



## DAILY INFORMATION BULLETIN

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THURSDAY, OCTOBER 4, 1984

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HK CAN MOVE AHEAD AGAIN -- SIR EDWARD  
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WITH MUCH OF THE UNCERTAINTY ABOUT THE FUTURE ALREADY REMOVED, HONG KONG COULD NOW MOVE AHEAD AGAIN, THE GOVERNOR, SIR EDWARD YOUDE, SAID IN THE LEGISLATIVE COUNCIL TODAY.

+HONOURABLE MEMBERS, WHEN I SPOKE TO YOU LAST YEAR THE OUTLOOK WAS AN UNCERTAIN ONE. THAT PICTURE HAS NOW CHANGED,+ SIR EDWARD SAID.

+THE DRIVE, VITALITY AND ENTERPRISE OF THIS COMMUNITY HAD BEEN HELD IN CHECK BY THAT UNCERTAINTY. NOW WE CAN MOVE AHEAD AGAIN,+ HE STATED.

SPEAKING IN THE CONCLUSION TO HIS ANNUAL ADDRESS TO THE COUNCIL, HE SAID HE HAD NO DOUBT THAT IN THE YEAR AHEAD, HONG KONG WOULD CONTINUE TO SHOW THE SAME QUALITIES OF RESOLUTION AND GOOD SENSE WHICH HAD +CARRIED IT THROUGH THE PAST TWO MOMENTOUS YEARS.+

+BUT WE SHALL NEED MORE THAN THAT. WE SHALL NEED THOSE OTHER TRADITIONAL HONG KONG ATTRIBUTES, A DETERMINATION TO RESPOND TO THE CHALLENGES WITH WHICH WE ARE FACED AND THE COURAGE TO MAKE AND SEIZE OPPORTUNITIES,+ HE SAID.

HONG KONG, HE SAID, COULD NOT EXPECT TO BE IMMUNE FROM THE PROBLEMS WHICH MUST FACE ANY ECONOMY EQUALLY EXPOSED TO THE INTERNATIONAL ECONOMIC CLIMATE.

BUT HE ADDED THAT HONG KONG'S ECONOMY WAS STRONG AND ITS EXCHANGE RATE STABLE.

SIR EDWARD SAID THAT HIS REVIEW WOULD ILLUSTRATE THE GOVERNMENT'S RESOLVE TO CARRY FORWARD ITS PROGRAMMES WITH +VIGOUR AND CONTINUITY OF PURPOSE+ IN ORDER TO DEVELOP THE TERRITORY'S INFRASTRUCTURE, IMPROVE THE EDUCATION AND TRAINING OF THE YOUNG PEOPLE, STIMULATE ECONOMIC PROGRESS AND GENERALLY MAKE HONG KONG A BETTER PLACE TO LIVE IN.

+BUT BUILDING A FUTURE IS NOT A TASK FOR THE GOVERNMENT ALONE. THE WHOLE COMMUNITY MUST BECOME INVOLVED.

+IT IS NOW FOR EVERYONE IN HONG KONG TO THINK WHAT CONTRIBUTION HE, OR SHE, CAN MAKE, AND HOW HE OR SHE CAN PARTICIPATE IN BUILDING THAT FUTURE.

+WITH A COMMUNITY AND A GOVERNMENT DEDICATED TO THAT TASK, THEN WE CAN BE CONFIDENT THAT HONG KONG WILL REMAIN THE VIBRANT, DYNAMIC AND PROGRESSIVE CITY OF WHICH ITS CITIZENS ARE SO JUSTLY PROUD,+ SIR EDWARD SAID.

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+A MILESTONE IN HONG KONG HISTORY+  
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HONG KONG HAD REACHED A MILESTONE IN ITS HISTORY, AS THIS WOULD BE THE LAST SESSION OF THE LEGISLATIVE COUNCIL IN WHICH ALL ITS MEMBERS WERE APPOINTED, THE GOVERNOR, SIR EDWARD YOUDE SAID, IN THE LEGISLATIVE COUNCIL TODAY.

HE PAID TRIBUTE TO ALL THOSE WHO WERE SERVING AND HAD SERVED IN AN APPOINTED CAPACITY.

+THE FACT THAT YOU HAVE NOT BEEN ELECTED HAS IN NO WAY REDUCED YOUR DETERMINATION TO SERVE THE COMMUNITY TO THE BEST OF YOUR ABILITY,+ HE SAID.

+THE SUCCESS OF HONG KONG OVER THE LAST TWO DECADES OWES MUCH TO THE DEVOTION TO DUTY AND TO THE WELL-BEING OF THE COMMUNITY, OF MEMBERS IN THIS COUNCIL.+

+HONG KONG HAS BEEN WELL SERVED BY THE APPOINTMENT SYSTEM, BUT NOW HISTORY MOVES ON,+ THE GOVERNOR SAID.

THE COMPOSITION OF THIS SESSION'S MEMBERSHIP ALREADY REFLECTED A MOVEMENT TOWARDS THE LIKELY COMPOSITION OF THE COUNCIL NEXT YEAR, WITH TWO FEWER OFFICIALS AND THREE MORE UNOFFICIALS.

THE GOVERNOR ALSO TOLD THE COUNCIL THAT THE LEGISLATIVE COUNCIL (POWERS AND PRIVILEGES) WOULD BE INTRODUCED DURING THE SESSION TO:

- \* CONFIRM THE PRIVILEGE OF MEMBERS' STATEMENT IN DEBATE,
- \* PROVIDE ASSURANCES THAT MEMBERS COULD PERFORM THEIR DUTIES ACCORDING TO THEIR CONSCIENCE, AND,
- \* INTRODUCE POWERS TO HEAR EVIDENCE ON MATTERS OF PUBLIC INTEREST.

REFERRING TO LEGISLATIVE COUNCIL SITTINGS, HE SAID THIS WOULD BE THE LAST SESSION TO BE HELD IN THIS CHAMBER.

+WHEN I DELIVER MY ADDRESS TO YOU NEXT YEAR, I SHALL BE DOING SO IN WHAT WE STILL CALL FOR THE PRESENT THE OLD SUPREME COURT BUILDING,+ SIR EDWARD SAID.

+THE MOVE WILL ASSIST THE LEGISLATURE TO ACHIEVE IN THE PUBLIC EYE A NEW AND DISTINCT IDENTITY, QUITE SEPARATE FROM THE EXECUTIVE AS REPRESENTED BY THE GOVERNOR, THE EXECUTIVE COUNCIL AND THE CIVIL SERVICE,+ HE SAID.

SIR EDWARD ALSO MENTIONED ANOTHER DEVELOPMENT IN WHICH THE DECISION WAS MADE BY THE PUBLIC ACCOUNTS COMMITTEE TO HOLD ITS HEARINGS OF EVIDENCE IN PUBLIC.

THE PUBLIC ACCOUNTS COMMITTEE, DESPITE ITS RELATIVELY SHORT HISTORY, HAD RAPIDLY BECOME ONE OF THE MOST IMPORTANT BODIES IN THE ADMINISTRATION OF HONG KONG, WITH THE RESPONSIBILITY OF SATISFYING ITSELF ON BOTH THE VALIDITY OF THE OBSERVATIONS MADE IN THE DIRECTOR OF AUDIT'S REPORT, AND THE ADEQUACY OF THE EFFORTS OF THE CIVIL SERVICE TO CORRECT ANY FAILINGS DISCLOSED IN IT.

+THIS IS A HEAVY RESPONSIBILITY IN AN AREA OF KEEN PUBLIC INTEREST, AND I AM WELL AWARE OF THE BURDEN OF WORK WHICH THE MEMBERS OF THE COMMITTEE TAKE UPON THEMSELVES IN THEIR DETERMINATION TO DISCHARGE THIS RESPONSIBILITY THOROUGHLY,+ HE SAID.

+IT WAS GREATLY TO THEIR CREDIT THAT THEY HAD DECIDED THAT THE INTERESTS OF OPEN GOVERNMENT REQUIRED THAT THEY HOLD OPEN HEARINGS.

+IN THIS WAY THE PUBLIC CAN KNOW THE CONTENTS OF THESE EXAMINATIONS, AND BE SATISFIED THAT THEIR INTERESTS AS TAXPAYERS ARE PROPERLY PROTECTED,+ SIR EDWARD SAID.

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SYSTEMS MUST GROW FROM OWN SOCIETY - GOVERNOR  
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HONG KONG'S SYSTEMS OF REPRESENTATIVE GOVERNMENT MUST GROW FROM ITS OWN SOCIETY AND TAKE ACCOUNT OF ITS CIRCUMSTANCES, SAID THE GOVERNOR, SIR EDWARD YOUDE, TODAY.

OPENING HIS ANNUAL ADDRESS, SIR EDWARD REFERRED TO THE SINO-BRITISH JOINT DECLARATION AND TO THE GREEN PAPER ON THE FURTHER DEVELOPMENT OF REPRESENTATIVE GOVERNMENT.

ON THE DECLARATION HE SAID: +I HAVE BEEN ENCOURAGED BY THE RECEPTION WHICH THE AGREEMENT HAS BEEN GIVEN NOT ONLY IN HONG KONG ITSELF, BUT MORE WIDELY BY GOVERNMENTS ABROAD AND IN INTERNATIONAL ORGANISATIONS.+

SIR EDWARD URGED EVERYONE IN HONG KONG TO COME FORWARD WITH THEIR VIEWS ON THE AGREEMENT BEFORE THE DEADLINE OF NOVEMBER 15, IN ORDER THAT THE BRITISH PARLIAMENT WOULD HAVE THE FULLEST POSSIBLE PICTURE OF THE ACCEPTABILITY.

THE UNITED KINGDOM, UNDER THE AGREEMENT, WILL CONTINUE TO BE RESPONSIBLE FOR THE ADMINISTRATION OF HONG KONG UNTIL JULY 1, 1997, AND, IN THE LIGHT OF THAT UNDERTAKING, HE REVIEWED THE GOVERNMENT'S PLANS FOR THE COMING YEAR.

ON CONSTITUTIONAL DEVELOPMENT, SIR EDWARD SAID THAT VIEWS EXPRESSED ON THE GREEN PAPER WOULD BE CONSIDERED BY THE EXECUTIVE COUNCIL LATER THIS MONTH.

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+THE GENERAL REACTION OF THE COMMUNITY TO THE PROPOSALS HAS BEEN FAVOURABLE,+ HE SAID.

+THERE IS AGREEMENT WITH THE GRADUAL AND PROGRESSIVE APPROACH WHICH WE PROPOSED. THERE HAS ALSO BEEN GENERAL SUPPORT FOR THE VIEW THAT, WHILE CHANGES SHOULD BE MADE TO OUR SYSTEM OF GOVERNMENT, THEY SHOULD NOT BE INTRODUCED TOO HASTILY OR IN A MANNER WHICH MIGHT ENDANGER HONG KONG'S STABILITY AT THIS CRUCIAL TIME,+ HE SAID.

ON ELECTIONS, THE GOVERNOR SAID THAT THE TIME FOR DIRECT ELECTIONS MAY COME.

+BUT THERE HAS BEEN LITTLE SUPPORT IN PUBLIC COMMENT ON THE GREEN PAPER IN HONG KONG FOR ANY MOVE IN THIS DIRECTION IN 1985.

+SOME HAVE SUGGESTED, HOWEVER, THAT WE SHOULD MOVE TO DIRECT ELECTIONS BY 1988. OTHERS HAVE TAKEN THE VIEW THAT, HAVING INTRODUCED DIRECT ELECTIONS ON A VERY BROADLY BASED FRANCHISE AT THE DISTRICT AND REGIONAL LEVELS ONLY WITHIN THE PAST TWO YEARS, IT WOULD BE UNWISE TO DO THE SAME AT CENTRAL GOVERNMENT LEVEL UNTIL WE HAVE ALL GAINED MORE EXPERIENCE AT THE LOWER LEVELS.+

THE GREEN PAPER PROPOSED A REVIEW SHOULD TAKE PLACE IN 1989, SAID SIR EDWARD, AFTER THE SECOND LEGISLATIVE COUNCIL ELECTIONS IN 1988.

+MANY PEOPLE HAVE SUGGESTED THAT THE REVIEW SHOULD TAKE PLACE EARLIER, PERHAPS IN 1987. THIS IS A SUGGESTION WHICH WE WILL CONSIDER VERY CAREFULLY,+ HE SAID.

THE POSSIBILITY OF A SINGLE LIST OF CANDIDATES FOR THE ELECTORAL COLLEGE HAD BEEN PUT FORWARD, HE SAID, AND ANOTHER SUGGESTION HAD BEEN PUT FORWARD THAT ARRANGEMENTS SHOULD BE MADE TO ENSURE A REASONABLE GEOGRAPHICAL BALANCE OF MEMBERS ELECTED BY THE COLLEGE.

THESE IDEAS WOULD BE GIVEN CAREFUL CONSIDERATION IN FORMULATING THE WHITE PAPER WHICH WILL FOLLOW ON FROM THE GREEN PAPER.

ON FUNCTIONAL CONSTITUENCIES, SIR EDWARD SAID: +SOME HAVE CRITICISED THE IDEA AS BEING DIVISIVE AND UNWORKABLE. OTHERS, WHILE SUPPORTING THE IDEA IN PRINCIPLE, HAVE ASKED FOR MORE DETAILED INFORMATION ABOUT HOW THE PROPOSAL WOULD BE PUT INTO PRACTICE. CERTAINLY THE PROPOSAL IS AN UNUSUAL ONE. IT HAS FEW PRECEDENTS ELSEWHERE. BUT IT IS DESIGNED TO MEET A NEED WHICH IS WIDELY RECOGNISED IN HONG KONG, NAMELY, TO ENSURE THAT THOSE MAJOR SECTORS OF THE COMMUNITY WHICH HAVE COMMON SOCIAL, ECONOMIC OR OCCUPATIONAL INTERESTS AND WHICH ARE IMPORTANT COMPONENTS OF OUR SOCIETY, ARE ADEQUATELY REPRESENTED IN THE LEGISLATIVE COUNCIL.

