL OF LAF	4,000
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	-2,175
CLOSING BALANCE IN THE ACCOUNT	1,825
LAF RATE 2.00 BID/4.00 OFFER TWI 127.5 *+0.0* 12.1.94	

/HONG KONG

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HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS		EF NOTES/HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	2.98 PCT	13 MONTHS	2502	4.75	101.31	3.55
1 MONTH	2.97 PCT	16 MONTHS	2505	3.75	100.05	3.74
3 MONTHS	3.02 PCT	19 MONTHS	2508	4.625	101.14	3.92
6 MONTHS	3.16 PCT	22 MONTHS	2511	4.15	100.15	4.10
12 MONTHS	3.45 PCT	33 MONTHS	3610	4.20	99.15	4.58

TOTAL TURNOVER OF BILLS AND BONDS - 8,611 MN

CLOSED 12 JANUARY 1994

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DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 842 8777

SUPPLEMENT

WEDNESDAY, JANUARY 12, 1994

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MORE PUBLIC INPUT INTO FARE DETERMINATION

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THE GOVERNMENT WILL ASK THE KOWLOON-CANTON RAILWAY CORPORATION (KCRC) AND THE MASS TRANSIT RAILWAY CORPORATION (MTRC) TO PUT THEIR FARE INCREASE PROPOSALS TO THE TRANSPORT ADVISORY COMMITTEE FOR EXAMINATION AND ADVICE.

THIS IS ONE ADDITIONAL MEASURE TO ENHANCE THE TWO CORPORATIONS' ACCOUNTABILITY AND TRANSPARENCY IN THE PROCESS OF FARE DETERMINATION.

THE SECRETARY FOR TRANSPORT, MR HAIDER BARMA, IN THE MOTION DEBATE IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) ON FARE INCREASES OF THE TWO RAILWAY CORPORATIONS, SAID OTHER MEASURES INCLUDED CONSULTING MORE WIDELY AND EXPLAIN MORE FULLY THE REASONS BEHIND THEIR PROPOSED FARE REVISIONS AND COMPLYING WITH THE GOVERNOR'S REQUEST FOR FULLER DISCLOSURE ON FINANCIAL AND OPERATIONAL INFORMATION.

BOTH CORPORATIONS HAVE ALREADY STARTED TO EXAMINE WAYS OF PROVIDING MORE INFORMATION TO THE LEGISLATIVE COUNCIL AND THE GENERAL PUBLIC IN THIS RESPECT.

THE TWO CORPORATIONS HAVE CONSCIENTIOUSLY MAINTAINED FARES AT AFFORDABLE LEVELS WITH ANNUAL INCREASES BELOW INFLATION, AND HAVE SHOWN WILLINGNESS TO CONSULT AND OBTAIN FEEDBACK.

"THE ADMINISTRATION THEREFORE SEES NO NEED WHATSOEVER TO AMEND EXISTING LEGISLATION TO REQUIRE APPROVAL FOR FARE ADJUSTMENTS FROM THE EXCO (EXECUTIVE COUNCIL) AND LEGCO."

MR BARMA SAID SINCE ITS COMMISSIONING IN 1980, MTR FARES HAD INCREASED BY AN AVERAGE OF 7.6 PER CENT PER ANNUM AGAINST THE AVERAGE ANNUAL INCREASE IN CONSUMER PRICE INDEX OF 8.6 PER CENT OVER THE SAME PERIOD.

SIMILARLY, OVER THE PAST SIX YEARS, THE KCR FARES HAD INCREASED BY AN AVERAGE OF 7.5 PER CENT PER ANNUM OR 2.4 PER CENT POINTS BELOW INFLATION.

EVEN LIGHT RAIL TRANSIT FARES, WITH AN AVERAGE INCREASE OF 9.4 PER CENT PER ANNUM, HAD BEEN HALF A PERCENTAGE POINT BELOW INFLATION SINCE IT BEGAN RUNNING IN 1988, HE SAID.

MR BARMA POINTED OUT THAT BOTH MTRC AND KCRC WERE ESTABLISHED TO OPERATE ON PRUDENT COMMERCIAL PRINCIPLES BASED ON THE FUNDAMENTAL PHILOSOPHY THAT PUBLIC TRANSPORT SERVICES SHOULD BE RUN WITHOUT ANY SUBSIDY FROM THE GOVERNMENT OR THE TAXPAYER.

MR BARMA SAID THE RAILWAY SYSTEMS HAD BEEN RATED AMONG THE BEST IN THE WORLD IN TERMS OF SAFETY AND VALUE FOR MONEY.

"THERE ARE MANY EXAMPLES WORLDWIDE OF RAILWAY SYSTEMS THAT HAVE DETERIORATED DUE TO POLITICAL CONSTRAINTS ON FARES BECAUSE THOSE AUTHORITIES CONCERNED DO NOT HAVE FARE AUTONOMY."

/FOR EXAMPLE

FOR EXAMPLE, THE LONDON UNDERGROUND SYSTEM HAS SUFFERED FROM THIS SYNDROME AND HAS NOW JUST SET ITSELF THE GOAL OF BECOMING FINANCIALLY SELF-SUFFICIENT AND UPGRADING ITS SERVICES TO THOSE OF A 'DECENTLY MODERN METRO'; A GOAL THE LOCAL TWO RAILWAY CORPORATIONS HAD ACHIEVED FOR SOME TIME, HE SAID.

IN DETERMINING FARE, BOTH CORPORATIONS UNDERTOOK EXTENSIVE PUBLIC CONSULTATION AND MARKET RESEARCH TO ENSURE THAT THEIR PROPOSED FARES WOULD NOT ONLY REMAIN COMPETITIVE VIS-A-VIS OTHER PUBLIC TRANSPORT MODES BUT WERE ALSO AFFORDABLE AND ACCEPTABLE TO THE PUBLIC, MR BARMA SAID.

THE PUBLIC CONSULTATION EXERCISE STARTS WITH REGULAR MEETINGS WITH PASSENGER LIAISON GROUPS WHERE SOUNDINGS ON THE ACCEPTABILITY OF PROPOSED FARE INCREASES ARE TAKEN.

THESE SOUNDINGS TOGETHER WITH RESULTS FROM INDEPENDENT PASSENGER SURVEYS ON POSSIBLE FARE REVISION LEVELS UNDERTAKEN BY THE CORPORATIONS PROVIDE THE BASIS UPON WHICH BROAD PARAMETERS OF THE PROPOSED FARE INCREASES ARE FORMULATED.

BEFORE IMPLEMENTATION, AN INFORMATION PAPER, WITH FULL DETAILS, IS PUT TO THE EXCO IN WHICH, VIEWS OF LEGCO, AND OTHER PARTIES ARE FULLY REFLECTED, HE SAID.

"THE REFERRAL TO THE EXECUTIVE COUNCIL IS NOT JUST A MERE FORMALITY. THE EXECUTIVE COUNCIL DOES SCRUTINISE FARE APPLICATIONS AND COMMENTS ARE TAKEN SERIOUSLY BY THE CORPORATIONS."

THIS PROCESS OF CONSULTATION HAS BEEN FINE-TUNED OVER THE YEARS TO ENSURE THAT THE RIGHT BALANCE IS MAINTAINED BETWEEN THE INTERESTS OF THE TRAVELLING PUBLIC ON THE ONE HAND AND THE REQUIREMENTS OF THE TWO CORPORATIONS TO OPERATE ON PRUDENT COMMERCIAL PRINCIPLES ON THE OTHER.

"IT HAS WORKED WELL," MR BARMA SAID.

HE SAID A FAILURE TO PROVIDE FARE AUTONOMY WOULD HAVE A SERIOUS AND DETRIMENTAL IMPACT ON FUTURE RAILWAY DEVELOPMENT.

THE RESULT WOULD LIKELY BE A DOWNGRADING OF THE CREDIT RATINGS OF THE CORPORATIONS CONCERNED, A SMALLER NUMBER OF INSTITUTIONS WILLING TO LEND AND HIGHER BORROWING COSTS.

TAKE THE MTRC FOR EXAMPLE, A ONE PER CENT INCREASE IN BORROWING COSTS WOULD MEAN THAT THE PASSENGERS, OR THE TAXPAYERS WOULD NEED TO PAY SOME \$3 BILLION MORE OVER A 10-YEAR PERIOD," MR BARMA SAID.

ON A SUGGESTION THAT THE GOVERNMENT SHOULD WAIVE THE DIVIDEND PAYMENTS FROM THE CORPORATIONS AS A MEASURE TO REDUCE THE FARE INCREASE REQUIRED, MR BARMA SAID THE GOVERNMENT HAD BEEN RECEIVING DIVIDENDS FROM THE KCRC ONLY SINCE 1990/91, AND HAD NOT YET ASKED FOR ANY DIVIDEND PAYMENT FROM MTRC.

BESIDES, IT WOULD NOT BE IN THE PUBLIC INTEREST TO FOREGO DIVIDEND REVENUE WHICH WILL BE AVAILABLE TO FUND USEFUL PUBLIC SERVICES SUCH AS EDUCATION AND SOCIAL WELFARE, OR TO SUBSIDISE RAIL PASSENGERS WHO CAN AFFORD TO PAY.

WEDNESDAY, JANUARY 12, 1994

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STATEMENT ON COMMITTEE OF INQUIRY MOTION

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THE GOVERNMENT IS DISAPPOINTED THAT THE MOTION ON THE SETTING UP OF A COMMITTEE OF INQUIRY TO RESOLVE THE CIVIL SERVICE PAY DISPUTE WAS PASSED BY THE LEGISLATIVE COUNCIL TONIGHT, A GOVERNMENT SPOKESMAN SAID.

THE SPOKESMAN SAID:

"THE GOVERNMENT HAS AN ESTABLISHED POLICY FOR CIVIL SERVICE PAY AND THIS POLICY HAS BEEN APPLIED CONSISTENTLY ALL THROUGH THE YEARS.

"EACH YEAR'S PAY ADJUSTMENT IS AN INDEPENDENT AND SELF-CONTAINED EXERCISE.

"PLUSES OR MINUSES ARISING FROM PREVIOUS EXERCISES ARE NOT CARRIED FORWARD TO THE NEXT. WE THEREFORE SEE NO JUSTIFICATION FOR INDEPENDENT ARBITRATION ON THE PAY DISPUTE.

