



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL: 5-233191

THURSDAY, MARCH 19, 1987

CONTENTS

PAGE NO.

LEGISLATIVE COUNCIL MEETING :

OF PATRON SAINT AND A WELL-BALANCED BUDGET	1
CALL TO KEEP EXPENDITURE WITHIN LIMITS	2
INCREASED SECURITY APPROPRIATION NEEDED	4
TIME RIGHT TO RELY MORE ON INDIRECT TAXES	6
CUMBERSOME APPLICATION PROCEDURE CRITICISED	7
OVERALL REVIEW OF PRIMARY MEDICAL CARE POLICY URGED	9
CALL TO MAINTAIN PRESENT INVESTMENT CLIMATE	11
IMPROVEMENTS IN QUALITY OF WELFARE SERVICES NEEDED	13
'SANDWICHED CLASS' STILL LEFT IN THE COLD	15
CALL TO AIM FOR STABLE ECONOMIC ENVIRONMENT	16
HK'S ECONOMIC PROBLEMS OUTLINED	18
NEED TO IMPROVE SECURITIES MARKET MECHANISM	19
INTERESTS OF ALL TAKEN CARE OF IN BUDGET	21
LEAKAGE OF EXCO PAPER TO BE CHECKED	23
HK NOW THE WORLD'S SECOND BUSIEST CONTAINER PORT	24
COMMISSIONER OF BANKING'S ANNUAL REPORT FOR 1986	25
SIGNIFICANT DROP IN NUMBER OF DRUG-ABUSERS	27
SET OF HONG KONG LAWS PRESENTED	29
JAPAN RECOGNISES BH(O) PASSPORT	30

/COMPUTER

COMPUTER DISPLAY CONTEST WINNERS GET PRIZES	30
KWAI TSING SHOWS SUPPORT FOR YOUDE FUND	31
ILLEGAL STRUCTURES TO BE CLOSED	32
ILLEGAL STRUCTURES CLEARED IN KWUN TONG	33
SEMINAR ON REPRESENTATIVE GOVERNMENT ORGANISED	33
CAMPAIGN AGAINST THROWING OBJECTS FROM HEIGHT	34
INDUSTRIAL SAFETY GALA NIGHT TOMORROW	34
SCOTT TO INSPECT CAS PARADE	35
OUTSTANDING YOUTHS TO GET PRIZES	35
WINNING PHOTOGRAPHS ON DISPLAY AGAIN	36
CHING MING TRAFFIC AND TRANSPORT ARRANGEMENTS	36
CLOSURE OF TWO KWUN TONG ROADS TO CONTINUE	38
TRAFFIC CHANGES IN CENTRAL	38
RESTRICTED ZONE ON PC ON ROAD	39

THURSDAY, MARCH 19, 1987

- 1 -

OF PATRON SAINT AND A WELL-BALANCED BUDGET
* * * * *

THE HON CHAN KAM-CHUEN SAID TODAY (THURSDAY) THE 1987-88 BUDGET PRESENTED BY THE FINANCIAL SECRETARY WAS ON THE WHOLE WELL-BALANCED.

SPEAKING DURING THE SECOND DAY OF THE BUDGET DEBATE IN THE LEGISLATIVE COUNCIL, MR CHAN SAID THAT IF THE FINANCIAL SECRETARY HAD TO CHOOSE A PATRON SAINT TO PROTECT HIM THROUGHOUT THIS TRANSITION PERIOD, THE +GODDESS OF MERCY WITH A THOUSAND HANDS+ MIGHT BE APPROPRIATE, AS LONG AS 500 HANDS WERE USED TO COLLECT TAX AND THE OTHER 500 WERE USED FOR DISHING THE MONEY OUT AS EXPENDITURE FOR THE GOOD OF HONG KONG.

ON HONG KONG'S INTERNAL SECURITY, MR CHAN SAID THE DISCIPLINED FORCES HAD DONE THEIR BEST TO MAINTAIN LAW AND ORDER.

+ALTHOUGH THERE WERE RECENTLY SOME DARING ROBBERIES AND SHOOTINGS IN CENTRAL AND TRIAD ACTIVITIES, THE ROYAL HONG KONG POLICE FORCE WILL NO DOUBT BE ABLE TO COPE WITH THESE TYPICAL CRIMES OF LARGE CITIES EFFECTIVELY,+ HE SAID.

HE ADDED THAT THE BRITISH GARRISON IN HONG KONG AND THE AUXILIARY ARMED FORCES REPRESENTED THE BRITISH PRESENCE HERE TO UPHOLD HONG KONG'S LAW AND ADMINISTRATION.

+IT IS ALSO WISE FOR EVERY ADMINISTRATION TO HAVE ALTERNATIVE ARMED FORCES AT THEIR DISPOSAL,+ HE SAID.

HE SAID THAT IF HONG KONG DID NOT MAINTAIN ADEQUATE ARMED FORCES AND IF THERE WAS A ONE-IN-A-MILLION CHANCE THAT HONG KONG WAS INVADED, THEN IT WOULD BE A GOOD EXCUSE FOR TROOPS OF OTHER COUNTRIES TO COME TO OUR ASSISTANCE WHETHER WE LIKED IT OR NOT.

HE ALSO SAID THAT THE DEATH PENALTY WAS A DETERRENT TO SERIOUS CRIMES, AND THAT CRIMINALS SHOULD REPAY THE COMMUNITY WITH SOME MANUAL LABOUR SUCH AS BUILDING ROADS ON REMOTE ISLANDS.

TURNING TO EXPORT TRADE, MR CHAN SAID THAT THE THREAT OF PROTECTIONISM WAS STILL VERY MUCH ALIVE. HONG KONG MUST EMPHASISE THAT IT WAS A FREE PORT OPEN TO ALL COUNTRIES AND THAT IT WAS NOT LOGICAL TO USE PROTECTIONIST MEASURES TO PENALISE THIS TERRITORY FOR MAINTAINING OPEN AND FREE TRADE, HE ADDED.

ON TAXATION, MR CHAN SAID THAT HE WAS ALL FOR INDIRECT TAXATION ON NON-ESSENTIAL ITEMS.

HE SAID INDIRECT TAXES WERE BETTER THAN COMPULSORY DIRECT TAXATION AS THE PUBLIC HAD THE OPTION TO PAY FOR THE INDIRECT TAX OR SAVE THEIR MONEY.

+I ONLY REGRET THAT HEAVIER DUTIES ARE NOT PLACED ON NON-ESSENTIAL ITEMS WHICH ARE HARMFUL TO PUBLIC HEALTH,+ HE SAID.

ON THE REDUCTION OF THE STANDARD TAX RATE, MR CHAN NOTED THAT IT WAS ONLY A +TWO PER CENT FORWARD AND HALF PER CENT BACKWARD+ STEP.

HE NOTED THAT IF ONE GAUGE - THE PERSONAL ALLOWANCE BY THE GOVERNMENT'S MASTER PAY SCALE (MPS), ONE WOULD FIND THAT IN 1973-74 WHEN THE MPS WAS INTRODUCED, EMPLOYEES ON MPS POINT 9 JUST ENTERED THE TAX NET.

BY 1986-87, MPS POINT 9 WAS \$41 880 PER ANNUM AND IF SEVEN PER CENT WAS ADDED FOR 1987-88, THE SALARY CORRESPONDED TO MPS POINT 9 WOULD BE \$44 812 PER ANNUM -- WHICH WAS WHAT THE PERSONAL ALLOWANCE FOR SINGLE PERSON SHOULD BE, HE SAID.

----- 0 -----

CALL TO KEEP EXPENDITURE WITHIN LIMITS
* * * * *

THE GUIDING PRINCIPLE OF GOVERNMENT BUDGET WAS TO SAVE ON RESOURCES AND TO KEEP EXPENDITURE WITHIN THE LIMITS OF INCOME, THE HON YEUNG PO-KWAN SAID TODAY (THURSDAY).

SPEAKING IN THE LEGISLATIVE COUNCIL DURING THE RESUMED BUDGET DEBATE, MR YEUNG SAID THIS PRINCIPLE INVOLVED THE REDISTRIBUTION OF SOCIAL RESOURCES WHICH, IF IMPLEMENTED IN A REASONABLE MANNER, WOULD INCREASE THE PACE OF SOCIAL AND ECONOMIC DEVELOPMENTS.

HE SAID HE AGREED WITH THE FINANCIAL SECRETARY THAT THE GROWTH OF RECURRENT EXPENDITURE SHOULD BE BASED ON THE GROWTH RATE OF RECURRENT REVENUE AND THAT DEFICIT FINANCING SHOULD NOT BE ADOPTED AS A LONG-TERM FISCAL POLICY.

HE NOTED THAT EACH YEAR, BEFORE AND AFTER THE RELEASE OF THE BUDGET, PEOPLE FROM ALL WALKS OF LIFE WOULD PUT FORTH REQUESTS FOR TAX REDUCTION. IF ALL THESE REQUESTS HAD TO BE ACCEDDED TO HONG KONG'S ECONOMY WOULD BE ADVERSELY AFFECTED.

THEREFORE, A REASONABLE REDISTRIBUTION OF RESOURCES WAS ESSENTIAL. IT SHOULD, HOWEVER, FOLLOW THE PRINCIPLE OF +EFFECTIVE PROVISION+ TO AVOID WASTAGE AND CASES IN WHICH GOVERNMENT DEPARTMENTS THAT MERITED ALLOCATION OF FUNDS OR EARLY DEVELOPMENT WERE NOT PROVIDED WITH THE NECESSARY RESOURCES, HE SAID.

HE SAID THE HEALTHY GROWTH OF EXPENDITURE ON EDUCATION THIS YEAR SHOWED THAT EDUCATION DEVELOPMENT STILL OCCUPIED A PROMINENT POSITION.

- 3 -

+BUT IF IT IS TO RETAIN SUCH A POSITION ON A LONG-TERM BASIS, IT WOULD BE IMPOSSIBLE TO FINANCE ALL THE EXPENDITURE ON EDUCATION BY PUBLIC FUNDS,+ HE SAID.

MR YEUNG SUGGESTED THAT THE GOVERNMENT SHOULD CONSIDER RAISING THE SCHOOL FEES OF SENIOR SECONDARY SCHOOLS, UNIVERSITIES AND TERTIARY EDUCATION INSTITUTES TO MEET THE TREMENDOUS EXPENDITURE REQUIRED TO MAINTAIN THE QUALITY AND QUANTITY OF EDUCATION.

TURNING TO SCHOOL SOCIAL WORK SERVICES, MR YEUNG NOTED THAT THE GOVERNMENT HAD AGREED IN PRINCIPLE IN 1982 THAT THE RATIO OF SCHOOL SOCIAL WORKERS TO STUDENTS SHOULD BE IMPROVED WHEN THERE WAS AN INCREASE IN SOCIAL WORK MANPOWER SUPPLY.

+SINCE THE GOVERNMENT IS TAKING THE YOUTH PROBLEM SERIOUSLY AND ACKNOWLEDGES THAT IMPORTANCE SHOULD BE ATTACHED TO SCHOOL SOCIAL WORK, WHY IS IT STILL UNABLE TO ALLOCATE THE NECESSARY FUNDS TO FULFIL ITS PROMISE AFTER FIVE YEARS WHEN BOTH MANPOWER AND FINANCIAL RESOURCES ARE READILY AVAILABLE?+ MR YEUNG ASKED.

ADDING THAT THE ABUSE OF SOFT DRUGS BY YOUNG PEOPLE HAD BECOME A TERRITORY-WIDE PROBLEM, HE CALLED ON THE GOVERNMENT TO CONSIDER ALLOCATING ADDITIONAL FUNDS TO REINFORCE ANTI-NARCOTICS WORK.

TURNING TO THE VIETNAMESE REFUGEE PROBLEM, MR YEUNG SAID THE GREATEST THREAT POSED BY THE 10 000 OR SO VIETNAMESE REFUGEES STRANDED IN HONG KONG MIGHT BE COMPARED TO A TIME BOMB WHICH COULD EXPLODE AT ANY TIME, AND NOT JUST THE \$100 MILLION-PLUS EXPENDITURE WHICH HAD TO BE DEFRAIDED BY THE GOVERNMENT ANNUALLY.

HE SAID HONG KONG HAD TO WATCH CLOSELY THE PROGRESS MADE BY THE BRITISH GOVERNMENT IN HER UNDERTAKING TO GIVE ACTIVE CONSIDERATION TO THE PROBLEM, SO AS TO ENSURE THAT DUE IMPORTANCE WAS ATTACHED TO THE SUPPORT AND ASSISTANCE GIVEN BY BRITISH MEMBERS OF PARLIAMENT.

NOTING THAT SECURITY SERVICES WERE A THRIVING TRADE IN HONG KONG, HE SAID HE WAS GLAD TO LEARN THAT MUCH IMPORTANCE HAD BEEN ATTACHED BY THE FIGHT CRIME COMMITTEE TO THE SECURITY TRADE AS WELL AS TO THE STANDARD OF SERVICES PROVIDED BY SECURITY COMPANIES.

+I HOPE THE GOVERNMENT WOULD ENACT, AS SOON AS POSSIBLE, LEGISLATION TO PROVIDE FOR THE SERVICE STANDARD OF THE SECURITY TRADE SO THAT IT COULD BECOME PROFESSIONALISED,+ HE SAID.

MR YEUNG ADDED THAT HE HAD TO TOUCH ON A SERIOUS PROBLEM CONCERNING SECURITY - THE HIGH INCIDENCE OF FALSE BURGLAR ALARMS. HE NOTED THAT IN 1985, THE POLICE RECEIVED A TOTAL OF 25 846 BURGLAR ALARMS, BUT ONLY 201 OF THEM WERE GENUINE. AS A RESULT, THE POLICE HAD WASTED 150 000 MAN-HOURS IN HANDLING SUCH CASES.

THIS SITUATION MUST BE RECTIFIED, HE SAID.

+THE GOVERNMENT SHOULD TAKE EARLY ACTION TO ENACT LEGISLATION TO CONTROL ALARM SYSTEMS, SO AS TO REDUCE THE WASTAGE OF POLICE RESOURCES,+ HE SAID.

- - - - 0 - - - -

THURSDAY, MARCH 19, 1987

- 4 -

INCREASED SECURITY APPROPRIATION NEEDED

* * * * *

THE GOVERNMENT SHOULD CONSIDER INCREASING THE APPROPRIATION ON SECURITY SERVICES IN THE BUDGET FOR THE COMING FINANCIAL YEAR IN ORDER TO MAINTAIN THE TERRITORY'S STABILITY AND PROSPERITY IN THE TRANSITION PERIOD.

THE CALL WAS MADE THE HON CHUNG PUI-LAM IN THE LEGISLATIVE COUNCIL DURING THE SECOND DAY OF THE BUDGET DEBATE TODAY (THURSDAY).

HE SAID LAW AND ORDER AND THE WHOLE SECURITY SYSTEM OF HONG KONG HAD BEEN WELL MAINTAINED. HOWEVER, FOR LONG TERM PLANNING PURPOSES, VARIOUS PROGRAMMES AND ARRANGEMENTS TO SAFEGUARD SECURITY SHOULD BE GRADUALLY STEPPED UP.

HE SUGGESTED THAT SEVERAL AREAS CONCERNING THE SECURITY APPROPRIATION SHOULD BE CONSIDERED AS TOP PRIORITIES.

MR CHUNG SAID FIRSTLY, CHANGING SITUATIONS AND MEASURES ADOPTED DURING THE TRANSITION PERIOD WOULD DEMAND ADDITIONAL POLICE MANPOWER TO ENSURE GOOD INTERNAL ORDER, MAINTAIN PUBLIC ORDER AND DEAL WITH EMERGENCIES.

SECONDLY, IN THE AREA OF DISTRICT ADMINISTRATION, THERE WAS A NEED TO IMPROVE COMPREHENSIVELY THE MANAGEMENT OF MULTI-STORY BUILDINGS, AMEND THE WATCHMEN ORDINANCE, DEVELOP NEIGHBOURHOOD WATCH SCHEME AND, ABOVE ALL, THE ENVIRONMENTAL CONDITIONS.

AS FAR AS PUBLIC ORDER WAS CONCERNED, MR CHUNG BELIEVED DISTRICT OFFICES AND OTHER GOVERNMENT DEPARTMENTS WOULD NEED TO BE SUPPORTED BY A STRENGTHENED POLICE FORCE.

