



DAILY INFORMATION BULLETIN

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WEDNESDAY, OCTOBER 1, 1980

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/MORE ECONOMIC



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OUTLOOK GENERALLY ENCOURAGING
BUT IMMIGRATION POSES SERIOUS THREAT

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THE OUTLOOK FOR HONG KONG IS GENERALLY ENCOURAGING, THOUGH THE WAR IN THE PERSIAN GULF AND THE PROBLEM OF IMMIGRATION ARE WORRYING FEATURES, THE GOVERNOR, SIR MURRAY MACLEHOSE SAID TODAY.

IN HIS ANNUAL REVIEW AT THE OPENING SESSION OF THE LEGISLATIVE COUNCIL, SIR MURRAY POINTED TO A SURPRISINGLY BUOYANT AND BALANCED ECONOMY, FINE WORK BY OUR INDUSTRIALISTS, EXPORTERS AND BUILDERS, AND SOLID PROGRESS IN OUR SOCIAL PROGRAMMES COUPLED WITH BUDGETARY STABILITY.

+THESE TAKEN TOGETHER WITH OUR FRIENDLY RELATIONS WITH CHINA AND CONTINUING SUPPORT AND INTEREST FROM THE UNITED KINGDOM FORM A GOOD BASIS FROM WHICH TO FACE THE FUTURE,+ HE SAID.

HE WAS CONCERNED, HOWEVER, OVER THE IMPLICATIONS OF THE WAR IN THE GULF, AND THE INSIDUOUS THREAT THE PROBLEM OF IMMIGRATION WAS BECOMING TO OUR ECONOMIC AND SOCIAL WELL-BEING.

HE ALSO DREW ATTENTION TO THE NEED TO CONSIDER WHETHER THE SPEED OF PRODUCTION WAS ADEQUATE FOR THE NEEDS OF THE DECADE TO COME.

+WHILE I SEE THE SITUATION DEVELOPING IN CHINA AND IN THE SOUTH WEST PACIFIC REGION TO BE HIGHLY FAVOURABLE TO HONG KONG, AND TO HOLD A PROSPECT OF BRIGHT OPPORTUNITIES, I AM CONCERNED THAT WE SHOULD HAVE THE FACILITIES -- THAT IS TO SAY THE LAND FOR NEW INDUSTRY, THE ROADS, THE HOUSING -- THAT WILL ENSURE THAT THE OPPORTUNITIES CAN BE GRASPED BY HONG KONG,+ HE SAID.

SIR MURRAY BEGAN HIS WIDE-RANGING ADDRESS WITH A REVIEW OF THE ECONOMY WHICH HE SUMMED UP AS +NOT AT ALL BAD+ AND THAT OF OUR BUDGETARY POSITION +DISTINCTLY GOOD+.

EXPORT PROSPECTS IN THE IMMEDIATE FUTURE, HE SAID, ARE MUCH BETTER THAN ONE MIGHT EXPECT FROM THE OTHERWISE POOR PERFORMANCE OF THE ECONOMIES OF OUR MAIN MARKETS.

BUT HE CAUTIONED THAT THE WAR IN THE GULF AND THE IMPOSSIBILITY OF ASSESSING THE EFFECT IT WOULD HAVE ON OIL SUPPLIES AND PRICES AND THE ECONOMIES OF OUR TRADING PARTNERS, MADE THE FUTURE DIFFICULT TO FORECAST AT THIS TIME.

ALTHOUGH THE LONGER-TERM PROSPECTS FOR GROWTH OF THE ECONOMY REMAIN GOOD, SIR MURRAY SAID IMMIGRATION THREATENED IT IN TWO WAYS.

FIRSTLY, THE DILUTION OF THE LABOUR MARKET WAS REDUCING THE GROWTH OF INDIVIDUAL INCOMES. +THIS IS GROSSLY UNFAIR TO THE INDIVIDUAL WORKER.+

SECONDLY, THOUGH IN THE SHORT-TERM IT MAY BE BENEFICIAL TO SOME EMPLOYERS, IT WAS EXTREMELY BAD IN THE LONG-TERM BECAUSE IT REMOVED THE INCENTIVE FOR HIGHER PRODUCTIVITY AND MOVEMENT INTO MORE SOPHISTICATED AND CAPITAL INTENSIVE PRODUCTION.

/+IT IS

+IT IS SURELY ON THE LATTER THAT WE HOPE TO BUILD HONG KONG'S FUTURE AND THE STANDARD OF LIVING OF OUR PEOPLE, AND NOT ON A RELAPSE INTO CHEAP LABOUR ENTERPRISES WHOSE PRODUCTS ARE MORE AND MORE SUBJECT TO RESTRICTION IN OVERSEAS MARKETS,+ HE SAID.

THE PROBLEM OF IMMIGRATION, HE SAID, COULD ONLY BE SOLVED IN CLOSE COLLABORATION WITH OUR NEIGHBOURS IN GUANGDONG.

SIR MURRAY SAID THAT OVER THE FIRST EIGHT MONTHS OF THE YEAR, HONG KONG HAD HAD TO ABSORB AN ADDITIONAL 91 000 PEOPLE THROUGH LEGAL AND ILLEGAL IMMIGRATION FROM CHINA. THIS WAS ON TOP OF THE 178 000 LAST YEAR. ALTHOUGH THE EVASION RATIO IN THE CASE OF ILLEGALS HAD BEEN CUT DOWN FROM SOMETHING LIKE 3.5:1 TO ABOUT 1:1, IT LOOKED LIKE THIS YEAR'S TOTAL FIGURE WOULD BE WORRYINGLY HIGH AND NOT MUCH SHORT OF LAST YEAR'S.

+CLEARLY THE ROOT CAUSE LIES IN THE CURRENT URGE TO REACH HONG KONG, AND THE ONLY LONG-TERM CURE LIES IN DEFLATING THIS URGE AT ITS SOURCE, THAT IS TO SAY IN THE COMMUNES OF GUANGDONG.

+MEANWHILE, OUR UNREMITTING EFFORTS TO INTERCEPT AND RETURN THIS TRAFFIC TO CHINA ARE ESSENTIAL,+ HE STRESSED.

ON THE VIETNAMESE REFUGEES, SIR MURRAY MADE IT CLEAR THAT HONG KONG WOULD DO ALL IT COULD TO ENSURE THAT THE REFUGEES STILL HERE WERE NOT SWEEPED UNDER THE INTERNATIONAL RUG AS FORGOTTEN PEOPLE.

THE EFFORTS MADE AND THE HUMANITY SHOWN IN THIS SMALL OVERCROWDED TERRITORY DESERVE RECOGNITION IN THE ONLY PRACTICAL WAY POSSIBLE -- PLEDGES FOR RESETTLEMENT, HE STRESSED.

SIR MURRAY THEN REVIEWED HONG KONG'S MAJOR SOCIAL PROGRAMMES IN HOUSING, EDUCATION, SOCIAL WELFARE, AND MEDICAL SERVICES, AGAINST THE BACKDROP OF IMMIGRATION AND ITS EFFECTS ON THEM.

ON HOUSING, HE NOTED THAT THERE HAD BEEN AN OVERALL INCREASE OF 65 000 NEW FLATS IN THE PUBLIC AND PRIVATE SECTORS, AND HE EXPECTED THIS RATE OF PRODUCTION TO BE MAINTAINED FOR THE NEXT TWO YEARS AT LEAST.