/+AT THIS .....

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+AT THIS STAGE IN OUR HISTORY THIS CANNOT BE LEFT TO CHANCE. THIS MUCH HAS BEEN RECOGNISED BY THOSE WHO DISAGREE WITH THE METHOD OF MEETING IT. WE SHALL ELABORATE OUR PROPOSALS FURTHER IN THE FORTHCOMING WHITE PAPER.+

SIR EDWARD SAID THAT THE POSITION OF THE GOVERNOR AND THE POSSIBILITY OF INTRODUCING A MINISTERIAL SYSTEM HAD BEEN WIDELY DISCUSSED.

+THE POSITION OF THE GOVERNOR RAISES IMPORTANT CONSTITUTIONAL ISSUES AND THE MINISTERIAL SYSTEM IS NOT THE ONLY WAY OF PROCEEDING,+ HE SAID.

SUMMING UP HE SAID: +IN ALL THESE MATTERS, TO DRAW UP SCHEMES AND PREDICT THEIR SUCCESS ON THE BASIS OF EXPERIENCE ELSEWHERE IS NOT ENOUGH. OUR SYSTEMS MUST GROW FROM OUR SOCIETY AND TAKE ACCOUNT OF OUR CIRCUMSTANCES. THEY WILL NOT SURVIVE WITHOUT FIRM ROOTS SET IN THE SOCIETY FROM WHICH THEY SPRING.

+WHEN CONSIDERING CONSTITUTIONAL DEVELOPMENT, WE SHALL ALSO NEED TO KEEP IN MIND THE PROVISIONS OF THE DRAFT AGREEMENT ON THE FUTURE OF HONG KONG. AS I EXPLAINED IN MY STATEMENT LAST WEEK THE PROVISIONS OF THAT AGREEMENT ALLOW SCOPE FOR THE DEVELOPMENT OF HONG KONG'S GOVERNMENTAL SYSTEM AS THE YEARS PROGRESS. WE CAN THEREFORE MOVE FORWARD BUT WE SHALL DO SO WITH CIRCUMSPECTION.+

AFTER THE EXECUTIVE COUNCIL HAD CONSIDERED ALL VIEWS PUT FORWARD A WHITE PAPER WOULD BE PREPARED WHICH WOULD SET OUT DEFINITIVE PLANS AND WHICH WOULD BE PUBLISHED FOR DEBATE.

+THESE PLANS WILL REPRESENT ONLY ONE FURTHER STAGE IN THE DEVELOPMENT OF REPRESENTATIVE GOVERNMENT IN HONG KONG. THEY DO NOT PRECLUDE SUBSEQUENT DEVELOPMENT. IT IS ESSENTIAL TO HONG KONG'S CONTINUED GROWTH AND PROSPERITY THAT ITS SYSTEMS SHOULD CONTINUE TO EVOLVE TO MEET THE DEMANDS OF THE TIMES AND THE ASPIRATIONS OF THOSE TO WHOM IT OWES ITS MANDATE,+ SAID SIR EDWARD.

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REPRESENTATIVE GOVERNMENT DEVELOPING STEADILY  
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THE DEVELOPMENT OF REPRESENTATIVE GOVERNMENT AT REGIONAL AND DISTRICT LEVEL WAS PROGRESSING STEADILY, THE GOVERNOR, SIR EDWARD YOUDE, TOLD THE LEGISLATIVE COUNCIL TODAY.

HE SAID THE DISTRICT BOARDS HAD A FINE RECORD OF ACHIEVEMENT IN THEIR FIRST THREE YEARS, AND HAD BECOME AN IMPORTANT AND ESSENTIAL PART OF THE POLITICAL LIFE OF THE COMMUNITY.

/SIR EDWARD .....

SIR EDWARD POINTED OUT THAT IN HIS OPENING ADDRESS LAST YEAR, HE HAD SAID THAT ARRANGEMENTS FOR LOCAL ADMINISTRATION SHOULD BE EXAMINED TO ENSURE THAT THEY REMAINED SUITED TO HONG KONG'S CHANGING NEEDS AND CIRCUMSTANCES.

HE SAID THAT AFTER CAREFUL CONSIDERATION OF ALL THE VIEWS EXPRESSED, IT WAS DECIDED THAT:

- \* THE REPRESENTATIVE STATUS OF THE BOARDS SHOULD BE FURTHER STRENGTHENED BY INCREASING THE NUMBER OF ELECTED MEMBERS,
- \* SEPARATE DISTRICT BOARDS SHOULD BE CREATED FOR TSUEN WAN AND KWAI CHUNG-TSING YI,
- \* THE URBAN MANAGEMENT ROLE OF THE DISTRICT BOARDS SHOULD BE EXPANDED, AND
- \* A NEW REGIONAL COUNCIL SHOULD BE ESTABLISHED TO COVER THOSE AREAS OUTSIDE THE AEGIS OF THE URBAN COUNCIL.

SIR EDWARD NOTED THAT WHILE THE PROPOSED REGIONAL COUNCIL HAD AROUSED SOME CONTROVERSY, IT BECAME EVIDENT THAT THE PEOPLE IN THE AREAS CONCERNED PREFERRED TO HAVE THEIR OWN COUNCIL AND TO PARTICIPATE DIRECTLY IN THE RUNNING OF THE SERVICES AND FACILITIES THAT, IN THE URBAN AREAS, ARE OPERATED BY THE URBAN COUNCIL.

+YOUR GOVERNMENT SUPPORTED THIS VIEW, AND NEXT YEAR A PROVISIONAL COUNCIL WILL BE APPOINTED TO PREPARE FOR THE ESTABLISHMENT OF AN ELECTED COUNCIL IN 1986,+ HE SAID.

NEXT YEAR'S DISTRICT BOARD ELECTIONS WOULD OPEN A NEW CHAPTER IN THE HISTORY OF LOCAL ADMINISTRATION, HE SAID.

+GOVERNMENT REPRESENTATIVES WILL CEASE TO BE MEMBERS OF THE BOARD BUT WILL CONTINUE TO ATTEND MEETINGS TO ANSWER QUESTIONS AND RECEIVE ADVICE; THE NUMBER OF ELECTED MEMBERS WILL BE INCREASED FROM 132 TO 236 AND WILL CONSTITUTE THE MAJORITY ON THE BOARDS; THE CHAIRMAN OF EACH BOARD WILL BE AN ELECTED UNOFFICIAL; THE NEW TERRITORIES DISTRICT BOARDS WILL ELECT THEIR REPRESENTATIVES TO JOIN THE PROVISIONAL REGIONAL COUNCIL TO BE ESTABLISHED IN EARLY 1985,+ HE SAID.

ALSO, IF THE PROPOSALS IN THE GREEN PAPER ON REPRESENTATIVE GOVERNMENT WERE SUPPORTED, MEMBERS OF THE BOARDS TOGETHER WITH THOSE OF THE URBAN COUNCIL AND THE REGIONAL COUNCIL WOULD IN DUE COURSE ELECT MEMBERS OF THE LEGISLATIVE COUNCIL, SIR EDWARD ADDED.

+THERE ARE NOW OVER 1.4 MILLION VOTERS ON THE ELECTORAL ROLL THEY WILL HAVE AN INCREASING AND MORE DIRECT VOICE IN THE ADMINISTRATION OF THE TERRITORY AT THE DISTRICT, REGIONAL AND CENTRAL GOVERNMENT LEVEL,+ HE SAID.

ON THE CIVIL SERVICE, SIR EDWARD SAID THE EFFORT HAD BEEN SUSTAINED IN RESTRAINING GROWTH AND IT WAS THE GOVERNMENT'S AIM TO STABILISE THE SIZE OF THE PUBLIC SERVICE IN 1985-86.

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BIG PUBLIC SPENDING ON FUTURE  
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A VERY LARGE PART OF PUBLIC-SECTOR EXPENDITURE IN THE CURRENT FINANCIAL YEAR WAS GOING INTO INVESTMENT IN THE FUTURE OF HONG KONG, THE GOVERNOR, SIR EDWARD YOUDE SAID TODAY.

GIVING HIS ANNUAL ADDRESS IN THE LEGISLATIVE COUNCIL, SIR EDWARD SAID THIS MONEY WAS BEING SPENT ON THE PHYSICAL INFRASTRUCTURE OF NEW TOWNS, ON TRANSPORTATION, ON HOUSING AND ON OTHER FACILITIES, SUCH AS SCHOOLS, HOSPITALS AND CLINICS, ON WHICH SOCIAL PROGRESS DEPENDED.

+TOTAL EXPENDITURE ON CAPITAL WORKS LAST YEAR AMOUNTED TO \$12 BILLION AND A SIMILAR INVESTMENT IS FORECAST FOR THIS FINANCIAL YEAR. OF THIS \$4.1 BILLION IS EXPECTED TO BE SPENT ON PUBLIC RENTAL HOUSING AND THE HOME OWNERSHIP SCHEME,+ HE POINTED OUT.

BUT PUBLIC SECTOR EXPENDITURE WAS RUNNING BELOW THE LEVEL ESTIMATED, MAINLY BECAUSE OF CONTINUING TIGHT CONTROL AND THE COMPETITIVE TENDER PRICES BID FOR SOME CAPITAL PROJECTS.

+ALTHOUGH IT IS STILL TOO EARLY TO PROVIDE A RELIABLE ESTIMATE OF THE REVENUE AND EXPENDITURE OUTTURN FOR THIS FINANCIAL YEAR, IT IS EXPECTED THAT THERE WILL BE AN APPRECIABLY SMALLER DEFICIT ON GENERAL REVENUE ACCOUNT THAN THE BUDGETED FIGURE OF \$2.1 BILLION.

+THIS, IN ANY CASE, REPRESENTS LESS THAN ONE PER CENT OF OUR GROSS DOMESTIC PRODUCT,+ SIR EDWARD SAID.

THIS DEFICIT, HE ADDED, WOULD BE FINANCED IN PART BY THE HIGHLY SUCCESSFUL ISSUE OF GOVERNMENT BONDS TO THE VALUE OF \$1 BILLION REPAYABLE WITHIN FIVE YEARS.

THIS FISCAL YEAR'S PUBLIC SECTOR SPENDING WAS THUS LIKELY TO CONSTITUTE SLIGHTLY LESS THAN 17.5 PER CENT OF THE REVISED GROSS DOMESTIC PRODUCT FORECAST, AS COMPARED WITH THE ORIGINAL BUDGET ESTIMATE OF 18.3 PER CENT.

ON THE FINANCIAL SECTOR, SIR EDWARD SAID LEGISLATION WOULD SHORTLY BE INTRODUCED INTO THE COUNCIL TO PERMIT THE OPERATION OF A NEW MARKET IN STOCK INDEX FUTURES AND OTHER FINANCIAL INSTRUMENTS.

A FURTHER BILL, AIMED AT IMPROVING THE REGULATORY FRAMEWORK OF THE COMMODITIES TRADING ORDINANCE, WAS BEING PREPARED.

SIR EDWARD REPORTED THAT THE REVIEW OF THE HONG KONG COMMODITY EXCHANGE HAD BEEN COMPLETED AND THE EXCHANGE WAS TO BE REORGANISED AND WOULD BECOME THE HONG KONG FUTURES EXCHANGE.

A FURTHER STEP IN THE DEVELOPMENT OF THE FINANCIAL SECTOR WOULD BE THE UNIFICATION OF THE FOUR STOCK EXCHANGES, PLANNED FOR THE END OF NEXT YEAR.

/+AS PART .....

+AS PART OF THIS DEVELOPMENT, LEGISLATION WILL BE INTRODUCED THIS SESSION REGARDING MEMBERSHIP CRITERIA FOR THE UNIFIED EXCHANGE. LISTING AND COMPENSATION FUND RULES ARE ALSO BEING PREPARED,+ SIR EDWARD SAID.

HE ALSO POINTED TO RECENT EVENTS UNDERLINING THE NEED TO GUARD HONG KONG'S REPUTATION AS THE LEADING FINANCIAL CENTRE IN THE FAR EAST.

THIS, HE ADDED, WAS BEING DONE THROUGH A PROCESS OF CAREFUL REGULATION.

THE COMPANIES (AMENDMENT) ORDINANCE, ENACTED IN JANUARY, HAD COME INTO FORCE AT THE END OF AUGUST AND A STANDING COMMITTEE ON COMPANY LAW REFORM HAD BEEN ESTABLISHED TO ENSURE THAT LEGISLATION KEPT PACE WITH DEVELOPMENTS.

IN CONNECTION WITH THE SECURITIES COMMISSION, IT WOULD ALSO ADVISE ON THE REFORM OF THE SECURITIES ORDINANCE AND THE PROTECTION OF INVESTORS ORDINANCE.

DURING THE YEAR, THE PROVISIONS OF THE INSURANCE COMPANIES ORDINANCE HAD COME FULLY INTO EFFECT, AND THE INSURANCE ADVISORY COMMITTEE HAD BEEN SET UP TO ASSIST IN IMPLEMENTATION AND TO KEEP THE LAW UNDER REVIEW.

ONE OF THIS COMMITTEE'S MAJOR TASKS WOULD BE CONSIDERATION OF THE LAW REFORM COMMISSION'S REPORT ON INSURANCE WHICH COULD BE PUBLISHED NEXT YEAR.