THIRDLY, AS THE GOVERNOR HAD SUGGESTED TO THE FIGHT CRIME COMMITTEE TO GIVE PRIORITY TO CONSIDERING THE SUBJECT OF COUNTERING THE TRIAD PROBLEM, THE POLICE FORCE SHOULD OF COURSE BE STRENGTHENED; AND DISTRICT CRIME PREVENTION NETS MIGHT HAVE TO BE ESTABLISHED UNDER THE JOINT EFFORTS OF THE POLICE AND THE PUBLIC WITH THE POLICE AS THE CENTRE OF COMMUNICATION.

FOURTHLY, THE PREVENTION, INVESTIGATION AND ARREST OF ILLEGAL IMMIGRANTS MIGHT BECOME A SPECIAL LONG-TERM JOB.

FIFTHLY, THE WORK OF CUSTOMS OFFICERS AND THE POLICE IN COMBATING ORGANISED ILLICIT TRAFFICKING OF NARCOTICS MIGHT ALSO NEED TO BE STRENGTHENED.

HOWEVER, TO REINFORCE THE SUPPRESSION OF NARCOTICS AND TO PREVENT SMUGGLING, IT WAS NECESSARY TO IMPROVE INSTANTLY THE EQUIPMENT USED BY SECURITY STAFF.

/SIXTHLY,

SIXTHLY, ALTHOUGH HONG KONG WAS NOT A POLICE STATE, THERE SHOULD BE ADEQUATE PREPARATORY MEASURES TO COMBAT TERRORISTS ACTIVITIES AND VIOLENCE SO AS TO ENSURE LAW AND ORDER DURING THE TRANSITION PERIOD.

LASTLY, MR CHUNG SUGGESTED THE GOVERNMENT TO PLAN APPROPRIATE ADJUSTMENT MEASURES TO INCREASE THE ALLOCATION OF FUNDS TO THE POLICE AND CORRESPONDINGLY TO REDUCE MILITARY EXPENSES IN THE RUN-UP TO 1997.

COMMENTING ON THE BUDGET AS A WHOLE, MR CHUNG SAID +IT WAS RATHER BALANCED+ AND +IT MET ACTUAL NEEDS+.

HE SAID HE SUPPORTED THE PRACTICAL PRINCIPLE UNDERLYING THIS +SURPLUS BUDGET+ AND WAS PLEASED TO SEE THAT HONG KONG WOULD DEVELOP FURTHER FINANCIALLY AND POLITICALLY AS IT ENTERED THE TRANSITION PERIOD.

HE ADDED THAT HE HOPED THE POLICY OF LOW TAXATION WOULD BE MAINTAINED AND THE GOVERNMENT WOULD MAKE LONG-TERM PLANNING TO STABILISE ECONOMIC RESOURCES.

MR CHUNG SUPPORTED THE FINANCIAL SECRETARY'S PROPOSAL TO WIDEN THE SCOPE OF INDIRECT TAXES AND PROPOSED A COMMITTEE TO STUDY THE ISSUE.

NOTING THAT THIS WAS A NEW FISCAL PLAN, HE SAID, HOWEVER, DIRECT TAX ON ACTUAL INCOME WAS NOT ONLY FAIR BUT MORE IN KEEPING WITH THE PRINCIPLE OF OVERALL ECONOMIC BALANCE.

+INDIRECT TAXES ARE NORMALLY DEPENDENT ON THE EXTENT OF CONSUMPTION. UNLESS IT IS CERTAIN THAT INCREASING CONSUMPTION WILL STIMULATE PRODUCTION, COMMODITY PRICES WILL INEVITABLY BE BOOSTED IF A WIDENED SCOPE OF INDIRECT TAXES IS PUT IN USE FOR A LONG TERM.

+UNDER DEFICIT TRADING CONDITIONS, IMPORTED INFLATION WILL DEFINITELY BE ACCELERATED.

+IN TURN, THE GENERAL PURCHASING POWER OF THE CONSUMER MARKET WILL RELATIVELY BE WEAKENED AND SALES WILL BE SLOWED DOWN OR REDUCED, RESULTING IN A DIRECT IMPACT ON PRODUCTION OUTLET AND TAX REVENUE,+ HE SAID.

AS A WHOLE, MR CHUNG SAID HE WAS WORRIED THAT THE LOSS INCURRED BY THE WIDENING OF THE SCOPE OF INDIRECT TAXES WOULD OUTWEIGH THE EXPECTED GAIN.

FINALLY, HE SAID THAT THE FOLLOWING THREE MEASURES MUST BE CARRIED OUT IF HONG KONG WAS TO TAG THE ABUNDANT FINANCIAL RESOURCES:

/FIRSTLY,

FIRSTLY, THE PRINCIPLE OF THE RULE OF LAW MUST BE UPHELD TO ENSURE POLITICAL STABILITY AND SOCIAL ORDER.

SECONDLY, THE ECONOMIC STATUS AND GOOD RELATIONSHIP WHICH HONG KONG HAD ATTAINED IN THE INTERNATIONAL SCENE MUST BE MADE FULL USE OF, AND POSITIVE ACTION TAKEN TO CREATE FAVOURABLE CONDITIONS FOR MORE PRIVATE INVESTMENTS AND EMPLOYMENT OPPORTUNITIES.

FURTHERMORE, ASSISTANCES BUT NOT ALLOWANCES SHOULD BE PROVIDED TO THE INDUSTRIAL SECTOR IN ITS MOVE TOWARDS SCIENCE AND TECHNOLOGY AND TREMENDOUS EFFORTS MUST BE PUT IN EXTENDING NEW MARKETS IN ORDER TO ENHANCE HONG KONG'S POTENTIAL.

THIRDLY, HONG KONG MUST NOT ONLY PUT THE FUNCTION OF HONG KONG AS THE WORLD'S THIRD LARGEST FINANCIAL CENTRE INTO FULL PLAY BUT ALSO MASTER MARKET MANAGEMENT.

HE SAID TEN OF THOUSANDS OF BUSINESSMEN WERE ATTRACTED TO HONG KONG AS A RESULT OF ITS FREE SYSTEMS AND LOW TAX POLICY.

YET THERE WAS ALWAYS A BIG RISK IN SPECULATION, HE WARNED. THE GOVERNMENT SHOULD PROMPTLY PROCEED TO ENACT LAWS IN ACCORDANCE WITH ACTUAL CIRCUMSTANCES IN ORDER TO AVOID A STORM IN THE MARKET, HE SAID.

- - - - 0 - - - -

TIME RIGHT TO RELY MORE ON INDIRECT TAXES
* * * * *

A REVIEW OF THE APPROPRIATENESS AND PURPOSE OF MOVING TOWARDS GREATER RELIANCE ON INDIRECT TAXATION AS A MEANS OF RAISING GOVERNMENT REVENUES MAY NOW BE OPPORTUNE, THE HON MARTIN LEE SAID TODAY (THURSDAY).

SPEAKING DURING THE BUDGET DEBATE, MR LEE AGREED THAT A GRADUAL BROADENING OF THE TAX BASE BECAME MORE FEASIBLE AS THE SOCIETY BECAME WEALTHIER.

+INDEED FOR EQUITY REASONS IT MAY NOT BE UNDESIRABLE TO SPREAD SOME OF THE RESPONSIBILITIES FOR SUPPORTING GOVERNMENT EXPENDITURES TO THOSE WHO CAN AFFORD TO PAY SOME TAXES BUT NOT PRESENTLY INCLUDED IN THE TAX NET,+ HE SAID.

HE POINTED OUT THAT IN SO DOING IT OPENED UP THE POSSIBILITY OF REDUCING THE TAX BURDEN ON THE +SANDWICHED CLASS+ AND MIGHT ALSO PROVIDE A STABLE SOURCE OF GOVERNMENT REVENUE WHILE MAINTAINING A LOW TAX SYSTEM.

THURSDAY, MARCH 19, 1987

- 7 -

HE CAUTIONED THAT THE PROPOSAL TO CONSIDER GREATER RELIANCE ON INDIRECT TAXES SHOULD BE SENSITIVE TO THE INHERENT REGRESSIVE NATURE OF SUCH TAXES AND SHOULD BE ACCOMPANIED BY POSITIVE MEASURES TO ENSURE THAT THE BENEFITS FROM A BROADENED TAX BASE WOULD NOT BE BORNE BY THOSE WHO WERE THE LEAST WELL-OFF IN THE SOCIETY.

HE STRESSED THAT A BROADENING OF THE TAX BASE SHOULD NOT BE A PRETEXT FOR RAISING TOTAL GOVERNMENT REVENUES AND THE INTRODUCTION OF NEW TAXES WOULD ONLY BE ACCEPTABLE IF IT WAS ACCOMPANIED BY MEASURES TO REDUCE TAXES FROM OTHER REVENUE RESOURCES OR TO ELIMINATE VARIOUS OTHER LEVIES.

MR LEE SAID HE HAD THOUGHT VERY HARD TO THINK OF SOME NEW INDIRECT TAXES THAT COULD BE IMPOSED ON THE PUBLIC WHICH WERE EQUITABLE.

HE SUGGESTED THAT A TAX COULD BE CHARGED ON EXPENSIVE MEALS COSTING MORE THAN \$100 PER HEAD BUT ADMITTED THAT THIS MIGHT NOT BE EASY TO SUPERVISE.

TURNING TO THE NEED FOR CONSISTENCY ON THE APPLICATION OF SOUND POLICIES, MR LEE NOTED IT WAS WIDELY BELIEVED THAT THE ECONOMIC SUCCESS OF HONG KONG OWED MUCH TO THE CONTINUED ADOPTION OF SOUND POLICIES WITHIN A LIBERAL, OPEN AND MARKET-ORIENTED ECONOMIC SYSTEM.

HE POINTED OUT THAT A FUNCTIONAL MARKET SYSTEM COULD ONLY BE ACHIEVED THROUGH FREE COMPETITION AND NOT BY THE ENTRENCHMENT OF MONOPOLY INTERESTS OR THE PROVISION OF INCENTIVES TO PARTICULAR COMPANIES OR INDUSTRIES.

+PUBLIC INTEREST CAN ONLY BE DEFENDED AND THE PUBLIC'S FAITH IN THE GOVERNMENT CAN ONLY BE PRESERVED THROUGH CONSISTENCY IN ADHERING TO OUR SOUND ECONOMIC AND BUDGETARY POLICIES,+ HE SAID.

- - - - - 0 - - - - -

CUMBERSOME APPLICATION PROCEDURE CRITICISED
* * * * *

THE HON SELINA CHOW TODAY (THURSDAY) CRITICISED THE GOVERNMENT PROCEDURE FOR APPLYING FOR KINDERGARTEN FEE ASSISTANCE AS +CUMBERSOME AND BUREAUCRATIC+ DURING THE SECOND DAY OF THE BUDGET DEBATE.

NOTING THAT LESS THAN 25 PER CENT OF THE 40 000 ELIGIBLE KINDERGARTEN PUPILS ACTUALLY RECEIVED FEE ASSISTANCE, MRS CHOW SAID THE PROCEDURE LOOKED +MORE LIKE AN ATTEMPT TO DISCOURAGE APPLICATION THAN AN EFFORT TO BE HELPFUL+ AND CALLED FOR IMMEDIATE IMPROVEMENT.

/SHE POINTED

SHE POINTED OUT THAT UNDER THE FEE ASSISTANCE METHODOLOGY PROPOSED BY THE EDUCATION COMMISSION NO. 2 REPORT, THE NET FOR ELIGIBLE PARENTS WOULD BE WIDENED CONSIDERABLY IN 1990 AND THE GOVERNMENT SHOULD THEREFORE TACKLE THE PRESENT UNSATISFACTORY CONDITION URGENTLY.

STILL ON THE SUBJECT OF EDUCATION, MRS CHOW RECALLED SHE WAS CRITICAL DURING THE DEBATE ON THE EDUCATION COMMISSION NO. 2 REPORT OF THE ADMINISTRATION'S BACK-TRACKING ON AN EARLIER DECISION TO SET UP A RESEARCH CENTRE FOR THE TRAINING OF NURSERY AND KINDERGARTEN TEACHERS.

SAYING THAT SHE HAD NOT RECEIVED ANY ANSWER TO HER QUESTION, SHE URGED THE ADMINISTRATION AND THE COMMISSION TO RECONSIDER THE DECISION AND TO PRESS AHEAD WITH THIS INSTITUTE IN VIEW OF THE IMPORTANCE PARENTS ATTACHED TO PRE-PRIMARY EDUCATION.

MRS CHOW ALSO SAID SHE SUPPORTED THE HON HUI YIN-FAT'S VIEWS ON THE GOVERNMENT'S POLICY REGARDING THE PROVISION OF SOCIAL WORKERS IN SCHOOLS.

HOWEVER, SHE CAUTIONED THAT THE GOVERNMENT SHOULD NOT BECOME OVER-TOLERANT WITH DELAYS IN THE IMPLEMENTATION OF THESE POLICIES AND SHOULD BE MORE VIGILANT IN CENSURING SUCH DELAYS.

TURNING TO THE SUBJECT OF TAXATION, MRS CHOW SAID SHE SUPPORTED THE FINANCIAL SECRETARY'S VIEW THAT HONG KONG SHOULD MOVE TOWARDS A MORE BROADLY BASED INDIRECT TAX SYSTEM.

SHE STRESSED THAT AS INDIRECT TAXES WERE SPENDING-BASED AS OPPOSED TO DIRECT TAXES WHICH WERE EARNING-BASED, THE TAXES SHOULD BE LEVIED AS FAR AS POSSIBLE ON THOSE ITEMS ON WHICH THE DECISION OF SPENDING WERE DIRECTLY RATHER THAN INDIRECTLY CONTROLLED BY THE PAYERS.

THIS RULED OUT SPENDING DECIDED ON BY CHILDREN, YOUTHS AND THE ELDERLY WHO WERE BY AND LARGE DEPENDENTS OF EARNERS, SHE SAID.

SHE EXPLAINED THIS WAS THE REASON WHY SHE HAD ALL ALONG OBJECTED TO THE TAX ON SOFT DRINKS.

MRS CHOW DID NOT THINK THAT THE REDUCTION OF HALF A PER CENT ON CORPORATE PROFITS TAX WAS NECESSARY, SAYING THAT THE 18.5 PER CENT WAS STILL LOW BY WORLD STANDARD.

+THIS IS AN AREA WHERE WE CAN SPARE THE CONCESSION,+ SHE SAID.

ON SEPARATE TAXATION, MRS CHOW SAID THE FINANCIAL SECRETARY'S COMMENT ON THIS ISSUE WAS +TOTALLY AND ABSOLUTELY UNACCEPTABLE+.

SHE SAID IT WAS NOT LOGICAL NOR FAIR TO JUSTIFY THE CONTINUATION OF A DISCRIMINATION AGAINST MARRIED WORKING WOMEN BY DISMISSING THE REMOVAL OF THAT SAME DISCRIMINATION AS A PRIVILEGE.

SHE APPEALED TO THE GOVERNMENT TO LOOK AT THE MOVE AS A RECTIFICATION OF AN INJUSTICE.

+IT IS LONG OVERDUE. WE CAN AFFORD IT. LET US HAVE IT,+ SHE ADDED.

THURSDAY, MARCH 19, 1987

- 9 -

OVERALL REVIEW OF PRIMARY MEDICAL CARE POLICY URGED
* * * * *

DR THE HON CHIU HIN-KWONG TODAY (THURSDAY) URGED THE GOVERNMENT TO REVIEW THE OVERALL PRIMARY MEDICAL CARE POLICY WITHOUT DELAY.

SPEAKING IN THE LEGISLATIVE COUNCIL DURING THE SECOND DAY OF THE BUDGET DEBATE, DR CHIU CALLED ON THE RELEVANT GOVERNMENT BRANCH AND DEPARTMENT TO RESET THE PRIORITIES IN THE PROVISION OF MEDICAL AND CARE SERVICES, BEARING IN MIND THAT UNDER A SOUND AND COMPREHENSIVE HEALTH SYSTEM, THE HIGH COST HOSPITAL SERVICES ONLY PLAYED A SUBORDINATE ROLE.