EVEN SO, A NEW STUDY WAS BEING UNDERTAKEN TO ASSESS WHERE THIS RATE OF COMPLETIONS WAS GETTING US AND WHEN IT WOULD BRING THE CHRONIC PROBLEM OF INADEQUATE HOUSING NEARER A SOLUTION.

IMMIGRATION HAD WORSENERED THE POSITION. THE DEMAND ON OUR HOUSING STOCK THAT WILL EVENTUALLY BE MADE BY THE NUMBERS THAT ARRIVED LAST YEAR IS EQUAL TO AT LEAST A FULL YEAR'S BUILDING AT CURRENT RATES, SIR MURRAY SAID.

+THE LONGER THE INFLUX CONTINUES THE MORE DIFFICULT WILL IT BECOME EVER TO CORRECT THE SITUATION.+

ON EDUCATION, SIR MURRAY ANNOUNCED THAT A WHITE PAPER ON PRIMARY EDUCATION AND PRE-PRIMARY SERVICES WOULD BE PUBLISHED THIS SESSION, COMPLETING THE SERIES OF REVIEWS OF THE EDUCATION SYSTEM BEGUN IN 1974.

/HE SAID

HE SAID THE CHANGE ACHIEVED ON THE GROUND UP TO JUNIOR SECONDARY FORM III, AND IN PLANNED EXPANSION OF SENIOR EDUCATION UP TO THE MID-80'S, WAS SPECTACULAR AND WAS RADICALLY CHANGING THE LEVEL OF EDUCATION IN HONG KONG.

BUT HERE TOO IMMIGRATION HAD CUT IN WITH THE RESULT THAT WE WOULD BE MARGINALLY SHORT OF THE 1981 FORM IV TARGET OF SUBSIDISED PLACES FOR 60 PER CENT OF THE 15-YEAR-OLD AGE GROUP.

ON SOCIAL WELFARE, SIR MURRAY SAID THE GOVERNMENT WAS EXAMINING WHETHER PUBLIC ASSISTANCE ALLOWANCES ADEQUATELY REFLECT CHANGES IN THE STANDARD OF LIVING FOR THE COMMUNITY AS A WHOLE AND WHETHER THE RENT ALLOWANCE WAS REALISTIC.

GENERALLY, HE WARNED THAT THE ADEQUACY OF THE PROVISION IN DEVELOPING PROGRAMMES COULD LOOK RADICALLY DIFFERENT IF THE NORMAL GROWTH OF OUR POPULATION CONTINUES TO BE SWOLLEN BY IMMIGRATION.

SIR MURRAY ALSO WARNED THAT HONG KONG COULD ABANDON ANY HOPE OF ACHIEVING PLANNED IMPROVEMENTS IN MEDICAL AND HEALTH DEVELOPMENTS IF CURRENT IMMIGRATION LEVELS WERE NOT REDUCED.

ON FUTURE MEDICAL PLANS, HE SAID THAT IN ADDITION TO THE 1 400-BED HOSPITAL UNDER CONSTRUCTION AT SHA TIN, OTHERS OF SIMILAR SIZE WERE PLANNED FOR COMPLETION BEFORE THE END OF THIS DECADE AT TUEN MUN AND EAST KOWLOON.

ON DISTRICT ADMINISTRATION, THE GOVERNOR SAID IT WAS HOPED TO PUBLISH THE WHITE PAPER BY THE END OF THE YEAR. APPROPRIATE LEGISLATION MIGHT THEN BE INTRODUCED IN EARLY 1981, PAVING THE WAY FOR ELECTIONS UNDER A NEW SYSTEM BY PROBABLY THE SPRING OF 1982.

A TENTATIVE PROGRAMME, HE SAID, HAD ALREADY BEEN WORKED OUT PROGRESSIVELY TO SET UP DISTRICT MANAGEMENT COMMITTEES AND DISTRICT BOARDS (THOUGH UNTIL ELECTIONS ARE HELD THE DISTRICT BOARDS WOULD CONSIST OF APPOINTED MEMBERS ONLY).

SIR MURRAY WOUND UP HIS ADDRESS WITH AN APPRAISAL OF THE CONTINUING FRIENDLY RELATIONS WITH CHINA.

+SINO-BRITISH RELATIONS ARE NOW SETTLED INTO A PATTERN OF FRIENDLY CO-OPERATION,+ HE SAID, ADDING THAT OUR DEALINGS WITH THE MANY OFFICIALS OF THE CHINESE PEOPLE'S REPUBLIC IN HONG KONG CONTINUE TO BE ON A BASIS WHICH IS BOTH POSITIVE AND SATISFACTORY.

HE DISCLOSED THAT GUANGDONG'S DIRECTOR OF TRADE WOULD VISIT HONG KONG LATER THIS MONTH, RETURNING A VISIT TO GUANGDONG LAST MAY BY A HONG KONG MISSION LED BY SIR YUET-KEUNG KAN.

AS FOR HONG KONG'S RELATIONS WITH THE UK, SIR MURRAY SAID THESE HAVE BEEN MARKED BY A DEEPENING UNDERSTANDING ON BOTH SIDES.

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IMMIGRATION FIGURE WORRYINGLY HIGH

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HONG KONG ABSORBED AN ADDITIONAL 91 000 PEOPLE THROUGH LEGAL AND ILLEGAL IMMIGRATION FROM CHINA DURING THE FIRST EIGHT MONTHS OF THE YEAR, THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID TODAY.

THE NUMBER WAS ON TOP OF THE 178 000 WHO CAME IN LAST YEAR.

AND IT LOOKS AS IF THIS YEAR'S TOTAL FIGURE WILL BE WORRYINGLY HIGH AND NOT MUCH SHORT OF LAST YEAR'S, SIR MURRAY SAID IN HIS REVIEW OF IMMIGRATION PROBLEMS.

+CLEARLY THE ROOT CAUSE LIES IN THE CURRENT URGE TO REACH HONG KONG, AND THE ONLY LONG-TERM CURE LIES IN DEFLATING THIS URGE AT ITS SOURCE, THAT IS TO SAY IN THE COMMUNES OF GUANGDONG,+ SIR MURRAY SAID.

+MEANWHILE OUR UNREMITTING EFFORTS TO INTERCEPT AND RETURN THIS TRAFFIC TO CHINA ARE ESSENTIAL.+

SIR MURRAY SAID THE PROBLEM OF ILLEGAL IMMIGRANTS HAD GROWN FAST, AND HE CITED FIGURES TO ILLUSTRATE THIS.

	<u>ARRESTED</u>	<u>EVADED AND ENTERED</u>
1977	1 800	6 600
1978	8 200	28 000
1979	90 000	102 000
1980 (JAN - AUG)	56 100	55 000

AND WITH THE NUMBER OF LEGAL IMMIGRANTS ADDED IN, THE EXTRA NUMBERS HONG KONG HAS HAD TO ABSORB FROM IMMIGRATION BECOMES: 31 000 IN 1977- 95 000 IN 1978- 178 000 IN 1979 AND 91 000 FOR THE FIRST EIGHT MONTHS OF 1980.

SIR MURRAY SAID 85 PER CENT OF THE ILLEGAL IMMIGRANTS COMING IN WERE BETWEEN THE AGES OF 15 AND 30. MOST ARE SINGLE AND PROPORTION OF MALE TO FEMALE IS 3 : 1.

+THE EDUCATIONAL LEVEL IS USUALLY POOR AND THEY HAVE LITTLE TO OFFER IN SKILLS,+ HE SAID.