ON THE ECONOMY IN GENERAL, SIR EDWARD ESTIMATED THAT DOMESTIC EXPORTS WOULD GROW BY 18 PER CENT SO THAT HONG KONG'S GROSS DOMESTIC PRODUCT WAS EXPECTED TO GROW BY EIGHT PER CENT THIS YEAR.

HE SAID THAT THE RESILIENCE OF HONG KONG'S ECONOMY AND THE EXTERNAL COMPETITIVENESS OF ITS PRODUCTS HAD ENABLED THE TERRITORY TO BENEFIT FROM A REVIVAL IN DEMAND IN ITS MAJOR EXPORT MARKETS, PARTICULARLY THE UNITED STATES.

+DOMESTIC EXPORTS TO CHINA HAVE ALSO INCREASED RAPIDLY, SO THAT CHINA HAS BECOME HONG KONG'S THIRD LARGEST MARKET. THIS IS VERY MUCH TO OUR MUTUAL BENEFIT BOTH ECONOMICALLY AND IN THE WIDER SENSE,+ HE SAID.

THIS EXPORT PERFORMANCE HAD LED TO A MAJOR IMPROVEMENT IN THE EMPLOYMENT SITUATION SO THAT IN THE THREE MONTHS TO JULY, THE UNEMPLOYMENT RATE WAS 3.4 PER CENT AND THE UNDEREMPLOYMENT WAS 0.9 PER CENT, INDICATING THAT THE LABOUR FORCE WAS NOW FULLY EMPLOYED, SIR EDWARD POINTED OUT.

THE RATE OF INFLATION HAD SLOWED DOWN SO FAR THIS YEAR TO ABOUT NINE PER CENT, AND THERE SEEMED TO BE GOOD PROSPECTS THAT IT WOULD EASE FURTHER IN THE COMING MONTHS.

/+THIS IS .....

+THIS IS ATTRIBUTABLE TO THE COMBINATION OF RELATIVELY MODERATE INCREASES IN WORLD COMMODITY PRICES AND THE STABILITY OF THE HONG KONG DOLLAR UNDER THE LINKED EXCHANGE RATE SYSTEM. LET ME MAKE CLEAR THAT WE HAVE NO PLANS TO CHANGE THAT SYSTEM,+ HE SAID.

LOOKING AHEAD TO 1985, SIR EDWARD FELT THAT HONG KONG SHOULD CONTINUE TO BENEFIT FROM THE EXPECTED GROWTH IN THE WORLD ECONOMY.

+HOWEVER, HONG KONG REMAINS AS ALWAYS VULNERABLE TO EXTERNAL EVENTS, AND WE MUST BE ALIVE TO THE POSSIBILITY THAT THE WORLD ECONOMY MAY GROW LESS RAPIDLY THAN NOW FORESEEN,+ HE STATED.

BUT HE SAID, +WHATEVER HAPPENS, THE GOVERNMENT WILL CONTINUE WITH PRUDENT AND CONSISTENT POLICIES INVOLVING MINIMUM INTERVENTION, WHICH, IN THE PAST, HAVE BEEN INSTRUMENTAL IN FOSTERING SUSTAINED ECONOMIC GROWTH.+

POINTING TO CONTINUING PROTECTIONIST PRESSURES, HE SAID, +WE HAVE BEEN PARTICULARLY CONCERNED WITH MEASURES TAKEN IN THE UNITED STATES, OUR LARGEST MARKET.+

A U.S. PRESIDENTIAL ANNOUNCEMENT IN DECEMBER LAST YEAR HAD LED TO THE RE-ESTABLISHMENT OF RESTRAINT LIMITS ON A NUMBER OF ITEMS, WHICH WERE SUPPOSED TO HAVE BEEN LIBERALISED UNDER THE 1982-1987 U.S.-HONG KONG TEXTILES AGREEMENT.

MORE RECENTLY, NEW CUSTOMS REGULATIONS HAD BEEN INTRODUCED WHICH, APART FROM BEING DISRUPTIVE TO TRADE, WERE INCONSISTENT WITH THE BASIC PRINCIPLES ON WHICH HONG KONG'S BILATERAL AGREEMENT HAD BEEN CONCLUDED.

LEGISLATIVE PROPOSALS FOR THE RENEWAL OF THE U.S. SCHEME UNDER THE GENERALISED SYSTEM OF PREFERENCES, WHICH WOULD EXPIRE IN JANUARY 1985, THREATENED TO AFFECT HONG KONG.

+THE GOVERNMENT VIEWS ALL OF THESE DEVELOPMENTS WITH GREAT CONCERN. WE HAVE ALREADY MADE KNOWN OUR VIEWS TO THE GOVERNMENT OF THE UNITED STATES AND, IN RESPECT OF THE TEXTILES ISSUE, WILL CONTINUE TO MAKE EVERY EFFORT TO RESTORE THE POSITION BOTH THROUGH BILATERAL CONSULTATIONS AND IN CONJUNCTION WITH OTHER PARTICIPANTS IN THE GATT AND MFA,+ SIR EDWARD SAID.

HE ALSO REPORTED THAT IT WAS GENERALLY AGREED THAT A MODERN EXHIBITION CENTRE WOULD BE OF VALUE TO THE EXPANSION OF HONG KONG'S TRADE.

+THE HONG KONG TRADE DEVELOPMENT COUNCIL HAS RECENTLY INVITED DEVELOPMENT PROPOSALS FOR THE VALUABLE SITE ON THE WAN CHAI WATERFRONT TO HOUSE SUCH AN EXHIBITION CENTRE. THIS WILL FULFIL A LONG FELT NEED,+ HE SAID.

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STRESSING THE IMPORTANCE OF THE MANUFACTURING SECTOR, SIR EDWARD POINTED OUT THAT DESPITE THE EXPANSION OF THE TERTIARY SECTOR IN RECENT YEARS, 35 PER CENT OF HONG KONG'S LABOUR FORCE WAS EMPLOYED IN MANUFACTURING INDUSTRIES AND THAT THEIR OUTPUT ACCOUNTED FOR 22 PER CENT OF THE GDP.

HE ALSO EMPHASISED THE IMPORTANCE OF INVESTMENT BY LOCAL INDUSTRY WHICH HAD NOT MATCHED THE GROWTH IN HONG KONG'S EXPORTS OVER RECENT YEARS.

OVERSEAS INVESTORS, ON THE OTHER HAND, HAD CONTINUED TO SHOW CONSIDERABLE INTEREST IN HONG KONG, BRINGING WITH THEM NEW TECHNOLOGY AND NEW IDEAS.

+BUT WE CONTINUE TO NEED LOCAL INVESTMENT. HONG KONG HAS BUILT UP AND MAINTAINED ITS INDUSTRIAL LEAD IN THE REGION THROUGH A CONTINUAL PROCESS OF CAPITAL RE-INVESTMENT IN NEW PLANT AND EQUIPMENT.

+IN A COMPETITIVE WORLD, WE CANNOT AFFORD TO LET THAT LEAD SLIP. I TRUST THAT THE ANNOUNCEMENT OF THE DRAFT AGREEMENT ON THE FUTURE WILL NOW GIVE RENEWED CONFIDENCE AND LEAD TO A REVIVAL OF DOMESTIC INVESTMENT,+ SIR EDWARD SAID.

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#### QUARRY BAY-CHA KWO LING TUNNEL PLANNED

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DEVELOPERS WOULD SHORTLY BE INVITED TO MAKE PROPOSALS FOR THE CONSTRUCTION, OPERATION AND FINANCING OF A FOUR-LANE CROSS-HARBOUR TUNNEL LINKING QUARRY BAY AND CHA KWO LING, THE GOVERNOR TOLD THE LEGISLATIVE COUNCIL TODAY.

SPEAKING ON THE SUBJECT OF INFRASTRUCTURE DEVELOPMENT, SIR EDWARD SAID THAT THOUGH CONGESTION AROUND THE CROSS-HARBOUR TUNNEL HAD BEEN TEMPORARILY EASED BY THE PASSAGE TAX, AN ADDITIONAL CROSSING WAS NEEDED, IN THE LONGER TERM.

+OUR CONCLUSIONS ARE THAT AT LEAST A FOUR-LANE ROAD CONNECTION IS REQUIRED, AND THAT THIS WOULD BE BEST PROVIDED BY A SUBMERGED TUBE TUNNEL LINKING QUARRY BAY AND CHA KWO LING,+ HE SAID.

STILL ON THE SUBJECT OF ROAD NETWORKS, HE SAID IN THE NEW TERRITORIES, THE DUAL-CARRIAGEWAY SECTION OF ROUTE ONE BETWEEN SHA TIN AND FANLING WOULD BE COMPLETED BY THE MIDDLE OF NEXT YEAR.

+WORK HAS ALSO BEGUN ON WIDENING ROUTE TWO, WHICH CONNECTS FANLING, YUEN LONG AND TUEN MUN, MAKING IT A DUAL-CARRIAGEWAY ROAD WITH SEPARATE SERVICE ROADS,+ HE SAID.

/REFERRING TO .....

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REFERRING TO THE ISLAND EASTERN CORRIDOR, SIR EDWARD SAID THAT TRAFFIC CONDITIONS IN THE AREA HAD BEEN IMPROVED, AND THAT THE SECOND STAGE WOULD OPEN IN MID-1985.

HE SAID THAT THE MAJOR DEVELOPMENT IN PUBLIC TRANSPORT NEXT YEAR WOULD BE THE OPENING OF THE FIRST PART OF THE MASS TRANSIT RAILWAY'S ISLAND LINE FROM CHAI WAN TO ADMIRALTY, FOLLOWED A YEAR LATER BY THE SECOND STAGE FROM ADMIRALTY TO SHEUNG WAN.

THE LIGHT RAIL TRANSIT SYSTEM TO BE BUILT AND OPERATED BY THE KOWLOON-CANTON RAILWAY CORPORATION, WOULD INITIALLY SERVE TUEN MUN AND YUEN LONG, LATER EXTENDING TO TIN SHUI WAI.

THERE WAS THE POSSIBILITY OF A FURTHER EXTENSION TO TSUEN WAN WHEN THE TRAFFIC GROWTH FORECASTS JUSTIFY IT.

TWO NEW BRIDGES, HE SAID, AT SHA TAU KOK AND MAN KAM TO, WERE CLOSE TO COMPLETION, AND WOULD IMPROVE ROAD LINKS WITH CHINA.

SIR EDWARD DESCRIBED THE GOVERNMENT'S PROGRAMME ON NEW TOWN DEVELOPMENT AS +CHALLENGING+, INVOLVING THE PROVISION OF INFRASTRUCTURE, HOUSING AND COMMUNITY FACILITIES WITH AN ANNUAL EXPENDITURE EXCEEDING \$5 BILLION.

THE BUILDING OF THE SIX NEW TOWNS, HE SAID, WAS ALREADY WELL ADVANCED, AND BY THE EARLY 1990'S THEY WILL HOUSE NEARLY THREE MILLION PEOPLE.

+IN HUMAN TERMS, THIS MEANS ABOUT 200 000 PEOPLE WILL MOVE TO NEW HOMES EACH YEAR,+ HE SAID.

APART FROM WORK ON THE NEW TOWNS, +OUR EFFORTS IN THE EARLY 1990'S ARE LIKELY TO BE APPLIED INITIALLY TO RECLAMATION AND OTHER WORKS AROUND THE HARBOUR,+ HE SAID.

+THIS WILL ASSIST THE GROWTH AND DIVERSIFICATION OF OUR ECONOMY BY ENHANCING PORT, BUSINESS AND FINANCIAL FACILITIES, WILL ENABLE ROAD AND RAIL SYSTEMS TO BE EXTENDED AND IMPROVED, AND WILL HELP RELIEVE SOME OF THE PRESSURES OF POPULATION GROWTH.+

HE SAID THAT A PORT DEVELOPMENT STRATEGY STUDY, WHICH WOULD ASSESS REQUIREMENTS UP TO THE YEAR 2001, AND DETERMINE HOW ANY SHORTFALL IN FACILITIES COULD BEST BE MET, WAS UNDERWAY, AND SHOULD BE COMPLETED WITHIN THE NEXT 12 MONTHS.

TO EXPAND THE EXISTING CONTAINER TERMINALS, 15 ADDITIONAL HECTARES OF LAND WOULD BE PROVIDED FOR BY RECLAIMING THE KWAI CHUNG CREEK BY MID-1987.

SIR EDWARD WAS PLEASED BY THE SPECIAL COMMITTEE ON LAND SUPPLY'S FORECAST THAT THE SUPPLY OF LAND OVER THE NEXT FIVE YEARS WOULD BE MORE THAN ADEQUATE TO MEET MOST PUBLIC AND PRIVATE SECTOR NEEDS.

/THE DRAFT .....

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THE DRAFT AGREEMENT ON THE FUTURE OF HONG KONG, HE SAID, CONTAINED VERY SATISFACTORY PROVISIONS ON LAND.

+THESE PROVISIONS CONFIRM RIGHTS IN EXISTING LEASES AND REMOVE THE 1997 BARRIER TO THE EXTENSION OF SUCH LEASES.

+THE PROVISION OF LAND GRANTS WILL ALSO PERMIT OUR NORMAL DEVELOPMENT PROGRAMMES TO CONTINUE,+ HE SAID.

REGARDING THE PLANNED DAYA BAY NUCLEAR POWER STATION, SIR EDWARD SAID DETAILED CONTRACTUAL ARRANGEMENTS PROVIDING FOR THE SALE OF ELECTRICITY TO HONG KONG WERE BEING WORKED OUT.

+WHEN THESE ARE COMPLETE, PROPOSALS WILL BE SUBMITTED TO THE GOVERNMENT FOR FORMAL APPROVAL,+ HE ADDED.