IN VIEW OF THE COST-EFFECTIVENESS OF PRIMARY CARE AND ITS FUNCTION OF KEEPING PATIENTS FROM BEING ADMITTED OR RE-ADMITTED TO HOSPITALS, HE STRONGLY ADVISED THE GOVERNMENT TO IMPROVE PRIMARY CARE BOTH IN TERMS OF QUANTITY AND QUALITY.

DR CHIU SAID PRIMARY CARE SERVICES IN HONG KONG WERE DISEASE-ORIENTED, SUB-STANDARD AND SPORADIC.

+THE FIRST AND FOREMOST PROBLEM I WANT TO POINT OUT IS THAT IN GENERAL OUT-PATIENT CLINICS THERE IS NO SUCH THING AS PROPER MEDICAL RECORDS FOR PATIENTS, NOT TO MENTION THE PERSONAL, CONTINUOUS OR COMPREHENSIVE CARE,+ HE SAID.

SINCE MEDICAL RECORDS FOR INDIVIDUAL PATIENTS WERE NOT AVAILABLE, NO MATTER HOW OFTEN THEY HAD BEEN VISITING THE SAME CLINIC THEY WERE TREATED AS NEW CASES EVERY TIME THEY WENT FOR SERVICES. WORSE STILL, DOCTORS WHO TOOK CARE OF THEM DID NOT HAVE THE FAINTEST IDEAS OF THEIR MEDICAL HISTORY, HE NOTED.

DR CHIU SAID THAT KEEPING MEDICAL RECORDS OF PATIENTS WAS OF FUNDAMENTAL IMPORTANCE. ONE OF THE VITAL USES OF RECORDS WAS TO IDENTIFY AND TO KEEP TRACK OF PATIENTS' DISEASE PATTERNS AND TO ENABLE THE HEALTH AUTHORITY TO PLAN FUTURE MEDICAL SERVICES, NEEDS AND DEPLOYMENT OF RESOURCES EFFECTIVELY.

HE SAID THE SECOND DEFICIENCY WAS THE LACK OF DOCTOR-PATIENT RELATIONSHIP. A CLOSE DOCTOR-PATIENT RELATIONSHIP BUILT OVER YEARS COULD PRODUCE FRANKNESS AND HONESTY WHICH WAS VERY IMPORTANT IN THE INVESTIGATION AND MANAGEMENT OF ILL-HEALTH.

+UNFORTUNATELY, THE THREE-MINUTE MEDICAL CONSULTATION IN OUT-PATIENT CLINICS LEAVES A VACUUM IN THIS AREA,+ HE SAID.

HE ADDED THAT HE MUST CLARIFY THAT IT WAS NOT THAT GOVERNMENT DOCTORS DID NOT CARE ABOUT THEIR PATIENTS, BUT IT WAS BECAUSE THEY DID NOT HAVE THE TIME TO CARE.

/HE SAID

HE SAID THAT ANOTHER PROBLEM FACING GOVERNMENT DOCTORS IN OUT-PATIENT CLINICS WAS LOW STAFF MORALE.

HE NOTED THAT GENERAL PRACTITIONERS RELIED ON THE HONG KONG COLLEGE OF GENERAL PRACTITIONERS TO DESIGN AND ORGANISE CONTINUE TRAINING PROGRAMMES AND TO GIVE ACCREDITATIONS. SUCH POSTGRADUATE TRAINING PROGRAMMES HAD NOT BEEN SUPPORTED BY PUBLIC FUNDS.

MANY CONSCIENTIOUS GENERAL PRACTITIONERS WENT ABROAD FOR ADVANCE TRAINING ON THEIR OWN AND CAME BACK TO PROVIDE HIGH QUALITY SERVICE IN THEIR WORK PLACE. HOWEVER, POST BASIC QUALIFICATION IN GENERAL PRACTICE OBTAINED IN THE UNITED KINGDOM, AUSTRALIA OR HONG KONG WERE NOT GIVEN DUE CONSIDERATION BY WAY OF BONUS INCREMENT FOR THEIR PROFESSIONAL KNOWLEDGE, DR CHIU ADDED.

UNDER THESE CIRCUMSTANCES, MANY OF THEM LEFT THE PUBLIC SECTOR FOR PRIVATE PRACTICE. THOSE WHO REMAINED IN THE PUBLIC SECTOR WORKED UNDER PRESSURE AND WITH LOW STAFF MORALE, HE SAID.

+AS LONG AS SUCH DETRIMENTAL ELEMENTS REMAINS, OUR PRIMARY CARE SERVICE CAN NEVER BE IMPROVED,+ DR CHIU SAID.

TURNING TO FAMILY MEDICINE, HE SAID THAT A GREAT DEFICIENCY IN THE PRESENT MEDICAL SYSTEM WAS THAT FAMILY MEDICINE, WHICH WAS THE MOST ESSENTIAL INGREDIENT OF HEALTH CARE, HAD NOT YET BEEN BUILT INTO THE HEALTH SYSTEM.

+I REGRET TO SAY THAT IN THE PAST FEW DECADES AN OVERWHELMING CONCENTRATION OF CARE ON HOSPITAL IS A MISPLACE OF EMPHASIS AND THAT THE PUBLIC IS LED TO BELIEVE THAT HOSPITAL SERVICE IS ALL THEY NEED TO SOLVE THEIR HEALTH PROBLEM,+ HE SAID.

THAT EXPLAINED WHY A LARGE NUMBER OF CHRONIC PATIENTS WERE OCCUPYING ACUTE HOSPITAL BEDS TODAY, DR CHIU SAID.

+THIS IS BECAUSE INSTEAD OF PROVIDING THEM WITH PERSONAL AND CONTINUING CARE WITH SPECIALISED SUPPORT FROM HOSPITALS AT THE NEIGHBOURHOOD LEVEL, WE GIVE THEM COSTLY HOSPITAL SERVICE,+ HE SAID.

DR CHIU ALSO SAID THAT MEDICAL PROFESSIONALS WERE STILL WAITING FOR THE GOVERNMENT'S DECISION IN REGARD TO THE RECOMMENDATIONS OF THE AUSTRALIAN CONSULTANCY REPORT ON THE DELIVERY OF MEDICAL SERVICES IN HOSPITALS.

+WE, APART FROM LOOKING UP TO THE GOVERNMENT TO DO SOMETHING TO IMPROVE OUR HOSPITAL SERVICES, WORKING CONDITIONS AND SO FORTH, WISH TO URGE THE GOVERNMENT TO IMPLEMENT AS SOON AS POSSIBLE THOSE RECOMMENDATIONS OF THE SAID REPORT THE OMELCO STANDING PANEL ON HEALTH SERVICES AND THE MEDICAL DEVELOPMENT ADVISORY COMMITTEE CONSIDERED NOT NECESSARILY LINKED WITH THE ESTABLISHMENT OF THE INDEPENDENT HOSPITAL AUTHORITY,+ HE SAID.

TURNING TO THE PROPOSED BUDGET FOR THE BRITISH MILITARY HOSPITAL, DR CHIU NOTED THAT THE HOSPITAL WAS OPERATED UNDER THE TERMS OF THE DEFENCE COST AGREEMENT AND THAT ITS BUDGET, SUBSUMED WITH THE OVERALL COSTS OF THE GARRISON, WAS NOT SEPARATELY IDENTIFIABLE.

HE SAID HE WOULD CONTINUE TO LOOK UP TO THE GOVERNMENT FOR THE RELEASE OF THE NEEDED INFORMATION WHEN IT WAS AVAILABLE.

- - - - 0 - - - -

CALL TO MAINTAIN PRESENT INVESTMENT CLIMATE
* * * * *

IT IS IMPERATIVE FOR HONG KONG TO MAINTAIN ITS PRESENT FAVOURABLE INVESTMENT ENVIRONMENT TO ATTRACT EVEN MORE OVERSEAS INVESTORS FOR A LONG PERIOD, THE HON HU FA-KUANG SAID TODAY (THURSDAY).

SPEAKING DURING THE BUDGET DEBATE IN THE LEGISLATIVE COUNCIL, MR HU POINTED OUT THAT THERE COULD BE HESITATION FROM LOCAL INVESTORS TO FURTHER THEIR CAPITAL INVESTMENT TOWARDS THE END OF THE DECADE AS IT WOULD BE ONLY SEVEN OR EIGHT YEARS BEFORE 1997.

HE SAID THE CONTINUED INVESTMENT BY FOREIGN INVESTORS WOULD PUT THE MIND OF LOCAL INVESTORS AT EASE ON THE FUTURE STABILITY AND PROSPERITY OF HONG KONG EVEN BEYOND 1997.

TURNING TO THIS YEAR'S BUDGET, MR HU PRAISED THE FINANCIAL SECRETARY FOR HAVING WISELY DECIDED TO LOWER THE STANDARD TAX RATE AND PROFIT TAX BY 0.5 PER CENT WHICH GAVE A CLEAR INDICATION OF THE DIRECTION OF FUTURE MOVEMENT.

HE ALSO SHARED THE FINANCIAL SECRETARY'S VIEW THAT THE STABILITY OF PUBLIC FINANCES COULD BEST BE ASSURED BY ENDEAVOURING TO DEVELOP A BROADLY BASED TAX SYSTEM AND TO SPREAD THE TAX BURDEN MORE WIDELY ACROSS THE COMMUNITY.

COMPARING THE MERITS AND DEMERITS OF DIRECT AND INDIRECT TAXATION, MR HU AGREED THAT A PRACTICAL APPROACH SHOULD BE TAKEN IN DEVELOPING A BROADLY BASED TAX SYSTEM.

+INITIALLY, WE SHOULD ONLY CONSIDER THOSE ITEMS WHICH ORDINARY PEOPLE CAN AFFORD TO USE LESS OR EVEN NO USAGE,+ HE SAID.

MR HU NOTED A NUMBER OF SHORTFALLS IN THE PROVISION OF SOCIAL SERVICES.

HE SAID HE WAS PARTICULARLY CONCERNED FOR THOSE WHO WERE THE LEAST ABLE TO CARE FOR THEMSELVES AND WHO HAD BEEN RELYING ON PUBLIC ASSISTANCE AND ON SPECIAL NEEDS ALLOWANCES.

HE CALLED FOR A REVIEW OF ALL PUBLIC ASSISTANCE SCALES OF WHICH NO PROVISION WAS MADE IN THE BUDGET.

MR HU ALSO NOTED THAT NO PROVISION WAS MADE FOR THE IMPLEMENTATION OF THE IMPROVED RATIO FOR SECONDARY SCHOOL SOCIAL WORKER.

AS THIS AREA OF NEED HAD BEEN WELL DOCUMENTED, HE SUGGESTED THAT SEPARATE AND ADDITIONAL FUNDS SHOULD BE MADE AVAILABLE IMMEDIATELY FOR THE VOLUNTARY AGENCIES CONCERNED TO PROCEED WITH THE IMPROVEMENT OF THIS VERY IMPORTANT SERVICE.

MR HU MENTIONED THAT THE PROBLEM OF THE MENTALLY ILL WAS ANOTHER AREA FOR CONCERN AND SAID RECENT TRAGIC INCIDENTS WERE NOT JUST ISOLATED CASES.

HE CALLED ON THE GOVERNMENT TO CARRY OUT A CRITICAL REVIEW OF EXISTING PROVISION OF FACILITIES SUCH AS HALF-WAY HOUSES AND MANPOWER RESOURCES.

WITH REGARD TO HOUSING, MR HU SAID HE WELCOMED THE INITIATIVE BY THE GOVERNMENT TO CARRY OUT ANOTHER REVIEW OF THE LONG TERM HOUSING STRATEGY.

HE POINTED OUT THAT THE PROPOSED HOME PURCHASE LOAN SCHEME WOULD GIVE POTENTIAL PURCHASERS OF HOS/PSPS FLATS AN ALTERNATIVE OF AN INTEREST-FREE LOAN TO COVER DOWNPAYMENT TO BUY FLATS IN THE PRIVATE SECTOR.

+PROVIDED THE PRIVATE SECTOR CAN KEEP THE FLAT PRICES WITHIN THE REACH OF ELIGIBLE PURCHASERS, THIS SCHEME CAN HELP GREATLY TO RESOLVE THE HOUSING REQUIREMENT FOR THOSE IN NEED WHILE THE GOVERNMENT CONFIRMS ITS COMMITMENT TO BUILD AT LEAST 40 000 UNITS INCLUDING RENTAL HOUSING AND HOS/PSPS FLATS,+ HE SAID.

MR HU ALSO SUGGESTED THAT THE GOVERNMENT MIGHT NOW CONSIDER THE SALE OF PSPS SITES WITHOUT UNDERTAKING TO BUY BACK UNSOLD FLATS WHICH COULD BE SOLD FREELY BY THE DEVELOPERS AFTER AN AGREED TIME INTERVAL.

HE SAID THIS PROPOSED REVISED TERM COULD RELIEVE THE GOVERNMENT FROM THE FINANCIAL RISK OF BUYING BACK UNSOLD FLATS.

THURSDAY, MARCH 19, 1987

- 13 -

IMPROVEMENTS IN QUALITY OF WELFARE SERVICES NEEDED
* * * * *

THE 1987-88 BUDGET HAS HARDLY MADE ANY PROVISION FOR IMPROVING THE BASIC STANDARD OF SERVICES ESSENTIAL TO THE LONG-TERM DEVELOPMENT OF SOCIAL WELFARE IN HONG KONG, THE HON HUI YIN-FAT SAID TODAY (THURSDAY).

SPEAKING AT THE RESUMED BUDGET DEBATE, MR HUI NOTED THAT THE \$625 MILLION SOCIAL WELFARE SUBVENTION FOR THE YEAR 1987-88 REPRESENTED ONLY MORE THAN ONE PER CENT OF THE TOTAL BUDGET.

+ON THE OTHER HAND SOCIAL SECURITY PAYMENTS, AMOUNTING TO \$1 767 MILLION, ABSORBS SOME FOUR PER CENT OF THE TOTAL BUDGET, OR 63 PER CENT OF TOTAL ALLOCATION FOR SOCIAL WELFARE,+ HE SAID.

HE SAID THAT WHILE THE PERCENTAGE INCREASES FOR INDIVIDUAL SOCIAL WELFARE SERVICES APPEARED TO BE LARGE, RANGING FROM 37 PER CENT FOR REHABILITATION SERVICES TO 18 PER CENT FOR FAMILY SERVICES, THE BULK OF SOCIAL WELFARE SUBVENTION WAS DESIGNATED FOR MAINTAINING EXISTING SERVICES AND FUNDING NEW PROJECTS. ONLY A SMALL SUM WAS LEFT OVER FOR THE IMPROVEMENT OF SERVICES.

MR HUI ALSO NOTED THAT REHABILITATION, ONE OF THE MOST DEPRIVED SERVICE AREAS, WAS GIVEN ONLY \$500 000 TO RAISE THE QUALITY OF SERVICE.

+THESE FIGURES ONLY ATTEST TO THE EXTREMELY LOW PRIORITY AWARDED TO THE QUALITY OF SOCIAL WELFARE SERVICES WHEN THE GOVERNMENT DREW UP ITS BUDGET ESTIMATES,+ HE SAID.

MR HUI SAID THAT CHILD ABUSE CASES SUCH AS THE KWOK AH-NUI CASE, TRAGIC DEATHS IN CHILD CARE INSTITUTIONS, INCREASING NUMBER OF DIVORCE CASES, FREQUENT INCIDENTS OF GANG FIGHTS AMONG SCHOOL DROP-OUTS AND THE GROWING WAITING LIST TO HOMES FOR THE AGED WERE GLARING EXAMPLES OF FAILURES IN PROVIDING TIMELY REMEDIES TO PEOPLE IN NEED.

HE ADDED THAT THESE FAILURES WERE LARGELY ATTRIBUTED TO THE UNREALISTICALLY LOW MANNING RATIO OF HONG KONG'S SOCIAL WORK FORCE AS WELL AS THE STRENGTH AND LACK OF PROFESSIONAL TRAINING OF WELFARE WORKERS. THIS WAS ONE OF THE REASONS WHY SERVICE STANDARDS HAD TO BE IMPROVED, HE SAID.