THEIR PRESENCE, HE ADDED, POSES POTENTIAL PROBLEMS FOR LAW AND ORDER THOUGH THIS IS IMPOSSIBLE TO QUANTIFY. +ILLEGAL MOVEMENT ACROSS FRONTIERS INEVITABLY OPERATES WITHIN THE CRIMINAL WORLD.+

SIR MURRAY OUTLINED THE VARIOUS MEASURES TAKEN LOCALLY TO CONTAIN THE FLOW, INCLUDING DAILY AND NIGHTLY POLICE, ARMY AND NAVY PATROLS AND SOPHISTICATED DETECTION DEVICES, AND GAVE AN INDICATION OF THE DIMENSION OF THE THREAT HONG KONG FACES SHOULD SECURITY EFFORTS ON EITHER SIDE OF THE BORDER SLIP.

/HE SAID

HE SAID THAT WHILE HE HAD NO DETAILED KNOWLEDGE OF THE MEASURES ON THE CHINESE SIDE, THEY WERE ACTIVE AND WERE BELIEVED TO RESULT IN THE ARREST OF THREE TIMES AS MANY PEOPLE AS BY OUR OWN SECURITY FORCES.

OUT OF EVERY FIVE ATTEMPTING TO PENETRATE THIS SINO/BRITISH SCREEN IT WAS BELIEVED THAT ONLY ONE SUCCEEDED.

+AND YET IN THE LAST 12 MONTHS 94 000 DID SUCCEED,+ HE SAID.

+THE IMPLICATION IS THAT THE NUMBER OF PEOPLE WHO ATTEMPTED TO REACH HONG KONG AND EITHER SUCCEEDED OR WERE ARRESTED MUST HAVE BEEN SOMETHING LIKE 450 000 IN ONE YEAR, AND OBVIOUSLY MORE MUST HAVE TURNED BACK UNDETECTED.

+SO IF THE GUARD SLIPPED ON EITHER SIDE OF THE FRONTIER AND ADJACENT SEABOARD, WE WOULD LITERALLY BE OVERWHELMED BY THIS WAVE OF HALF A MILLION OR MORE THAT HANGS OVER US.

+THIS IS THE DIMENSION OF THE THREAT,+ SIR MURRAY SAID.

REFERRING TO THE LEGAL IMMIGRANTS, SIR MURRAY SAID THAT WHILE THE VOLUME HAD BEEN BROUGHT DOWN IN RESPONSE TO REPRESENTATIONS FROM A PEAK OF 310 A DAY IN DECEMBER 1978 TO AN AVERAGE OF 150 A DAY THIS YEAR, THIS REPRESENTED AN ADDITION OF ABOUT 55 000 A YEAR TO OUR POPULATION. +IT IS FAR TOO MUCH AND SHOULD BE GREATLY REDUCED.+

THE STREAM OF LEGAL IMMIGRANTS, HE EXPLAINED, CONSISTED OF PERSONS WHO HAD BEEN ISSUED PERMITS BY THE CHINESE AUTHORITIES TO LEAVE THEIR PLACES OF RESIDENCE FOR EXTENDED VISITS TO HONG KONG.

+BUT IN PRACTICE AT LEAST 96 PER CENT REMAIN PERMANENTLY IN HONG KONG,+ HE SAID.

GENERALLY, THE LEGAL IMMIGRANTS COMPRISED COMPLETE FAMILY GROUPS, OFTEN WITH SKILLS AND EDUCATION AND NORMALLY WITH FAMILY CONNECTIONS IN HONG KONG. THEIR ABSORPTION WOULD NOT PRESENT A DIFFICULT PROBLEM WERE IT NOT FOR THEIR NUMBERS.

SIR MURRAY ALSO PAID TRIBUTE TO THE SECURITY FORCES SAYING +THE MOUNTING EFFICIENCY, DETERMINATION AND TECHNICAL SKILL WITH WHICH THEY ATTACKED THIS DISTASTEFUL TASK IS BEYOND ALL PRAISE.+

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VIETNAMESE REFUGEES AN INTERNATIONAL PROBLEM

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HONG KONG WILL DO ALL IT CAN TO ENSURE THAT THE VIETNAMESE REFUGEES STILL HERE ARE NOT SWEEPED UNDER THE INTERNATIONAL RUG AS FORGOTTEN PEOPLE, THE GOVERNOR, SIR MURRAY MACLEHOSE, STRESSED TODAY (WEDNESDAY).

SIR MURRAY SAID THAT ON THE BASIS OF PLEDGES ALREADY GIVEN, SOME 7 000 OF THE 28 200 VIETNAMESE REFUGEES STILL HERE ARE EXPECTED TO BE RESETTLED OVERSEAS BY THE END OF THE YEAR.

+HOWEVER, WITHOUT FIRMER PLEDGES FOR NEXT YEAR, THERE IS A DANGER THAT THE RATE OF RESETTLEMENT COULD DROP CONSIDERABLY,+ HE SAID.

HONG KONG REALISED THE PLIGHT OF OTHER COUNTRIES, PARTICULARLY THAILAND, HE ADDED.

+BUT THE EFFORTS MADE AND THE HUMANITY SHOWN IN THIS SMALL OVERCROWDED TERRITORY, ALSO DESERVE RECOGNITION AND IN THE ONLY PRACTICAL WAY POSSIBLE -- PLEDGES OF RESETTLEMENT.+

+THEY ARE AN INTERNATIONAL PROBLEM, NOT OURS,+ HE SAID, POINTING OUT THAT HONG KONG STILL HAD 50 PER CENT MORE BOAT REFUGEES THAN ANY OTHER COUNTRY OF FIRST ASYLUM.

SIR MURRAY RECALLED THAT LAST YEAR THERE WERE SIGNS THE GENEVA CONFERENCE LAST JULY HAD ACHIEVED ITS IMMEDIATE OBJECTIVES OF PERSUADING THE VIETNAMESE GOVERNMENT TO STOP THE ORGANISED OUTFLOW, AND OF SECURING PLEDGES IN MONEY AND RESETTLEMENT PLACES THAT WOULD PROGRESSIVELY RELIEVE TERRITORIES OF FIRST ASYLUM SUCH AS HONG KONG OF THE BURDEN OF THESE REFUGEES.

+IN FACT, IN MARKED CONTRAST TO ASSISTANCE GIVEN BY COUNTRIES OF RESETTLEMENT TO THE COUNTRIES OF ASEAN, ONLY HALF THE REFUGEES WHO WERE HERE LAST OCTOBER HAVE BEEN RESETTLED,+ HE SAID.

SIR MURRAY EXPRESSED HONG KONG'S GRATITUDE FOR THE HELP OF ALL COUNTRIES OF RESETTLEMENT, AND FOR THE WORK DONE BY THE UNHCR AND OUR OWN AND OVERSEAS VOLUNTARY AGENCIES.

+WE ARE PARTICULARLY GRATEFUL FOR THE MAJOR CONTRIBUTION BY THE UNITED STATES, CANADA AND THE UK,+ HE SAID.

THERE HAVE BEEN ARRIVALS DIRECT FROM VIETNAM, HE NOTED, BUT THE NUMBERS WERE NOT GREAT AND WERE CONSISTENT WITH THE UNDERTAKINGS GIVEN AT GENEVA BY THE VIETNAMESE GOVERNMENT.

IN ADDITION, THERE ARE UNDER DETENTION SOME ETHNIC CHINESE WHO ORIGINALLY SOUGHT REFUGE FROM VIETNAM AND WERE RESETTLED IN CHINA, BUT SUBSEQUENTLY MADE THEIR WAY TO HONG KONG.