"THE ARGUMENTS PUT FORWARD AT THE MOTION DEBATE HAVE BEEN MADE TO US BEFORE AND ALL OF THEM HAD BEEN CAREFULLY CONSIDERED.

"NO NEW ARGUMENTS HAVE BEEN BROUGHT FORWARD TODAY WHICH POINT TO A NEED TO REVIEW THE GOVERNMENT'S POSITION.

"THE POINT IS THAT, UNDER THE 1968 AGREEMENT BETWEEN THE GOVERNMENT AND THE SENIOR CIVIL SERVICE COUNCIL, A COMMITTEE OF INQUIRY SHOULD NOT BE ESTABLISHED TO CONSIDER MATTERS OF SETTLED PUBLIC POLICY.

"THE METHOD OF ADJUSTING PAY IS SETTLED PUBLIC POLICY.

"MOREOVER, EVEN IF A COMMITTEE OF INQUIRY WERE ESTABLISHED, IT IS WISHFUL THINKING ON THE PART OF CIVIL SERVICE UNIONS TO THINK THAT THE TERMS OF REFERENCE COULD BE CONFINED TO CONSIDERING THE QUESTION OF THE ALLEGED SHORTFALL.

"THERE WOULD CERTAINLY BE GREAT PRESSURE FROM OTHER QUARTERS TO REVIEW OTHER ASPECTS OF THE PAY ADJUSTMENT METHODOLOGY.

"THE RESULT WOULD BE TO OPEN UP ALL SORT OF CONTROVERSIES AND TO CREATE TREMENDOUS UNCERTAINTY ALL ROUND. THIS WOULD NOT BE IN THE PUBLIC INTEREST."

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WEDNESDAY, JANUARY 12, 1994

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MOTION DEBATE ON CIVIL SERVICE INQUIRY

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THE FOLLOWING IS THE FULL TEXT OF THE SPEECH BY THE ACTING SECRETARY FOR THE CIVIL SERVICE, MR STUART HARBINSON, IN THE MOTION DEBATE ON THE SETTING UP OF AN INDEPENDENT COMMITTEE OF INQUIRY TO RESOLVE THE CIVIL SERVANT DISPUTES OVER WAGE CLAIMS IN THE LEGISLATIVE COUNCIL TONIGHT:

MADAM DEPUTY,

ON THE FACE OF IT, WHAT COULD BE MORE REASONABLE THAN TO SUPPORT THIS MOTION? WHERE TWO PARTIES TO A DISPUTE HAVE REACHED APPARENT DEADLOCK, SURELY THE OBVIOUS WAY FORWARD IS MEDIATION AND COMPROMISE. A NUMBER OF MEMBERS HAVE SPOKEN IN THIS VEIN.

WHY THEN DOES THE GOVERNMENT NOT SIMPLY YIELD TO THE PRESSURE? AFTER ALL, A COMMITTEE OF INQUIRY WOULD GET THE GOVERNMENT OFF THE HOOK AS WELL.

IN DEALING WITH THESE POINTS, I HOPE TO DEMONSTRATE THAT THIS ISSUE IS NOT ANYWHERE NEAR AS CLEAR CUT AS IT SEEMS AT FIRST SIGHT. THE GOVERNMENT IS NOT MOTIVATED, AS SOME HAVE PORTRAYED, BY SHEER PARSIMONY OR BLOODY-MINDEDNESS. WE ARE NOT BENT ON CONFRONTATION OR PERPETUATING A DISPUTE. WE ARE NOT CONSPIRING WITH THE PRIVATE SECTOR TO SUPPRESS WAGES.

ON THE CONTRARY, WE PRIDE OURSELVES ON BEING A VERY GOOD EMPLOYER, A FACT WHICH IS RECOGNISED BY THE OVERWHELMING MAJORITY OF CIVIL SERVANTS. WE ARE GUIDED BY A STRONG SENSE OF RESPONSIBILITY, TO BOTH OUR EMPLOYEES AND THE PUBLIC AT LARGE. WE WANT TO PRESERVE A SYSTEM FOR DEALING WITH CIVIL SERVICE PAY WHICH, THOUGH NO DOUBT NOT PERFECT, HAS STOOD THE TEST OF TIME AND GIVEN US REAL STABILITY. LET ME, FOR A START, REFRESH MEMBERS' MEMORIES AS TO WHAT THIS SYSTEM IS.

EXISTING POLICY

EXISTING POLICY ON CIVIL SERVICE PAY PROVIDES THAT :

- (A) FIRST, THERE SHOULD BE BROAD COMPARABILITY WITH THE PRIVATE SECTOR;
- (B) SECONDLY, IN DETERMINING EACH YEAR'S PAY ADJUSTMENT, THE PRIVATE SECTOR PAY TREND INDICATORS SHOULD BE USED AS A REFERENCE POINT. BUT OTHER RELEVANT FACTORS, SUCH AS THE ECONOMIC SITUATION IN HONG KONG, ANY BUDGETARY CONSTRAINTS, THE STAFF SIDE'S PAY CLAIMS AND PUBLIC REACTIONS, MUST ALSO BE TAKEN INTO ACCOUNT;
- (C) THIRDLY, EACH PAY ADJUSTMENT IS AN INDEPENDENT EXERCISE DETERMINED ON THE BASIS OF THE PREVAILING CIRCUMSTANCES AT THE TIME, WITH NO PLUSES OR MINUSES BEING CARRIED FORWARD FROM ONE YEAR TO ANOTHER.

THE ADMINISTRATION HAS CONSISTENTLY AND FULLY COMPLIED WITH ESTABLISHED POLICY ON ALL THESE COUNTS.

/IT IS

IT IS OF COURSE TRUE THAT THE 1968 AGREEMENT BETWEEN THE GOVERNMENT AND THE THREE MAIN STAFF ASSOCIATIONS OF THE SENIOR CIVIL SERVICE COUNCIL PROVIDES FOR THE APPOINTMENT OF A COMMITTEE OF INQUIRY, TO DETERMINE MATTERS ON WHICH AGREEMENT CANNOT BE REACHED AFTER FULL AND PROPER DISCUSSION.

THE PROVISION, HOWEVER, SPECIFICALLY EXCLUDES, AMONG OTHER THINGS, MATTERS OF SETTLED PUBLIC POLICY. SINCE THE ANNUAL PAY ADJUSTMENTS HAVE BEEN DETERMINED ENTIRELY IN ACCORDANCE WITH THE ESTABLISHED AND SETTLED POLICY, IT FOLLOWS THAT THEY CANNOT BE SUBJECT TO REVIEW BY A COMMITTEE OF INQUIRY UNDER THE TERMS OF THE 1968 AGREEMENT. TO IGNORE THIS LOGIC WOULD BE WRONG IN PRINCIPLE AND SET A DANGEROUS PRECEDENT FOR THE FUTURE.

THE "SHORTFALL"

LET ME NOW TURN TO THE QUESTION OF THE ALLEGED "SHORTFALL". A NUMBER OF MEMBERS SUGGESTED THAT THE GOVERNMENT HAS MADE UP SUCH "SHORTFALLS" IN THE PAST. THIS, I MUST SAY, IS A MATTER OF INTERPRETATION.

AS I HAVE SAID, THE BASIC PREMISE IS THAT EACH PAY ADJUSTMENT IS INDEPENDENT. ANY DEVIATION FROM THE PAY TREND INDICATORS IN ANY ONE YEAR IS JUSTIFIED ON THE CIRCUMSTANCES AT THE TIME. THE STAFF ASSOCIATIONS, IN MAKING THEIR PAY CLAIMS, MIGHT HAVE TAKEN INTO ACCOUNT SO-CALLED "SHORTFALLS" IN PREVIOUS YEARS, BUT WHETHER THE GOVERNMENT WAS ABLE TO MEET THEIR REQUESTS WAS A DECISION BASED ON THE PREVAILING CIRCUMSTANCES AT THE TIME.

FOR EXAMPLE, IN BOTH 1992 AND 1993, SALARY ADJUSTMENTS FOR THE MORE JUNIOR STAFF EXCEEDED THE CORRESPONDING PAY TREND INDICATORS. THIS DECISION REFLECTED OUR CONCERN FOR THE IMPACT OF INFLATION ON THE LOWER INCOME GROUPS AND ILLUSTRATES MY EARLIER POINT ABOUT USING THE PAY TREND INDICATORS AS A POINT OF REFERENCE ONLY.

IT IS IMPORTANT TO REALISE THAT EXISTING POLICY PROVIDES FOR THE FLEXIBILITY TO DEVIATE FROM THE PAY TREND INDICATORS, WHERE APPROPRIATE. AS A PRUDENT GUARDIAN OF THE PUBLIC PURSE, THE GOVERNMENT MUST MAINTAIN THIS FLEXIBILITY. I DO NOT THINK THERE CAN BE A GOVERNMENT IN THE WORLD WHICH WOULD ALLOW ITSELF TO BE COMPLETELY DICTATED TO IN AN ENTIRELY MECHANICAL WAY BY TRENDS IN THE PRIVATE SECTOR IN DETERMINING THE PAY FOR ITS EMPLOYEES.

IN THE FINAL ANALYSIS, THE KEY QUESTION IS WHETHER CIVIL SERVANTS HAVE BEEN TREATED FAIRLY. LET ME POINT OUT THAT OVER THE PAST DECADE, CIVIL SERVICE SALARIES HAVE INCREASED, ON AVERAGE, ABOUT 180%, OR 30% IN REAL TERMS. THIS COMPARES FAVOURABLY WITH OVERALL WAGE MOVEMENTS FOR WORKERS IN HONG KONG AND GIVES THE LIE TO THE SUGGESTION THAT CIVIL SERVANTS HAVE NOT BENEFITED ALONG WITH THE REST OF THE COMMUNITY FROM OUR OVERALL ECONOMIC DEVELOPMENT.