THESE WERE REASONABLE, ACCEPTABLE STANDARDS PRODUCED THROUGH PAINSTAKING EFFORTS MADE BY BOTH GOVERNMENT AND VOLUNTARY AGENCIES IN THE ON-GOING FIVE-YEAR PLAN REVIEW EXERCISE, HE SAID.

+IT WOULD SEEM THAT THE FINANCIAL SECRETARY HAS NEGLECTED THE COMMITMENTS THE GOVERNMENT HAS MADE TO ITS WELFARE PLANS, SO MUCH SO THAT ALL THE HARD WORK OF THE FIVE-YEAR PLAN REVIEW HAS GONE DOWN THE DRAIN,+ HE SAID.

/MR HUI

THURSDAY, MARCH 19, 1987

- 14 -

MR HUI SAID THAT WITH AN OVERALL SURPLUS OF \$4.9 BILLION FOR THE CURRENT FINANCIAL YEAR IT WAS HIGH TIME THAT THE GOVERNMENT HONOURED ITS COMMITMENTS.

HE SAID THAT \$38 MILLION WAS REQUIRED TO IMPLEMENT ALL AGREED IMPROVEMENTS THIS YEAR AND TO UPGRADE ALL SERVICES TO A REASONABLE STANDARD, AND THAT A SUM OF \$36 MILLION, DERIVING FROM SURPLUSES ACCUMULATED BY VOLUNTARY AGENCIES IN PAST YEARS, WOULD BE USED TO FUND IMPROVEMENT OF SERVICES ON A THREE-YEAR BASIS.

+THUS AN EXTRA \$26 MILLION, REPRESENTING A TINY FRACTION OF OUR TOTAL BUDGET, CAN IMMEDIATELY RESOLVE OUR PROBLEM,+ HE SAID.

MR HUI ALSO NOTED THAT THE FORMER FINANCIAL SECRETARY HAD PROMISED LAST YEAR, TO LOOK INTO THE PERCENTAGE SHARE OF THE TOTAL PROCEEDS FROM THE LOTTERIES GOING INTO THE LOTTERIES FUND, WHICH HAD DROPPED FROM 5.75 PER CENT IN 1983 TO 1.5 PER CENT IN 1985.

+MY PROPOSAL, THEREFORE, IS FOR THE GOVERNMENT TO REINSTATE THE FUND TO THE ORIGINAL 5.75 PER CENT AND APPROPRIATE 25 PER CENT OF THIS AMOUNT SPECIFICALLY FOR THE IMPROVEMENT OF SOCIAL WELFARE SERVICES,+ MR HUI SAID.

TURNING TO THE ISSUE OF CHARGING FEES FOR SOCIAL WELFARE SERVICES, MR HUI SAID THAT WHILE FEE CHARGING HAD ITS MERIT, INCLUDING GIVING SERVICE RECIPIENTS A SENSE OF PRIDE AND DIGNITY, IT WAS ONLY APPLICABLE TO CERTAIN TYPES OF SOCIAL WELFARE SERVICES SUCH AS RECREATIONAL AND DEVELOPMENTAL SERVICES.

HONG KONG'S EXISTING SOCIAL WELFARE POLICY WAS GEARED TOWARDS HELPING THOSE WHO COULD LEAST HELP THEMSELVES - THE DEPRIVED, THE VULNERABLE AND PEOPLE AT RISK. FOR THESE PEOPLE WHO DID NOT OR MIGHT NOT SEEK HELP VOLUNTARILY, FEE CHARGING WAS OUT OF THE QUESTION, HE SAID.

HE ADDED THAT HONG KONG HAD PROGRESSED TO A STAGE WHERE SOCIAL WELFARE COULD NOT BE ACCOUNTED FOR BY THE QUANTITY OF SERVICES PROVIDED.

+TODAY, WE HAVE TO ACKNOWLEDGE THAT SERVICE STANDARDS MUST BE ADEQUATE FOR CLIENTS TO MAINTAIN A DECENT LEVEL OF LIVING IN THE COMMUNITY,+ HE SAID.

HE ADDED THAT BY IMPROVING THE QUALITY OF SERVICES, HONG KONG WOULD NOT ONLY ENABLE PEOPLE TO SHARE THE PROSPERITY TO WHICH THEY ALL CONTRIBUTED, BUT ALSO TAKE ONE STEP FURTHER IN THE PURSUIT OF EQUITY AND JUSTICE AS OPPOSED TO CHARITY.

- - - - 0 - - - -

THURSDAY, MARCH 19, 1987

- 15 -

'SANDWICHED CLASS' STILL LEFT IN THE COLD

* * * * *

THE HON CHEUNG YAN-LUNG SAID TODAY (THURSDAY) THAT DESPITE THE ROSY PICTURE PAINTED BY THE 1987-88 BUDGET, THERE WERE STILL A FEW PROBLEM AREAS TO WHICH THE GOVERNMENT MUST ADDRESS ITSELF.

SPEAKING IN THE LEGISLATIVE COUNCIL DURING THE BUDGET DEBATE, MR CHEUNG SAID THAT FOREMOST IN HIS MIND WAS THE CRITICISM THAT THE GOVERNMENT HAD CONTINUED TO LEAVE THE SO-CALLED +SANDWICHED CLASS+ IN THE COLD ONCE AGAIN EMERGED IN A DISCORDANT NOTE.

+THERE IS A BELIEF AMONG CERTAIN SECTORS OF OPINIONS THAT THE OVERALL PERSONAL INCOME TAX POLICY TENDS TO FAVOUR THE WELL-TO-DO THROUGH THE LIMIT OF A STANDARD TAX RATE AS WELL AS THOSE IN THE LOW INCOME BRACKETS, WHO ARE ENJOYING BENEFITS SUCH AS LOW-COST PUBLIC HOUSING AND THE HOME OWNERSHIP SCHEME,+ HE SAID.

MR CHEUNG SAID THERE WERE DISCREPANCIES OF FAIRNESS IN THE TREATMENT OF INCOME EARNERS OF DIFFERENT BRACKETS, AND THE SANDWICHED CLASS WOULD HAVE TO BEAR WITH THE DEPRIVATION OF HOUSING ASSISTANCE AND OTHER SOCIAL WELFARE BENEFITS.

TO HELP REDRESS THE IMBALANCE OF TREATMENT TOWARDS THE MIDDLE-CLASS WAGE EARNERS, MR CHEUNG SUGGESTED THAT CONSIDERATION BE GIVEN FOR THE INTRODUCTION OF A TAX REBATE SYSTEM IN THE FORM OF PERSONAL TAX ALLOWANCES FOR HOUSING MORTGAGES.

THE MEASURE WOULD LIKELY PROMOTE THE DEVELOPMENT OF HONG KONG'S PROPERTY MARKET AS MORE AND MORE PEOPLE WERE ATTRACTED TO HOME OWNERSHIP. THIS WOULD ALSO INDUCE PUBLIC CONFIDENCE IN THE TERRITORY THROUGH THE PRIVATE ACQUISITION OF HOUSING UNITS, HE SAID.

TURNING TO THE FINANCIAL SECRETARY'S TAX PROPOSALS, MR CHEUNG SAID DIRECT TAXATION SET AT A HIGH LEVEL WOULD NO DOUBT DAMPEN PEOPLE'S INCENTIVE AND BE UNFAIR TO THOSE COVERED BY THE DIRECT TAXATION NET.

ON THE OTHER HAND, A BROADLY BASED INDIRECT TAX WAS NOT WITHOUT ITS ADVERSE EFFECT, HE SAID.

+TO BROADEN THE INDIRECT TAX BASE WOULD MEAN THE IMPOSITION OF DUTIES AND FEES ON MORE ITEMS OF COMMODITIES AND SERVICES WHICH WOULD INEVITABLY INCLUDE NON-LUXURIOUS ITEMS,+ HE SAID. SUCH A MEASURE WOULD AFFECT THE GENERAL PUBLIC AS A WHOLE, PARTICULARLY THE LOWER INCOME GROUP.

HE SAID THE DUTIES AND FEES IMPOSED ON EACH ITEM MIGHT BE MILD, BUT IF THE SCOPE OF INDIRECT TAXES WERE TO BE WIDENED, THE ACCUMULATED EXPENSES WOULD LAY A BIG FINANCIAL BURDEN FOR THE LESS AFFLUENT.

/HE URGED

THURSDAY, MARCH 19, 1987

- 16 -

HE URGED THAT GREAT CARE MUST BE TAKEN BY THE GOVERNMENT BEFORE DECIDING ON ANY MOVE TO BROADEN THE INDIRECT TAX BASE.

MR CHEUNG ALSO SAID THAT AS HONG KONG NOW HAD A HANDSOME AMOUNT OF SURPLUS AND A MORE ROBUST ECONOMIC GROWTH, IT WAS HIGH TIME FOR THE GOVERNMENT TO SPEND MORE IN BUILDING A STRONGER INFRASTRUCTURE.

HE SAID HE WAS SURE THAT THE GOVERNMENT'S STRATEGY TO ALLOCATE SUFFICIENT DEVELOPMENT FUNDS FOR THE VAST AREA OF THE NEW TERRITORIES WOULD MEET THE GROWING EXPECTATION OF THE POPULATION THERE.

+ANY ATTEMPT TO SHIFT THE DIRECTION OF DEVELOPMENT WILL CERTAINLY CALL INTO QUESTION THE GOVERNMENT'S DETERMINATION ON LONG-TERM DEVELOPMENT OF HONG KONG AT A TIME OF CRUCIAL CHANGES,+ HE SAID.

- - - - 0 - - - -

CALL TO AIM FOR STABLE ECONOMIC ENVIRONMENT
* * * * *

THE HON POON CHI-FAI TODAY (THURSDAY) ASKED HONG KONG PEOPLE NOT TO FEEL OVERJOYED BECAUSE OF THE TEMPORARY SPAN OF ECONOMIC PROSPERITY.

HE SAID HONG KONG SHOULD DEDICATE ITS EFFORTS TO STRIVE FOR A STABLE ECONOMIC ENVIRONMENT WITH LONG-TERM GROWTH.

SPEAKING DURING THE BUDGET DEBATE IN THE LEGISLATIVE COUNCIL, MR POON SAID SOCIAL STABILITY AND PROSPERITY WAS A PREREQUISITE FOR CREATING WEALTH AND RESOURCES. HOWEVER, HE WARNED THAT IN THE COURSE OF CONSTITUTIONAL REFORM, ONE MUST BE PRAGMATIC AND DEVELOP STEP BY STEP, SO THAT HONG KONG'S STABILITY AND PROSPERITY WOULD NOT BE AFFECTED.

HE ADDED THAT THE REINFORCEMENT OF MANPOWER TRAINING, THE INTRODUCTION OF NEW TECHNOLOGY, THE PROVISION OF ATTRACTIVE CONDITIONS FOR INDUSTRIAL-COMMERCIAL DEVELOPMENT, THE PREVENTION OF EXCESSIVE SPECULATION ACTIVITIES, RESTRAINT ON THE GROWTH OF PUBLIC EXPENDITURE AND MINIMISATION OF UNNECESSARY WASTAGE WERE ALL IMPORTANT FACTORS WHICH WOULD BENEFIT THE ECONOMIC DEVELOPMENT OF HONG KONG.

TURNING TO THE BUDGET ITSELF, MR POON TOUCHED ON THE SUBJECT OF ROAD TOLLS.

/HE SAID

HE SAID IT APPEARED THAT TRAFFIC CONGESTION SEEMED TO BE AN ORDINARY PROBLEM HERE, BUT ITS ADVERSE EFFECTS ON THE ECONOMY WERE FAR-REACHING, SUCH AS WASTAGE OF COMMUTERS' TIME, AND INCREASES IN PETROL CONSUMPTION AND TRANSPORTATION COSTS.

MR POON CALLED ON THE GOVERNMENT TO EXPEDITE STUDIES ON FINDING A LONG-TERM SOLUTION TO THE PROBLEM.

HE SAID HE DISAGREED WITH THE PROPOSAL BY AUTHORITIES TO INCREASE TOLLS AT THE LION ROCK TUNNEL IN ORDER TO REDUCE CONGESTION.

+IT WOULD IMPOSE EXTRA BURDEN ON PEOPLE LIVING OR WORKING IN SHA TIN AND ITS NEIGHBOURING AREAS.

+NOT ONLY WILL THE COST OF LIVING AND EMPLOYMENT OPPORTUNITIES OF PEOPLE IN THOSE AREAS BE AFFECTED, THE PROCEEDS FROM THE SALE OF RESIDENTIAL OR INDUSTRIAL LAND IN THOSE AREAS WILL ALSO SUFFER DIRECTLY,+ HE SAID.

CITING THE CROSS HARBOUR TUNNEL AS AN EXAMPLE, MR POON SAID UNLESS GOVERNMENT WAS PREPARED TO MAKE DRASTIC AND PERSISTENT INCREASES IN TUNNEL TOLLS, THE EFFECT OF A SLIGHT INCREASE TO EASE CONGESTION WAS ONLY TEMPORARY.

+IN THE LONG RUN, APART FROM SPEEDING UP THE CONSTRUCTION OF THE TATE'S CAIRN TUNNEL, THE GOVERNMENT SHOULD CONSIDER OTHER RELIEVING MEASURES, SUCH AS COMPULSORY USE OF PREPAID TUNNEL TOKENS= INSTALLING AUTOMATIC TOLLING MACHINES AT THE TUNNEL ENTRANCE AND IMPOSING DOUBLE CHARGES ON DRIVERS WHO PAY THEIR TOLLS ON THE SPOT.

+THESE MEASURES MIGHT SPEED UP THE PASSAGE OF VEHICLES THROUGH TOLL BOOTHS AND HELP IMPROVE THE SERVICE OF PUBLIC TRANSPORT, AS WELL AS PROVIDING A LONG-TERM SOLUTION TO THE PROBLEM OF CONGESTION IN THE LION ROCK TUNNEL,+ MR POON SAID.

ON THE WIDENING OF THE SCOPE OF INDIRECT TAXATION, MR POON SAID HE FELT IT MIGHT NOT BE ABLE TO GENERATE, AS EXPECTED BY THE FINANCIAL SECRETARY, A STABLE REVENUE FOR THE GOVERNMENT.

ON THE CONTRARY, HE SAID, MORE PEOPLE OF THE MIDDLE AND LOWER CLASSES WOULD BE CAUGHT IN THE NET OF INDIRECT TAXES.

TURNING TO THE GRAND PROJECT CONCERNING THE PROPOSED NEW AIRPORT RECENTLY PUT UP BY THE HOPEWELL-HUTCHISON CONSORTIUM, MR POON SAID IT WOULD NO DOUBT HAVE A FAR-REACHING IMPACT ON PUBLIC CONFIDENCE AS WELL AS THE FUTURE OF HONG KONG.

BUT IN VIEW OF THE TREMENDOUS SCALE OF THE PROJECT, THE ENORMOUS AMOUNT OF CAPITAL INVOLVED, AND THE SERIOUS IMPACT ON THE OVERALL DEVELOPMENT OF HONG KONG, WE SHOULD NOT ACT RASHLY AND MUST EXERCISE EXTREME CARE AND CARRY OUT METICULOUS EXAMINATION BEFORE DRAWING A CONCLUSION, HE SAID.

THURSDAY, MARCH 19, 1987

- 18 -

HK'S ECONOMIC PROBLEMS OUTLINED

* * * * *

PROTECTIONIST PRESSURE COMPOUNDED WITH A WEAK TECHNOLOGY BASE IS THE REAL PROBLEM THE GOVERNMENT SHOULD TACKLE IF HONG KONG IS TO MAINTAIN ITS ECONOMIC PERFORMANCE IN THE 1990'S, THE HON ALLEN LEE SAID IN THE LEGISLATIVE COUNCIL TODAY (THURSDAY).

SPEAKING DURING THE DEBATE ON THE APPROPRIATION BILL 1987, MR LEE POINTED OUT THAT THE MANUFACTURING INDUSTRY WAS THE MOST IMPORTANT SECTOR OF THE ECONOMY.

HE NOTED THAT PROTECTIONIST SENTIMENT WAS GROWING IN HONG KONG'S LARGEST MARKET, THE UNITED STATES, AND HONG KONG WAS CAUGHT IN THE NET EVEN THOUGH FREE TRADE WAS ADVOCATED AND PRACTISED HERE.