+THE CHINESE AUTHORITIES HAVE SHOWN SYMPATHETIC UNDERSTANDING OF THIS PROBLEM, AND THESE PEOPLE ARE GRADUALLY BEING RETURNED TO THEIR PLACES OF RESETTLEMENT,+ HE SAID.

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OVERALL INFLATIONARY PRESSURE REDUCING
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THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID TODAY (WEDNESDAY) IN HIS OPENING ADDRESS TO THE LEGISLATIVE COUNCIL THAT THE OVERALL INFLATIONARY PRESSURE IN HONG KONG'S ECONOMY HAD BEEN REDUCING DURING THE YEAR SO FAR.

HE SAID THAT DURING THE YEAR DOMESTICALLY GENERATED INFLATION HAD EASED AND IMPORTED INFLATION WAS DAMPENED TO SOME EXTENT IN THE FIRST HALF OF 1980.

HE NOTED THAT BECAUSE OF THE SUBSTANTIAL INFLATION AT THE BEGINNING OF THE YEAR, THE INDEX OF GENERAL PRICE LEVELS IN 1980 WAS EXPECTED TO AVERAGE ABOUT 14 PER CENT HIGHER THAN IN 1979 INSTEAD OF THE 10 PER CENT FORECAST IN THE BUDGET.

+THIS IS A GENERALLY FAVOURABLE PICTURE, AND IT APPEARS LIKELY THAT THE GROWTH RATE IN REAL TERMS OF THE GROSS DOMESTIC PRODUCT WILL BE SOMEWHAT HIGHER THAN THE BUDGET FORECAST OF NINE PER CENT.

+BUT THE GROWTH RATE OF PER CAPITA GROSS DOMESTIC PRODUCT IN 1980 WILL DEPEND ON THE LEVEL OF IMMIGRATION. IF, AS SEEMS LIKELY, IT IS NOT MUCH LESS THAN LAST YEAR, ONCE MORE THE GDP PER HEAD WILL GROW MUCH MORE SLOWLY THAN THE GDP ITSELF,+ HE SAID.

TURNING TO ECONOMIC PROSPECTS IN THE LAST MONTHS OF 1980 AND INTO 1981, THE GOVERNOR SAID THE GREATEST UNCERTAINTY LAY IN WHETHER THE HIGH GROWTH RATE OF DOMESTIC EXPORTS COULD BE SUSTAINED.

+PERHAPS NOT, AND EXPORT ORDER BOOKS ARE REPORTED TO BE GETTING SHORTER. BUT RECESSION IN OUR EXPORT MARKETS AND DEMAND FOR HONG KONG PRODUCTS OFTEN DO NOT MOVE ON PARALLEL LINES, AND IF THE GROWTH RATES OF IMPORTS OF RAW MATERIALS AND SEMI-MANUFACTURES ARE ANYTHING TO GO BY, EXPORT PROSPECTS IN THE IMMEDIATE FUTURE ARE MUCH BETTER THAN ONE MIGHT EXPECT FROM THE OTHERWISE POOR PERFORMANCE OF THE ECONOMIES OF OUR MAIN MARKETS.+

BUT HE CAUTIONED THAT WAR IN THE PERSIAN GULF AND THE IMPOSSIBILITY OF ASSESSING AT THIS STAGE WHAT EFFECT IT WOULD HAVE ON OIL SUPPLIES AND PRICES AND THE ECONOMIES OF OUR TRADING PARTNERS, MADE THE FUTURE PARTICULARLY DIFFICULT TO FORECAST AT THIS TIME.

+IN THE LONGER RUN, WE SHOULD SEE A RECOVERY IN THE WORLD ECONOMY AND I REMAIN CONFIDENT THAT THE STABILITY OF THE HONG KONG ECONOMY WILL ENABLE US TO TAKE FULL BENEFIT FROM THIS,+ SIR MURRAY SAID.

HE POINTED OUT THAT ALTHOUGH THE LONGER-TERM PROSPECTS FOR GROWTH OF OUR ECONOMY REMAINED GOOD, IMMIGRATION THREATENED IT IN TWO WAYS.

FIRST, THE DILUTION OF THE LABOUR MARKET WAS REDUCING THE GROWTH OF INDIVIDUAL INCOMES. +THIS IS GROSSLY UNFAIR TO THE INDIVIDUAL WORKER,+ HE SAID.

/SECOND, THOUGH

SECOND, THOUGH IN THE SHORT-TERM IT MIGHT BE BENEFICIAL TO SOME EMPLOYERS, IT WAS EXTREMELY BAD IN THE LONG TERM BECAUSE IT REMOVED THE INCENTIVE FOR HIGHER PRODUCTIVITY AND MOVEMENT INTO MORE SOPHISTICATED AND CAPITAL INTENSIVE PRODUCTION.

+IT IS SURELY ON THE LATTER THAT WE HOPE TO BUILD HONG KONG'S FUTURE AND THE STANDARD OF LIVING OF OUR PEOPLE, AND NOT ON A RELAPSE INTO CHEAP-LABOUR ENTERPRISES WHOSE PRODUCTS ARE MORE AND MORE SUBJECT TO RESTRICTION IN OVERSEAS MARKETS,+ SIR MURRAY SAID.

ON HONG KONG'S ECONOMY, SIR MURRAY SAID ITS GROWTH HAD CONTINUED TO BE EXPORT-LED AND IT WAS SATISFACTORY THAT EXPORTS HAD DONE SO WELL DESPITE THE RECESSIONARY STATE OF THE ECONOMIES OF HONG KONG'S MAJOR MARKET. THE INCREASE IN DOMESTIC EXPORTS IN THE FIRST EIGHT MONTHS OF THIS YEAR OVER THE SAME PERIOD OF LAST YEAR OF 28 PER CENT IN MONEY TERMS, WAS REMARKABLE. THE GROWTH RATE OF DOMESTIC DEMAND APPEARED TO BE PICKING UP BUT PROBABLY STILL LAGGED BEHIND THAT OF DOMESTIC EXPORTS.

RE-EXPORTS HAD GROWN RAPIDLY IN 1980 AS HONG KONG'S RE-EMERGENCE AS A MAJOR ENTREPOT PORT CONTINUED, WITH MUCH OF THE GROWTH ATTRIBUTABLE TO CHINA'S TRADE.

THE GROWTH RATE OF THE VALUE OF IMPORTS IN 1980 HAD ALMOST CAUGHT UP WITH THAT OF TOTAL EXPORTS, PRESUMABLY AS A RESULT OF INCREASED DOMESTIC DEMAND. BUT THE VISIBLE TRADE GAP FOR THE FIRST EIGHT MONTHS OF THIS YEAR WAS STILL SLIGHTLY NARROWER THAN FOR THE SAME PERIOD LAST YEAR.

SIR MURRAY ALSO NOTED THAT THE SEASONALLY ADJUSTED UNEMPLOYMENT RATE INCREASED FROM 2.8 PER CENT IN SEPTEMBER 1979 TO 3.2 PER CENT IN MARCH THIS YEAR, AND HE HAD NO DOUBT THE SEPTEMBER FIGURES, WHEN AVAILABLE, WOULD SHOW A CONTINUATION OF THIS TREND.

+THESE PERCENTAGES BY CURRENT WORLD STANDARDS ARE VERY LOW, BUT THE TREND REFLECTS AN ASPECT OF ADJUSTMENT THAT PRESSES HARD ON SOME INDIVIDUALS, AND OF COURSE THE IMPACT IS MADE WORSE BY THE EFFECTS OF IMMIGRATION,+ THE GOVERNOR SAID.