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#### BROAD PLANS TO HELP THE DISABLED \* \* \* \* \*

EFFORTS TO IMPROVE PUBLIC AWARENESS AND UNDERSTANDING OF THE PROBLEMS OF THE HANDICAPPED, IN PARTICULAR THE MENTALLY ILL, WILL BE STEPPED UP, THE GOVERNOR, SIR EDWARD YOUDE, SAID IN THE LEGISLATIVE COUNCIL TODAY.

+OUR PLANS FOR 1985 INCLUDE PREPARATION OF A TRANSPORT POLICY FOR THE DISABLED, TO ENSURE THAT AS FAR AS POSSIBLE THE REQUIREMENTS OF THE DISABLED ARE TAKEN INTO ACCOUNT IN GENERAL TRANSPORT PLANNING; ENACTMENT OF NEW LEGISLATION ON ACCESS TO BUILDINGS; AND THE DRAFTING OF LEGISLATION ON GUARDIANSHIP FOR THE ADULT MENTALLY ILL OR HANDICAPPED,+ HE SAID.

HE POINTED OUT THAT FOLLOWING A REVIEW OF THE REHABILITATION PROGRAMME, PLANS HAD BEEN REVISED TO INCREASE THE NUMBER OF PLACES IN SCHOOLS FOR THE MENTALLY HANDICAPPED AND HALF-WAY HOUSES FOR THE MENTALLY ILL.

AMONG OTHER SHORTFALLS IDENTIFIED, THE MOST SERIOUS IS OF SPEECH THERAPISTS.

SIR EDWARD SAID THE UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE WAS EXAMINING THE POSSIBILITY OF ESTABLISHING A SUITABLE SPEECH THERAPY COURSE LOCALLY.

SIR EDWARD SAID THE GOVERNMENT HAD ACCEPTED THE REPORT SUBMITTED BY THE WORKING PARTY ON PRE-SCHOOL CARE, EDUCATION AND TRAINING OF DISABLED CHILDREN.

/THE MAIN .....

THE MAIN RECOMMENDATIONS IN THE REPORT INCLUDE THE ESTABLISHMENT OF EARLY EDUCATION AND TRAINING CENTRES FOR DISABLED CHILDREN UNDER TWO YEARS OF AGE AND IMPROVED STAFFING STANDARDS FOR SPECIAL CHILD CARE CENTRES.

+THESE WILL BE IMPLEMENTED AS RESOURCES PERMIT. EARLIER IN THE YEAR A NEW CODE OF AID FOR SPECIAL SCHOOLS WAS INTRODUCED,+ HE SAID.

ON THE SERVICES FOR THE ELDERLY, THE GOVERNMENT WAS SEEKING TO MEET THEIR SPECIAL ACCOMMODATION NEEDS THROUGH THE PURCHASE OF FLATS, WITH FUNDS FROM THE SPECIAL COIN SUSPENSE ACCOUNT, AND THROUGH THE PROVISION OF MORE SELF-CARE AND CARE-AND-ATTENTION HOMES AND MORE INFIRMARY BEDS, HE SAID.

HE POINTED OUT THAT BOTH THE SUBVENTED SECTOR AND THE HOUSING AUTHORITY HAD IMPORTANT ROLES IN EXPANDING GROUP ACCOMMODATION FOR THE ELDERLY.

+NEVERTHELESS IT IS IMPORTANT TO VIEW THE HOUSING NEEDS OF THE ELDERLY IN THE CONTEXT OF THEIR WELFARE AS A WHOLE,+ HE ADDED.

SIR EDWARD SAID THE DIRECTOR OF SOCIAL WELFARE, WHO WILL PREPARE A STRATEGIC PLAN FOR MEETING SHORTFALLS IN ALL TYPES OF GROUP ACCOMMODATION FOR THE ELDERLY, HAD BEEN MADE RESPONSIBLE FOR PLANNING THE VARIOUS TYPES OF GROUP ACCOMMODATION FOR THEM, AND FOR ENSURING THAT A PROPER INTEGRATION OF FACILITIES IS ACHIEVED.

ON INFIRMARY BEDS, A FIRM DECISION HAD BEEN MADE TO FUND THE SHA TIN INFIRMARY WHICH SHOULD BE COMPLETED BY 1990, AT AN ESTIMATED COST OF ABOUT \$200 MILLION FROM THE SPECIAL COIN SUSPENSE ACCOUNT, SIR EDWARD SAID.

REGARDING THE NON-CONTRIBUTORY PUBLIC ASSISTANCE SCHEME, WHICH IS THE BASIS OF HONG KONG'S SOCIAL SECURITY SYSTEM, A MORE COMPREHENSIVE REVIEW WAS REQUIRED, HE SAID.

+THE SECRETARY FOR HEALTH AND WELFARE IS NOW EXAMINING THE SCHEME AND, IN PARTICULAR, WHETHER THERE IS SCOPE FOR CONSOLIDATING THE VARIOUS PAYMENTS AVAILABLE, AND FOR INCREASING THE AMOUNT OF DISREGARDED INCOME FOR THOSE ABLE TO SUPPLEMENT THEIR ASSISTANCE PAYMENTS WITH MINOR EARNINGS,+ HE SAID.

HE ALSO REPORTED THAT SOME IMPORTANT LABOUR LEGISLATION WOULD BE INTRODUCED IN THE COMING YEAR.

+PRIORITY IS BEING GIVEN TO LEGISLATION ESTABLISHING THE FUND FOR THE PROTECTION OF WAGES ON INSOLVENCY,+ HE SAID.

ALSO BEING PREPARED ARE AMENDMENTS TO THE EMPLOYMENT ORDINANCE TO ENSURE THAT THE ASSETS OF A PROVIDENT FUND ARE PROTECTED AND AVAILABLE FOR THEIR PROPER PURPOSE, PARTICULARLY IN THE CASE OF THREATENED INSOLVENCY.

/+OTHER MATTERS .....

+OTHER MATTERS BEING CONSIDERED INCLUDE TWO SETS OF REGULATIONS UNDER THE FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE, ONE CONTROLLING THE USE OF ASBESTOS IN THE WORKPLACE, AND THE OTHER PROVIDING FOR THE COMPULSORY EMPLOYMENT OF SAFETY OFFICERS AND SUPERVISORS IN THE CONSTRUCTION INDUSTRY,+ HE ADDED.

ON THE ENVIRONMENT ASPECT, SIR EDWARD SAID, +WATER POLLUTION IS ARGUABLY THE MOST SERIOUS BLIGHT ON OUR ENVIRONMENT.+

HE SAID THAT REGULATIONS TO CONTROL DISCHARGES IN TOLO HARBOUR WHICH WAS DECLARED THE FIRST WATER CONTROL ZONE, UNDER THE WATER POLLUTION CONTROL ORDINANCE, WOULD BE SUBMITTED TO THE EXECUTIVE COUNCIL THIS YEAR.

MEANWHILE, LEGISLATION FOR THE PROPER STORAGE AND DISPOSAL OF ANIMAL WASTE WAS IN DRAFT, HE SAID.

EACH DAY, 2 000 TONNES OF UNTREATED ANIMAL WASTE ARE DUMPED INTO HONG KONG'S WATERCOURSES.

A CENTRAL STEERING GROUP HAD BEEN ESTABLISHED UNDER THE SECRETARY FOR HEALTH AND WELFARE TO OVERSEE AND COORDINATE WATERCOURSE MAINTENANCE AND MANAGEMENT, WHILE DISTRICT LEVEL PLANS WERE IN HAND TO TACKLE LOCAL SOURCES OF POLLUTION, SIR EDWARD SAID.

HE ADDED THAT LEGISLATION TO PROVIDE MORE EFFECTIVE CONTROLS ON NOISE NUISANCES SHOULD ALSO BE INTRODUCED IN THE LEGISLATIVE COUNCIL THIS SESSION.

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HOUSING AUTHORITY EXCEEDING BUILDING TARGET  
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THE HOUSING AUTHORITY WILL EXCEED ITS ANNUAL CONSTRUCTION TARGET OF 35 000 FLATS THIS YEAR, FOR THE FIFTH YEAR IN SUCCESSION, THE GOVERNOR, SIR EDWARD YOUDE, SAID IN THE LEGISLATIVE COUNCIL TODAY.

NOTING THAT OVER 2.4 MILLION PEOPLE, OR ABOUT 45 PER CENT OF THE POPULATION, LIVE IN PERMANENT PUBLIC HOUSING, SIR EDWARD SAID NOWHERE IS THE GOVERNMENT'S INVESTMENT IN THE FUTURE MORE VISIBLE THAN IN THE FIELD OF HOUSING.

+NEXT YEAR, THE ADDITION OF 5 000 FLATS FOR SALE UNDER THE PRIVATE SECTOR PARTICIPATION SCHEME WILL ALLOW US TO BOOST PUBLIC SECTOR PRODUCTION, INCLUDING THAT OF THE HONG KONG HOUSING SOCIETY, TO OVER 40 000 FLATS ANNUALLY,+ HE SAID.

SIR EDWARD SAID HIGHER PRODUCTION FIGURES HAD PERMITTED THE HOUSING AUTHORITY TO REVIEW ITS ALLOCATION POLICIES.

/+THIS INVOLVED .....

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+THIS INVOLVED WIDESPREAD PUBLIC CONSULTATION, INCLUDING DISCUSSIONS WITH ALL DISTRICT BOARDS AND MANY INTEREST GROUPS.

+THE EXECUTIVE COUNCIL HAS NOW APPROVED MANY OF THE RECOMMENDATIONS BY THE HOUSING AUTHORITY.

+THESE INCLUDE ALLOWING SINGLE PERSONS TO APPLY FOR SPECIALLY DESIGNED UNITS IN RENTAL HOUSING, WITH PRIORITY GIVEN TO OCCUPANTS OF TEMPORARY HOUSING AREAS ; ALLOWING TWO-PERSON FAMILIES TO APPLY FOR BOTH RENTAL AND HOME OWNERSHIP SCHEME FLATS; AND THE PROVISION OF ADDITIONAL NON-FINANCIAL INCENTIVES AIMED AT ENCOURAGING EXISTING HOUSING AUTHORITY TENANTS TO APPLY FOR HOME OWNERSHIP SCHEME FLATS.

+I FEEL SURE THAT THESE NEW INITIATIVES WILL BE WELCOMED BY ALL,+ HE SAID.

SIR EDWARD SAID HIGHER LEVELS OF HOUSING PRODUCTION HAD ALSO ENABLED THE GOVERNMENT TO RETHINK ITS SQUATTER CLEARANCE PLANS.

IT IS NOW POSSIBLE TO SEE THE WAY AHEAD TO THE REHOUSING OF ALL SQUATTERS IN URBAN AREAS, INCLUDING BOAT SQUATTERS AND OTHERS ON LAND NOT EARMARKED FOR DEVELOPMENT.

+I AM CONSCIOUS OF THE PERILS INHERENT IN SUCH PREDICTIONS, BUT, PROVIDED WE CAN MAINTAIN PRODUCTION AND PROVIDED IMMIGRATION REMAINS LOW, THE MAIN URBAN SQUATTER SITES SHOULD BE CLEARED BY THE EARLY 1990'S,+ HE SAID.

HE SAID THAT AS HE HAD PROMISED, THE REDEVELOPMENT OF THE OLD MARK I AND II RESETTLEMENT BLOCKS HAD BEEN ACCELERATED.

+BY THE EARLY 1990'S, THE KOWLOON CENTRAL ESTATES, WHICH PRESENTLY HOUSE NO LESS THAN 105 000 PEOPLE, WILL BE IMPROVED TO STANDARDS MORE IN KEEPING WITH THE PRESENT TIMES,+ HE SAID.

HE NOTED THAT THE RECENT DEPRESSION IN THE PROPERTY MARKET HAD LED TO A DISAPPOINTING PERFORMANCE BY THE PRIVATE SECTOR, WITH ONLY 20 000 COMPLETIONS EXPECTED THIS CALENDAR YEAR.

+THERE ARE, HOWEVER, SOME PROMISING SIGNS, PARTICULARLY IN THE MARKET FOR SMALL RESIDENTIAL FLATS, AND PRODUCTION IS EXPECTED TO RISE TO ABOUT 27 000 UNITS IN 1985,+ HE SAID.

AT PRESENT, SOME 2.5 MILLION PEOPLE LIVE IN PRIVATE SECTOR ACCOMMODATION.

HALF OF THEM ARE OWNER-OCCUPIERS, REFLECTING THE +GROWING AND VERY ENCOURAGING+ TREND IN HOME OWNERSHIP, SIR EDWARD SAID.

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MEDICAL SERVICES EXPANDING  
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THE SHORTFALL IN THE NUMBER OF HOSPITAL BEDS AND DOCTORS WAS BEING PROGRESSIVELY MET, THE GOVERNOR, SIR EDWARD YOUDE, SAID TODAY.

THE OPENING OF NEW HOSPITALS AND EXTENSION OF EXISTING ONES WOULD PROVIDE 3 000 MORE BEDS EVENTUALLY, HE SAID.

AND THE SHORTFALL IN THE NUMBER OF DOCTORS HAD ALSO BEEN REDUCED, AS THERE WERE SOME 4 100 DOCTORS IN PRACTICE AGAINST 3 200 IN 1980. FURTHER SUPPLY WAS EXPECTED IN 1986, FROM THE FIRST MEDICAL GRADUATES OF THE CHINESE UNIVERSITY.