+MANY OF OUR INDUSTRIES ARE PREDOMINANTLY VALUE-ADDED ASSEMBLY-TYPE INDUSTRIES LACKING A STRONG TECHNOLOGY BASE WHICH, IN THE LONG RUN, WILL LOSE THEIR COMPETITIVE EDGE DUE TO INCREASING COSTS,+ HE SAID.

AGREEING THAT DIVERSIFICATION, ATTRACTING FOREIGN INVESTMENT AND TECHNOLOGY TRANSFER WERE ALL IMPORTANT ISSUES, MR LEE SAID HE HOPED THAT THE INDUSTRY DEVELOPMENT BOARD, COULD COME UP WITH SOME POSITIVE PROPOSALS AND SOLUTIONS.

HE ALSO DREW ATTENTION TO HONG KONG'S MARKETS AND POTENTIAL MARKETS.

REFERRING IN PARTICULAR TO JAPAN, HE SUGGESTED HONG KONG'S INDUSTRIALISTS SHOULD LEARN THE +THREE P'S+ OF THE JAPANESE BUSINESS PHILOSOPHY - PATIENCE, PERSISTENCE AND PERSONAL RELATIONSHIP.

+WE MUST ALSO ADHERE TO THE JAPANESE STRICT REQUIREMENTS ON QUALITY AND DESIGN,+ HE ADDED.

MR LEE SAID HE BELIEVED THAT THE DIFFICULTY LAY IN THE FORMULATION OF A SOUND MARKETING STRATEGY AND POINTED OUT THAT GOVERNMENT SUPPORT IN THIS AREA WAS NECESSARY.

TURNING TO EDUCATION, MR LEE STRESSED THAT INVESTMENT IN EDUCATION WAS AN INVESTMENT IN THE FUTURE.

HE RECALLED THAT HE HAD SPOKEN MANY TIMES BEFORE ON THE IMPORTANCE OF ENHANCING THE REPUTATION OF TERTIARY EDUCATION INSTITUTIONS IN HONG KONG AND ON HOW TO STRENGTHEN RESEARCH AND DEVELOPMENT IN THESE INSTITUTIONS.

HE REITERATED THAT THE GOVERNMENT SHOULD RECOGNISE THE WEAKNESS IN THE TERTIARY EDUCATION INSTITUTIONS AND POINTED OUT THAT THE INVESTMENT MUST BE MADE.

/+IT IS

+IT IS EXPENSIVE BUT IT WILL RESULT IN A GREAT MANY INVISIBLE BENEFITS IN OUR FUTURE,+ HE SAID.

LASTLY, MR LEE REFERRED TO THE SUBJECT OF INSIDER DEALING IN HONG KONG.

CONCEDING THAT A LOT OF DIFFICULTIES AND SENSITIVITIES WERE INVOLVED, HE SAID THE GOVERNMENT HAD THE RESPONSIBILITY TO PROTECT INVESTORS FROM UNETHICAL PRACTICES.

+I RECOGNISE THAT INSIDER DEALING IS ONLY ONE OF THE INTRICACIES OF BEING A FINANCIAL CENTRE BUT I FEEL OUR PHILOSOPHY SHOULD BE ONE WHEREBY WE STAND TALL ON OUR OWN MERITS AS OUR CREDITABILITY AND REPUTATION ARE ON THE LINE, ESPECIALLY AS WE HAVE ENTERED INTO THE WORLD ARENA,+HE SAID.

- - - - 0 - - - -

NEED TO IMPROVE SECURITIES MARKET MECHANISM

* * * *

TO FOSTER HONG KONG'S CONTINUED DEVELOPMENT AS ONE OF THE LEADING INTERNATIONAL FINANCIAL CENTRES, AN IMPROVEMENT OF THE MARKET MECHANISM AVAILABLE TO SUPPORT THE SECURITISATION PROCESS IS NECESSARY.

THE CALL WAS MADE BY THE HON KIM CHAM DURING THE RESUMED DEBATE ON THE APPROPRIATION BILL 1987 IN THE LEGISLATIVE COUNCIL TODAY (THURSDAY).

ANY DELAY IN IMPROVEMENTS WOULD BE DETRIMENTAL, HE WARNED, AS OTHER CENTRES GEARED UP TO CHALLENGE HONG KONG'S POSITION AS A MAJOR FINANCIAL CENTRE.

HE SAID THE SECURITISATION OF DEBTS INTRODUCED NEW DIMENSIONS OF RISKS IN THESE NEW FINANCIAL INSTRUMENTS.

+PART OF THE SOLUTION LIES IN IMPROVING THE REGULATORY FRAMEWORK AND SUITABLE PROVISIONS AS COVER FOR THESE RISKS. PART OF THE SOLUTION APPEARS TO CALL FOR AN IMPROVEMENT OF THE MARKET MECHANISM,+ HE SAID.

HE NOTED THAT WITH UNCERTAINTIES IN A DEALERS' MARKET IN WHICH SECURITIES OR PAPER ASSETS WERE TRADED, LIQUIDITY COULD DRY UP AND BRISK TRADING MIGHT STOP SUDDENLY.

+HOWEVER, IF THESE INSTRUMENTS WERE TRADED WITH A LARGE NUMBER OF PARTICIPANTS IN AN OPEN MARKET, THE DEPTH AND LIQUIDITY OF THE MARKET COULD BE ENHANCED,+ HE SAID.

TURNING TO ANOTHER ASPECT OF THE SECURITISATION PROCESS, MR CHAM SAID IN TERMS OF TURNOVER, THE SIZE OF THE LOCAL STOCK MARKET RANKED AMONG THE TOP ACTIVE MARKETS IN THE WORLD, YET CLEARING IN THE STOCK EXCHANGE WAS STILL CONDUCTED WITH THE 24-HOUR PHYSICAL DELIVERY SYSTEM.

HE FELT THIS NOT ONLY REPRESENTED A WASTE OF CLERICAL WORK AND MANPOWER, BUT IT COULD INHIBIT FURTHER GROWTH OF THE STOCK MARKET.

+ALTHOUGH IT CAN BE ARGUED THAT THE STOCK EXCHANGE MUST BE LEFT TO DO ITS JOB, GOVERNMENT MUST PROVIDE THE NEEDED AND NECESSARY LEGISLATION TO SUPPORT A SIMPLER AND MORE EFFICIENT MARKET MECHANISM CONDUCIVE TO FURTHER DEVELOPMENT OF THE MARKET,+ HE SAID.

COMMENTING ON THE BUDGET, MR CHAM SAID HE ENDORSED THE FINANCIAL SECRETARY'S VIEW THAT A LABOUR FORCE AT FULL EMPLOYMENT SHOULD BE MAINTAINED.

+IN A PLACE LIKE HONG KONG WHICH IS LESS FAVOURABLY ENDOWED IN NATURAL RESOURCES, FISCAL AND MONETARY POLICIES MUST BE GEARED TOWARDS THE CREATION OF WEALTH BY ECONOMIC ACTIVITIES BUT NOT A MERE EMPHASIS ON THE RE-DISTRIBUTION OF WEALTH,+ HE NOTED.

HE ADDED THAT ECONOMIC STRATEGIES FOR THE FUTURE SHOULD BE FOUNDED ON A FURTHER IMPROVEMENT IN PRODUCTIVITY AND THE INCREASE IN GROSS DOMESTIC PRODUCT WITHOUT IMPOSING A STRAIN ON THE LABOUR FORCE.

IN THE SHORT RUN, FURTHER DEMAND FOR OUTPUT COULD BE MET BY MARGINAL INCREASES OF PRODUCTIVITY OR ADDITIONAL OUTPUT THROUGH PROVISIONS IN OVERTIME EMPLOYMENT, HE SAID.

+IN THE MEDIUM TERM, WE MUST LOOK FOR IMPROVEMENTS IN OUTPUT EITHER BY IMPROVING PRODUCTIVITY IN ALL ECONOMIC SECTORS OR INDUCE THE DEVELOPMENT OF SECTORS WHICH COMMAND A HIGHER MARGINAL INCREASE IN VALUE-ADDED PER INCREASE IN INPUT,+ HE SUGGESTED.

WHILE EXPRESSING HIS GENERAL SATISFACTION WITH THE PACKAGE OF REVENUE AND TAX CONCESSIONS, MR CHAM ADVOCATED THAT MORE GENEROUS CHILD ALLOWANCES BE GRANTED TO SINGLE PARENTS, PARTICULARLY THE WIDOWED WITH CHILDREN TO BE RAISED.

HE ALSO SUPPORTED THE TRAVEL INDUSTRY'S CALL FOR A REDUCTION OF THE AIRPORT TAX, PROVIDED THAT THE REDUCED TAX PLUS OTHER INCOMES DERIVED FROM THE AIRPORT COULD COVER ITS OPERATIONAL COSTS.

AS A RESULT, THE AIRPORT TAX SHOULD BE IN LINE WITH THE IMAGE OF HONG KONG AS A SHOPPERS' PARADISE, HE SAID.

- - - - - 0 - - - - -

THURSDAY, MARCH 19, 1987

- 21 -

INTERESTS OF ALL TAKEN CARE OF IN BUDGET
* * * * *

THE HON LAU WONG-FAT SAID TODAY (THURSDAY) THAT THE 1987-88 BUDGET HAD TAKEN CARE OF THE INTERESTS OF THE VARIOUS STRATA OF THE COMMUNITY.

SPEAKING IN THE LEGISLATIVE COUNCIL DURING THE SECOND DAY OF THE BUDGET DEBATE, MR LAU SAID THE FINANCIAL SECRETARY HAD ADOPTED A CAUTIOUS AND FIRM APPROACH IN DRAWING UP THE BUDGET.

+AS THE ECONOMY OF HONG KONG IS AFFECTED BY EXTERNAL FACTORS, AND IN PARTICULAR BY THE GROWING FORCE OF PROTECTIONISM, IT IS UNDERSTANDABLE THAT THE BUDGET WAS DRAWN UP IN A DISCREET MANNER,+ HE SAID.

HOWEVER, THE FINANCIAL SECRETARY HAD NOT CLEARLY INDICATED IN THE BUDGET THAT THE GOVERNMENT HAD FORMULATED AN ECONOMIC POLICY TO PROMOTE AND ENCOURAGE LONG-TERM ECONOMIC DEVELOPMENT IN HONG KONG, MR LAU SAID.

TURNING TO THE FINANCIAL SECRETARY'S TAX PROPOSALS, MR LAU SAID THAT ONE HAD TO CONSIDER CAREFULLY THE CONSEQUENCE OF WIDENING THE SCOPE OF INDIRECT TAXES AS PEOPLE OF THE LOWER MIDDLE CLASS WOULD SURELY BE AFFECTED.

IF IT WAS FOUND TO BE NECESSARY TO INTRODUCE MORE INDIRECT TAXES, THEY SHOULD ONLY BE IMPOSED ON LUXURIOUS ITEMS AND SHOULD NOT BE EXTENDED TO COVER DAILY NECESSITIES, HE SAID, ADDING THAT SALES TAX SHOULD BE ABSOLUTELY OUT OF THE QUESTION.

HE ADDED THAT SINCE HONG KONG HAD MANAGED TO SURVIVE DURING THE ECONOMIC SLOW-DOWN IN THE EARLY 1980'S, THERE WAS NO REASON WHY THE TAX SYSTEM SHOULD BE CHANGED NOW WHEN THE ECONOMIC PROSPECT WAS BRIGHT.

MR LAU SAID HE WAS GLAD TO LEARN FROM THE BUDGET THAT THE GOVERNMENT WOULD ALLOCATE FUNDS FOR A FIVE-YEAR PLAN TO IMPROVE CONDITIONS IN MARGINAL AND RURAL AREAS OF NEW TOWNS.

+THERE ARE REALLY VAST AREAS IN THE NEW TERRITORIES WHERE PUBLIC FACILITIES AND SERVICES ARE REQUIRED FAIRLY URGENTLY,+ HE SAID.

/HOWEVER,

THURSDAY, MARCH 19, 1987

- 22 -

HOWEVER, HE NOTED THAT ONLY \$25 MILLION WOULD BE ALLOCATED FOR THE IMPROVEMENT WORKS IN THE YEAR 1987-88, THE FIRST YEAR OF THE FIVE-YEAR PLAN. HE SAID THIS AMOUNT WAS FAR FROM ENOUGH.

+I HOPE THAT THE GOVERNMENT WILL CONSIDER INCREASING THE FUNDS SO AS TO SUBSTANTIALLY IMPROVE THE INADEQUACIES IN THIS ASPECT,+ HE SAID.

TURNING TO INDUSTRIAL DEVELOPMENT, MR LAU SAID THE INDUSTRIAL SECTOR WAS NOT DULY TAKEN CARE OF AS THE BUDGET DID NOT INCLUDE ANY TAX CONCESSION FOR THE DEPRECIATION OF PLANT AND MACHINERY.

+WE MUST NOT FORGET THAT WITH INTENSIFYING COMPETITION IN OUR OVERSEAS MARKETS, A FAVOURABLE CALCULATION METHOD FOR DEPRECIATION WILL DEFINITELY BE EXTREMELY BENEFICIAL TO DOMESTIC PRODUCTS, PARTICULARLY WHEN THE LOCAL ECONOMY IS BECOMING MORE AND MORE DEPENDENT ON INDUSTRIAL DEVELOPMENT,+ HE SAID.

TURNING TO THE IDEA FOR BUILDING AN INTERNATIONAL AIRPORT, MR LAU SAID THAT SUCH A PROJECT WOULD HAVE A SIGNIFICANT POLITICAL VALUE APART FROM EASING AIR TRANSPORT IN FUTURE.

THE PROJECT WOULD UNDOUBTEDLY BE AN IMPORTANT ECONOMIC JOINT VENTURE AMONG CHINA, BRITAIN, HONG KONG AND EVEN OTHER OVERSEAS COUNTRIES.

+IN OTHER WORDS, WITH THE CONSTRUCTION OF AN INTERNATIONAL AIRPORT, A SOLID FOUNDATION WILL BE LAID FOR HONG KONG'S ECONOMIC PROSPERITY AND SOCIAL STABILITY,+ HE SAID.

- - - - 0 - - - -

/23

THURSDAY, MARCH 19, 1987

- 23 -

LEAKAGE OF EXCO PAPER TO BE CHECKED
* * * * *

THE GOVERNMENT WOULD CERTAINLY LOOK INTO THE LEAKAGE OF A CONFIDENTIAL EXECUTIVE COUNCIL PAPER ON FILM CENSORSHIP REGULATIONS, THE ACTING GOVERNOR, SIR DAVID AKERS-JONES, STRESSED TODAY (THURSDAY).

ASKED BY REPORTERS TO COMMENT ON THE LEAKAGE AFTER TODAY'S LEGISLATIVE COUNCIL MEETING, HE SAID THE LEAKAGE OF CONFIDENTIAL OFFICIAL DOCUMENTS WAS A SERIOUS MATTER AND THE GOVERNMENT WAS TAKING IT SERIOUSLY.

HOWEVER, SIR DAVID SAID HE DID NOT THINK THE LEAKAGE IN THIS CASE WOULD PUT THE GOVERNMENT INTO A DILEMMA.

HE SAID: +THE DOCUMENT ITSELF WAS, IN FACT, GOING TO BE SHOWN TO THE MEMBERS OF THE LEGISLATIVE COUNCIL TOMORROW.

+THE FACT THAT IT HAS BEEN MORE WIDELY DISTRIBUTED BY SOMEONE I DON'T THINK IT MATTERS IN THIS PARTICULAR CASE, BUT IT'S VERY IMPORTANT THAT DOCUMENTS WHICH ARE PRIVATE TO THE EXECUTIVE COUNCIL SHOULD REMAIN IN PRIVATE.

+THIS IS TRUE NOT ONLY IN HONG KONG, BUT IN ANY COUNTRY IN THE WORLD, I THINK, THAT CABINET PAPERS STAY WITHIN THE CABINET.+

ON THE QUESTION OF CENSORSHIP OF FILMS, SIR DAVID SAID THE GOVERNMENT HAD TO CONSIDER THE PUBLIC EXHIBITION OF FILMS WHICH WOULD HARM HONG KONG'S RELATIONSHIPS NOT ONLY WITH CHINA, BUT WITH OTHER COUNTRIES IN THE WORLD.