REVIEWING THE PUBLIC FINANCES, SIR MURRAY SAID WHILE IT WAS STILL TOO EARLY TO REACH A CONCLUSION ON THE FINAL OUTTURN, PRESENT INDICATIONS WERE THAT THE BUDGETED SURPLUS WOULD BE EXCEEDED, DUE LARGELY TO THE ESTIMATED INCREASE IN REVENUE FROM LAND SALES.

BUT HE SAID THAT THE EXCESS THAT MIGHT RESULT WOULD BE MORE THAN OFFSET BY THE ESTIMATED INCREASE IN RECURRENT EXPENDITURE, DUE LARGELY TO THE SUBSTANTIAL INCREASES IN SALARIES OF THE CIVIL SERVICE.

DISTRICT ADMINISTRATION WHITE PAPER EXPECTED AT END OF YEAR
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THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID TODAY (WEDNESDAY) IT IS HOPED THE WHITE PAPER ON DISTRICT ADMINISTRATION WILL BE PUBLISHED BY THE END OF THIS YEAR.

HE ADDED THAT APPROPRIATE LEGISLATION MIGHT THEN BE INTRODUCED EARLY IN 1981 TO PAVE THE WAY FOR ELECTIONS UNDER A NEW SYSTEM PERHAPS IN THE SPRING OF 1982.

IN HIS OPENING ADDRESS TO THE LEGISLATIVE COUNCIL, SIR MURRAY SAID: +TO MAKE THIS POSSIBLE, A SUBSTANTIAL DEPLOYMENT OF GOVERNMENT MANPOWER WOULD BE NECESSARY, AND A TENTATIVE PROGRAMME HAS BEEN WORKED OUT PROGRESSIVELY TO SET UP DISTRICT MANAGEMENT COMMITTEES AND DISTRICT BOARDS IN ALL DISTRICTS (THOUGH UNTIL ELECTIONS ARE HELD THE DISTRICT BOARDS WOULD CONSIST OF APPOINTED MEMBERS ONLY).+

HE SAID THE FIRST STEP WOULD BE TO SET UP A DISTRICT MANAGEMENT COMMITTEE IN WONG TAI SIN AND A DISTRICT BOARD IN KWUN TONG WHERE THERE IS ALREADY A MANAGEMENT COMMITTEE.

+SIMILAR STEPS WOULD FOLLOW WE HOPE AT ABOUT THREE MONTHLY INTERVALS IN OTHER URBAN DISTRICTS UNTIL ALL ARE COVERED,+ THE GOVERNOR SAID.

ON THIS TENTATIVE PROGRAMME OF SETTING UP DISTRICT MANAGEMENT COMMITTEES AND BOARDS, SIR MURRAY REASSURED THE COUNCIL ON TWO POINTS:

- * THE MEMBERSHIP OF THE MANAGEMENT COMMITTEES MUST BE OF ADEQUATE CALIBRE AND THE POWERS AND AUTHORITY OF THEIR MEMBERS IN THE DEPARTMENTS THEY REPRESENT MUST BE CLEARLY DEFINED. IN NO DISTRICT WILL THE SETTING UP OF A DISTRICT BOARD BE PROCEEDED WITH UNTIL AN ADEQUATE MANAGEMENT COMMITTEE IS IN PLACE TO WORK WITH IT.
- * THE BOARDS MUST HAVE FUNDS THAT THEY CAN SPEND ON THEIR OWN INITIATIVE FOR DEFINED PURPOSES. THIS APPLIES PARTICULARLY IN THE NEW TERRITORIES WHERE URBAN COUNCIL FUNDS ARE NOT AVAILABLE BUT ALSO TO A LESSER EXTENT IN THE URBAN DISTRICTS TOO, AND THE LATTER COULD BE ACHIEVED WITHOUT INFRINGING URBAN COUNCIL'S PREROGATIVES. THE REAL POWER OF THE BOARDS WILL BE THROUGH THE INFLUENCE THEY EXERT IN PARTNERSHIP WITH OFFICIALS AND THEY SHOULD HAVE SOME FINANCIAL RESOURCES OF THEIR OWN.

SIR MURRAY SAID HONG KONG WAS NOW TOO LARGE, TOO COMPLEX AND GEOGRAPHICALLY TOO SPREAD OUT FOR THE OLD SYSTEM OF CENTRALISED GOVERNMENT TO CONTINUE TO BE THE COMPLETE ANSWER- IT MUST BE SUPPLEMENTED WITH MORE STRENGTH AT DISTRICT LEVEL.

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+THE GREEN PAPER WAS NOT THE FIRST WORD ON THIS SUBJECT AND IT IS CERTAINLY NOT INTENDED TO BE THE LAST. BUT I HOPE THAT WHEN MODIFIED IN THE LIGHT OF PUBLIC COMMENT, IT WILL ENABLE US TO TAKE A SIGNIFICANT AND PRACTICAL STEP TOWARDS CLOSING THIS GAP BETWEEN PUBLIC AND THE GOVERNMENT AT DISTRICT LEVEL,+ HE SAID.

SIR MURRAY ALSO NOTED THAT THE GREEN PAPER HAD PROVOKED THOUGHTFUL COMMENT WHICH HAD BEEN CAREFULLY RECORDED AND STUDIED.

HE SAID DISCUSSION AND CRITICISM HAD FOCUSED ON WHETHER THE POWERS OF THE DISTRICT BOARDS WOULD BE SUFFICIENT TO COMMAND INTEREST, AND ON THE PROPORTION OF ELECTED TO APPOINTED MEMBERS AND WHETHER THERE SHOULD BE DIRECT ELECTION TO DISTRICT BOARDS IN THE URBAN AREAS AS WELL AS THE NEW TERRITORIES.

HE NOTED THAT WHILE THERE WAS MUCH SUPPORT FOR THE PRINCIPLE OF ADDING AN ELECTED ELEMENT, THERE WAS ALSO SUPPORT FOR THE RETENTION OF APPOINTED MEMBERSHIP AS WELL.

THERE APPEARED TO BE A VERY LARGE MEASURE OF SUPPORT FOR ELECTIONS ON A CONSTITUENCY RATHER THAN A COLONY-WIDE BASIS, AND IT DID NOT SEEM POSSIBLE TO ACHIEVE THE LOCAL FOCUS AIMED AT BY ANY OTHER MEANS.

+SOME ADVOCATE RETAINING THE 10 CITY DISTRICT OFFICES RATHER THAN AMALGAMATING TWO DISTRICTS ON EACH SIDE OF THE HARBOUR. TWENTY-ONE HAS GENERALLY BEEN SUPPORTED AS THE RIGHT AGE FOR VOTING RIGHTS THOUGH SOME HAVE ARGUED FOR BOTH HIGHER AND LOWER AGES, AND SOME ALSO FOR EDUCATION QUALIFICATIONS. BUT I NOTE A WIDE BAND OF OPINION WHICH CONSIDERS THREE YEARS' RESIDENCE TOO LITTLE IN THE PRESENT CIRCUMSTANCES OF HONG KONG. SOME HAVE ARGUED THERE SHOULD BE MORE STRINGENT QUALIFICATIONS FOR CANDIDATES THAN VOTERS,+ SAID SIR MURRAY.