RECRUITMENT AND RETENTION OF STAFF HAVE ALSO BEEN SATISFACTORY. THE OVERALL VACANCY POSITION HAS REMAINED STABLE AT ABOUT 3% SINCE 1991. THIS IS INDICATIVE OF THE COMPETITIVENESS OF EXISTING CIVIL SERVICE SALARIES. OUR WASTAGE RATES ARE ALSO THE ENVY OF MANY PRIVATE SECTOR EMPLOYERS, INDICATING THAT CIVIL SERVANTS DO NOT FEEL DISSATISFIED WITH THEIR LOT.

PAY ADJUSTMENT METHODOLOGY

ON THE QUESTION OF METHODOLOGY, AS MR LAU WAH-SUM AND MR MCGREGOR HAVE POINTED OUT THERE HAS BEEN CRITICISM THAT THE EXISTING MECHANISM FOR PAY ADJUSTMENT, PARTICULARLY THE INCREMENT DEDUCTION FORMULA USED IN CALCULATING THE PAY TREND INDICATORS, IS UNDULY FAVOURABLE TO CIVIL SERVANTS AND IS INFLATIONARY.

WHETHER WE LIKE IT OR NOT, THE FORMULA WAS RECOMMENDED BY AN INDEPENDENT COMMITTEE OF INQUIRY AND ACCEPTED BY THE GOVERNMENT AND THIS COUNCIL, IN 1988. THE COMMITTEE CONSIDERED THAT THE VALUE OF INCREMENTS COULD NOT BE EQUATED EXACTLY WITH MERIT PAY BECAUSE THE TWO THINGS SERVE DIFFERENT PURPOSES.

FROM A PRACTICAL POINT OF VIEW, A DEGREE OF DISCOUNTING OF THE VALUE OF INCREMENTS WAS ALSO CONSIDERED NECESSARY BECAUSE OF THE LARGE NUMBER OF CIVIL SERVANTS, CURRENTLY JUST OVER 50%, WHO HAD REACHED THE MAXIMUM POINT OF THEIR PAY SCALES. SINCE THESE STAFF ARE NOT ELIGIBLE FOR ANNUAL INCREMENTS, THEY WOULD ARGUE THAT THERE SHOULD NOT BE ANY INCREMENT DEDUCTION AT ALL. SO THERE ARE AT LEAST TWO SIDES TO THE METHODOLOGY QUESTION.

COMMITTEE OF INQUIRY

AGAINST THE BACKGROUND WHICH I HAVE OUTLINED - THE EXISTING POLICY, THE MISCONCEPTIONS ABOUT THE SO-CALLED SHORTFALL AND THE DISPUTES OVER METHODOLOGY - THE ADMINISTRATION DOES NOT AGREE THAT A COMMITTEE OF INQUIRY SHOULD BE APPOINTED TO REVIEW THE STAFF SIDE'S PAY CLAIMS. IT WOULD NOT BE IN THE PUBLIC INTEREST, OR EVEN IN THE STAFF'S INTEREST, TO GO DOWN THAT ROAD. I CITE FIVE REASONS.

ONE, AS ALREADY EXPLAINED THE EXISTING TERMS OF THE 1968 AGREEMENT SPECIFICALLY PRECLUDE MATTERS OF SETTLED PUBLIC POLICY FROM CONSIDERATION BY A COMMITTEE OF INQUIRY. IT IS NOT IN DISPUTE THAT IT IS SETTLED PUBLIC POLICY THAT EACH PAY ADJUSTMENT IS AN INDEPENDENT EXERCISE. THERE IS THEREFORE NO QUESTION OF ANY SO-CALLED "SHORTFALL" IN PREVIOUS YEARS BEING MADE UP IN SUBSEQUENT YEARS.

TWO, EXISTING POLICY ON CIVIL SERVICE PAY AIMS FOR BROAD COMPARABILITY WITH THE PRIVATE SECTOR AND, I BELIEVE, WE HAVE ACHIEVED THAT OBJECTIVE. THE MAJORITY OF CIVIL SERVANTS ARE CONTENT WITH THE PAY ADJUSTMENTS IN RECENT YEARS AND STATISTICS SHOW THAT WE ARE ABLE TO RECRUIT AND RETAIN THE PEOPLE WE WANT. NEITHER IS THERE ANY COMMUNITY SUPPORT FOR THE VIEW THAT CIVIL SERVANTS HAVE BEEN INADEQUATELY REMUNERATED OR UNFAIRLY TREATED.

THREE, THERE IS ALREADY AN ELABORATE PROCESS FOR DETERMINING THE ANNUAL CIVIL SERVICE PAY ADJUSTMENT, INVOLVING THE STANDING COMMISSION, THE CIVIL SERVICE UNIONS, THE EXECUTIVE COUNCIL AND THE FINANCE COMMITTEE. THERE ARE ADEQUATE CHANNELS FOR REPRESENTATION OF VIEWS TO ENABLE A BALANCED DECISION TO BE TAKEN, WITH DUE REGARD FOR THE INTERESTS OF BOTH CIVIL SERVANTS AND THE COMMUNITY AS A WHOLE. ONCE A DECISION IS MADE, AFTER A LONG AND PAINSTAKING PROCESS, WE MUST STAND BY IT.

FOUR, A COMMITTEE OF INQUIRY IS JUSTIFIED ONLY IF THERE ARE MAJOR POLICY ISSUES TO BE RESOLVED. THE LAST COMMITTEE OF INQUIRY ON CIVIL SERVICE PAY WAS TASKED TO REVIEW THE FINDINGS OF THE 1986 PAY LEVEL SURVEY, THE FIRST EVER SUCH STUDY, AND THE METHODOLOGY FOR THE ANNUAL CIVIL SERVICE PAY ADJUSTMENT. THE PRESENT DISPUTE BEARS NO COMPARISON, IN TERMS OF SUBSTANCE AND SCALE, TO THE PROBLEMS LEADING TO THE APPOINTMENT OF A COMMITTEE OF INQUIRY IN 1988.

FINALLY, IT IS WISHFUL THINKING TO BELIEVE THAT THE TERMS OF REFERENCE OF ANY COMMITTEE OF INQUIRY COULD BE CONFINED TO THE NARROW WORDING OF THIS MOTION. IF A COMMITTEE OF INQUIRY WERE EVER TO BE APPOINTED, IT COULD HARDLY AVOID REVIEWING THE EXISTING METHODOLOGY FOR THE ANNUAL CIVIL PAY ADJUSTMENT WHICH HAS BEEN THE SUBJECT OF CONSTANT CRITICISM BY EMPLOYERS IN THE PRIVATE SECTOR AND TO WHICH A NUMBER OF MEMBERS HAVE REFERRED. AS A STARTING POINT, THE COMMITTEE WOULD HAVE TO ESTABLISH WHETHER THE ALLEGED "SHORTFALLS" IN THE 1990 AND 1991 PAY ADJUSTMENTS HAD RESULTED IN CIVIL SERVICE SALARIES LAGGING BEHIND THOSE IN THE PRIVATE SECTOR. A NUMBER OF MEMBERS HAVE SAID THIS EVENING THAT IN THEIR VIEW THAT CIVIL SERVICE PACKAGE IS ALREADY VERY ATTRACTIVE. I LEAVE IT TO HONOURABLE MEMBERS TO DRAW THEIR OWN CONCLUSIONS BUT WOULD SUBMIT THAT AT THE LEAST ANY SUCH REVIEW WOULD CREATE CONSIDERABLE UNCERTAINTY IN THE CIVIL SERVICE. CLEARLY, THIS WOULD NOT BE IN THE PUBLIC INTEREST.

CONCLUSION

IN CONCLUSION THEN, THIS SEEMINGLY RATHER INNOCUOUS MOTION WOULD, IF PUT INTO PRACTICE, OPEN A VERITABLE PANDORA'S BOX. WE ALREADY HAVE WHAT IS BASICALLY A SOUND SYSTEM FOR DEALING WITH THE COMPLEX AND SENSITIVE SUBJECT OF CIVIL SERVICE PAY. WE MUST NOT FOOL OURSELVES INTO THINKING THAT WE CAN TINKER WITH ONE SMALL PART OF THAT SYSTEM IN ISOLATION. TO DO SO RUNS THE RISK OF REOPENING MANY VERY COMPLICATED AND DIFFICULT ISSUES, IN THE PROCESS THREATENING THE STABILITY WHICH WE CURRENTLY ENJOY. IN OTHER WORDS, TO QUOTE A WELL WORN BUT ACCURATE APHORISM - "IF IT AIN'T BROKE, DON'T FIX IT".

IN ANY CASE THERE IS SIMPLY NO JUSTIFICATION UNDER THE 1968 AGREEMENT TO HOLD A COMMITTEE OF INQUIRY.

FOR ALL OF THESE REASONS, MADAM DEPUTY, THE EX-OFFICIO MEMBERS WILL OPPOSE THIS MOTION.

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ADMINISTRATION WITHHOLDS NO INFORMATION WHEN SEEKING FUND

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THE CHIEF SECRETARY, THE HON MRS ANSON CHAN, SAID TODAY (WEDNESDAY) IT WAS THE ADMINISTRATION'S POLICY TO PUT FORWARD ALL RELEVANT FACTS WHEN SEEKING FUNDING FROM THE FINANCE COMMITTEE.

INTRODUCING THE GOVERNMENT MINUTE IN RESPONSE TO THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE (PAC) DATED OCTOBER 1993 IN THE LEGISLATIVE COUNCIL, MRS CHAN SAID:

"THERE IS NO INTENTION WHATSOEVER TO WITHHOLD INFORMATION DELIBERATELY."

/SHE SAID

SHE SAID THE ADMINISTRATION HAD NOTED THE PAC'S CONCERN AND HAD DRAWN IT TO THE ATTENTION OF HEADS OF DEPARTMENTS.

THE PAC CHAIRMAN HAD IN OCTOBER SUGGESTED THAT IN SEEKING FUNDING APPROVAL, THE ADMINISTRATION TENDED TO FAIL TO PROVIDE ALL THE NECESSARY DETAILS FOR THE FINANCE COMMITTEE TO MAKE ITS DECISION.