SPEAKING OF PLANS TO HELP CERTAIN EX-MENTAL PATIENTS, SIR EDWARD SAID THAT THERE WOULD BE NEW LEGISLATION PROVIDING, AMONG OTHER THINGS, SIMPLER AND MORE EFFECTIVE PROCEDURES FOR ADMISSION, DISCHARGE AND, WHERE NECESSARY, RECALL OF MENTAL PATIENTS TO MENTAL HOSPITALS.

ANOTHER BILL WOULD BRING OPTOMETRISTS WITHIN THE AMBIT OF THE SUPPLEMENTARY MEDICAL PROFESSIONS ORDINANCE SO AS TO RAISE THE STANDARD WITHIN THE PROFESSION.

THE GOVERNOR ALSO SAID THAT CONSULTANTS WOULD BE APPOINTED TO REVIEW MEDICAL SERVICES PROVIDED IN GOVERNMENT AND SUBVENTED HOSPITALS TO ENABLE PATIENTS TO HAVE READY ACCESS TO THE BEST POSSIBLE STANDARD OF CARE AND TO CONSIDER WHAT CHANGES WERE NEEDED IN ORGANISATIONAL STRUCTURE, STAFFING, AND INTERNAL ADMINISTRATION FOR THE EXPANSION IN YEARS AHEAD.

+WE ARE RIGHTLY PROUD OF THE PROFESSIONAL STANDARDS OF THOSE WHO PRACTISE IN OUR HOSPITALS; AT THE SAME TIME WE MUST ENSURE THAT OUR HOSPITAL SERVICE IS ORGANISED TO GIVE PATIENTS READY ACCESS TO THE BEST POSSIBLE STANDARD OF CARE,+ SIR EDWARD SAID.

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GANG CRIME CAUSES CONCERN  
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THE HIGH INCIDENCE OF TRIAD AND GANG CRIMES, AND SERIOUS AND VIOLENT CRIMES COMMITTED BY YOUNG MEN, WAS CONTINUING TO CAUSE CONCERN, SAID THE GOVERNOR.

THIS CAME AGAINST A BACKGROUND OF A SMALL DECREASE IN RECORDED CRIME THIS YEAR COMPARED WITH LAST, HE SAID.

TO COMBAT THE PROBLEM, THE POLICE HAD REVISED THEIR STRATEGIES TO COUNTER GANG AND TRIAD ACTIVITY AND THESE WERE ALREADY PROVING EFFECTIVE.

/+IN PARTICULAR, .....

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+IN PARTICULAR, THE DECREASE EXPECTED IN THE OVERALL LEVEL OF VIOLENT CRIME IS LARGELY DUE TO A DECLINE IN THE NUMBER OF ARMED ROBBERIES, WHICH IN TURN IS ATTRIBUTED TO THE SEIZURE BY THE POLICE OF SOME 58 GENUINE AND CONVERTED FIREARMS IN THE FIRST SIX MONTHS OF THE YEAR,+ SAID SIR EDWARD.

HE PAID TRIBUTE TO THE ADVICE OFFERED BY THE FIGHT CRIME COMMITTEE WHICH HAS FOCUSED GOVERNMENT ATTENTION ON AREAS OF PUBLIC CONCERN. A NUMBER OF IMPORTANT LEGISLATIVE PROPOSALS, SOME OF WHICH WOULD BE PUT TO THE COUNCIL LATER THIS SESSION, HAD SPRUNG FROM ITS RECOMMENDATIONS.

ON NARCOTICS, HE SAID, THE INCREASING INVOLVEMENT OF YOUNG MEN AND WOMEN IN DRUGS, EVIDENT OVER THE LAST TWO YEARS HAD BEEN REVERSED.

+OVERALL, THE NUMBER OF NEWLY REPORTED PERSONS UNDER 21 YEARS INVOLVED WITH DRUGS HAS DECREASED BY OVER 28 PER CENT, WITH ONLY 425 REPORTS IN THE FIRST HALF OF 1984,+ HE SAID.

SEVERAL FACTORS MIGHT ACCOUNT FOR THIS SUCCESS.

ONE WAS THAT POLICE AND CUSTOMS OFFICERS HAD SEIZED RECORD AMOUNTS OF NARCOTICS AND THE PRICE HAD AT TIMES RISEN BEYOND THE REACH OF ADDICTS WHO HAD THEN SOUGHT TREATMENT. AT THE SAME TIME, THE ADVICE OF THE ACTION COMMITTEE AGAINST NARCOTICS HAD GOT THE ANTI-DRUG MESSAGE ACROSS TO THE YOUNG.

THE FIGHT AGAINST CORRUPTION WAS A RELENTLESS ONE, SAID SIR EDWARD, IN REFERRING TO THE ICAC. FOLLOWING THE SUCCESS OF THE POLICE CORRUPTION PREVENTION GROUP, IN AUGUST 1981, A FURTHER 20 GROUPS HAD BEEN ESTABLISHED THIS YEAR IN GOVERNMENT DEPARTMENTS.

+REPORTS OVER THE LAST THREE YEARS SUGGEST LITTLE VARIATION IN THE OVERALL LEVEL OF CORRUPT ACTIVITY,+ HE SAID.

+BUT THE TOTAL FIGURE CONCEALS ONE WORRYING TREND, THAT IS AN INCREASE IN MAJOR FRAUDS FACILITATED BY CORRUPTION.+

THE CORRECTIONAL SERVICES DEPARTMENT WAS CONTINUING TO IMPROVE ITS REHABILITATION FACILITIES AND DEVELOP CORRECTIONAL PROGRAMMES, HE SAID.

SPECIAL EMPHASIS HAD BEEN PLACED ON ADDITIONAL FACILITIES FOR THE BETTER PSYCHIATRIC CARE OF THE CRIMINALLY INSANE AND MENTALLY DISTURBED PRISONERS. DESIGN WORK ON THE EXPANSION OF THE SIU LAM PSYCHIATRIC CENTRE WAS NEARLY FINISHED AND BUILDING WORK SHOULD BE COMPLETED IN 1987.

TO HELP PRISONERS STAY AWAY FROM CRIME THE CORRECTIONAL SERVICES INDUSTRIES HAD BEEN EXPANDED AND DIVERSIFIED TO IMPROVE THE EMPLOYMENT PROSPECTS OF PRISONERS ON THEIR RETURN TO SOCIETY AND QUALIFICATIONS WERE BEING PROVIDED.

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HK MAY HAVE OWN BODY FOR DEGREE VALIDATION  
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A PROPOSAL FOR HONG KONG TO HAVE ITS OWN BODY FOR VALIDATION OF DEGREE COURSES, RATHER THAN RELY ON BRITAIN, WAS BEING EXAMINED BY THE GOVERNMENT, THE GOVERNOR, SIR EDWARD YOUDE SAID TODAY.

THE RECOMMENDATION HAD BEEN MADE BY THE UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE, WHICH FELT THAT HONG KONG SHOULD NO LONGER RELY ON THE UK COUNCIL FOR NATIONAL ACADEMIC AWARDS FOR THIS WORK, SIR EDWARD SAID IN HIS REVIEW OF EDUCATION.

SUCH A BODY OF ITS OWN TO MAINTAIN INTERNATIONALLY ACCEPTED STANDARDS, IF ESTABLISHED, WOULD CONSIST OF BOTH LOCAL AND OVERSEAS MEMBERS AND WAS LIKELY TO BE BOTH MORE RESPONSIVE TO LOCAL NEEDS AND MORE ECONOMICAL TO OPERATE THAN THE PRESENT SYSTEM, HE SAID.

IN HIS REVIEW OF HIGHER EDUCATION, SIR EDWARD SAID ALSO THAT THE EXISTING TWO UNIVERSITIES CONTINUED TO EXPAND AND A NUMBER OF SITES FOR A POSSIBLE THIRD UNIVERSITY HAD BEEN IDENTIFIED.

THE EXECUTIVE COUNCIL WOULD BE CONSULTED NEXT YEAR ON WHETHER PLANNING FOR THIS UNIVERSITY SHOULD PROCEED, HE SAID.

SPEAKING OF THE PRIMARY AND SECONDARY SCHOOL LEVEL, HE SAID ANOTHER MATTER BEING STUDIED BY GOVERNMENT WAS A RECOMMENDATION BY A WORKING PARTY CHAIRED BY THE HON ALEX WU CONCERNING THE PRODUCTION OF TEXTBOOKS WRITTEN IN CHINESE.

+THESE WILL FILL A LONG FELT NEED,+ HE SAID.

THE YEAR HAD BEEN AN EVENTFUL ONE FOR EDUCATION, WITH THE SETTING UP OF AN EDUCATION COMMISSION AND THE FOUNDING OF TWO TERTIARY INSTITUTIONS - THE CITY POLYTECHNIC OF HONG KONG AND THE HONG KONG ACADEMY FOR PERFORMING ARTS.

THE EDUCATION COMMISSION SET UP TO CONSIDER THE REPORT OF THE INTERNATIONAL PANEL WOULD SUBMIT ITS REPORT BEFORE THE END OF THIS MONTH, HE SAID.

THE REPORT WOULD MAKE RECOMMENDATIONS CONCERNING THE FUTURE OF THE JUNIOR SECONDARY EDUCATION ASSESSMENT, LANGUAGE IN EDUCATION, IMPROVEMENTS IN TEACHER PREPARATION AND THE TEACHING SERVICE, OPEN EDUCATION, AND EDUCATIONAL RESEARCH.

THE CITY POLYTECHNIC OF HONG KONG WHICH WILL OPEN ON OCTOBER 8, CATERS FOR 480 FULL-TIME AND 680 PART-TIME STUDENTS.

THE GOVERNOR EXPRESSED THANKS TO THE PLANNING COMMITTEE CHAIRED BY THE HON SIR S.Y. CHUNG AND THE HONG KONG POLYTECHNIC FOR THE ASSISTANCE GIVEN TO THE COMMITTEE.

THE ROYAL HONG KONG JOCKEY CLUB WAS ALSO THANKED FOR MAKING POSSIBLE THE CONSTRUCTION OF THE PERMANENT PREMISES IN WAN CHAI FOR THE ACADEMY FOR PERFORMING ARTS.

/AND, THE .....

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AND, THE SEAMEN'S TRAINING CENTRE, OPENED IN FEBRUARY, ENABLED HONG KONG TRAINED SEAMEN TO MEET INTERNATIONAL REQUIREMENTS, HE SAID.

A VARIETY OF OTHER TRADES INCLUDING AUTOMOBILE REPAIR AND SERVICING, ELECTRICAL REPAIR AND ELECTRONICS WOULD BENEFIT WHEN THE TWO INDUSTRIAL TRAINING CENTRES, ONE AT KOWLOON BAY AND THE OTHER AT KWAI CHUNG BECOME OPERATIONAL EARLY NEXT YEAR, HE SAID.

LOOKING AHEAD, SIR EDWARD SAID 18 400 ADDITIONAL PLACES FOR TECHNICIANS, CRAFTSMEN AND APPRENTICES WILL BE AVAILABLE WHEN THE TECHNICAL INSTITUTES IN SHA TIN AND TUEN MUN ARE COMPLETED IN 1986, AND THE THIRD IN CHAI WAN IN 1987.

THE FUTURE SHA TIN AND CHAI WAN TECHNICAL INSTITUTES WILL HAVE LARGE COMPUTER STUDIES DEPARTMENTS.

+COMPUTERS ARE ALREADY A FACT OF LIFE IN HONG KONG AND IT IS ESSENTIAL THAT OUR YOUNG PEOPLE ARE MADE FAMILIAR WITH THEIR USE AND OPERATION AT AN EARLY AGE.

+WE MUST ENSURE THAT THE COMING GENERATION IS TRAINED FOR TOMORROW'S WORLD,+ THE GOVERNOR SAID.

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NO AMNESTY FOR ILLEGAL IMMIGRANTS  
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THE GOVERNOR STRESSED THAT THERE WAS NO QUESTION OF ANY AMNESTY FOR ILLEGAL IMMIGRANTS.

+ANY ILLEGAL IMMIGRANTS DETECTED IN HONG KONG WILL BE REPATRIATED,+ HE SAID.

+THERE CAN BE NO QUESTION OF ANY KIND OF AMNESTY.+

ON VIETNAMESE REFUGEES, HE SAID THAT OVERSEAS RESETTLEMENT HAD RESULTED IN A SLIGHT DECLINE IN THE NUMBER IN HONG KONG BUT THE RATE OF RESETTLEMENTS WAS STILL DISCOURAGINGLY SLOW.

THE CLOSED CENTRE POLICY MUST REMAIN IN FORCE TO DISCOURAGE THE ARRIVAL OF OTHERS, SAID SIR EDWARD.

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COMMUNITY SERVICE  
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A COMMUNITY SERVICE ORDERS BILL WOULD BE INTRODUCED IN THIS LEGISLATIVE COUNCIL SESSION.

THE GOVERNOR SAID THAT THE GOVERNMENT HAD ACCEPTED THE LAW REFORM COMMISSION'S RECOMMENDATION THAT THE COURTS BE ALLOWED TO IMPOSE COMMUNITY SERVICE ORDERS ON CERTAIN OFFENDERS AND A BILL WOULD BE INTRODUCED EARLY IN THE SESSION.

A CONSULTATIVE DOCUMENT ISSUED BY THE ATTORNEY GENERAL ON THE TRIAL OF COMMERCIAL CRIMES, WHICH ENVISAGED THE INTRODUCING OF A SYSTEM OF EXPERIENCED ADJUDICATORS SITTING WITH A JUDGE TO TRY MORE COMPLEX CASES, WAS BEING DISCUSSED BY THE COMMUNITY, HE SAID.