HE ALSO NOTED THAT THERE WERE COUNTER PROPOSALS FOR A TWO-TIER ELECTORAL SYSTEM IN THE URBAN AREA WHICH WOULD RETAIN THE EXISTING TERRITORY-WIDE URBAN COUNCIL ELECTIONS BUT WOULD BE AUGMENTED BY SEPARATE ELECTIONS FOR DISTRICT BOARDS WITH WHICH THE CANDIDATES WITH THE MOST VOTES HAVING A SEAT ON THE URBAN COUNCIL.

HE SAID ALL THESE VIEWS WERE NOW BEING CAREFULLY CONSIDERED.

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GUANGDONG FOREIGN TRADE DIRECTOR TO VISIT HONG KONG

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THE DIRECTOR OF FOREIGN TRADE IN GUANGDONG WILL VISIT HONG KONG LATER THIS MONTH, THE GOVERNOR, SIR MURRAY MACLEHOSE, ANNOUNCED TODAY (WEDNESDAY).

THE VISIT FOLLOWS ONE TO GUANGDONG LAST MAY BY A GROUP FROM HONG KONG LED BY SIR YUET-KEUNG KAN TO SEE HOW HONG KONG AND UNITED KINGDOM INTERESTS COULD CONTRIBUTE TO GUANGDONG'S DEVELOPMENT PLANS.

IN HIS OPENING ADDRESS TO THE LEGISLATIVE COUNCIL, SIR MURRAY SAID HE BELIEVED THIS CLOSER CO-OPERATION ON ECONOMIC MATTERS WOULD BE WELCOMED BOTH IN HONG KONG AND GUANGDONG.

SINO-BRITISH RELATIONS WERE NOW SETTLED INTO A PATTERN OF FRIENDLY CO-OPERATION, HE SAID. THIS WAS ALSO TRUE OF THE RELATIONSHIP AS IT AFFECTS HONG KONG AND HE THOUGHT THERE WAS GROWING UNDERSTANDING OF THE POSITIVE PART THAT HONG KONG COULD PLAY IN THIS RELATIONSHIP AND IN OTHER ASPECTS.

+OUR DEALINGS WITH THE MANY OFFICIALS OF THE CHINESE PEOPLE'S REPUBLIC IN HONG KONG CONTINUE TO BE ON A BASIS WHICH IS BOTH POSITIVE AND SATISFACTORY,+ HE SAID.

SIR MURRAY NOTED THE EXTENT TO WHICH OUR BUSINESSMEN WERE ENGAGING IN COMPENSATION DEALS AND JOINT VENTURES IN CHINA HAD CONSIDERABLY EXPANDED.

HE ALSO HOPED THAT WITH IMPROVED COMMUNICATIONS, HONG KONG COULD PLAY AN INCREASING PART IN THE GROWING TOURIST INDUSTRY OF CHINA.

AS THE NEW ECONOMIC POLICIES OF CHINA BECOME CLEARER AND FIRMER SO BUSINESS INTEREST IN CHINA WILL EXPAND, HE SAID. INEVITABLY THIS WILL INCREASE INTEREST IN THE ROLE WHICH HONG KONG CAN PLAY IN THIS PROCESS.

+I HAVE NO DOUBT THAT ON THE ONE HAND THIS WILL MEAN THAT SOME ENTERPRISES NOW IN HONG KONG WILL TAKE ADVANTAGE OF THE LOWER LAND AND LABOUR COSTS IN GUANGDONG- ON THE OTHER, THAT FIRMS AND INDUSTRIES WILL OPEN UP IN HONG KONG WHICH OTHERWISE WOULD NOT HAVE DONE SO,+ HE SAID.

+THERE IS NOTHING IN THIS RAPIDLY EVOLVING SITUATION WHICH WE HAVE TO FEAR,+ SIR MURRAY SAID, ADDING +BUT NATURALLY IT INVOLVES NEW PROBLEMS AS WELL AS NEW BENEFITS.

+IT IS THEREFORE IMPORTANT THAT WE SHOULD KEEP IN CLOSE TOUCH WITH THE PROVINCIAL GOVERNMENT OF GUANGDONG AND FIND WAYS BY WHICH ANY NEW PROBLEMS CAN BE SOLVED BY MUTUAL CO-OPERATION. THIS WE ARE DOING.+ SIR MURRAY SAID.

ON RELATIONS WITH THE UNITED KINGDOM, SIR MURRAY SAID THESE HAD BEEN MARKED BY DEEPENING UNDERSTANDING ON BOTH SIDES.

THE QUICK RESPONSE TO OUR APPEAL FOR REINFORCEMENTS WAS A CASE IN POINT. SO TOO WAS THE BRISK RESPONSE OF THE SECRETARY FOR TRADE TO THE EXCLUSION OF CATHAY PACIFIC FROM THE CABOTAGE ROUTE.

+OF COURSE IN SO CLOSE A RELATIONSHIP PROBLEMS ARE BOUND TO ARISE, BUT THE DEGREE OF MINISTERIAL INTEREST IN AND FIRST-HAND KNOWLEDGE OF HONG KONG HAS BEEN A GREAT HELP.+ HE SAID. SO TOO HAS THE WORK OF THE ALL-PARTY PARLIAMENTARY GROUP UNDER THE CHAIRMANSHIP OF SIR PAUL BRYAN.

SIR MURRAY SAID THE ECONOMIC BASIS OF THE RELATIONSHIP REMAINS SATISFACTORY, AND THIS IS OBVIOUSLY OF GREAT IMPORTANCE.

+WITH UK EXPORTS TO HONG KONG THIS YEAR LOOKING AS IF THEY WOULD TOP 500 MILLION POUNDS STERLING, AND TAKING INTO ACCOUNT INVISIBLE EARNINGS AND OTHER INDIRECT ADVANTAGES TO THE UK, I BELIEVE THE MUTUAL ADVANTAGE OF THE RELATIONSHIP TO BE ON A SOUND BASIS,+ HE SAID.

TRIBUTE TO UMELCO

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THE GOVERNOR, SIR MURRAY MACLEHOSE, PAID TRIBUTE TO UMELCO AT THE OPENING SESSION OF THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SIR MURRAY SAID THERE WERE FAR TOO FEW OCCASIONS ON WHICH HE HAD AN OPPORTUNITY TO GIVE THEIR WORK THE PUBLIC ACKNOWLEDGEMENT IT DESERVED.

+THIS IS AN OCCASION ON WHICH IT IS MY PLEASURE AND DUTY TO DO SO,+ HE SAID.

+UMELCO IS A UNIQUE INSTITUTION WHICH HAS EVOLVED UNDER IMAGINATIVE AND DEVOTED LEADERSHIP TO PERFORM A VITAL ROLE IN A CONSTITUTIONAL SITUATION WHICH IS ITSELF UNIQUE.

+IT CARRIES AN EVER-INCREASING WORK-LOAD, WHICH REFLECTS THE VIGOUR WITH WHICH IT PERFORMS ITS LEGISLATIVE FUNCTIONS, THE EVOLUTION OF ITS POSITION AS A COURT OF COUNSEL OR APPEAL TO THE PUBLIC, AS WELL AS THE INCREASING COMPLEXITY AND SCOPE OF THE GOVERNMENT OF HONG KONG,+ SIR MURRAY SAID.

THE GOVERNOR SAID THE TIME DEVOTED BY MEMBERS TO THEIR PUBLIC DUTIES WAS ENORMOUS AND HE WOULD LIKE TO RECORD HIS DEEP PERSONAL DEBT OF GRATITUDE TO THEM.