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BILL ON AIRPORT HEIGHT RESTRICTIONS

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A BILL SEEKING TO PROVIDE THE LEGISLATIVE FRAMEWORK TO SAFEGUARD THE FUTURE OPERATION OF THE AIRPORT AT CHEK LAP KOK WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE HONG KONG AIRPORT (CONTROL OF OBSTRUCTIONS) (AMENDMENT) BILL, THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR TONY EASON, SAID THE BILL SOUGHT TO EXTEND THE PROVISIONS OF THE HONG KONG AIRPORT (CONTROL OF OBSTRUCTIONS) ORDINANCE TO COVER BOTH THE PROPOSED AIRPORT AS WELL AS THE EXISTING ONE.

HE SAID THE ORDINANCE PROVIDED, AMONG OTHER THINGS, FOR THE RESTRICTION AND, WHERE NECESSARY, THE REDUCTION OF THE HEIGHTS OF BUILDINGS IN THE INTERESTS OF THE SAFETY OF AIRCRAFT.

IT ALSO PROVIDED FOR THE CONTROL OF LIGHTING, PROVISION AND MAINTENANCE OF AIDS TO AIR NAVIGATION AND OTHER RELATED MATTERS.

THE BILL WAS AN ENABLING MEASURE TO ALLOW NEW AIRPORT HEIGHT RESTRICTIONS IN RELATION TO THE NEW AIRPORT TO BE PRESCRIBED BY ORDERS MADE UNDER THE ORDINANCE IN DUE COURSE.

THE BILL ALSO PROPOSED TO RELIEVE THE WORKLOAD OF THE GOVERNOR IN COUNCIL IN RELATION TO TECHNICAL AND OPERATIONAL MATTERS BY TRANSFERRING CERTAIN POWERS TO THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS.

THESE POWERS INCLUDE THE POWERS TO SPECIFY AIRPORT HEIGHT RESTRICTIONS, TO AUTHORISE THE PROVISION OR ERECTION ON BUILDING OF ANY MARKS, LIGHTS AND BEACONS FOR AVIATION SAFETY PURPOSES AND TO EXTEND THE PERIOD FOR MAKING COMPENSATION CLAIMS UNDER THE ORDINANCE.

THE BILL ALSO EXPRESSLY EMPOWERED THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, ON THE ADVICE OF THE DIRECTOR OF CIVIL AVIATION, TO GRANT EXEMPTIONS FROM AIRPORT HEIGHT RESTRICTIONS FOR INDIVIDUAL DEVELOPMENTS.

THE BILL ALSO PROPOSED TO INCREASE THE PENALTY LEVEL AND TO ADD A PROVISION IMPOSING A DAILY DEFAULT FINE FOR SOME OF THE MORE SERIOUS OFFENCES INVOLVING CONTINUED NON-COMPLIANCE IN ORDER TO MAINTAIN THE DETERRENT EFFECT AGAINST BREACHES OF THE PROVISIONS OF THE ORDINANCE.

DEBATE ON THE BILL WAS ADJOURNED.

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EDUCATION IS BETTER SAFEGUARD FOR CONSUMER INTEREST
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THERE IS NO SPECIFIC LEGISLATION OR MEASURE TARGETTED AT MONITORING ADVERTISEMENTS ON TAX LOANS.

AND CONSUMERS MUST SAFEGUARD THEIR OWN INTEREST BY EXERCISING GOOD CARE BEFORE TAKING A DECISION TO PROCURE THE GOODS OR SERVICE ON OFFER AND NOT RELYING SOLELY ON THE WORDINGS OR DESCRIPTIONS IN THE ADVERTISEMENTS.

THIS WAS STATED BY THE ACTING SECRETARY FOR FINANCIAL SERVICES, MR TAM WING-PONG, IN A REPLY TO A QUESTION BY THE HON LAU WAH-SUM IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR TAM SAID ADVERTISEMENT WAS USED BY ADVERTISERS TO DRAW PUBIC ATTENTION TO THE FAVOURABLE ASPECTS OF THE GOODS OR SERVICES RENDERED TO PROMOTE SALE.

"IT IS NOT POSSIBLE, THEREFORE, TO EXPECT COMPLETE AND COMPLETELY PRECISE OR OBJECTIVE INFORMATION IN AN ADVERTISEMENT."

HE SAID CONSUMER EDUCATION WAS AN IMPORTANT ELEMENT TO HELP SAFEGUARDING THE INTERESTS OF CONSUMERS, ADDING THAT THE CONSUMER COUNCIL HAS BEEN DOING A VERY USEFUL JOB HERE.

ON THE QUESTION OF TAX LOANS, FOR INSTANCE, THE COUNCIL HAS IN JANUARY 1989 AND IN FEBRUARY 1991 PUBLISHED ARTICLES IN ITS PUBLICATION "CHOICE" ANALYSING THE MATTER TO THE PUBLIC.

HE SAID A FURTHER ARTICLE ON THE SUBJECT WOULD BE PUBLISHED IN THE NEXT ISSUE OF "CHOICE".

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MEASURES TAKEN TO EASE CONGESTION AT IMMIGRATION POINTS
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THE GOVERNMENT WILL INCREASE THE MANPOWER AND INSTALL NEW FACILITIES AT BOTH LO WU BORDER AND KAI TAK AIRPORT TO EASE PASSENGER CONGESTION LATER THIS YEAR.

THIS WAS STATED BY THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, IN A REPLY TO THE HON MOSES CHENG IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SUCH MEASURES INCLUDE:

- * TO ADD 70 IMMIGRATION POSTS AT LO WU LATER THIS YEAR, BRINGING THE TOTAL COUNTER STAFF TO MORE THAN 300;
- * TO ADD A MAJOR EXTENSION TO THE EXISTING TERMINAL AT LO WU, WHICH IS DUE TO COME INTO OPERATION NEXT YEAR, AND WILL INCREASE THE NUMBER OF COUNTERS BY 72 TO A TOTAL OF 160, WITH AN EXTRA 70 POSTS;
- * TO SET UP AN IMMIGRATION TASK FORCE, WITH 46 STAFF, TO DEAL WITH SPECIAL INVESTIGATIONS, AND TO REINFORCE LO WU AND KAI TAK DURING BUSY PERIODS; AND

/*TO INSTALL

* TO INSTALL OPTICAL READERS IN SEPTEMBER TO SPEED UP CLEARANCE OF HONG KONG IDENTITY CARD HOLDERS, AND TO EXTEND THE DEVICE TO VISITORS HOLDING MACHINE-READABLE PASSPORTS NEXT YEAR.

MR ASPREY SAID THE EXISTING MANNING SCALES WERE BASED ON THE SAME OVERALL TARGET THAT 92 PER CENT OF THE PEOPLE CLEARING IMMIGRATION SHOULD NORMALLY QUEUE FOR NO LONGER THAN HALF AN HOUR.

THE NUMBER OF COUNTERS AT KAI TAK IS 166 AND THAT AT LO WU IS 88. KAI TAK HAS ALMOST TWICE AS MANY IN NUMBER.

THE WAITING HALLS AT KAI TAK ARE ALSO SLIGHTLY BIGGER THAN THOSE AT LO WU, WITH 4,600 AND 4,400 SQUARE METRES RESPECTIVELY.

THERE ARE TWICE AS MANY TRAVELLERS GOING THROUGH LO WU EVERY DAY AS THROUGH KAI TAK.

MR ASPREY SAID THE REASON FOR THIS WAS THAT ALMOST ALL OF THE TRAVELLERS PASSING THROUGH LO WU WERE HONG KONG RESIDENTS AND NEEDED MUCH LESS TIME FOR CLEARANCE THAN OVERSEAS VISITORS WHO WERE THE MAJORITY OF PASSENGERS AT KAI TAK.

"THEREFORE, LESS SPACE AND FEWER FACILITIES ARE REQUIRED AT LO WU," HE SAID.

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AGREEMENTS CONSISTENT WITH NON-INTERFERING POLICY
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THE CURRENT SCHEME OF CONTROL AGREEMENTS WITH PUBLIC UTILITY COMPANIES ARE CONSISTENT WITH THE GOVERNMENT'S OVERALL POLICY OF NOT INTERFERING IN THE WAY IN WHICH THESE COMPANIES RUN THEIR BUSINESSES.

THEREFORE, THE AGREEMENTS, WHICH ENTERED INTO FORCE ON OCTOBER 1 LAST YEAR AND JANUARY 1 THIS YEAR RESPECTIVELY, CONTAIN NO CONDITIONS SIMILAR TO THE ONE IN THE 1981 LICENCE FOR CABLE AND WIRELESS (HONG KONG) LTD.

THIS WAS STATED BY THE SECRETARY FOR ECONOMIC SERVICES, MR GORDON SIU, IN A REPLY TO A QUESTION BY DR THE HON SAMUEL WONG IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE 1981 CONDITION PROVIDES THAT "WHEN FILLING ANY GRADE WITHIN ITS ESTABLISHMENT THE LICENSEE WILL GIVE PREFERENCE TO THE RECRUITMENT AND APPOINTMENT OF LOCALLY ENGAGED STAFF PROVIDED THAT SUCH STAFF ARE CONSIDERED SUITABLE AND HAVE THE NECESSARY QUALIFICATIONS AND IN PARTICULAR THE LICENSEE WILL EMPLOY AN EXPATRIATE OFFICER ONLY IF NO SUITABLE LOCAL CANDIDATE IS AVAILABLE OR IS LIKELY TO BECOME AVAILABLE IN THE REASONABLY NEAR FUTURE'.

MR SIU SAID THE ORIGINAL AIM OF THE LICENCE CONDITION WAS TO REDUCE CABLE AND WIRELESS'S DEPENDENCE ON OVERSEAS SECONDEES HAD BEEN ACHIEVED.

SINCE 1982, THE NUMBER OF EXPATRIATE STAFF EMPLOYED BY THE COMPANY HAS DECLINED FROM 40 PER CENT OF MANAGERIAL LEVEL STAFF TO UNDER 10 PER CENT.

WITH THE COMPANY'S CHANGE IN STATUS IN 1987 TO BECOME A MEMBER OF THE HONG KONG TELECOM GROUP IT HAS ACQUIRED A MORE LOCAL CHARACTER, MR SIU SAID.

HE ALSO SAID THE CHINA LIGHT AND POWER COMPANY AND THE HONG KONG ELECTRIC COMPANY DID NOT OPERATE UNDER ANY LICENCE FROM THE GOVERNMENT.