SIR EDWARD SAID THAT THIS YEAR HAD SEEN THE INTRODUCTION OF THE SUPPLEMENTARY LEGAL AID SCHEME, DESIGNED TO ASSIST THOSE WHO WOULD NOT NORMALLY QUALIFY, YET WHO COULD NOT AFFORD TO PURSUE LITIGATION WITHOUT CONSIDERABLE SACRIFICE.

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PUBLIC SERVICE PRAISED FOR WORK  
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THE PUBLIC SERVICE HAD NOT ALLOWED UNCERTAINTIES ABOUT THE FUTURE TO AFFECT THEIR PERFORMANCE, THE GOVERNOR, SIR EDWARD YOUNG SAID TODAY.

EFFICIENCY HAD BEEN MAINTAINED AT A HIGH LEVEL, SIR EDWARD TOLD THE LEGISLATIVE COUNCIL.

+ I AM CONFIDENT THAT THE SERVICE WILL PLAY A FULL PART IN MAINTAINING A STABLE AND PROSPEROUS HONG KONG, + HE SAID.

SPEAKING ALSO OF THE SUCCESSFUL EFFORT IN RESTRAINING PUBLIC SERVICE GROWTH LAST YEAR, SIR EDWARD SAID THAT THIS EFFORT HAD BEEN SUSTAINED THIS YEAR.

THE AIM WAS NOW TO STABILISE THE SIZE OF THE PUBLIC SERVICE IN 1985-86.

WHERE IT WAS ESSENTIAL TO PROVIDE STAFF FOR NEW FACILITIES, COMPENSATORY SAVINGS IN STAFF WOULD NEED BE FOUND ELSEWHERE, HE SAID.

HE WOULD EXPECT, THE GOVERNOR SAID, TO SEE THE EXAMPLE SET BY THE CIVIL SERVICE FOLLOWED BY ALL AUTHORITIES AND ORGANISATIONS IN RECEIPT OF PUBLIC MONEY, SIR EDWARD SAID.

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TRIBUTES TO COUNCIL MEMBERS  
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THE GOVERNOR, SIR EDWARD YOUDE, TODAY PAID TRIBUTE TO FATHER MCGOVERN, AN UNOFFICIAL LEGISLATIVE COUNCILLOR WHO DIED OVER THE WEEKEND.

BEFORE DELIVERING HIS ANNUAL ADDRESS IN THE COUNCIL, SIR EDWARD SAID FATHER MCGOVERN'S DEATH HAD BROUGHT GREAT SADNESS NOT JUST TO THE COUNCIL BUT ALSO TO THE COMMUNITY AT LARGE.

+FATHER MCGOVERN HAD A DISTINGUISHED RECORD OF PUBLIC SERVICE ON THIS COUNCIL AND ON THE EXECUTIVE COUNCIL.

+IN PARTICULAR, HE WILL BE REMEMBERED FOR HIS CONTRIBUTION IN THE FIELDS OF INDUSTRIAL RELATIONS AND EDUCATION DURING HIS EIGHT YEARS AS AN UNOFFICIAL MEMBER.

+HIS PASSING TAKES FROM US A MAN WELL KNOWN FOR HIS COMPASSION AND FOR HIS MORAL COURAGE,+ SIR EDWARD SAID.

HE ALSO THANKED MR CHARLES YEUNG, WHO HAS LEFT THE COUNCIL AFTER SEVEN YEARS' SERVICE.

+HE HAS BEEN A WISE AND THOUGHTFUL ADVOCATE OF THE INTERESTS OF THE PEOPLE OF THE NEW TERRITORIES THROUGHOUT THESE YEARS.

+HE HAS GIVEN DISTINGUISHED SERVICE ON THE IMPORTANT PUBLIC ACCOUNTS COMMITTEE,+ SIR EDWARD SAID.

SPEAKING ON BEHALF OF UNOFFICIAL MEMBERS IN BOTH THE LEGISLATIVE AND EXECUTIVE COUNCILS, THE HON ROGER LOBO SAID THEY WISHED TO BE ASSOCIATED WITH THE WARM TRIBUTE WHICH THE GOVERNOR HAD PAID TO FR MCGOVERN.

+SINCE FR MCGOVERN JOINED THE LEGISLATIVE COUNCIL IN 1976, HE HAD BEEN A MOST ACTIVE MEMBER OF BOTH THIS COUNCIL AND UMELCO. A MAN OF GREAT COMPASSION AND UNFLINCHING INTEGRITY, HE HAD CRUSADED TIRELESSLY TO DEFEND AND ADVANCE THE INTERESTS OF THE LITTLE MAN,+ MR LOBO SAID.

+FR MCGOVERN'S COMMITMENT+, HE SAID, WAS AN EXAMPLE TO ALL.

HE SHOWED A GREAT INSIGHT INTO THE WORRIES, FEARS AND FEELINGS OF ORDINARY PEOPLE AND NEVER HESITATED TO POINT OUT WHAT HE SAW AS THE INJUSTICES OF ANY SITUATION.

/+HIS DEDICATION .....

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+HIS DEDICATION WAS NOT TO ANY CLASS OR CATEGORY OF PEOPLE BUT TO SOCIAL JUSTICE AND TO HUMANITY. WE SHALL MISS HIM AS A GOOD FRIEND; WE SHALL MISS HIS HONESTY, WE SHALL MISS HIS COURAGE AND UNFAILING GOOD HUMOUR WHICH WON HIM HIS HIGHEST RESPECT OF HIS UNOFFICIAL COLLEAGUES.

+HE WAS A MAN FOR ALL THE PEOPLE OF HONG KONG WHOM HE SERVED TIRELESSLY UNTIL THE VERY LAST DAY,+ MR LOBO SAID.

MR LOBO SAID THAT MR YEUNG MADE MANY VALUABLE CONTRIBUTIONS DURING THE SEVEN YEARS HE HAD SERVED THE COUNCIL.

+WE HAVE BENEFITED MUCH FROM HIS WIDE EXPERIENCE AND LEGAL MIND.

+WE WILL MISS HIM AND WISH HIM, HIS WIFE AND FAMILY EVERY SUCCESS IN THE FUTURE,+ HE SAID.

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HK KEEPING UP FIGHT AGAINST U.S. ORIGIN RULES  
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HONG KONG COULD SPARE NO EFFORT IN FIGHTING THE UNITED STATES' COUNTRY OF ORIGIN REGULATIONS, WHICH CAME INTO EFFECT ON SEPTEMBER 7, THE DEPUTY DIRECTOR OF TRADE, MR DONALD TSANG, SAID TODAY (THURSDAY).

THE FIGHT WOULD BE KEPT UP UNTIL +OUR PROBLEMS ARE SATISFACTORILY RESOLVED+, MR TSANG TOLD A LUNCH MEETING OF THE TSIM SHA TSUI KAIFONG ASSOCIATION.

THE GOVERNMENT WOULD WORK CLOSELY WITH THE TRADE AND OTHER EXPORTING COUNTRIES +IN ESCALATING OPPOSITION IN BOTH THE BILATERAL AND MULTILATERAL FORUMS+.

WITHIN HONG KONG, ALL GROUPS WERE WORKING TOGETHER TO HAVE THE REGULATIONS RESCINDED, HE SAID.

THE MEDIA AS WELL AS THE LOCAL TRADE AND INDUSTRY GROUPS HAD ALSO BEEN MOST ACTIVE HERE AND OVERSEAS AND FULLY SUPPORTIVE OF THE GOVERNMENT'S ACTION.

+LET'S HOPE THAT REASON WILL EVENTUALLY PREVAIL AND A FAVOURABLE CHANGE WILL TAKE PLACE BEFORE LONG,+ HE SAID.

BUT MR TSANG ADDED THAT AS THE US REGULATIONS HAD APPARENTLY BEEN MOTIVATED BY POLITICAL CONSIDERATIONS CONNECTED WITH THE PRESIDENTIAL ELECTIONS, IT WOULD NOT BE REALISTIC TO EXPECT A SUDDEN REVERSAL OF THE POSITION BEFORE THE ELECTIONS ON NOVEMBER 6.

HE DESCRIBED THE PROMULGATION OF THE REGULATIONS AS +A LETHAL BLOW+. IT FOLLOWED A SERIES OF +PUNITIVE MEASURES DIRECTED AT HONG KONG AND OTHER TEXTILE EXPORTING COUNTRIES SINCE DECEMBER LAST YEAR IN ORDER TO PROTECT THE U.S. DOMESTIC TEXTILE AND GARMENT INDUSTRIES,+ HE SAID.

THE REGULATIONS WOULD AFFECT \$2.2 BILLION WORTH OF HONG KONG'S EXPORTS TO THE U.S., \$1.9 BILLION OF WHICH REPRESENTED SWEATERS EXPORTS.

OVER 95 PER CENT OF HONG KONG'S WOOLLEN SWEATER EXPORTS TO THE U.S. WOULD BE AFFECTED, WITH CONSEQUENTIAL LOSS OF EARNINGS FOR AS MANY AS 50 000 WORKERS IN HONG KONG AND 100 000 IN CHINA, MOSTLY IN GUANGDONG PROVINCE.

+THE SIGNIFICANT PORTION OF THE WOOLLEN SWEATERS QUOTAS WHICH HONG KONG HAS PAINFULLY EARNED OVER THE YEARS IS LIKELY TO BECOME USELESS BECAUSE THE SWEATERS, CONTAINING PANELS KNITTED IN CHINA, ARE NOW REGARDED AS ORIGINATED IN CHINA,+ MR TSANG SAID.

NEWS AGENCIES REPORTED THAT THE EUROPEAN ECONOMIC COMMUNITY (EEC) HAD PROTESTED AGAINST THE U.S. COUNTRY OF ORIGIN REGULATIONS DURING THE MEETING OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT) COUNCIL IN GENEVA ON OCTOBER 2.

/ON THESE .....

ON THESE REPORTS, MR TSANG SAID HE WAS VERY PLEASED AND ENCOURAGED WITH THE EEC'S SUPPORT.

HE SAID THAT HONG KONG'S COUNSELLOR IN GENEVA, MR MICHAEL CARTLAND, TOLD THE GATT COUNCIL THAT HE SUPPORTED THE EEC'S CALL FOR THE WITHDRAWAL OF THE REGULATIONS.

MR CARTLAND DREW THE GATT COUNCIL'S ATTENTION TO ARTICLE VIII OF THE GENERAL AGREEMENT WHICH RECOGNISED THE NEED +FOR DECREASING AND SIMPLIFYING IMPORT AND EXPORT DOCUMENTATION REQUIREMENTS+.

THE ARTICLE ALSO ENVISAGES THAT +THE PRODUCTION OF CERTIFICATES OF ORIGIN SHOULD ONLY BE REQUIRED TO THE EXTENT THAT IS STRICTLY INDISPENSABLE+.

STATING THAT THE SAME IDEAS WERE ENSHRINED IN ARTICLE IX, MR CARTLAND SAID THAT THE UNILATERAL INTRODUCTION BY THE U.S. OF NEW ORIGIN RULES FOR TEXTILES HAD RESULTED IN +CUMBERSOME DOCUMENTATION REQUIREMENTS+ DEMANDED OF EXPORTERS TO THE U.S.

+THE NEW RULES ALSO REQUIRE THE DISCLOSURE OF COMMERCIALY SENSITIVE OR CONFIDENTIAL INFORMATION WHICH TRADERS ARE UNABLE TO PROVIDE. THIS IS NO MINOR TECHNICAL MATTER. IT AMOUNTS TO A SIGNIFICANT BARRIER TO TRADE AND RUNS CONTRARY TO THE LETTER AND SPIRIT OF ARTICLES VIII AND IX.+ MR CARTLAND SAID.

MOREOVER, MR CARTLAND EMPHASISED, +IN THE TEXTILES SECTOR WHERE TRADE IS GOVERNED BY THE FRAMEWORK OF THE GATT, THE MFA AND THE BILATERAL AGREEMENTS, IT SEEMS CLEAR THAT UNILATERAL RULES OF ORIGIN CANNOT AND SHOULD NOT BE USED OUTSIDE THAT FRAMEWORK AND IN A MANNER THAT CONFLICTS WITH IT, THUS FRUSTRATING LEGITIMATE TRADE.

+MORE SPECIFICALLY,+ HE ADDED, +THE USE OF ORIGIN RULES BY ANY CONTRACTING PARTY AS A PROTECTIVE MEASURE, RESULTING IN SUBSTANTIAL TRADE LOSS ON THE PART OF OTHER CONTRACTING PARTIES, CANNOT BE JUSTIFIED IN TERMS OF THE GENERAL AGREEMENT.+

IN SUCH CIRCUMSTANCES, AFFECTED PARTIES WOULD BE WITHIN THEIR RIGHTS TO RAISE THE QUESTION OF NULLIFICATION OR IMPAIRMENT.

+MR CHAIRMAN, THE QUESTION OF IMPAIRMENT ARISING FROM THE NEW U.S. COUNTRY OF ORIGIN REGULATIONS IS BEING EXAMINED IN HONG KONG. THE PRELIMINARY ASSESSMENT IS THAT CONSIDERABLE DAMAGE HAS ALREADY BEEN SUSTAINED IN TERMS OF CANCELLATION OF CONTRACTS TO THE VALUE OF MANY MILLIONS OF U.S. DOLLARS.

+IN CONCLUSION, MR CHAIRMAN, I SUGGEST THE CALL BY THE DISTINGUISHED REPRESENTATIVE OF THE EEC FOR THE WITHDRAWAL OF THE COUNTRY OF ORIGIN REGULATIONS.

+I ALSO SUGGEST THE PROPOSAL IN THE STATEMENT OF MR BAJWA (OF PAKISTAN WHO SPOKE ON BEHALF OF DEVELOPING COUNTRIES) AND RESERVE HONG KONG'S RIGHTS UNDER THE GENERAL AGREEMENT IN THIS MATTER,+ MR CARTLAND SAID.