+TO EASE THEIR LOAD TWO EXTRA HAVE BEEN ADDED TO THEIR NUMBER THIS YEAR. IN THE LIGHT OF EXPERIENCE THERE COULD WELL BE ROOM FOR FURTHER ADDITIONS,+ HE SAID.

THE GOVERNOR SAID THAT DURING THE YEAR THE TREND TOWARDS UNOFFICIAL CHAIRMANSHIP OF STATUTORY COMMITTEES HAD CONTINUED, WITH MR LO TAK-SHING TAKING OVER AS CHAIRMAN OF THE TRANSPORT ADVISORY COMMITTEE AND MISS LYDIA DUNN OF BOTH THE SPECIAL COMMITTEE ON LAND PRODUCTION AND THE GOVERNING BODY OF THE PRINCE PHILIP DENTAL HOSPITAL.

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LARGER GARRISON WILL COST MORE

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SUBSTANTIVE NEGOTIATIONS ON A NEW DEFENCE COSTS AGREEMENT WILL START IN A FEW DAYS, THE GOVERNOR, SIR MURRAY MACLEHOSE, TOLD THE LEGISLATIVE COUNCIL TODAY.

AND HE WARNED THAT THE GARRISON, UNDER EXCEPTIONAL STRAIN IN INTERCEPTING ILLEGAL IMMIGRANTS, WOULD COST CONSIDERABLY MORE.

+FROM THE SERIES OF PRELIMINARY DISCUSSIONS AND CALCULATIONS THAT HAVE TAKEN PLACE IT IS CLEAR THAT WE HAVE BEEN SOMEWHAT UNDER-CHARGED IN THE PAST AND THAT THE GARRISON IS GOING TO COST CONSIDERABLY MORE IN FUTURE,+ HE SAID.

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EXACTLY HOW MUCH MORE WOULD EMERGE FROM THE COMING NEGOTIATIONS, SIR MURRAY CONTINUED.

HE SAID THE PRESENT HIGH LEVEL OF ANTI-ILLEGAL IMMIGRATION OPERATIONS WOULD HAVE TO BE MAINTAINED INDEFINITELY AND THAT IT HAD BECOME APPARENT THE REDUCTION OF THE GARRISON IN 1976 FROM 6-2/3 TO 4-1/3 MAJOR UNITS HAD BEEN PROBABLY EXCESSIVE.

+DISCUSSIONS WITH THE MINISTRY OF DEFENCE WERE THEREFORE BEGUN IN MARCH WITH A VIEW TO ADDING A FIFTH BATTALION TO THE PERMANENT STRENGTH OF THE GARRISON PROVIDED WE AND HMG COULD AFFORD THE ADDITIONAL COST,+ THE GOVERNOR EXPLAINED.

HE SAID THIS LED TO A RECALCULATION BY THE MINISTRY AND OUR OWN SECURITY AND FINANCE BRANCHES OF WHAT THE COST OF THE GARRISON REALLY WAS, WITH A VIEW TO AGREEING A NEW DEFENCE COSTS AGREEMENT.

ASSUMING THE NEGOTIATIONS WERE SUCCESSFUL AND IT WAS AGREED A NEW BATTALION SHOULD BE ADDED, THE GOVERNOR SAID IT WOULD BECOME OPERATIONAL IN EARLY 1982 AND, IN THE MEANTIME, REINFORCEMENT WOULD CONTINUE AT A LEVEL NECESSARY TO GUARD OUR LAND AND SEA BORDERS.

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PUBLIC ASSIST IN CRIMINAL ARRESTS

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PUBLIC CO-OPERATION HAS RESULTED IN MORE CRIMINALS BEING ARRESTED BY THE PUBLIC, THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID THIS (WEDNESDAY) AFTERNOON.

SIR MURRAY, SPEAKING ON THE ROYAL HONG KONG POLICE FORCE AT THE OPENING SESSION OF THE LEGISLATIVE COUNCIL, ATTRIBUTED THIS TO MUTUAL AID COMMITTEES AND IMPROVED CIVIC MINDEDNESS.

HE SAID THE PROPORTION OF ARRESTS MADE BY THE PUBLIC ROSE FROM EIGHT PER CENT IN 1978 TO 10 PER CENT IN 1979 AND 12 PER CENT SO FAR THIS YEAR.

+THIS IS A REMARKABLE AND HIGHLY SATISFACTORY TREND, AND IS AN INDICATION OF THE STEADILY IMPROVING WORKING RELATIONSHIP BETWEEN POLICE AND PUBLIC,+ THE GOVERNOR POINTED OUT.

BUT THE NUMBER OF CRIMES COMMITTED BY JUVENILES BETWEEN SEVEN AND 15 YEARS OF AGE HAS INCREASED SIGNIFICANTLY, HE SAID.

BEFORE THE FIGHT CRIME CAMPAIGN, HE SAID, IT WAS NORMAL FOR 10 PER CENT OF CRIMES TO BE COMMITTED BY JUVENILES IN THIS AGE BRACKET. BY 1975 THIS PERCENTAGE HAD DROPPED TO SEVEN PER CENT.

+THIS REMAINED AT ABOUT THIS FIGURE UNTIL 1979 WHEN IT ROSE SUDDENLY TO 11 PER CENT AND IT LOOKS LIKE RISING TO 16 PER CENT THIS YEAR. THIS REVERSAL IN A TREND IN WHICH WE WERE HAVING SUCH OBVIOUS SUCCESS IS BOTH DISTURBING AND BEWILDERING,+ SIR MURRAY SAID.

/HE SAID

HE SAID THAT IT RAN CONTRARY TO THE TREND IN JUVENILE DRUG ADDICTION.

THE GOVERNOR HAS ASKED THE FIGHT CRIME COMMITTEE TO UNDERTAKE A THOROUGH STUDY OF BOTH THE STATISTICS AND CAUSES OF THIS UPSURGE.

THE GOVERNOR ADDED: +IT IS HOWEVER INEVITABLE THAT THE ADDITIONAL BURDEN PLACED ON THE POLICE IN CONNECTION WITH ILLEGAL IMMIGRATION HAS TO SOME EXTENT DETRACTED FROM THE STRENGTH AVAILABLE FOR ANTI-CRIME DUTIES.

+THOUGH THERE IS LITTLE STATISTICAL CONNECTION BETWEEN ILLEGAL IMMIGRATION AND CRIME, IT IS GENERALLY BELIEVED IN THE FORCE THAT A CONNECTION EXISTS. THE FORCE HAS DONE EXTRAORDINARILY WELL UNDER THE DOUBLE BURDEN.+

THE GOVERNMENT, HE SAID, HAS AGREED IN PRINCIPLE TO A 10-YEAR PROGRAMME TO EXPAND THE MARINE POLICE FLEET BY 24 VESSELS BECAUSE OF INCREASED COMMITMENTS IN COMBATTING ILLEGAL IMMIGRATION AND POLICING HONG KONG'S WATERS.

HE SAID IT WAS ALSO INTENDED TO REPLACE 34 EXISTING VESSELS AND THAT THE MARINE POLICE WOULD CONTINUE TO DEPLOY FAST SMALL BOATS IN ANTI-ILLEGAL IMMIGRATION OPERATIONS.

SPEAKING ON CRIME, THE GOVERNOR SAID THE POLICE HAD OVER THE YEARS SUCCESSFULLY REDUCED ROBBERIES -- THE CRIME WHICH CAUSES SUCH GENERAL FEAR IN THE POPULATION.

THERE WAS A SHARP INCREASE TO A DAILY RATE OF ABOUT 30 LAST SUMMER, HE SAID.