THEY HAVE VOLUNTARILY ENTERED INTO SCHEME OF CONTROL AGREEMENTS WITH THE GOVERNMENT.

IN COMMON WITH THE VAST MAJORITY OF THE UTILITIES HERE, THE TWO COMPANIES ARE LOCALLY BASED AND ARE LOCALLY OWNED AND THE REQUIREMENT FOR A PROVISION SIMILAR TO THAT IN THE 1981 LICENCE DOES NOT ARISE, THE SECRETARY SAID.

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MEASURES TO SOLVE CONGESTION IN ISLAND EASTERN CORRIDOR

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EASTERN HARBOUR CROSSING TRAFFIC HAS INCREASED AT A VERY RAPID RATE, WITH THE DAILY AVERAGE NUMBER OF CARS USING THIS TUNNEL RISING FROM 38,000 FOUR YEARS AGO TO 87,000 TODAY, THE SECRETARY FOR TRANSPORT, MR HAIDER BARMA, SAID TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON MRS MIRIAM LAU IN THE LEGISLATIVE COUNCIL, MR BARMA SAID THE INCREASE IN TRAFFIC CAUSED CONGESTION ALONG THE ISLAND EASTERN CORRIDOR DURING BOTH THE MORNING RUSH AND THE EVENING PEAK.

MR BARMA SAID A NUMBER OF MEASURES HAD BEEN TAKEN TO SOLVE THIS PROBLEM BY TRYING TO SEGREGATE TRAFFIC QUEUING FOR THE TUNNEL FROM THROUGH TRAFFIC.

HE SAID THE ROAD MARKINGS ON THE ISLAND EASTERN CORRIDOR EASTBOUND WERE MODIFIED LAST JUNE TO PROVIDE AN ADDITIONAL LANE FOR TRAFFIC ENTERING THE TUNNEL.

GANTRY SIGNS AND ROAD MARKINGS WERE FURTHER MODIFIED LAST WEEK TO REDUCE THE OBSTRUCTION TO EASTBOUND TRAFFIC CAUSED BY CARS QUEUING TO ENTER THE TUNNEL, HE SAID.

MR BARMA SAID A TIDAL FLOW ARRANGEMENT HAD ALSO BEEN TRIED OUT IN THE TUNNEL BY PROVIDING AN ADDITIONAL LANE FOR KOWLOON BOUND TRAFFIC DURING THE EVENING RUSH.

HE NOTED THAT WHILE THIS EASED PRESSURE ON THE IEC, THE EXPERIMENT HAD NOT PROVED TOO SUCCESSFUL SINCE IT RESULTED IN LONG QUEUES IN KWUN TONG FOR HONG KONG-BOUND TRAFFIC.

"THE TRANSPORT DEPARTMENT WILL CONTINUE TO MONITOR THE TRAFFIC SITUATION ALONG THE ISLAND EASTERN CORRIDOR CLOSELY, AND WILL IN CO-ORDINATION WITH THE NEW HONG KONG TUNNEL COMPANY AND THE POLICE, TAKE WHATEVER ADDITIONAL MEASURES ARE PRACTICAL TO ENHANCE TRAFFIC FLOW THROUGH THE EASTERN HARBOUR CROSSING AND ALONG THE ISLAND EASTERN CORRIDOR," MR BARMA SAID.

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57 TRIAD SOCIETIES ACTIVE IN HK

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THERE WERE CURRENTLY 57 ACTIVE TRIAD SOCIETIES IN HONG KONG, THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HOWEVER, MR ASPREY SAID IT WAS NOT POSSIBLE TO ESTIMATE ACCURATELY THE TOTAL NUMBER OF TRIAD MEMBERS.

"THE NATURE OF TRIAD SOCIETIES IS SECRETIVE AND THEIR MEMBERSHIP VARIES FROM TIME TO TIME," HE SAID IN A WRITTEN REPLY TO A QUESTION BY THE HON MRS PEGGY LAM.

THE NUMBER OF PERSONS CHARGED WITH OFFENCES UNDER TRIAD-RELATED LEGISLATION WAS 201 IN THE FIRST SIX MONTHS OF LAST YEAR, 430 IN 1992 AND 328 IN 1991.

THE PROPORTION OF CONVICTIONS WAS 50% LAST YEAR, 39% IN 1992 AND 42% IN 1991.

FOR THOSE GIVEN CUSTODIAL SENTENCES, THE AVERAGE TERM OF IMPRISONMENT WAS NINE MONTHS LAST YEAR, FIVE MONTHS IN 1992 AND SIX MONTHS IN 1991.

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CONSULTATION PAPER ON OPS BY SUMMER

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THE GOVERNMENT INTENDS TO PUBLISH A CONSULTATION DOCUMENT ON THE PROPOSED OLD AGE PENSION SCHEME BY THE SUMMER, THE ACTING SECRETARY FOR EDUCATION AND MANPOWER, MR W K LAM, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY THE HON ERIC LI, MR LAM ALSO SAID ON THE BASIS OF PUBLIC VIEWS AND THE OUTCOME OF CONSULTATION WITH CHINA THROUGH THE JOINT LIAISON GROUP, THE GOVERNMENT HOPED TO MAKE A DECISION ON THE SCHEME BEFORE THE END OF THIS YEAR.

"SHOULD A DECISION BE MADE TO PROCEED WITH THE IMPLEMENTATION OF THE OLD AGE PENSION SCHEME, THEN DRAFTING OF THE NECESSARY LEGISLATION SHOULD COMMENCE SOON AFTERWARDS," MR LAM SAID.

BUT HE POINTED OUT THAT IT WAS TOO EARLY TO SAY WITH CERTAINTY HOW LONG SUCH LEGISLATIVE DRAFTING WOULD TAKE OR WHEN THE RESULTANT LEGISLATION WOULD BE INTRODUCED INTO THE LEGISLATIVE COUNCIL.

ON THE QUESTION OF FUNDING, MR LAM SAID SHOULD THE SCHEME BE ENDORSED, AND SUBJECT TO APPROVAL BY THE FINANCE COMMITTEE, THE GOVERNMENT INTENDED TO MAKE AVAILABLE FUNDS AS SOON AS THE SCHEME WAS IMPLEMENTED.

HE NOTED THAT THE GOVERNMENT WAS PREPARED TO IMPLEMENT THE SCHEME SUBJECT TO:

- * THE OUTCOME OF A FEASIBILITY STUDY ADVISING ON THE FINANCIAL AND TECHNICAL ASPECTS OF SUCH A SCHEME;
- * ENDORSEMENT BY THE COMMUNITY OF PROPOSALS RESULTING FROM THE FEASIBILITY STUDY; AND
- * CONSULTATION WITH THE CHINESE GOVERNMENT.

ON CONSULTATION WITH CHINA, MR LAM SAID THE PROPOSED SCHEME WAS AN IMPORTANT ISSUE TO HONG KONG RESIDENTS AND THE GOVERNMENT AIMED TO COME UP WITH A PROPOSAL ACCEPTABLE TO THE COMMUNITY FOR FURTHER DISCUSSION WITH THE CHINESE GOVERNMENT.

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CHANNELS FOR TRANSITIONAL MATTERS WELL-ESTABLISHED

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THE ADMINISTRATION WILL DEAL WITH THE REQUESTS FOR INFORMATION BY THE PRELIMINARY WORKING COMMITTEE OF THE SPECIAL ADMINISTRATIVE REGION PREPARATORY COMMITTEE (PWC) IN THE SAME WAY AS IT RESPONDS TO SIMILAR REQUESTS FROM ANY OTHER GROUPS IN THE COMMUNITY.

THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, TOLD THE LEGISLATIVE COUNCIL IN A WRITTEN REPLY TO A QUESTION BY DR THE HON PHILIP WONG THAT GUIDANCE TO THIS EFFECT HAD BEEN GIVEN TO ALL GOVERNMENT DEPARTMENTS, INCLUDING THE POLICE.

MR ASPREY SAID THE ADMINISTRATION HAD WELL-ESTABLISHED OFFICIAL CHANNELS TO DISCUSS AND RESOLVE TRANSITIONAL ISSUES.

"AND WE WANT TO SEE THESE MECHANISMS WORKING EFFECTIVELY," HE SAID.

THESE CHANNELS HAVE BEEN SET UP UNDER FORMAL INTERNATIONAL AGREEMENTS AND UNDERSTANDINGS REACHED BETWEEN PRESENT AND FUTURE SOVEREIGN POWERS.

"PWC ARE A GROUP OF INDIVIDUALS APPOINTED BY THE CHINESE GOVERNMENT.

"IF THEY WANT INFORMATION, THE ADMINISTRATION WILL DEAL WITH THEIR REQUESTS IN THE SAME WAY AS WE RESPOND TO SIMILAR REQUESTS FROM ANY OTHER GROUPS IN THE COMMUNITY."

HE SAID THE POLICE WOULD TREAT PWC MEMBERS LIKE ANY OTHER MEMBER OF THE PUBLIC, SHOULD THEY SEEK ASSISTANCE.

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GOVT CONTINUES TO EMPLOY THE DISABLED

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IT IS THE GOVERNMENT'S POLICY TO PLACE DISABLED PERSONS, INCLUDING THE PHYSICALLY HANDICAPPED, IN APPROPRIATE JOBS IN THE CIVIL SERVICE WHEREVER POSSIBLE.

THIS IS CONSISTENT WITH THE GENERAL POLICY TO INTEGRATE DISABLED PERSONS INTO THE COMMUNITY THROUGH VOCATIONAL REHABILITATION AND EVENTUAL GAINFUL EMPLOYMENT IN THE PRIVATE AS WELL AS THE PUBLIC SECTORS.

THIS WAS STATED BY THE ACTING SECRETARY FOR THE CIVIL SERVICE, MR STUART HARBINSON, IN A WRITTEN REPLY TO A QUESTION BY THE HON SZETO WAH IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR HARBINSON SAID THE GOVERNMENT WAS EMPLOYING 3,778 DISABLED PERSONS, WHICH ACCOUNTED FOR 2.07 PER CENT OF THE ENTIRE CIVIL SERVICE.