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SCHEME TO DO AWAY WITH LICENSING  
\* \* \*

THE TRADE DEPARTMENT TODAY (THURSDAY) ADVISED SHIPPING AND AIRLINE COMPANIES AS WELL AS THEIR APPOINTED AGENTS TO APPLY FOR REGISTRATION UNDER A TRANSHIPMENT CARGO EXEMPTION SCHEME TO BE INTRODUCED ON NOVEMBER 15.

SIX TYPES OF TRANSHIPMENT CARGO WILL BE EXEMPT FROM LICENSING REQUIREMENTS PROVIDED THEY ARE TRANSHIPPED THROUGH HONG KONG BY THESE COMPANIES, OR THEIR APPOINTED AGENTS REGISTERED WITH THE TRADE DEPARTMENT UNDER THE SCHEME.

THE SIX TYPES OF CARGO ARE : TEXTILES, PROCESSED AND MANUFACTURED FOODSTUFFS, ELECTRICAL PRODUCTS POWERED BY MAINS SUPPLY, PHARMACEUTICAL PRODUCTS AND MEDICINES, RESERVED COMMODITIES, AND AGRICULTURAL PESTICIDES.

WITH AGRICULTURAL PESTICIDES, THEY MUST BE TRANSHIPPED WITHIN THE PREMISES OF THE HONG KONG AIR CARGO TERMINALS LIMITED.

THE EXISTING THREE-MONTH TRANSHIPMENT LICENSING SYSTEM COVERING CERTAIN TRANSHIPMENT CARGO WILL BE TERMINATED UPON THE START OF THE NEW SCHEME.

DETAILS OF THE SCHEME, INCLUDING REGISTRATION PROCEDURES, ARE SET OUT IN A CIRCULAR ISSUED TODAY.

COPIES OF THE CIRCULAR ARE BEING SENT TO SHIPPING COMPANIES, AIRLINES AND FREIGHT FORWARDERS.

ANY PERSON WISHING TO OBTAIN A COPY OF THE CIRCULAR MAY CONTACT THE TRADE LICENSING (NON-TEXTILES) SECTION OF THE TRADE DEPARTMENT IN ROOM 1322, 13/F, OCEAN CENTRE, KOWLOON, OR AT TELEPHONE NO. 3-7222261.

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FIGHT AGAINST SLUMS STEPPED UP  
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THE GOVERNMENT IS TO INTRODUCE A SERIES OF MEASURES TO IMPROVE THE MANAGEMENT OF MULTI-STOREY BUILDINGS AND PREVENT FURTHER URBAN DECAY, THE REGIONAL SECRETARY FOR HONG KONG AND KOWLOON, MR BARRIE WIGGHAM SAID TODAY (THURSDAY).

+WE ARE FACED TODAY WITH A SITUATION WHERE AN ESTIMATED 13 PER CENT OF THE BUILDINGS IN HONG KONG MAY BE CONSIDERED SLUMS,+ HE SAID.

+AND MANY BUILDINGS NOT PRESENTLY CLASSED AS SLUMS WILL BECOME SLUMS IN THE NOT TOO DISTANT FUTURE IF NOTHING IS DONE TO STOP THE ROT,+ HE ADDED.

/SPEAKING AT .....

SPEAKING AT A MEETING OF THE ROTARY CLUB OF KOWLOON, MR WIGGHAM SAID THE ABSENCE OF PROPER BUILDING MANAGEMENT OVER THE YEARS RESULTED IN THE DETERIORATION OF BUILDINGS, THUS CREATING SERIOUS ENVIRONMENTAL AND HEALTH PROBLEMS FOR TENANTS.

THE GOVERNMENT'S PACKAGE OF PROPOSALS TO IMPROVE THE SITUATION INCLUDE AMENDING VARIOUS ORDINANCES, FORMULATING A CODE OF PRACTICE AND SETTING UP CO-ORDINATING TEAMS TO ADVISE TENANTS.

+BUT ITS SUCCESS WOULD DEPEND ON THE MOTIVATION OF BUILDING OWNERS THEMSELVES,+ MR WIGGHAM SAID. +TOUGHER MEASURES MAY HAVE TO BE ADOPTED IF BUILDING OWNERS DO NOT RESPOND TO THE GOVERNMENT'S INITIATIVES.+

THE MULTI-STOREY BUILDINGS (OWNERS INCORPORATION) ORDINANCE IS TO BE AMENDED TO MAKE THE SECRETARY FOR DISTRICT ADMINISTRATION THE AUTHORITY TO WHOM THE OWNERS OF NOT LESS THAN 20 PER CENT OF THE UNDIVIDED SHARES OF A BUILDING CAN APPLY IF THEY WANT TO FORM AN OWNERS' CORPORATION. THE AMENDMENT WILL DO AWAY WITH THE PRESENT PRACTICE OF SUCH OWNERS APPLYING TO THE COURTS FOR PERMISSION TO MEET TO APPOINT A MANAGEMENT COMMITTEE.

THE BUILDINGS ORDINANCE IS TO BE AMENDED TO MAKE IT A LEGAL REQUIREMENT FOR FLAT OWNERS TO EMPLOY SOMEONE TO CERTIFY ANNUALLY THAT HE HAS REGULARLY INSPECTED THE BUILDING AND THAT NO ILLEGAL STRUCTURES HAVE BEEN ERECTED OR ANY ILLEGAL ALTERATIONS MADE. THE BUILDINGS ORDINANCE OFFICE WILL TAKE ACTION AGAINST OWNERS WHO FAIL TO PRODUCE SUCH A CERTIFICATE.

A LEGALLY ENFORCABLE CODE OF PRACTICE WILL BE FORMULATED TO DEAL WITH ABUSE OF POWERS AND CORRUPTION AMONG MANAGEMENT COMMITTEES OR OWNERS' CORPORATIONS. THE CODE STIPULATES THE RESPONSIBILITIES OF OWNERS' CORPORATION OFFICE-BEARERS; THE DUTIES OF THE MANAGEMENT COMMITTEES; TENDERING AND PURCHASING PROCEDURES; AND DETAILED PROCEDURES FOR THE CONDUCT OF MEETINGS.

THE DEED OF MUTUAL COVENANT WILL, IN FUTURE, CONTAIN CLAUSES THAT WILL ENSURE THAT OWNERS CAN APPOINT A MANAGEMENT COMPANY OF THEIR OWN CHOICE AND IF A REASONABLE PROPORTION OF THEM WANT TO CHANGE THE TERMS OF THE DEED OF MUTUAL COVENANT THEY SHOULD BE ALLOWED TO DO SO. SOME EXISTING DMCS MAKE NO PROVISION FOR THE FORMATION OF OWNERS' CORPORATIONS; SOME APPOINT MANAGEMENT COMPANIES VIRTUALLY IN PERPETUITY; AND SOME FIX UNACCEPTABLY HIGH FEES AND ALLOW THE OWNERS LITTLE OR NO SAY AT ALL IN THE MANAGEMENT OF THEIR BUILDING.

CO-ORDINATING TEAMS, LED BY HOUSING MANAGEMENT PROFESSIONALS, ARE TO BE SET UP IN SELECTED DISTRICTS TO PROVIDE HELP, ADVICE AND ENCOURAGEMENT TO RESIDENTS WHO WANT TO SET UP BUILDING MANAGEMENT BODIES.

+SO FAR, WE HAVE AVOIDED ANY STEPS TO MAKE MANAGEMENT OF BUILDINGS A LEGAL REQUIREMENT, AS WE BELIEVE THERE IS SOMETHING FUNDAMENTALLY CONTRADICTORY ABOUT REQUIRING PEOPLE TO IMPROVE THEIR ENVIRONMENT FOR THEIR OWN GOOD, AND THREATENING TO PUNISH THEM IF THEY CHOOSE NOT TO DO SO,+ MR WIGGHAM SAID.

+BUT IF OWNERS CANNOT RESPOND TO THE INITIATIVE BEING TAKEN, WE MAY YET HAVE TO TAKE THE RELUCTANT STEP OF LEGISLATING FOR COMPULSORY BUILDING MANAGEMENT,+ HE ADDED.

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PUBLIC WORKS SPENDING UP  
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THE INCREASE IN EXPENDITURE ON NEW PUBLIC WORKS PROJECTS REFLECTED THE GROWTH OF CONSTRUCTION ACTIVITY IN HONG KONG, THE SECRETARY FOR LANDS AND WORKS, DR N.K. CHAN, TOLD AMERICAN AUDIENCES TODAY.

ADDRESSING FIRST THE ASIAN-AMERICAN ARCHITECTS AND ENGINEERS AND THEN THE AMERICAN INSTITUTE OF ARCHITECTS IN LOS ANGELES, DR CHAN POINTED OUT THAT THIS SPENDING HAD EXPANDED FROM \$1 368 MILLION IN 1977-78 TO \$6 013 MILLION IN 1983-84.

THE TOTAL VALUE OF ALL CONSTRUCTION WORK IN 1983 WAS ABOUT \$24 290 MILLION, DESPITE SOME DECREASE IN THE LEVEL OF PRIVATE SECTOR WORK, HE SAID.

+THE TOTAL EXPENDITURE ON PUBLIC WORKS FOR THE CURRENT FINANCIAL YEAR, EXCLUDING PUBLIC HOUSING, LAND ACQUISITION AND CAPITAL EXPENDITURE UNDER THE DEFENCE COSTS AGREEMENT, IS EXPECTED TO BE IN THE REGION OF \$6 800 MILLION.

+IN THE CURRENT FISCAL YEAR THE GOVERNMENT HAS INJECTED \$3 600 MILLION WORTH OF NEW WORK IN THE PUBLIC WORKS PROGRAMME, AND I HAVE EVERY CONFIDENCE THAT THIS LEVEL OF NEW COMMITMENTS WILL BE MAINTAINED, IF NOT INCREASED, IN 1985-86,+ DR CHAN SAID.

THE INJECTION OF FUNDS WOULD ALLOW WORK TO START ON 120 NEW ITEMS, HE ADDED.

DR CHAN, WHO IS ON A THREE-WEEK VISIT TO THE UNITED STATES, SAID THAT FUTURE PROJECTS INCLUDED POSSIBLE FURTHER CROSSINGS OF THE HARBOUR BETWEEN HONG KONG AND KOWLOON BY TUNNEL AND BRIDGE STRUCTURES.

BESIDES NEW WORKS, THERE WERE MANY MAJOR ON-GOING PROJECTS, WITH SPENDING TOTALLING ABOUT \$8 760 MILLION.

THIS FIGURE DID NOT INCLUDE EXPENDITURE OF THE HOUSING AUTHORITY AND THE MASS TRANSIT RAILWAY CORPORATION.

ON THE BUILDING SIDE, DR CHAN SAID, THESE WOULD COVER SCHOOLS, FIRE STATIONS, MARKETS, BEACH BUILDINGS, GOVERNMENT OFFICE BUILDINGS AND POLICE STATIONS.

IN THE ENGINEERING FIELD, WORKS WOULD INCLUDE HIGHWAYS, FLYOVERS, SUBWAYS, FOOTBRIDGES, BUS TERMINI, RIVER TRAINING WORKS, LARGE-SCALE RECLAMATIONS, NEW RAILWAY STATIONS, SERVICE RESERVOIRS, WATER TREATMENT WORKS, PUMPING STATIONS, WATER DISTRIBUTION MAINS, SEWAGE TREATMENT WORKS, LARGE-SCALE SITE FORMATIONS, DRAINS, SEWERS AND INCINERATORS.

/DR CHAN .....

DR CHAN SAID VERY LARGE PRIVATE BUILDING PROJECTS DUE TO START INCLUDED THE KORNHILL AND REDHILL RESIDENTIAL HOUSING PROJECTS AND THE NEW BANK OF CHINA BUILDING.

SOME OF THOSE UNDER CONSTRUCTION WERE THE HONG KONG ACADEMY FOR PERFORMING ARTS, EXCHANGE SQUARE AND THE NEW HEADQUARTERS FOR THE HONG KONG BANK, HE SAID.

DR CHAN RETURNS TO HONG KONG ON OCTOBER 7.

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TAX RESERVE INTEREST CUT  
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THE FINANCIAL SECRETARY HAS AUTHORISED A DECREASE IN THE RATE OF INTEREST PAYABLE ON TAX RESERVE CERTIFICATES. AS FROM OCTOBER 5, 1984, THE NEW ANNUAL RATE OF INTEREST WILL BE 8.52 PER CENT (TAX FREE) AS AGAINST THE CURRENT RATE OF 9.6 PER CENT (TAX FREE).

INTEREST ON TAX RESERVE CERTIFICATES IS CALCULATED IN MONTHLY STEPS AND THE NEW RATE WILL BE \$0.71 PER MONTH PER \$100. INTEREST WILL BE CREDITED AS BEFORE IN RESPECT OF COMPLETED MONTHS BETWEEN PURCHASE AND SURRENDER IN PAYMENT OF TAX.

DETAILS ARE CONTAINED IN THE GOVERNMENT GAZETTE OF FRIDAY, OCTOBER 5.

INTEREST IS ONLY CREDITED WHEN CERTIFICATES ARE USED TO PAY TAX AND NO INTEREST IS DUE WHERE THE PRINCIPAL VALUE OF A CERTIFICATE IS REPAID BY A CHEQUE.

THE NEW RATE WILL APPLY TO ALL CERTIFICATES ISSUED ON OR AFTER OCTOBER 5, 1984.