+WE HAVE TO, I THINK, CONSIDER THE PUBLIC EXHIBITION OF SUCH FILMS VERY SERIOUSLY INDEED,+ HE SAID.

+MOST PEOPLE IN HONG KONG REALISE THAT THERE ARE SENSITIVITIES IN OUR RELATIONSHIPS WITH NOT ONLY CHINA BUT WITH OTHER COUNTRIES WHICH HAVE TO BE RESPECTED,+ SIR DAVID ADDED.

ASKED HOW SERIOUS THE LEAKAGE OF INFORMATION WOULD AFFECT THE GOVERNMENT IN DRAFTING REGULATIONS, HE SAID: +IT MAKES THE CONDUCT OF GOVERNMENT BUSINESS EXTREMELY DIFFICULT.+

----- 0 -----

/24

THURSDAY, MARCH 19, 1987

- 24 -

HK NOW THE WORLD'S SECOND BUSIEST CONTAINER PORT
* * * * *

HONG KONG HAS FOR THE FIRST TIME EVER OVERTAKEN NEW YORK AS THE WORLD'S SECOND BUSIEST CONTAINER PORT AFTER ROTTERDAM.

ACCORDING TO RECENTLY RELEASED FIGURES, THE PORT OF NEW YORK HANDLED 2 340 000 TEU'S (TWENTY-FOOT EQUIVALENT UNITS) IN 1986, REPRESENTING A DECLINE OF 27 000 TEU'S (OR 1.14 PER CENT) FROM THE PREVIOUS YEAR.

IN COMPARISON, HONG KONG HANDLED 2 774 025 TEU'S LAST YEAR, AN INCREASE OF 485 072 TEU'S (OR 21 PER CENT) OVER 1985.

COMMENTING ON THE FIGURES, ASSISTANT DIRECTOR OF MARINE, MR BERNARD TANG, SAID TODAY (THURSDAY) THAT HONG KONG'S CONTAINER THROUGHPUT WAS MADE MORE REMARKABLE BY THE FACT THAT KWAI CHUNG TERMINALS HAD AN AREA OF ONLY SOME 103 HECTARES WITH JUST FIVE TERMINALS.

+SPACE IS STRETCHED TO ITS LIMITS FOR BOTH LOADING AND UNLOADING AS WELL AS STORING CONTAINERS,+ HE ADDED.

MR TANG POINTED OUT THAT SOME 500 000 TEU'S OF HONG KONG'S TOTAL CONTAINER THROUGHPUT LAST YEAR WERE HANDLED IN MID STREAM. +DESPITE THE LARGE VOLUME OF CONTAINER TRAFFIC, THE TRADITIONAL CARGO HANDLING FROM MID-STREAM CONTINUED TO PLAY A SIGNIFICANT ROLE IN HONG KONG,+ HE SAID.

WHILE LAST YEAR'S PHENOMENAL GROWTH RATE OF 21 PER CENT WAS NOT EXPECTED TO BE MAINTAINED, THE GOVERNMENT WAS ALREADY PLANNING FOR THE FUTURE, USING AN AVERAGE NINE PER CENT GROWTH RATE PER YEAR, HE SAID.

AT THE MOMENT, A SIXTH TERMINAL IS UNDER CONSTRUCTION AT KWAI CHUNG BY THE PRIVATE SECTOR AT A COST OF ABOUT HKD2 BILLION. +WHEN COMPLETED IN LATE 1989, IT WILL PROVIDE A FURTHER 28 HECTARES OF LAND AT KWAI CHUNG.+

+PLANNING IS ALSO UNDERWAY FOR TERMINAL SEVEN WHICH WILL EVENTUALLY ADD ANOTHER 32 HECTARES OF SPACE TO THE PORT,+ HE SAID. +TENDERS ARE EXPECTED TO BE INVITED LATER THIS YEAR AND CONTRACTS SHOULD BE LET IN MARCH 1988.+

TERMINAL SEVEN IS EXPECTED TO BE IN OPERATION BY 1992. +BY THAT TIME HONG KONG'S TOTAL CONTAINER HANDLING CAPACITY WILL BE BOOSTED TO ABOUT 3.5 MILLION TEU'S, STRONGLY CHALLENGING ROTTERDAM'S POSITION AS THE WORLD'S BUSIEST CONTAINER PORT,+ SAID MR TANG.

- - - - 0 - - - -

COMMISSIONER OF BANKING'S ANNUAL REPORT FOR 1986

* * * * *

HONG KONG'S BANKING SECTOR HAD GENERALLY REACHED A PERIOD OF STABILITY AND CONSOLIDATION LAST YEAR AFTER A TROUBLED PERIOD A YEAR AGO, THE COMMISSIONER OF BANKING, MR ROBERT FELL, SAID IN HIS ANNUAL REPORT FOR 1986 PUBLISHED TODAY (THURSDAY).

THE REPORT, THE FIRST PREPARED SINCE THE NEW BANKING ORDINANCE WAS IMPLEMENTED IN SEPTEMBER LAST YEAR, WAS APPROVED BY THE GOVERNOR-IN-COUNCIL ON TUESDAY.

AT A PRESS CONFERENCE TODAY, MR FELL SAID: +THE PROBLEMS OF 1985 WERE SOLVED AND THE MAIN OBJECTIVE AT THE BEGINNING OF 1986 OF MAINTAINING STABILITY WAS ACHIEVED. THE BANKING SCENE IS NOW STABLE AND PROFITABLE.

+AS A SIGN OF THE CONFIDENCE IN HONG KONG, BANKS CONTINUE TO SEEK ENTRY AND THE GOVERNOR-IN-COUNCIL HAS THIS WEEK AGREED TO A FURTHER THREE BANKS RECEIVING LICENCES - TWO ITALIAN AND JAPANESE,+ HE ADDED.

THE REPORT WAS MADE UNDER SECTION 9 OF THE BANKING ORDINANCE TO THE FINANCIAL SECRETARY WHO, IN ADDITION TO PRESENTING TO THE GOVERNOR-IN-COUNCIL, DISCUSSED IT WITH THE BANKING AND DEPOSIT-TAKING COMPANIES ADVISORY COMMITTEES.

IT CONSISTS OF FIVE PARTS COVERING THE FOLLOWING AREAS:

INTRODUCTION

- * A BRIEF SUMMARY OF THE DEVELOPMENT OF SUPERVISION AND BANKING LEADING UP TO THE ENACTMENT OF THE BANKING ORDINANCE, 1986.

THE INDUSTRY

- * THE MAKE-UP OF THE BANKING INDUSTRY IN HONG KONG.
- * GENERAL STATISTICS INCLUDING GEOGRAPHICAL SPREAD OF OWNERSHIP.
- * NUMBERS, LOANS, DEPOSITS, ETC.

THE OFFICE OF THE COMMISSIONER

- * ORGANISATION AND STAFF.
- * QUALIFICATIONS AND TRAINING.
- * COMPUTERISATION.

/EVENTS IN 1986

EVENTS IN 1986

- * MAJOR RESTRUCTURING OF CERTAIN BANKS TO OVERCOME IDENTIFIED PROBLEMS.
- * NEW LICENCES AND REGISTRATIONS; REVOCATION.
- * REVIEW OF COMFORT LETTERS.
- * THE ENACTMENT OF THE BANKING ORDINANCE 1986; THE NEW STATISTICAL RETURN.
- * CLOSE LIAISON WITH OTHER BANKING SUPERVISORY BODIES OVERSEAS.
- * THE MAINTENANCE OF A PUBLIC REGISTER OF ALL BANKS AND DEPOSIT-TAKING COMPANIES.
- * THE GUIDELINE ON CODE OF CONDUCT FOR BANK STAFF.

THE REPORT

- * THE BANKING SCENE IN 1986.
- * POLICY OF THE GOVERNMENT TO MAINTAIN STABILITY OF THE BANKING SECTOR.
- * DECISION NOT TO INTRODUCE THE DEPOSIT INSURANCE SCHEME.
- * INVESTIGATIONS INTO CRIMINAL CASES IN THE FINANCIAL SECTOR.
- * FOLLOW-UP AMENDMENTS TO THE BANKING ORDINANCE 1986.
- * SIZE CRITERION OF NEW APPLICATIONS FOR BANKING LICENCE.
- * FACTORS THAT AFFECT THE SUPERVISORY ROLE.
- * GUIDELINES UNDER CONSIDERATION.

MR FELL SAID SUPERVISION WAS BASED ON A SYSTEM OF EXAMINATIONS AND THE REPORT GAVE THE NUMBER OF EXAMINATIONS MADE UNDER THIS ROUTINE.

+EXAMINATION OF INSTITUTIONS IS, OF COURSE, ONLY ONE OF THE TOOLS USED IN THE SUPERVISORY SYSTEM AND NOT ALL INSTITUTIONS ARE EXAMINED EVERY YEAR.

/+IN ADDITION

THURSDAY, MARCH 19, 1987

- 27 -

+IN ADDITION TO EXAMINATIONS, THERE IS AN ANALYSIS OF RETURNS SUBMITTED REGULARLY BY ALL INSTITUTIONS, THE MAINTENANCE OF A PUBLIC REGISTER CONTAINING ANNUAL AUDITED ACCOUNTS AND REPORTS, REGULAR CONTACTS WITH DIRECTORS, EXECUTIVES AND AUDITORS AND COMMUNICATION WITH OVERSEAS SUPERVISORY BODIES, VARIOUS ASSOCIATIONS AND ADVISORY COMMITTEES,+ HE SAID.

IN THE REPORT, THE COST OF SUPERVISION HAS NOT BEEN INCLUDED. THE DIRECT COSTS OF THE COMMISSIONER'S OFFICE FOR 1985-86 WERE IN THE ORDER OF \$20 MILLION. THIS LEAVES OUT CERTAIN OTHER SUBSTANTIAL COSTS (E.G. ACCOMMODATION) AND THE COST OF THE WORK DONE BY OTHERS WHICH IS ALSO SUBSTANTIAL, E.G. THE COST OF DRAFTING THE NEW LEGISLATION.

CASES BEING PROSECUTED IN THE COURTS ARE SOMETIMES A SOURCE OF CONFUSION. THE REPORT EMPHASISES THAT THE PROBLEMS WHICH CAUSED MANY OF THESE CASES TO BE DISCOVERED HAVE ALREADY BEEN DEALT WITH. THIS POINT HAS TO BE STRESSED. THE WORK OF THE COMMISSIONER'S OFFICE IS TO PROTECT THE DEPOSITOR BY THE SYSTEM OF SUPERVISION DESCRIBED. COURT CASES MAY AND DO ARISE BUT THESE ARE SUBSEQUENT HAPPENINGS NOT NEW PROBLEMS. THE MATTERS DETECTED AND DEALT WITH IN 1985 AND 1986 WERE COMMITTED BEFORE THE INTRODUCTION OF MORE STRINGENT SUPERVISION.

SINCE THIS REPORT WAS MADE, THE FINANCIAL SECRETARY HAS ANNOUNCED REVISED CRITERIA FOR THE LICENSING OF NEW BANKS. ANY VARIATION OF THE SIZE CRITERIA IS AT THE DISCRETION OF THE GOVERNOR-IN-COUNCIL AND IS LIKELY TO BE USED VERY SPARINGLY.

- - - - 0 - - - -

SIGNIFICANT DROP IN NUMBER OF DRUG-ABUSERS
* * * * *

HONG KONG'S CONTINUED DETERMINATION AND WILL TO FIGHT AGAINST NARCOTICS WAS REWARDED WITH A SIGNIFICANT DROP IN THE NUMBER OF PERSONS NEWLY REPORTED FOR INVOLVEMENT IN DRUGS IN 1986 - A RECORD LOW FIGURE FOR THE PAST FIVE YEARS.

AT THE 63RD MEETING OF THE ACTION COMMITTEE AGAINST NARCOTICS (ACAN) TODAY (THURSDAY), COMMISSIONER FOR NARCOTICS, MR GORDON MORTIMER, INFORMED MEMBERS THAT THERE WAS A SIGNIFICANT DECREASE OF 22 PER CENT FROM 3 523 TO 2 747 IN THE NUMBER OF PERSONS OF ALL AGES NEWLY REPORTED TO THE CENTRAL REGISTRY OF DRUG ABUSE (CRDA) IN COMPARISON WITH 1985.

AND THE NUMBER OF NEWLY REPORTED YOUNG PEOPLE UNDER THE AGE OF 21 DROPPED BY 17.5 PER CENT, FROM 949 TO 783.

/MR MORTIMER

MR MORTIMER ATTRIBUTED THE CONTINUING DOWNWARD TREND SINCE 1984 TO THE TERRITORY'S FOUR-PRONGED ANTI-DRUG STRATEGY WHICH INCLUDED LAW ENFORCEMENT, TREATMENT AND REHABILITATION, PREVENTIVE EDUCATION AND PUBLICITY, AND INTERNATIONAL ACTION.

THE MEETING WAS ALSO TOLD THAT THE TOTAL NUMBER OF PERSONS PROSECUTED FOR MAJOR AND MINOR DRUG OFFENCES RECORDED AN INCREASE OF 0.5 PER CENT, FROM 12 434 IN 1985 TO 12 494 IN 1986.

THE PROSECUTION OF YOUNG PEOPLE UNDER 21 INDICATED A DECREASE OF 13.1 PER CENT FROM 1 191 IN 1985 TO 1 035 LAST YEAR.

THE POLICE AND CUSTOMS CARRIED OUT INTENSIVE LAW ENFORCEMENT ACTION UNCEASINGLY THROUGHOUT THE YEAR.

THE MEETING NOTED THAT THERE WAS A LARGE INCREASE IN THE SEIZURES OF ILLICIT OPIATES, MAINLY NO. 3 HEROIN AND HEROIN BASE, TOTALLING 643 KILOGRAMS. A TOTAL OF 93 KILOGRAMS OF CANNABIS AND CANNABIS RESIN WERE ALSO SEIZED.

MR MORTIMER SAID THAT THE INCREASE IN THE NUMBER OF PERSONS REPORTED TO THE CRDA FOR ABUSING MANDRAX HAD AROUSED CONCERN.

LAST YEAR, A TOTAL OF 260 PERSONS WERE REPORTED TO THE CRDA FOR ABUSING MANDRAX COMPARED WITH 72 IN 1985. ANOTHER 241 PERSONS WERE PROSECUTED BY THE POLICE FOR COMMITTING MANDRAX OFFENCES COMPARED WITH 60 IN 1985.

+THERE WAS A SIGNIFICANT INCREASE IN BOTH THE SEIZURE OF MANDRAX TABLETS AND POWDER DURING THE YEAR,+ HE SAID.

DURING THE PERIOD, 34 KILOGRAMS OF METHAQUALONE POWDER AND 273 745 MANDRAX TABLETS WERE SEIZED. HEAVY SENTENCES WERE BEING IMPOSED FOR OFFENCES INVOLVING MANDRAX.

+THE AMOUNT OF CANNABIS AND CANNABIS RESIN SEIZED LAST YEAR DECREASED FROM 161 KILOGRAMS IN 1985 TO 93 KILOGRAMS,+ MR MORTIMER ADDED.

ON PREVENTIVE EDUCATION AND PUBLICITY PROGRAMMES, HE NOTED THAT THE PUBLICITY CAMPAIGN DURING THE COMING YEAR WOULD BE CONTINUED ON AN UNDIMINISHED SCALE THROUGH ELECTRONIC MEDIA, NEWSPAPERS AND POSTERS, AND IN COMMUNITY-BASED CAMPAIGNS IN VARIOUS DISTRICTS OF HONG KONG AND IN THE SCHOOLS.

+TO COMBAT THE INCREASING ABUSE OF MANDRAX AND CANNABIS, EMPHASIS WILL BE PLACED ON INTENSIFIED PUBLICITY ON EDUCATING THE PUBLIC, ESPECIALLY YOUNG PEOPLE, ON THE DANGERS OF MANDRAX ABUSE,+ HE SAID.

/+HOWEVER,

THURSDAY, MARCH 29, 1987

- 29 -

+HOWEVER, WE MUST NOT NEGLECT THE MAIN PROBLEM WHICH IS STILL THE ABUSE OF HEROIN,+ HE STRESSED.