THE MAJOR DEPARTMENTS EMPLOYING THEM ARE URBAN SERVICES, REGIONAL SERVICES, ELECTRICAL AND MECHANICAL SERVICES, HOSPITAL SERVICES, HOUSING, THE POLICE, AGRICULTURE AND FISHERIES, CORRECTIONAL SERVICES, WATER SUPPLIES, SOCIAL WELFARE AND EDUCATION.

OVER ONE-THIRD OF DISABLED OFFICERS ARE ON MODEL SCALE 1 PAY SCALE, WITH MONTHLY SALARY RANGING FROM \$6,635 TO \$7,620.

ANOTHER 9.2 PER CENT ARE IN MORE SENIOR POSITIONS DRAWING A MAXIMUM SALARY AT MASTER PAY SCALE POINT 26 OR ABOVE OR EQUIVALENT, WITH MONTHLY SALARY OF \$22,890 OR ABOVE.

MR HARBINSON RECALLED THAT 1,432 DISABLED PERSONS WERE EMPLOYED IN THE CIVIL SERVICE IN 1983.

"THE EXISTING POLICY THEREFORE SEEMS GENERALLY APPROPRIATE."

"THE ADMINISTRATION WILL CONTINUE ITS EFFORTS TO ENCOURAGE EMPLOYMENT OF DISABLED PERSONS IN THE CIVIL SERVICE."

THE ACTING SECRETARY NOTED THAT DISABLED PERSONS APPLYING FOR JOBS IN THE CIVIL SERVICE HAD TO MEET THE ENTRY REQUIREMENTS APPLICABLE TO ALL OTHER APPLICANTS.

HOWEVER, IF THEY ARE FOUND SUITABLE FOR EMPLOYMENT, THEY ARE GIVEN AN APPROPRIATE DEGREE OF PREFERENCE.

IN ADDITION, A DISABLED PERSON WHO IS ABLE TO CARRY OUT ONLY CERTAIN DUTIES OF A PARTICULAR RANK MAY BE RECOMMENDED FOR EMPLOYMENT EVEN THOUGH HE MAY NOT, ON ACCOUNT OF HIS DISABILITY, BE ABLE TO PERFORM ALL THE DUTIES OF THAT RANK.

IN SOME RECRUITMENT EXERCISES, ADDITIONAL CRITERIA MAY BE IMPOSED TO SHORTLIST QUALIFIED CANDIDATES FOR SELECTION INTERVIEWS.

THESE CRITERIA WOULD NOT APPLY TO DISABLED CANDIDATES SO THAT ALL DISABLED CANDIDATES WHO POSSESS THE BASIC ENTRY QUALIFICATIONS FOR THE POSTS ARE GIVEN THE CHANCE TO ATTEND THE INTERVIEWS.

MEASURES TO DEAL WITH SHARES OVER-SUBSCRIPTION IMPACT

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THE ADMINISTRATION HAS ASKED THE STOCK EXCHANGE OF HONG KONG AND THE SECURITIES AND FUTURES COMMISSION TO EXAMINE POSSIBLE WAYS TO REDUCE THE IMPACT BROUGHT ABOUT BY THE MASSIVE OVER-SUBSCRIPTION OF NEW SHARE ISSUES.

THIS WAS STATED BY THE ACTING SECRETARY FOR FINANCIAL SERVICES, MR TAM WING-PONG, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) IN REPLY TO A QUESTION BY THE HON ROGER LUK KOON-HOO.

ON DECEMBER 7 LAST YEAR THE TIGHTNESS OF THE INTERBANK MARKET WAS CAUSED BY A MAJOR INITIAL PUBLIC OFFERING WHICH WAS CLOSED FOR SUBSCRIPTION ON THAT DAY.

MR TAM SAID RECYCLING OF THE \$100 BILLION APPLICATION MONIES DID NOT GO WELL AND CAUSED A RISE IN THE OVERNIGHT HONG KONG INTERBANK OFFER RATE.

IN THE END, SUBSTANTIAL FUNDS HAD TO BE CHANNELLED THROUGH THE LIQUIDITY ADJUSTMENT FACILITY OPERATED BY THE HONG KONG MONETARY AUTHORITY.

MR TAM SAID THE STOCK EXCHANGE OF HONG KONG HAD IN THE PAST FEW MONTHS IMPLEMENTED A NUMBER OF MEASURES AIMED PRIMARILY AT ENABLING INVESTORS TO MORE ACCURATELY ASSESS THE PRICING OF AND DEMAND FOR AN ISSUE AT THE INITIAL PUBLIC OFFERING STAGE.

IN ADDITION, LISTING RULE CHANGES REQUIRING THE ISSUER TO REJECT ANY APPLICATION FOR MORE THAN 100 PER CENT OF THE SECURITIES ON OFFER AND TO REJECT MULTIPLE APPLICATIONS ARE UNDER CONSIDERATION FOR IMPLEMENTATION VERY SOON.

"THE STOCK EXCHANGE AND THE SECURITIES AND FUTURES COMMISSION ARE CONTINUING TO EXAMINE WAYS OF IMPROVING THE EFFICIENCY OF THE INITIAL PUBLIC OFFERING PROCESS.

"IN THE MEANTIME, THE HONG KONG MONETARY AUTHORITY WILL CONTINUE TO MONITOR THE OPERATION OF THE MONEY MARKET AND TAKE APPROPRIATE ACTION WHENEVER NECESSARY," MR TAM SAID.

THE HONG KONG MONETARY AUTHORITY HAS WRITTEN TO THE HONG KONG ASSOCIATION OF BANKS LAST DECEMBER TO SUGGEST SEVERAL MEASURES TO IMPROVE THE EFFICIENCY OF THE RECYCLING PROCESS.

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REVIEW OF LDC'S ROLE LARGELY COMPLETED

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THE REVIEW OF THE LAND DEVELOPMENT CORPORATION'S (LDC) ROLE IN THE URBAN RENEWAL PROCESS HAS BEEN LARGELY COMPLETED, THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR TONY EASON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY THE HON JAMES TO KUN-SUN, MR EASON SAID THE CONCLUSIONS OF THE REVIEW WERE BEING RE-EXAMINED IN THE CONTEXT OF A WIDER OVERALL REVIEW OF URBAN RENEWAL AND REDEVELOPMENT ISSUES CONNECTED WITH IMPLEMENTATION OF THE METROPLAN.

MR EASON SAID: "RESULTS OF THE LDC REVIEW WILL THEREFORE BE PRESENTED WITH THOSE OF THE WIDER REVIEW AS SOON AS POSSIBLE."

NOTING THAT THE OVERALL REVIEW COVERED THE ROLE OF ALL THE VARIOUS IMPLEMENTATION AGENTS INVOLVED, INCLUDING PRIVATE DEVELOPERS, HE SAID IT WAS A HIGHLY COMPLEX SUBJECT WITH MAJOR IMPLICATIONS IN TERMS OF ECONOMIC AND SOCIAL IMPACT, LAND, PLANNING AND HOUSING POLICIES AND RESOURCES.

"IT IS DIFFICULT TO SET A FIRM DATE FOR THE COMPLETION OF THE REVIEW AT THIS STAGE THEREFORE; BUT IT WILL TAKE ANOTHER SIX MONTHS AT LEAST."

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OMBUDSMAN APPOINTMENT EXPLAINED

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THE COMMISSIONER FOR ADMINISTRATIVE COMPLAINTS CAN ONLY BE REMOVED FROM OFFICE BY THE GOVERNOR WITH THE APPROVAL BY RESOLUTION OF THE LEGISLATIVE COUNCIL.

IN A WRITTEN REPLY TO A QUESTION BY THE HON CHRISTINE LOH IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), THE CHIEF SECRETARY, THE HON MRS ANSON CHAN, SAID THIS PROVISION WAS TO ENSURE THAT THE COMMISSIONER WAS NOT REMOVED DURING HIS CONTRACT WITHOUT A GOOD CAUSE.

"SUCH CONSIDERATION OBVIOUSLY DOES NOT APPLY IN REGARD TO APPOINTMENT TO THE POST," MRS CHAN SAID.

SHE SAID IN CONSIDERING THE CANDIDATE FOR THE POST, THE GOVERNMENT TOOK ACCOUNT OF SEVERAL FACTORS.

THE PERSON MUST BE OF HIGH PERSONAL INTEGRITY AND WELL-RESPECTED IN THE COMMUNITY; HE SHOULD KNOW THE OPERATIONS OF THE GOVERNMENT WELL AND YET BE DETACHED FROM THE ADMINISTRATION.

HE SHOULD PREFERABLY BE BILINGUAL, AND SHOULD BE AGED UNDER 65 AT THE TIME OF APPOINTMENT AS EACH TERM OF APPOINTMENT IS FOR FIVE YEARS.

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RAIDS ON PIRATED COMPACT DISCS ACHIEVE GOOD RESULTS

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RAIDS CONDUCTED BY THE CUSTOMS AND EXCISE DEPARTMENT TO COMBAT THE SMUGGLING OF PIRATED COMPACT DISCS INTO HONG KONG HAVE ACHIEVED GOOD RESULTS, THE SECRETARY FOR TRADE AND INDUSTRY, MR T H CHAU, SAID.

LAST YEAR, 315 RAIDS WERE MADE, INCLUDING FIVE MAJOR TERRITORY-WIDE OPERATIONS TO ATTACK THE HAWKING OF PIRATED COMPACT DISCS.

ACCORDING TO THE INTERNATIONAL FEDERATION OF THE PHONOGRAPHIC INDUSTRY, THE SALE OF LEGITIMATE COMPACT DISCS REBOUNDED BY 90 PER CENT IN THE THIRD QUARTER OF LAST YEAR COMPARED TO A 40 PER CENT DROP IN THE SECOND QUARTER.

IN A WRITTEN REPLY TO A QUESTION BY THE HON ALLEN LEE IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), MR CHAU SAID PROSECUTION ACTIONS IN 60 OF THESE CASES HAD BEEN CONCLUDED AND THE REMAINING CASES WERE PENDING INVESTIGATION OR PROSECUTION.

HE SAID SUCH SMUGGLING ACTIVITIES HAD INTENSIFIED SINCE EARLY 1993.