CERTIFICATES WHICH WERE ISSUED BEFORE OCTOBER 5, 1984 WILL CONTINUE TO EARN INTEREST AS FOLLOWS:-

- 10.8% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER JUNE 4, 1982 AND BEFORE AUGUST 27, 1982;
- 9% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER AUGUST 27, 1982 AND BEFORE DECEMBER 3, 1982;
- 7.8% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER DECEMBER 3, 1982 AND BEFORE MAY 27, 1983;
- 10.2% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER MAY 27, 1983 AND BEFORE OCTOBER 28, 1983;

/12% PER .....

- 12% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER OCTOBER 28, 1983 AND BEFORE NOVEMBER 7, 1983;
- 9.6% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER NOVEMBER 7, 1983 AND BEFORE FEBRUARY 10, 1984;
- 7.8% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER FEBRUARY 10, 1984 AND BEFORE MARCH 23, 1984;
- 5.16% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER MARCH 23, 1984 AND BEFORE MAY 18, 1984;
- 8.4% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER MAY 18, 1984 AND BEFORE JULY 6, 1984;
- 10.08% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER JULY 6, 1984 AND BEFORE JULY 13, 1984;
- 12.84% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER JULY 13, 1984 AND BEFORE AUGUST 10, 1984;
- 10.8% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER AUGUST 10, 1984 AND BEFORE AUGUST 31, 1984; AND
- 9.6% PER ANNUM FOR CERTIFICATES ISSUED ON OR AFTER AUGUST 31, 1984 AND BEFORE OCTOBER 5, 1984

BUT ALWAYS SUBJECT TO THE GENERAL RULE THAT INTEREST CEASES TO ACCRUE AFTER 36 COMPLETED MONTHS WITHOUT SURRENDER FOR PAYMENT OF TAX.

EXAMPLE: \$1 000 CERTIFICATES PURCHASED ON OCTOBER 8, 1984, NOVEMBER 8, 1984 AND DECEMBER 8, 1984 RESPECTIVELY, SURRENDER IN PAYMENT OF TAX DUE ON JANUARY 8, 1985 WILL HAVE INTEREST CALCULATED AS FOLLOWS:-

ON \$1 000, OCTOBER 8, 1984 TO JANUARY 8, 1985 THREE COMPLETE MONTHS AT \$7.10 PER MONTH = \$21.30

ON \$1 000, NOVEMBER 8, 1984 TO JANUARY 8, 1985 TWO COMPLETE MONTHS AT \$7.10 PER MONTH = \$14.20

ON \$1 000, DECEMBER 8, 1984 TO JANUARY 8, 1985 ONE COMPLETE MONTH AT \$7.10 PER MONTH = \$ 7.10

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\$42.60  
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### MP'S TOUR EASTERN DISTRICT

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TWO VISITING MEMBERS OF PARLIAMENT, SIR NICHOLAS BONSOR AND MR PETER TEMPLE-MORRIS, TODAY (THURSDAY) TOURED EASTERN DISTRICT.

ACCOMPANIED BY AN ASSISTANT DISTRICT OFFICER, DR SIMON VICKERS, THEY HAD A BIRD'S EYE VIEW OF THE ALDRICH BAY TYPHOON SHELTER FROM A NEARBY BUILDING AND SAW THE EXTENSIVE RECLAMATION TAKING PLACE IN SHAU KEI WAN FROM QUARRY BAY TO ALDRICH BAY.

AT LEI YUE MUN FORT, THEY WERE BRIEFED ON LARGE-SCALE INDUSTRIAL AND RESIDENTIAL DEVELOPMENT PLANNED FOR SIU CHAI WAN AND PAK CHAI WAN, THE CONSTRUCTION OF THE EASTERN DISTRICT HOSPITAL, AND THE DEVELOPMENT OF TWO MAJOR TRANSPORT SYSTEMS - THE MASS TRANSIT RAILWAY ISLAND LINE AND THE ISLAND EASTERN CORRIDOR.

THEIR LAST STOP WAS AT A VANTAGE POINT IN O PUI LOONG VILLAGE WHERE THEY WERE ABLE TO SEE 12 HILLSIDE SQUATTER VILLAGES IN SHAU KEI WAN, AS WELL AS CONSTRUCTION WORK AT KORNHILL IN QUARRY BAY.

SIR NICHOLAS AND MR TEMPLE-MORRIS WERE TOLD THAT THE POPULATION IN EASTERN DISTRICT REPRESENTS A WIDE CROSS-SECTION OF THE COMMUNITY, FROM PEOPLE LIVING IN SQUATTER AREAS, TO TENANTS IN PUBLIC HOUSING ESTATES, TO RESIDENTS OF UPPER AND MIDDLE CLASS PRIVATE FLATS.

THE TWO MP'S ALSO TRAVELLED ON THE ISLAND EASTERN CORRIDOR, AND MET WITH MEMBERS OF THE EASTERN DISTRICT BOARD TO HEAR THEIR VIEWS ON THE SINO-BRITISH DRAFT AGREEMENT.

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### TAI PO MARKET TRAFFIC CHANGES

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SPECIAL TRAFFIC ARRANGEMENTS WILL BE IMPLEMENTED IN TAI PO MARKET FROM 10 AM ON FRIDAY (OCTOBER 5), A TRANSPORT DEPARTMENT SPOKESMAN SAID TODAY.

ONE WAY TRAFFIC WILL BE IMPLEMENTED ON THE FOLLOWING ROADS:

- \* WAN TAU STREET SOUTHBOUND FROM KWONG FUK ROAD TO HEUNG SZE WUI STREET.
- \* HEUNG SZE WUI STREET WESTBOUND FROM WAN TAU STREET TO PO HEUNG STREET.

/\* PO HEUNG .....

- \* PO HEUNG STREET NORTHBOUND FROM HEUNG SZE WUI STREET TO NAM SHING STREET.
- \* WAI YI STREET WESTBOUND FROM PO HEUNG STREET TO SHUN TAK STREET.
- \* SHUN TAK STREET SOUTHBOUND FROM WAI YI STREET TO YAN HING STREET.
- \* YAN HING STREET WESTBOUND FROM SHUNG TAK STREET TO PAK SHING STREET.
- \* SUI ON STREET EASTBOUND FROM PAK SHING STREET TO HEI YUEN STREET.
- \* HEI YUEN STREET NORTHBOUND FROM SUI ON STREET TO YAN HING STREET.
- \* ON FU ROAD SOUTHBOUND FROM NAM SHING STREET TO SHUNG TAK STREET.
- \* ON FU ROAD NORTHBOUND FROM NAM SHING STREET TO KWONG FUK ROAD.
- \* KWONG FUK ROAD EASTBOUND FROM TSING YUEN STREET TO WAN TAU STREET.

KMB ROUTES NO. 72K, 74K, AND 75K ON SOUTHBOUND JOURNEYS WILL BE DIVERTED AT THE JUNCTION OF PO HEUNG STREET AND NAM SHING STREET VIA NAM SHING STREET AND ON FU ROAD.

THE EXISTING BUS TERMINUS ON PO HEUNG STREET FOR KMB ROUTE NO 72 WILL BE RESITED TO WAI YAN STREET.

ADDITIONAL BUS STOPS WILL BE DESIGNATED ON NAM SHING STREET FOR KMB ROUTES NO. 64K, 65K, 72K, 74K AND 75K.

ADDITIONAL STOPS WILL BE DESIGNATED AT WAI YI STREET, WAI YAN STREET AND ON FU ROAD FOR MAXICAB ROUTES NO. 20K, 21K, 22K, 23K, AND 25K.

THE EXISTING PLB STAND IN WAI YAN STREET WILL BE RESITED TO TSING YUEN STREET.

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CRIME PREVENTION EXPERT VISITS  
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A DIRECTOR OF THE ASIA CRIME PREVENTION FOUNDATION, MR NAOMI IKEZAKI, IS IN HONG KONG TO SEE THE WORK OF THE CORRECTIONAL SERVICES DEPARTMENT.

TODAY, HE MET THE COMMISSIONER OF CORRECTIONAL SERVICES, MR THOMAS GARNER, FOR A BRIEFING ON THE PROGRAMMES ADMINISTERED BY THE DEPARTMENT.

ON WEDNESDAY, HE VISITED THE PIK UK CORRECTIONAL INSTITUTION FOR YOUNG OFFENDERS; PHOENIX HOUSE - A HALF-WAY HOUSE; AND THE PIK UK PRISON LAUNDRY WHICH IS CAPABLE OF HANDLING SOME 50 000 PIECES OF LINEN EACH DAY.

MR IKEZAKI WILL TRAVEL NEXT TO SINGAPORE.

THE ASIA CRIME PREVENTION FOUNDATION HAS MADE A GREAT CONTRIBUTION TO THE CRIMINAL JUSTICE FIELD IN ASIA BY SPONSORING PARTICIPANTS AT THE UNITED NATIONS ASIA AND FAR EAST INSTITUTE FOR THE PREVENTION OF CRIME AND TREATMENT OF OFFENDERS (UNAFEI) IN JAPAN AND OTHER RESEARCH PROJECTS.

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TWO-PERSON FAMILIES ELIGIBLE FOR HOS FLATS  
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TWO-PERSON FAMILIES CAN NOW APPLY FOR A NUMBER OF RETURNED AND NEW HOME OWNERSHIP SCHEME FLATS WHICH WILL BE PUT ON SALE FROM TOMORROW (FRIDAY).

+UNDER A NEW POLICY RECENTLY APPROVED BY THE EXECUTIVE COUNCIL, A MARRIED COUPLE, TWO CLOSELY-RELATED PERSONS OR ANYONE LIVING WITH A DEPENDENT RELATIVE HAVE BEEN MADE ELIGIBLE FOR APPLYING FOR AN HOS VFLAT,+ SAID A SPOKESMAN FOR THE HOUSING AUTHORITY TODAY.

HE SAID PRIVATE SECTOR APPLICANTS WOULD STILL HAVE TO SATISFY OTHER ELIGIBILITY REQUIREMENTS, INCLUDING THE CURRENT \$7 500 MONTHLY INCOME LIMIT.

+LOCATED AT 18 HOS ESTATES IN VARIOUS PARTS OF URBAN AREAS AND THE NEW TOWNS, THE RETURNED FLATS WILL BE OFFERED TO APPLICANTS FROM BOTH THE PRIVATE SECTOR AND TENANTS OF HOUSING AUTHORITY AND HOUSING SOCIETY ESTATES.+

HE ADDED THAT THE RETURNED HOS FLATS WOULD BE SOLD AT PRICES RANGING FROM \$119 900 TO \$363 900, WITH GROSS AREAS BETWEEN 45 AND 65.1 SQUARE METRES. SOME OF THEM ARE LAND-VALUE-FREE.

/ALSO ON .....

ALSO ON SALE FROM TOMORROW ARE 14 RETURNED FLATS AT THE MIDDLE INCOME HOUSING MELODY GARDEN IN TUEN MUN, WITH GROSS AREAS BETWEEN 62.9 AND 88.2 SQUARE METRES AND PRICES RANGING FROM \$214 200 TO \$322 300.

+THERE WILL BE NO RESTRICTIONS ON INCOME LIMIT, FAMILY SIZE, LENGTH OF RESIDENCE IN HONG KONG AND PROPERTY OWNERSHIP OF THOSE WHO APPLY FOR MELODY GARDEN FLATS, THOUGH THEY HAVE TO ARRANGE FOR THEIR OWN MORTGAGE FACILITIES,+ THE SPOKESMAN SAID.

TOGETHER WITH THE RETURNED HOS FLATS, SOME NEW FLATS AT TAI PO PLAZA IN TAI PO, SIU HONG COURT IN TUEN MUN AND CHOI PO COURT IN SHEUNG SHUI WILL ALSO BE PUT ON SALE FROM TOMORROW ON A FIRST-COME-FIRST-SERVED BASIS.

+THEY ARE PRICED FROM \$102 900 TO \$233 000 EACH AND HAVE GROSS AREAS BETWEEN 41.5 AND 54.2 SQUARE METRES.

+AT TAI PO PLAZA, SHOW FLATS ARE NOW AVAILABLE FOR VIEWING BY PROSPECTIVE BUYERS UNTIL OCTOBER 9. THE OPENING HOURS ARE FROM 11.30 AM TO 12.30 PM AND FROM 3 PM TO 4 PM ON WEEKDAYS AND SATURDAY, AND FROM 10 AM TO 5 PM ON SUNDAY.

+IN ADDITION, SAMPLE FLATS AT SIU HONG COURT AND CHOI PO COURT ARE NOW ALSO OPEN FOR PUBLIC VIEWING DAILY FROM 9 AM TO 5 PM UNTIL OCTOBER 14.+

THE SPOKESMAN SAID FULL DETAILS OF THE FLATS ON SALE, TOGETHER WITH APPLICATION FORMS AND COPIES OF AN HOS GUIDE, WERE NOW OBTAINABLE DURING OFFICE HOURS AT THE HOME OWNERSHIP CENTRE IN HO MAN TIN.

+COMPLETED APPLICATION FORMS MUST BE SUBMITTED IN PERSON FROM TOMORROW (FRIDAY) TO THE CENTRE WHEN ELIGIBLE APPLICANTS WILL BE INVITED TO SELECT THEIR FLATS AND COMPLETE THE NECESSARY FORMALITIES.

+TO ESTABLISH ELIGIBILITY, APPLICANTS SHOULD BRING ALONG THEIR IDENTITY CARDS, COPIES OF FAMILY MEMBERS' IDENTITY CARDS, HOUSEHOLD INCOME PROOF AND OTHER RELEVANT DOCUMENTS.

+APPLICANTS FROM PUBLIC HOUSING ESTATES WILL HAVE TO PRODUCE THEIR TENANCY CARDS AS WELL.+