TO GIVE FURTHER IMPETUS TO ACAN IN FORMULATING POLICIES TO CURB THE DRUG PROBLEM IN THE TERRITORY, MEMBERSHIP OF THE COMMITTEE HAS BEEN STRENGTHENED WITH THE APPOINTMENT OF FIVE NEW MEMBERS SINCE JANUARY THIS YEAR. THE TOTAL MEMBERSHIP OF 21 UNDER THE CHAIRMANSHIP OF PROFESSOR GERALD CHOA INCLUDE NINE GOVERNMENT OFFICIALS.

THE FIVE NEW MEMBERS ARE THE DIRECTOR OF INFORMATION SERVICES, MRS IRENE YAU, MR PAO PING-WING, MR ALAN HOO, DR JEFFREY DAY AND MRS PEGGY MIU.

MR HOO, A BARRISTER IN PRIVATE PRACTICE, IS A COMMITTEE MEMBER OF THE HONG KONG BAR ASSOCIATION AND A MEMBER OF THE CRIMINAL AND LAW ENFORCEMENT INJURIES COMPENSATION BOARD FROM 1980 TO JUNE 1986.

DR DAY, A BIOLOGY TEACHER AT THE ISLAND SCHOOL, IS THE CHAIRMAN OF THE COMMUNITY DRUG ADVISORY COUNCIL WHICH IS A BODY ESTABLISHED IN 1980 TO PROVIDE ADVICE AND GUIDANCE ON DRUG ABUSE PREVENTION IN ENGLISH SPEAKING SCHOOLS AND AMONG THE EXPATRIATE COMMUNITY.

MR PAO, AN ELECTED URBAN COUNCIL MEMBER AND A KOWLOON CITY DISTRICT BOARD MEMBER, IS A CONSULTANT TO THE HOLY CARPENTER CHURCH AND CENTRES. HE WAS SELECTED AS ONE OF THE TEN OUTSTANDING YOUNG PERSONS IN HONG KONG IN 1982.

MRS MIU IS A CLINICAL PSYCHOLOGIST AT THE ARRAN STREET CHILD ASSESSMENT AND AID HEARING CLINIC.

- - - - 0 - - - -

SET OF HONG KONG LAWS PRESENTED
* * * *

THE BRITISH CONSUL-GENERAL IN SHANGHAI, MR TREVOR MOUND, TODAY (THURSDAY) PRESENTED A FULL SET OF HONG KONG'S ORDINANCES TO MR JIANG XUNLOU, VICE-PRESIDENT OF THE EAST CHINA INSTITUTE OF POLITICS AND LAW, AT A CEREMONY HELD AT THE EAST CHINA INSTITUTE IN SHANGHAI. THE GIFT COMPRISES 26 VOLUMES OF THE LAWS OF HONG KONG.

AT THE CEREMONY, MR MOUND SAID HE WAS GLAD TO SEE THE ENCOURAGING DEVELOPMENT OF LEGAL EXCHANGES BETWEEN CHINA AND HONG KONG IN RECENT YEARS AND THE INCREASING INTEREST IN CHINA IN LEARNING MORE ABOUT THE LEGAL SYSTEM IN HONG KONG.

/IN REPLY,

IN REPLY, MR JIANG SAID THAT THE LAW BOOKS WOULD PLAY AN IMPORTANT PART IN CHINA'S POLICY OF OPENING TO THE OUTSIDE WORLD. HE ALSO SPOKE WARMLY OF THE ATTORNEY GENERAL'S INITIATIVE IN ESTABLISHING LINKS BETWEEN HONG KONG AND THE INSTITUTE.

MR MOUND NOTED THE ESTABLISHMENT OF A RESEARCH OFFICE ON HONG KONG LAWS WITHIN THE EAST CHINA INSTITUTE AND SAID HE HOPED THAT THE GIFT WOULD ENABLE CHINESE LAWYERS TO FAMILIARISE THEMSELVES WITH THE LAWS OF HONG KONG.

THE IDEA OF PRESENTING A SET OF +LAWS OF HONG KONG+ TO THE EAST CHINA INSTITUTE ORIGINATED FROM THE VISIT OF HONG KONG'S ATTORNEY GENERAL, MR MICHAEL THOMAS, TO THE INSTITUTE IN SEPTEMBER 1986.

DURING THE VISIT HIS HOSTS SHOWED CONSIDERABLE INTEREST IN LEARNING MORE ABOUT HONG KONG'S LAWS, BUT SAID THAT THIS WAS HANDICAPPED BY THE LACK OF REFERENCE MATERIALS. IT IS HOPED THAT THE GIFT WOULD HELP TO INCREASE KNOWLEDGE AND UNDERSTANDING IN CHINA ON HONG KONG'S LAWS AND HOW THEY OPERATED.

----- 0 -----

JAPAN RECOGNISES BN(O) PASSPORT

THE SECRETARY FOR SECURITY, MR DAVID JEAFFRESON, SAID TODAY (THURSDAY) THAT THE HONG KONG GOVERNMENT WELCOMED THE RECOGNITION OF THE BRITISH NATIONAL (OVERSEAS) STATUS AND PASSPORT BY THE JAPANESE GOVERNMENT. JAPAN IS A VERY POPULAR DESTINATION FOR HONG KONG RESIDENTS TRAVELLING FOR BUSINESS OR PLEASURE.

----- 0 -----

COMPUTER DISPLAY CONTEST WINNERS GET PRIZES

AN AMATEUR COMPUTER SOFTWARE DESIGNER HAS WON THE GRAND PRIZE OF \$5 000 IN THE PERSONAL COMPUTER GRAPHIC DISPLAY CONTEST ORGANISED BY THE ELECTRONICS INDUSTRY SAFETY SUB-COMMITTEE (EISSC) OF THE LABOUR ADVISORY BOARD'S INDUSTRIAL SAFETY AND HEALTH COMMITTEE.

MR KWAN WING-CHIU, A BUILDING CONTRACTOR BY PROFESSION, SPENT SOME 80 HOURS TO WORK OUT HIS WINNING ENTRY.

/IN HIS

IN HIS SUBMISSION, MR KWAN SUCCESSFULLY INCORPORATED INDUSTRIAL SAFETY HINTS FOR VARIOUS INDUSTRIES, PROPER WORKING PRACTICES, AND SAFETY MESSAGES FOR EMPLOYERS AND EMPLOYEES THROUGH ANIMATED STORIES AND QUIZ GAMES.

THE SECOND PRIZE OF \$3 500 WAS AWARDED TO MR WAN KIM-WAH AND THE THIRD PRIZE OF \$2 000 WENT TO MR LAU MAN-KIN. THERE WERE ALSO TEN CONSOLATION PRIZES OF \$500 EACH.

THE WINNING ENTRIES WERE SELECTED BY A PANEL OF JUDGES COMPRISING PROFESSOR LAM YAT-WAH OF THE CHINESE UNIVERSITY, PROFESSOR Y.C. CHENG OF THE UNIVERSITY OF HONG KONG, DR JOSHUA WONG OF THE HONG KONG POLYTECHNIC, MISS DONNA LIU OF MODERN ELECTRONIC PUBLISHERS AND THREE REPRESENTATIVES OF THE EISSC.

PRESENTING PRIZES TO THE WINNERS THIS (THURSDAY) AFTERNOON, THE CHAIRMAN OF THE WORKING PARTY ON THE SAFETY WEEK FOR EISSC, MR C.D. TAM, DESCRIBED THE CONTEST AS A NEW ATTEMPT IN PROMOTING INDUSTRIAL SAFETY.

+IT IS HOPED THAT THE CONTEST WILL FOSTER THE RIGHT ATTITUDE ON SAFETY AMONG THOSE IN THE ELECTRONICS INDUSTRY,+ HE SAID.

ALSO OFFICIATING AT THE CEREMONY WERE DEPUTY COMMISSIONER FOR LABOUR, MR DARWIN CHEN, AND A MEMBER OF THE LABOUR ADVISORY BOARD, MISS LI FUNG-YING.

THE WINNING ENTRIES WILL BE ON DISPLAY AT THE SHOPPING MALL ON THE SECOND FLOOR OF SHUN TAK CENTRE, CENTRAL, UNTIL SATURDAY (MARCH 21).

EARLIER, MISS LI ALSO PRESENTED PRIZES TO WINNERS OF THE QUIZ COMPETITION ON INDUSTRIAL SAFETY WHICH ATTRACTED SOME 40 PARTICIPANTS FROM THE ELECTRONICS INDUSTRY.

----- 0 -----

KWAI TSING SHOWS SUPPORT FOR YOUDE FUND
* * * * *

THE KWAI TSING DISTRICT OFFICER, MR BRIAN COAK, WILL RECEIVE A DONATION OF ABOUT \$17 000 FOR THE SIR EDWARD YOUDE FUND FROM A PRIMARY SCHOOL TOMORROW (FRIDAY) MORNING.

THE CONTRIBUTION CAME FROM ABOUT 1 000 SCHOOLCHILDREN AND STAFF OF THE SHEK YAM SALESIAN PRIMARY SCHOOL IN NORTH KWAI CHUNG.

/WITH THE

- 32 -

WITH THE ASSISTANCE OF THE KWAI TSING DISTRICT OFFICE, ABOUT 80 SCHOOLCHILDREN WILL DEMONSTRATE THEIR SKILL IN A PAINTING SESSION TO RAISE MONEY FOR THE FUND.

IN THE EVENING, MEMBERS OF THE MUTUAL AID COMMITTEES OF THE SHEK YAM ESTATE WILL BE GOING OUT IN FULL STRENGTH TO PROMOTE THE FUND-RAISING CAMPAIGN. THEY PLAN TO PAY A DOOR-TO-DOOR VISIT TO URGE RESIDENTS TO MAKE CONTRIBUTIONS.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE PRESENTATION CEREMONY AND THE PAINTING SESSION TO BE HELD AT 10 AM AT THE SHEK YAM SALESIAN PRIMARY SCHOOL, ADJACENT TO THE SHEK YAM NO 1 PLAYGROUND IN NORTH KWAI CHUNG.

----- 0 -----

ILLEGAL STRUCTURES TO BE CLOSED

THE BUILDING AUTHORITY IS SEEKING THE CLOSURE OF A NUMBER OF ILLEGAL STRUCTURES ON THE GROUND FLOOR AND FIRST FLOOR OF 91, KAU PUI LUNG ROAD, KOWLOON, SO THAT THEY CAN BE DEMOLISHED.

THIS FOLLOWS THE OWNERS' FAILURE TO COMPLY WITH ORDERS ISSUED UNDER THE BUILDINGS ORDINANCE IN JANUARY 1983 AND JANUARY 1986 REQUIRING DEMOLITION OF THE STRUCTURES.

A NOTICE OF INTENTION TO APPLY FOR A CLOSURE ORDER IN DISTRICT COURT, HONG KONG, ON APRIL 22 WAS POSTED ON THE STRUCTURES TODAY (THURSDAY).

DEMOLITION WORK WILL BE CARRIED OUT IMMEDIATELY AFTER THE CLOSURE ORDER IS OBTAINED.

----- 0 -----

THURSDAY, MARCH 19, 1987

- 33 -

ILLEGAL STRUCTURES CLEARED IN KWUN TONG

* * * * *

TWENTY ILLEGAL STRUCTURES AT THE SIDE LANE OF NO. 302, AND THE REAR LANE OF NOS. 357-375, NGAU TAU KOK ROAD, WERE CLEARED IN AN OPERATION TODAY (THURSDAY).

THESE INCLUDED A DOMESTIC STRUCTURE AND 19 STORAGE STRUCTURES AND COMMERCIAL UNDERTAKINGS.

TODAY'S OPERATION WAS ONE OF A SERIES OF ENVIRONMENTAL CLEARANCE EXERCISES CARRIED OUT IN THE DISTRICT TO IMPROVE LIVING CONDITION.

CO-ORDINATED BY THE KWUN TONG DISTRICT OFFICE, THE OPERATION WAS JOINTLY CARRIED OUT BY THE HOUSING DEPARTMENT, THE BUILDINGS AND LANDS DEPARTMENT, URBAN SERVICES DEPARTMENT AND THE POLICE.

- - - - 0 - - - -

SEMINAR ON REPRESENTATIVE GOVERNMENT ORGANISED

* * * * *

A SEMINAR ON THE REVIEW OF REPRESENTATIVE GOVERNMENT WILL BE HELD AT 8 PM TOMORROW (FRIDAY) IN THE ABERDEEN CIVIC CENTRE FOR SOUTHERN DISTRICT RESIDENTS.

ABOUT 100 MEMBERS FROM THE SOUTHERN DISTRICT BOARD, AREA COMMITTEES, MUTUAL AID COMMITTEES, OWNERS CORPORATIONS, VOLUNTARY AGENCIES AND SECONDARY SCHOOLS ARE EXPECTED TO ATTEND.

THE SEMINAR SPONSORED BY THE DISTRICT BOARD'S COMMUNITY BUILDING COMMITTEE IS PART OF THE DISTRICT'S CIVIC EDUCATION CAMPAIGN TO ENCOURAGE RESIDENTS TO LEARN ABOUT POLITICAL ISSUES, ENGAGE IN DISCUSSIONS AND REFLECT THEIR VIEWS TO THE GOVERNMENT.

THE THREE-HOUR SEMINAR INCLUDES TALKS ON VARIOUS ASPECTS OF REPRESENTATIVE GOVERNMENT BY MISS LAU PUI-KING, PRINCIPAL LECTURER IN BUSINESS AND MANAGEMENT STUDIES AT THE HONG KONG POLYTECHNIC, AND MR SZE CHU-SIAN OF CENTRE DAILY NEWS, FOLLOWED BY A QUESTION AND ANSWER SESSION AND GROUP DISCUSSIONS.

SOUTHERN DISTRICT OFFICER, MR SIMON LORD, AND THE CHAIRMAN OF THE COMMUNITY BUILDING COMMITTEE, MR PAUL YOUNG, WILL OFFICIATE AT THE OPENING. TOGETHER WITH THE DISTRICT BOARD CHAIRMAN, MR JASPER LAM, THEY WILL ALSO PRESENT TROPHIES TO 12 WINNERS OF THE DISTRICT'S +CITIZENS OF THE MONTH+ AWARD FOR NOVEMBER, DECEMBER AND JANUARY.

- - - - -

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE SEMINAR TOMORROW IN THE ABERDEEN CIVIC CENTRE, FIFTH FLOOR, URBAN COUNCIL ABERDEEN MARKET COMPLEX, NO. 203, ABERDEEN MAIN ROAD.

- - - - 0 - - - -

CAMPAIGN AGAINST THROWING OBJECTS FROM HEIGHT
* * * * *

THE HO MAN TIN SOUTH AND NORTH AREA COMMITTEES IN KOWLOON CITY WILL LAUNCH A CAMPAIGN ON SATURDAY (MARCH 21) AND SUNDAY AGAINST THROWING OBJECTS FROM HEIGHT TO RAISE PUBLIC AWARENESS ON THE LETHAL RESULT OF FALLING OBJECTS.

HIGHLIGHTS OF THE CAMPAIGN WILL BE A STREET DRAMA AND AN EXHIBITION ON THE CAMPAIGN THEME, BOTH TO BE STAGED IN FOUR LOCATIONS IN THE AREA.

THE EXHIBITION WILL DISPLAY OUTSTANDING ENTRIES IN THE +FALLING OBJECTS BAD GUY IMAGE DESIGN+ AND +ANTI-FALLING OBJECTS CARTOON AND SLOGAN+ COMPETITIONS, AS WELL AS LISTING OUT BLACKSPOTS IN THE AREA.

THE FOUR STREET DRAMA AND EXHIBITION EVENTS WILL BE HELD ON SATURDAY AT 2 PM AT 84 WATERLOO ROAD; DURING THE CAMPAIGN OPENING CEREMONY ON SATURDAY AT 4 PM AT THE HO MAN TIN ESTATE MARKET OPEN SPACE; ON SUNDAY AT 11 AM AT THE OI MAN ESTATE OPEN SPACE; AND ON SUNDAY AT 2 PM AT THE VALLEY ROAD ESTATE, BLOCK 8 OPEN SPACE.