BECAUSE THE SOURCES OF SUPPLY ARE OUTSIDE HONG KONG, THE CUSTOMS' EFFORTS HAVE FOCUSED ON INTERCEPTION AT THE BORDER AND DETECTION OF STORAGE AND SALES OUTLETS WITHIN THE TERRITORY.

"THESE TASKS HAVE PROVED DIFFICULT BECAUSE OF THE LARGE VOLUME OF CROSS-BORDER TRAFFIC AND THE HIGH MOBILITY OF HAWKERS," MR CHAU SAID.

THE TOTAL NUMBER OF PIRATED COMPACT DISCS SEIZED AND PERSONS ARRESTED BY CUSTOMS LAST YEAR WERE 93,927 AND 350 RESPECTIVELY, AS COMPARED WITH 10,117 AND 32 IN 1992.

ABOUT PENALTIES IMPOSED BY THE COURTS ON THE OFFENDERS, MR CHAU SAID LAST YEAR THE AVERAGE FINE ON EACH COPY OF PIRATED COMPACT DISC WAS \$65.72.

IN ONE CASE THAT INVOLVED 468 DISCS, THE PENALTY WAS 56 HOURS OF COMMUNITY SERVICE. IN ANOTHER CASE INVOLVING 112 DISCS, THE CONVICTED PERSON WAS PUT ON PROBATION FOR 12 MONTHS. NO CUSTODIAL SENTENCE HAS BEEN IMPOSED.

MR CHAU SAID THE PENALTIES WERE LOW WHEN COMPARED WITH THE STATUTORY MAXIMA OF \$1,000 PER PIRATED COPY AND ONE-YEAR IMPRISONMENT SET OUT IN THE COPYRIGHT ORDINANCE.

HE SAID THE MAXIMUM PENALTIES STIPULATED IN THE ORDINANCE WOULD BE REVIEWED IN THE CONTEXT OF THE FORTHCOMING COMPREHENSIVE REVIEW OF COPYRIGHT LAW ARISING FROM THE LAW REFORM COMMISSION'S RECENT RECOMMENDATIONS.

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ONLY THREE CONFIRMED LEGIONNAIRE'S DISEASE CASES IN HK
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THREE CASES OF LEGIONNAIRE'S DISEASE HAVE BEEN CONFIRMED UP TO DATE AND ALL HAVE RECOVERED.

THIS WAS STATED BY THE SECRETARY FOR WORKS, MR JAMES BLAKE, IN A WRITTEN REPLY TO A QUESTION BY DR THE HON LAM KUI-CHUN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR BLAKE SAID THE DEPARTMENT OF HEALTH WOULD BE ABLE TO MONITOR BETTER THE OCCURRENCE OF THIS DISEASE IN HONG KONG WHEN THE AMENDMENT TO THE QUARANTINE AND PREVENTION OF DISEASE ORDINANCE REQUIRING THE DISEASE TO BECOME STATUTORY NOTIFIABLE WAS ENACTED LATER THIS MONTH OR EARLY NEXT.

IT IS BELIEVED THAT THE LEGIONELLA BACTERIA ARE NOT PRESENT ON DEMOLITION OR CONSTRUCTION SITES IN LARGE NUMBERS AND THESE SITES DO NOT POSE THE HAZARD OF LEGIONNAIRE'S DISEASE TO WORKERS WORKING IN OR RESIDENTS DWELLING NEAR THEM.

"IN FACT, NONE OF THE THREE CASES REPORTED TO THE DEPARTMENT OF HEALTH WERE KNOWN TO HAVE CONTRACTED THE INFECTION FROM DEMOLITION OR CONSTRUCTION SITES," MR BLAKE SAID.

MR BLAKE SAID DESIGN PRECAUTIONS HAD BEEN TAKEN TO ELIMINATE POSSIBLE SOURCES OF THIS DISEASE FOR ALL AIR-CONDITIONING SYSTEMS DESIGNED BY THE ARCHITECTURAL SERVICES DEPARTMENT SINCE JANUARY 1990.

FRESH WATER, WHICH IS MORE PRONE TO THE RISK OF LEGIONNAIRE'S DISEASE THAN SALT WATER, IS NOT USED IN NEW AIR-CONDITIONING SYSTEMS IN GOVERNMENT PROJECTS.

HE SAID THE ADMINISTRATION ISSUED A LEAFLET ENTITLED "UNDERSTANDING LEGIONNAIRE'S DISEASE AND ITS PREVENTION" TO THE PUBLIC IN LATE LAST YEAR.

THIS WAS ALSO SENT BY THE HONG KONG INSTITUTION OF ENGINEERS TO ITS MEMBERS, AMONG WHOM WERE THOSE IN BUILDING SERVICE RELATED DISCIPLINES ASSOCIATED WITH THE AIR-CONDITIONING OF LOCAL BUILDINGS.

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MULTIPLE VISIT PERMIT SCHEME WELL-RECEIVED BY TAIWANESE
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TAIWANESE VISITORS HAVE WELL-RECEIVED A SCHEME THAT ALLOWS THEM TO ENTER HONG KONG ON MULTIPLE VISIT PERMITS VALID FOR TWO YEARS, THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, SAID TODAY (WEDNESDAY).

HE SAID THE SCHEME WAS MORE LIBERAL THAN THAT OFFERED TO HONG KONG RESIDENTS BY THE TAIWAN AUTHORITIES.

THE PROCESSING TIME FOR FIRST APPLICANTS NORMALLY TAKES NO MORE THAN SEVEN WORKING DAYS, WHILE APPLICATIONS FOR RENEWAL CAN BE COMPLETED NORMALLY WITHIN TWO WORKING DAYS.

"WE SHALL CONTINUE TO KEEP THESE POLICIES AND PROCEDURES UNDER REVIEW," HE TOLD THE LEGISLATIVE COUNCIL IN A WRITTEN REPLY TO A QUESTION BY THE HON CHEUNG MAN-KWONG.

SINCE SEPARATE IMMIGRATION FIGURES ON TAIWANESE PUBLIC SERVANTS WERE MAINTAINED IN JULY 1990, SEVEN APPLICATIONS FOR ENTRY INTO HONG KONG HAVE BEEN REFUSED, ALL IN 1990; THERE WERE NONE IN 1991, 1992 NOR 1993.

MR ASPREY SAID SOME OF THE FACTORS THAT WERE TAKEN INTO ACCOUNT WHEN CONSIDERING VISA APPLICATIONS WERE:

- * WHETHER THE APPLICANT IS A BONA FIDE VISITOR;
- * WHETHER THERE IS AN ADVERSE RECORD AGAINST THE APPLICANT;
- * WHETHER THERE IS DOUBT ABOUT THE AUTHENTICITY OF THE DOCUMENTS PRODUCED; AND
- * WHETHER THE APPLICANT HAS FAILED TO SUBMIT THE REQUIRED INFORMATION.

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SERVICES FOR AUTISTIC PERSONS REPORT COMPLETED

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THE WORKING GROUP ON SERVICES FOR AUTISTIC PERSONS HAS COMPLETED ITS DELIBERATIONS AND SUBMITTED A REPORT TO THE GOVERNMENT LAST MONTH, THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE REHABILITATION DEVELOPMENT CO-ORDINATING COMMITTEE (RDCC) WILL BE CONSULTED ON THE REPORT, SHE SAID.

"SUBJECT TO RDCC'S ADVICE, COPIES OF WHICH MAY BE MADE AVAILABLE, ON REQUEST, TO CONCERNED NON-GOVERNMENTAL ORGANISATIONS, PARENTS AND REHABILITATION PERSONNEL.

"APPROPRIATE PRIORITIES WILL BE GIVEN TO FACILITATE IMPLEMENTATION OF THE RECOMMENDATIONS ACCEPTED THEREIN," MRS WONG ADDED.

SINCE THE ESTABLISHMENT OF THE WORKING GROUP, IT MET ON 10 OCCASIONS BETWEEN JANUARY 1992 AND LAST SEPTEMBER.

IT WAS ORIGINALLY ESTIMATED THAT THE GROUP WOULD ONLY NEED TO CONVENE FOUR MEETINGS TO FINISH DELIBERATIONS AND TO COME UP WITH A REPORT IN MID-1992.

"THE MAIN DIFFICULTY WAS TO IDENTIFY ISSUES FOR DISCUSSION AND WORK OUT A REALISTIC TIMEFRAME AT THE OUTSET," MRS WONG SAID.

SHE WAS GIVING A WRITTEN REPLY TO A QUESTION BY THE HON HUI YIN-FAT.

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MEASURES IN HAND TO ELIMINATE UNAUTHORISED SEWERAGE CONNECTIONS

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VARIOUS MEASURES ARE IN HAND TO ELIMINATE UNAUTHORISED SEWERAGE CONNECTIONS, THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR TONY EASON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY THE HON ALBERT CHAN WAI-YIP, MR EASON SAID THERE WERE ABOUT 8,000 UNAUTHORISED CONNECTIONS TO THE STORMWATER DRAINAGE SYSTEM AND THE FOCUS OF THE MEASURES WAS THE TERRITORY-WIDE PROGRAMME OF THE SEWERAGE MASTERPLAN.

HE SAID PRIORITY HAS BEEN GIVEN IN THE SEWERAGE MASTERPLAN PROGRAMME TO THOSE AREAS WHERE INDUSTRIAL DISCHARGES TO THE STORMWATER DRAINS LEAD DIRECTLY INTO THE HARBOUR.

"WHILE IT IS IMPOSSIBLE AT PRESENT TO RECTIFY ALL UNAUTHORISED CONNECTIONS IMMEDIATELY, RECONNECTIONS ARE MADE WHERE PHYSICALLY POSSIBLE," HE SAID.

DETAILED DESIGN OR PHYSICAL WORK ON SEWERAGE IMPROVEMENTS HAS ALSO STARTED IN EAST KOWLOON, HONG KONG ISLAND SOUTH, NORTH WEST KOWLOON, TSUEN WAN, KWAI TSING, CHAI WAN, SHAU KEI WAN, YUEN LONG, KAM TIN, TOLO HARBOUR, PORT SHELTER AND TUEN MUN.

WORK IN THE REMAINING AREAS WILL BE IMPLEMENTED IN PHASES ACCORDING TO THE RECOMMENDATIONS OF THE SEWERAGE MASTERPLAN, HE SAID.