THE CAMPAIGN IS SPONSORED BY THE KOWLOON CITY DISTRICT BOARD AND JOINTLY ORGANISED BY THE DISTRICT OFFICE, HO MAN TIN SOUTH AND NORTH AREA COMMITTEES, HONG KONG FEDERATION OF YOUTH GROUPS HO MAN TIN AND OI MAN CENTRES, AND THE HOLY CARPENTER SOCIAL SERVICES CENTRE.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE CAMPAIGN OPENING CEREMONY AT 4 PM ON SATURDAY AT THE HO MAN TIN ESTATE MARKET OPEN SPACE.

----- 0 -----

INDUSTRIAL SAFETY GALA NIGHT TOMORROW
* * * * *

THE ACTING GOVERNOR, SIR DAVID AKERS-JONES, WILL OFFICIATE AT THE INDUSTRIAL SAFETY GALA NIGHT AT QUEEN ELIZABETH STADIUM, WAN CHAI, AT 8 PM TOMORROW (FRIDAY).

THE EVENT MARKS THE FINALE OF THE INDUSTRIAL SAFETY WEEK ORGANISED BY THE LABOUR ADVISORY BOARD'S INDUSTRIAL SAFETY AND HEALTH COMMITTEE TO CELEBRATE ITS TENTH ANNIVERSARY.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE EVENT. THE ACTING GOVERNOR AND LADY AKERS-JONES WILL ARRIVE AT THE STADIUM AT ABOUT 7.30 PM TOMORROW.

----- 0 -----

SCOTT TO INSPECT CAS PARADE

ANOTHER 160 MALE AND FEMALE VOLUNTEERS WILL JOIN THE CIVIL AID SERVICES AFTER A PASSING-OUT PARADE ON SATURDAY (MARCH 21).

THEY HAVE SUCCESSFULLY COMPLETED BASIC TRAINING IN DISCIPLINE, FOREST FIRE-FIGHTING, RESCUE, FIRST-AID AND FOOT-DRILL, AND HAVE SATISFIED EXAMINERS OF THEIR WILLINGNESS TO PERFORM DUTY FOR THE BENEFIT OF THE PEOPLE OF HONG KONG.

THE DEPUTY CHIEF SECRETARY, MR ALAN SCOTT, WILL INSPECT THE PARADE AND PRESENT SPECIAL CERTIFICATES TO OUTSTANDING RECRUITS AND CIVIL DEFENCE LONG SERVICE MEDALS AND CLASPS AS WELL AS THE COMMISSIONER'S COMMENDATIONS TO OUTSTANDING VOLUNTEERS.

THE CAS BAND WILL ALSO PERFORM AT THE CEREMONY.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE CAS 34TH PASSING-OUT PARADE TO BE HELD AT THE CHEUNG SHA WAN PLAYGROUND, CHEUNG SAH WAN ROAD, AT 7.30 PM ON SATURDAY.

----- 0 -----

OUTSTANDING YOUTHS TO GET PRIZES

WINNERS OF THE NORTH DISTRICT'S TEN OUTSTANDING YOUTHS COMMUNITY SERVICE AWARD WILL RECEIVE THEIR PRIZES AT A CEREMONY ON SATURDAY (MARCH 21) IN THE NORTH DISTRICT TOWN HALL.

JOINTLY ORGANISED BY THE NORTH DISTRICT JAYCEES AND THE DISTRICT OFFICE, THE AWARD SCHEME IS PART OF THE DISTRICT'S CIVIC EDUCATION PROGRAMMES TO ENCOURAGE YOUNG PEOPLE TO SERVE THE COMMUNITY.

OFFICIATING AT THE CEREMONY WILL BE LEGISLATIVE COUNCIL MEMBER, MR CHAN YING-LUN, DISTRICT OFFICER, MR MATTHEW CHEUNG, DISTRICT BOARD CHAIRMAN, MR RAYMOND PANG, AND THE GENERAL LEGAL COUNSEL OF THE HONG KONG JAYCEES, MR WILLIAM WU.

AN EXHIBITION ON THE SERVICE PROJECTS COMPLETED BY THE WINNERS WILL BE MOUNTED AT THE TOWN HALL ON SATURDAY AND SUNDAY AS WELL AS AT THE CHEUNG WAH COMMUNITY HALL FROM MARCH 23 TO 24.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE PRIZE PRESENTATION CEREMONY ON SATURDAY AT 3 PM AT THE NORTH DISTRICT TOWN HALL, LUNG SUM AVENUE, SHEUNG SHUI.

----- 0 -----

THURSDAY, MARCH 19, 1987

- 36 -

WINNING PHOTOGRAPHS ON DISPLAY AGAIN

* * * * *

AN EXHIBITION OF PHOTOGRAPHS DEPICTING THE SHA TIN FESTIVAL AND CHRISTMAS AND LUNAR NEW YEAR LIGHTINGS IN THE DISTRICT WILL BE HELD AGAIN AT THE NEW TOWN PLAZA ON SATURDAY (MARCH 21) AND THE FOLLOWING DAY.

THE EXHIBITS WERE ENTRIES IN A COMPETITION JOINTLY ORGANISED BY THE SHA TIN FESTIVAL ORGANISING COMMITTEE AND THE PLANNING COMMITTEE ON SHA TIN FESTIVE LIGHTINGS AND SPONSORED BY THE DISTRICT BOARD.

ABOUT 100 ENTRIES EXHIBITED AT THE RIVERSIDE PLAZA IN SHA TIN LAST MONTH WERE WELL-RECEIVED BY RESIDENTS.

- - - - 0 - - - -

CHING MING TRAFFIC AND TRANSPORT ARRANGEMENTS

* * * * *

SPECIAL TRAFFIC AND TRANSPORT ARRANGEMENTS WILL BE IMPLEMENTED IN THE NEW TERRITORIES FOR THE CHING MING FESTIVAL, THE TRANSPORT DEPARTMENT ANNOUNCED TODAY (THURSDAY).

THE ARRANGEMENTS WILL INCLUDE ROAD CLOSURE AND STRENGTHENING OF PUBLIC TRANSPORT SERVICES.

ROAD CLOSURE:

BETWEEN 4 AM AND 8 PM ON MARCH 22, 29, APRIL 5, 6, 12 AND 19, THE SECTION OF WO HOP SHEK ROAD FROM WO HOP SHEK MINI-ROUNDBOUT TO THE JUNCTION OF ROAD D6 WILL BE CLOSED TO ALL PRIVATE VEHICLES INCLUDING VEHICLES ACCOMPANYING HEARSEs. AT THE SAME TIME, THE SECTION OF WO HOP SHEK ROAD BEYOND ITS JUNCTION WITH ROAD D6 WILL BE CLOSED TO ALL VEHICULAR TRAFFIC.

MEANWHILE, KIU TAU ROAD WILL ALSO BE CLOSED TO TRAFFIC (INCLUDING VEHICLES ACCOMPANYING HEARSEs) EXCEPT FRANCHISED BUSES, EMERGENCY VEHICLES AND HEARSEs.

FROM 7 AM TO 6 PM ON THE SAME DAYS, THE SLIP ROAD AT WO HOP SHEK CONNECTION FROM NORTHBOUND NEW TERRITORIES TRUNK ROAD LEADING TO WO HOP SHEK MINI-ROUNDBOUT WILL BE CLOSED TO ALL TRAFFIC EXCEPT EMERGENCY VEHICLES AND FRANCHISED BUSES.

/AT THE

AT THE SAME TIME, FANLING PLAYGROUND ROAD WILL ALSO BE CLOSED TO TRAFFIC EXCEPT FRANCHISED BUSES, GREEN MINIBUSES, EMERGENCY VEHICLES AND RESIDENTS FOR LOCAL ACCESS. THE FANLING KCR FORECOURT WILL BE CLOSED TO TRAFFIC AT ITS ACCESS FROM ROAD D5 EXCEPT FRANCHISED BUSES, GREEN MINIBUSES AND EMERGENCY VEHICLES.

IN TSUEN WAN, LO WAI ROAD WILL BE CLOSED TO TRAFFIC EXCEPT EMERGENCY VEHICLES FROM 7 AM TO 4 PM ON MARCH 29, APRIL 4, 5, 6 AND 12. THE LO WAI END TERMINATING POINT FOR GREEN MINIBUS ROUTES 81 AND 81M WILL BE RELOCATED TO THE LO WAI BUS TERMINUS.

THE OLD ACCESS ROAD TO TSUEN WAN CEMETERY FROM TEXACO ROAD IS NOW CLOSED TO TRAFFIC FOR TSING YI NORTH BRIDGE CONSTRUCTION AND THE NEW ACCESS IS VIA WING SHUN STREET IN KWAI CHUNG. WING SHUN STREET AT ITS JUNCTION WITH KWAI HEI STREET WILL BE CLOSED TO TRAFFIC EXCEPT EMERGENCY VEHICLES AND HEARSEs FROM 7 AM TO 7 PM ON MARCH 22, 29, APRIL 4, 5, 6, 12 AND 19. GRAVE SWEEPERS ARE ADVISED TO TAKE THE MTR AND GET OFF AT KWAI FONG STATION.

PUBLIC TRANSPORT SERVICES:

ON MARCH 29, APRIL 5 AND 6, KCR TRAIN SERVICES WILL BE OPERATED AT FANLING AT A FIVE-MINUTE INTERVAL DURING PEAK PERIOD FROM 7 AM TO 9 AM AND FROM 5 PM TO 7 PM. FROM 9 AM TO 5 PM ON THE SAME DAYS, TRAIN SERVICES WILL OPERATE AT A TEN-MINUTE FREQUENCY. TRAIN SERVICES WILL ALSO BE STRENGTHENED FROM APRIL 17 TO 20.

A SPECIAL SHUTTLE BUS SERVICE, ROUTE 70R, WILL OPERATE BETWEEN FANLING KCR STATION AND WO HOP SHEK AT ABOUT THREE MINUTES FREQUENCY ON MARCH 22, 29, APRIL 5, 6, 12 AND 19. ON THE SAME DAYS, ANOTHER SPECIAL BUS SERVICE, ROUTE 70S, WILL OPERATE FROM JORDAN ROAD FERRY BUS TERMINUS TO WO HOP SHEK VIA TOLO HIGHWAY AT ABOUT SIX MINUTES INTERVAL.

MEANWHILE, KMB ROUTES 69, 70, 70K, 70X AND 73 WILL ALSO BE STRENGTHENED DURING THE FESTIVAL PERIOD. GRAVE SWEEPERS WISHING TO GO TO SANDY RIDGE CAN EITHER TAKE THE REGULAR BUS SERVICE, ROUTE 73K PLYING BETWEEN SHEUNG SHUI AND SAN UK LING, OR THE TRAIN SERVICE TO LO WU.

DURING THE FESTIVAL PERIOD, PLB'S, TAXIS AND COACHES CARRYING PASSENGERS WILL ONLY BE ALLOWED TO SET DOWN PASSENGERS AT DESIGNATED LOCATIONS AND WAITING WILL NOT BE PERMITTED. PLB'S AND PRIVATE CARS WILL NOT BE ALLOWED TO SET DOWN OR PICK UP PASSENGERS WITHIN ONE KILOMETRE ON TAI WO SERVICE ROAD (WEST) ON EITHER SIDE OF WO HOP SHEK ROAD; AND ALSO WITHIN 300 METRES ON TAI WO SERVICE ROAD (WEST) ON EITHER SIDE OF KIU TAU ROAD.

THURSDAY, MARCH 19, 1987

- 38 -

AS THERE WILL BE NO PARKING FACILITIES IN WO HOP SHEK AND PARKING SPACES IN SHEUNG SHUI, FANLING AND TSUEN WAN CEMETERY ARE EXTREMELY LIMITED, RESIDENTS ARE URGED TO USE PUBLIC TRANSPORT TO GO TO THE CEMETERIES.

GRAVE SWEEPERS ARE ADVISED TO FOLLOW THE PEDESTRIAN ROUTE FROM THE SOUTH SIDE OF FANLING KCR STATION AND TO USE THE FOOTPATH ALONGSIDE THE SECTION OF THE TRUNK ROAD, ROAD D6 AND WO HOP SHEK ROAD.

- - - - 0 - - - -

CLOSURE OF TWO KWUN TONG ROADS TO CONTINUE
* * * * *

SAU MAU PING ROAD AND JUNK BAY ROAD IN KWUN TONG, WHICH WERE CLOSED TO TRAFFIC FROM MARCH 17 AS A RESULT OF A MUDSLIP, WILL CONTINUE TO BE CLOSED FOR ABOUT THREE MONTHS FOR EMERGENCY ROAD REPAIR WORK.

THE AFFECTED SECTIONS ARE SAU MAU PING ROAD BETWEEN HIU KWONG STREET AND JUNK BAY ROAD AND JUNK BAY ROAD NORTHEAST BOUND BETWEEN KAI TIN ROAD AND SAU MAU PING ROAD.

MOTORISTS ON SAU MAU PING ROAD AND HIU KWONG STREET HEADING FOR LAM TIN AREA SHOULD USE HIP WO STREET, KWUN TONG ROAD, LEI YUE MUN ROAD, JUNK BAY ROAD AND KAI TIN ROAD.

MOTORISTS ON KAI TIN ROAD HEADING FOR SAU MAU PING ROAD AND HIU KWONG STREET SHOULD USE JUNK BAY ROAD, LEI YUE MUN ROAD, KWUN TONG ROAD AND HIP WO STREET.

- - - - 0 - - - -

TRAFFIC CHANGES IN CENTRAL
* * * * *

MOTORISTS SHOULD WATCH OUT FOR TRAFFIC CHANGES TO BE INTRODUCED IN CENTRAL FROM 10 AM ON SATURDAY(MARCH 21).

NO VEHICLE WILL BE ALLOWED TO ENTER THE LINK ROAD BETWEEN UPPER ALBERT ROAD AND GARDEN ROAD AT ANY TIME OF THE DAY UNDER THE NEW ARRANGEMENTS.

A 15-METRE STRETCH OF THE EASTERN KERBSIDE LANE OF GILMAN STREET JUST NORTH OF ITS JUNCTION WITH CONNAUGHT ROAD CENTRAL WILL BECOME A PEAK-HOUR (7 AM TO 10 AM AND 4 PM TO 7 PM) DAILY URBAN CLEARWAY.

MEANWHILE, THE FOLLOWING ROAD SECTIONS WILL BE MADE URBAN CLEARWAYS OPERATING BETWEEN 7 AM AND 7 PM DAILY:

- * THE EASTERN AND WESTERN KERBSIDE LANES OF GILMAN STREET FROM A POINT ABOUT 15 METRES NORTH OF THEIR JUNCTION WITH CONNAUGHT ROAD CENTRAL TO A POINT ABOUT 40 METRES NORTH OF THE SAME JUNCTION; AND
- * THE NORTHERN KERBSIDE LANE OF PIER ROAD FROM A POINT ABOUT FIVE METRES WEST OF ITS JUNCTION WITH GILMAN STREET TO A POINT ABOUT 40 METRES EAST OF THE SAME JUNCTION.

NO VEHICLE OTHER THAN FRANCHISED BUSES WILL BE ALLOWED TO STOP FOR PASSENGERS OR GOODS WITHIN THE URBAN CLEARWAYS.

IN ADDITION, THE EXISTING PEAK-HOUR URBAN CLEARWAY RESTRICTION AT THE LAYBY ON EASTBOUND ROBINSON ROAD FROM A POINT ABOUT 50 METRES WEST OF ITS JUNCTION WITH SEYMOUR ROAD AND A POINT ABOUT 135 METRES WEST OF THE SAME JUNCTION WILL BE LIFTED.

----- 0 -----

RESTRICTED ZONE ON PO ON ROAD
* * * * *

THE EASTBOUND CARRIAGEWAY OF PO ON ROAD IN SHAM SHUI PO WILL BE MADE A RESTRICTED ZONE FROM 7 AM TO 10 AM AND FROM 4 PM TO 7 PM DAILY STARTING 10 AM TOMORROW (FRIDAY).

THE AFFECTED SECTION RUNS FROM ITS JUNCTION WITH CHEUNG FAT STREET TO A POINT ABOUT 40 METRES WEST OF THE SAME JUNCTION.

NO VEHICLE WILL BE ALLOWED TO STOP FOR PASSENGERS OR GOODS WITHIN THE RESTRICTED AREA.

----- 0 -----