APART FROM ENFORCEMENT UNDER THE WATER POLLUTION CONTROL ORDINANCE, SOME DISTRICT BOARDS HAVE SET UP INDUSTRIAL BUILDING MANAGEMENT CO-ORDINATING COMMITTEES (IBMCCS) WHICH IDENTIFY INDUSTRIAL BUILDINGS CAUSING SEVERE POLLUTION PROBLEMS AND TAKE POSSIBLE ACTION.

"AS FAR AS UNAUTHORISED CONNECTIONS ARE CONCERNED, THE IBMCCS ADVISE FACTORY OWNERS ON THE EXTENT OF THE POLLUTION CAUSED BY THEIR DISCHARGES AND HOW THESE MAY BE CORRECTED.

"THE BUILDINGS DEPARTMENT CARRIES OUT RECONNECTION WORK AND RECOVERS THE COSTS FROM THE FACTORY OWNERS IF NECESSARY. SOME 700 CONNECTIONS HAVE BEEN DEALT WITH IN THIS WAY SINCE 1986," HE SAID.

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NEW SPORTS GROUND FOR SCHOOL ATHLETIC MEETS

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A NEW SPORTS GROUND FOR SCHOOL ATHLETIC MEETS IS BEING PLANNED AT SIU SAI WAN, THE SECRETARY FOR RECREATION AND CULTURE, MR JAMES SO, SAID.

IN A WRITTEN REPLY TO A QUESTION BY THE HON TIMOTHY HA WING-HO IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), MR SO SAID THE NEW VENUE WOULD INCLUDE A 400-METRE EIGHT-LANE ALL-WEATHER SYNTHETIC TRACK, A FULLY COVERED SPECTATOR STAND OF 12,000 SEATS AS WELL AS PARKING SPACES FOR BOTH COACHES AND PUBLIC USE.

CONSTRUCTION WILL START IN SEPTEMBER THIS YEAR AND IS SCHEDULED FOR COMPLETION IN JULY 1996, MR SO SAID.

MEANWHILE, TO CATER FOR THE INCREASED USAGE OF THE ABERDEEN SPORTS GROUND, A NUMBER OF IMPROVEMENTS WERE CARRIED OUT IN OCTOBER 1992. THESE INCLUDED:

- * INCREASE THE SEATING CAPACITY FROM 800 TO 9,300 WITH THE ERECTION OF TWO ADDITIONAL SPECTATOR STANDS; AND
- * PROVIDE MORE TOILET AND CHANGING FACILITIES UNDERNEATH THE NEW SPECTATOR STANDS.

MR SO SAID FURTHER IMPROVEMENTS WOULD ALSO BE MADE TO THE SPORTS GROUND DURING THE MAINTENANCE CLOSURE PERIOD FROM MARCH TO AUGUST THIS YEAR.

THE PROJECTS INCLUDE A PERMANENT COVER FOR THE SPECTATOR STAND ON THE WESTERN SIDE FOR ABOUT 4,700 SEATS AS WELL AS RE-SURFACING THE RUNNING TRACK AND RE-ADJUSTING THE LEVEL OF THE GRASS IN-FIELD.

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WEDNESDAY, JANUARY 12, 1994

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NURSING HOMES FOR ELDERLY PATIENTS

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THE DIRECTOR OF HEALTH WILL LIAISE CLOSELY WITH OPERATORS OF NURSING HOMES FOR ELDERLY PATIENTS TO CO-ORDINATE THE PROVISION OF SERVICES AND TO FACILITATE EFFECTIVE CO-OPERATION AND INTERFACE WITH OTHER SERVICE PROVIDERS IN BOTH THE PUBLIC AND PRIVATE SECTORS.

THIS WAS STATED BY THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, IN A WRITTEN REPLY TO A QUESTION BY DR THE HON LEONG CHE-HUNG IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MRS WONG NOTED THAT THE MAJORITY OF NURSING HOMES WOULD BE RUN BY NON-GOVERNMENTAL AND CHARITABLE ORGANISATIONS WHILE THE RECURRENT OPERATING COSTS WOULD BE FUNDED BY GOVERNMENT THROUGH THE DEPARTMENT OF HEALTH.

"SUBJECT TO FINE-TUNING, THE ANNUAL RECURRENT COST FOR SUPPORTING A RESIDENT IN THE NURSING HOMES IS ESTIMATED TO BE IN THE ORDER OF \$107,000 PER ANNUM," SHE SAID.

"THIS COMPARES WITH \$62,086 AT A CARE-AND-ATTENTION HOME AND \$246,760 AT AN INFIRMARY."

NURSING HOMES ARE NON-HOSPITAL-BASED RESIDENTIAL NURSING CARE FACILITIES WHICH ARE DESIGNED SPECIFICALLY TO CATER FOR ELDERLY PERSONS WHO, BECAUSE OF THEIR HEALTH CONDITION, CANNOT BE ADEQUATELY CARED FOR AT CARE-AND-ATTENTION HOMES BUT WHO, ON THE OTHER HAND, DO NOT REQUIRE THE INTENSIVE MEDICAL AND NURSING CARE PROVIDED AT INFIRMARIES.

MRS WONG NOTED THAT EACH NURSING HOME WOULD BE STAFFED BY A MULTI-DISCIPLINARY TEAM COMPRISING DOCTORS, NURSES, SUPPLEMENTARY MEDICAL PROFESSIONALS, PERSONAL CARE WORKERS, SOCIAL WORKERS AND OTHER ANCILLARY STAFF.

ACTUAL PROVISION AND STAFF COMPLEMENT WILL BE DETERMINED IN THE LIGHT OF THE FUNCTIONAL NEEDS AND OPERATIONAL REQUIREMENTS OF THE INDIVIDUAL HOME, SHE SAID.

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VETTING FOR CIVIL SERVICE APPOINTMENTS

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THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, TODAY (WEDNESDAY) EXPLAINED TO THE LEGISLATIVE COUNCIL THE VETTING PROCEDURES FOR APPOINTMENTS OF CIVIL SERVANTS AND MEMBERS OF STATUTORY BODIES.

FOR CIVIL SERVANTS ON FIRST APPOINTMENT, CHECKS ARE MADE AGAINST RECORDS OF POLICE AND INDEPENDENT COMMISSION AGAINST CORRUPTION (ICAC), HE SAID.

ADDITIONAL POLICE RECORD CHECKS ARE CARRIED OUT FOR CIVIL SERVANTS WHO REQUIRE REGULAR ACCESS TO CLASSIFIED INFORMATION, AND FOR THE APPOINTMENT OF MEMBERS OF THE PUBLIC TO CERTAIN STATUTORY BODIES.

/FOR CIVIL

FOR CIVIL SERVANTS APPOINTED OR PROMOTED INTO A LIMITED NUMBER OF SENIOR POSTS REQUIRING A HIGH DEGREE OF TRUST, THE OFFICERS CONCERNED, THEIR REFEREES AND SUPERVISING OFFICERS HAVE TO BE INTERVIEWED IN ADDITION TO THE RECORD CHECKS.

MR ASPREY SAID MOST CHECKS WERE COMPLETED IN FOUR TO SIX WEEKS.

"WE NEED TO ENSURE THAT CHECKS ARE PROPERLY AND ACCURATELY CARRIED OUT," HE SAID.

LAST YEAR, SOME 20,000 CHECKS WERE CARRIED OUT.

THERE ARE 10 STAFF IN THE POLICE AND SIX IN ICAC EMPLOYED FULL-TIME IN THE CHECKING. BUT OTHER STAFF IN VARIOUS DEPARTMENTS CARRY OUT SOME OF THIS WORK AS PART OF THEIR NORMAL DUTIES.

THE PROCEDURES WERE SPELT OUT IN A WRITTEN REPLY TO A QUESTION BY THE HON MARTIN BARROW.

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LEGCO URGES FOR INDEPENDENT COMMITTEE OF INQUIRY OVER
CIVIL SERVANTS' WAGE CLAIMS

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THE LEGISLATIVE COUNCIL TONIGHT (WEDNESDAY) DEFEATED A MOTION PROPOSED BY THE HON LAU CHIN-SHEK WHICH SOUGHT TO INTRODUCE AMENDMENTS TO RELEVANT LEGISLATION TO MORE EFFECTIVELY MONITOR THE FARE INCREASES OF THE THREE RAILWAYS.

THE DEBATE LASTED TWO-AND-A-HALF HOURS. TWENTY-TWO MEMBERS SPOKE. THE SECRETARY FOR TRANSPORT, MR HAIDER BARMA, REPLIED FOR THE GOVERNMENT.

ANOTHER MOTION MOVED BY THE HON TAM YIU-CHUNG ON THE SETTING UP OF AN INDEPENDENT COMMITTEE OF INQUIRY TO RESOLVE WAGE CLAIMS OF CIVIL SERVANTS WAS PASSED AFTER ONE HOUR OF DEBATE.

ELEVEN MEMBERS SPOKE IN THE DEBATE. THE ACTING SECRETARY FOR THE CIVIL SERVICE, MR STUART HARBINSON, SPOKE ON BEHALF OF THE GOVERNMENT.

THE COUNCIL ALSO PASSED WITHOUT AMENDMENTS 23 MOTIONS MOVED BY THE ACTING SECRETARY FOR EDUCATION AND MANPOWER, MR LAM WOON-KWONG, UNDER THE FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE.

AN AMENDED MOTION MOVED BY THE HON MRS MIRIAM LAU, UNDER THE TRAFFIC ACCIDENT VICTIMS (ASSISTANCE FUND) ORDINANCE, WAS PASSED.

THE ORIGINAL MOTION WAS MOVED BY THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG.

TWO BILLS, IMPORT AND EXPORT (AMENDMENT) (NO.2) BILL 1993 AND NOISE CONTROL (AMENDMENT) BILL 1993, WERE ALSO PASSED WITH AMENDMENTS.

THE HONG KONG AIRPORT (CONTROL OF OBSTRUCTIONS) (AMENDMENT) BILL 1993 WAS INTRODUCED FOR FIRST AND SECOND READINGS. DEBATE ON IT WAS ADJOURNED.

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