+THIS WAS AN UNWELCOME SIDE EFFECT OF SUCCESS IN INTERCEPTING DRUGS, FORCING UP THEIR PRICE, AND THUS PRODUCING A CROP OF QUICK CASH CRIME SUCH AS THEFTS FROM VEHICLES, BUT ALSO MUGGING,+ HE SAID.

THE GOVERNOR SAID THE COUNTER MEASURES TAKEN WERE SUCCESSFUL IN CONTAINING AND FIGHTING BACK THE UPSURGE.

ROBBERIES, HE SAID, HAD NOW BEEN REDUCED TO ABOUT 26 A DAY AND OBVIOUSLY MUST BE REDUCED FURTHER BEFORE THERE COULD BE ANY ROOM FOR COMPLACENCY.

AS A MEASURE OF POLICE SUCCESS AND EFFORT OVER THE YEARS, THE GOVERNOR SAID THIS FIGURE OF 26 COMPARED WITH A DAILY RATE OF 40 IN 1974.

+THERE IS ALSO A DISTURBING TENDENCY TOWARDS MORE VIOLENCE AND MORE FREQUENT USE OF FIREARMS. IT IS BY CONCENTRATING ON CRIME PREVENTION THAT THE POLICE HOPE TO REDUCE FURTHER THE NUMBER OF ROBBERIES,+ SIR MURRAY CONTINUED.

HE SAID THE TRIPLE ALLIANCE OF GOVERNMENT/POLICE/PUBLIC WAS ESSENTIAL FOR SUCCESS.

THE POLICE WOULD DEVELOP THIS ALLIANCE THROUGH ITS COMMUNITY RELATIONS OFFICERS AND NEIGHBOURHOOD POLICING UNITS AND BY MORE EXTENSIVE DEPLOYMENT OF CRIME PREVENTION OFFICERS TO ADVISE THE PUBLIC HOW TO PROTECT THEMSELVES, HE SAID.

POLICE PREVENTIVE METHODS HAD BEEN PARTICULARLY SUCCESSFUL IN REDUCING BANK AND GOLDSMITH ROBBERIES PREVALENT IN LATE 1979 AND EARLY THIS YEAR, HE SAID.

ON POLICE EXPANSION AND RECRUITMENT, THE GOVERNOR SAID THE FORCE CONTINUED LAST YEAR'S CONSOLIDATION PHASE BY MAINTAINING AN ANNUAL EXPANSION FIGURE OF FIVE PER CENT.

THE FORCE'S OWN MANAGEMENT CAPACITY HAS BEEN REINFORCED AND A NEW SENIOR CIVIL ADMINISTRATOR EQUIVALENT IN RANK TO A DEPUTY COMMISSIONER APPOINTED, HE SAID.

THE GOVERNOR SAID LAST YEAR SAW A CONCENTRATION ON IMPROVEMENTS TO WELFARE AND RECREATIONAL FACILITIES WHICH WOULD CONTINUE.

HE POINTED OUT THAT THE ALLOCATION SCHEME OF 400 PUBLIC HOUSING UNITS FOR JUNIOR OFFICERS WAS WORKING WELL AND, WITH PLANS FOR BUILDING MORE POLICE MARRIED QUARTERS, THE FORCE'S HOUSING PROBLEM SHOULD BE ALLEVIATED.

THE GOVERNOR SAID 16 OF THE 20 HOLIDAY HOMES NOW AVAILABLE IN MACAU AND THE NEW TERRITORIES WERE FOR JUNIOR OFFICERS. POLICE CANTEENS AND SPORTS AND RECREATION CENTRES WERE IMPROVED, WITH THE LATTER GREATLY ASSISTED BY PRIVATE DONATIONS.

ON RECRUITMENT, SIR MURRAY SAID ONLY 1 600 JUNIOR OFFICERS WERE RECRUITED IN 1979-80 COMPARED WITH MORE THAN 2 200 IN 1977-78 BECAUSE OF CONSOLIDATION AND REDUCED WASTAGE.

+THIS HAS PERMITTED THE FORCE TO BE MORE SELECTIVE AND REQUIRE THAT CANDIDATES HAVE FIVE YEARS SECONDARY EDUCATION. THIS IN TURN WILL PERMIT IN FUTURE A LARGER NUMBER OF INSPECTORATE OFFICERS TO BE PROMOTED FROM THE RANKS,+ HE SAID.

THERE WERE 174 SUCH PROMOTIONS IN THE LAST THREE YEARS COMPARED WITH 51 IN THE PRECEDING PERIOD, HE SAID.

AT THE SAME TIME, HE SAID, EFFORTS HAD BEEN MADE TO OBTAIN INSPECTORATE CANDIDATES AT MATRICULATION AND DEGREE LEVEL, AND WITH SOME SUCCESS.

+BUT RAPID EXPANSION HAS LEFT THE FORCE EXCEPTIONALLY YOUNG AND LACK OF EXPERIENCED OFFICERS ESSENTIAL FOR EFFECTIVE MANAGEMENT CONTINUES TO BE A PROBLEM- AND IT HAS BEEN AGGRAVATED BY AN UNACCEPTABLY HIGH EXODUS OF MAINLY EXPATRIATE INSPECTORS AFTER THEIR FIRST TOUR,+ THE GOVERNOR SAID.

HE ADDED: +A WORKING PARTY TO ADVISE ON WAYS OF IMPROVING INSPECTORATE WORKING CONDITIONS HAS BEEN SET UP- IN THE SHORT-TERM AND AS A STOPGAP MEASURE ONLY, THE POLICE ARE RECRUITING FROM OVERSEAS ON LIMITED CONTRACTS A NUMBER OF SENIOR INSPECTORS WITH SPECIALIST QUALIFICATIONS IN THE FIELD OF COMMERCIAL CRIME, TRAINING, AND POSSIBLY SEAMANSHIP.+

WEDNESDAY, OCTOBER 1, 1980

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ICAC MUST MAINTAIN PRESSURE
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THE ICAC MUST MAINTAIN UNRELENTING PRESSURE IN THE FIGHT AGAINST CORRUPTION, THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID TODAY (WEDNESDAY).

+GREAT HAS BEEN THE IMPROVEMENT, WE STILL HAVE A LONG WAY TO GO BEFORE WE CAN BE SATISFIED THAT THERE WILL BE NO RELAPSE,+ SIR MURRAY SAID IN HIS OPENING ADDRESS TO THE LEGISLATIVE COUNCIL.

HE NOTED THAT COMPLAINTS OF CORRUPTION IN THE PRIVATE SECTOR NOW ACCOUNTED FOR OVER 30 PER CENT OF THE TOTAL, WHILE THE NUMBER OF ALLEGATIONS ABOUT THE POLICE HAD DROPPED BELOW 30 PER CENT AS AGAINST 40 PER CENT, WHICH HAD BEEN THE AVERAGE FOR SOME YEARS.

UP TO AUGUST 31 THIS YEAR, THE COMMISSION HAD RECEIVED ABOUT 1 080 COMPLAINTS OF CORRUPTION COMPARED WITH ABOUT 1 100 FOR THE SAME PERIOD IN 1979.

DESPITE THE FACT THAT FEWER OF THIS YEAR'S COMPLAINTS PROVIDED GROUNDS FOR INVESTIGATION, 220 PEOPLE HAD BEEN TAKEN TO COURT COMPARED WITH 180 DURING THE SAME PERIOD LAST YEAR, THERE HAD BEEN CERTAINLY NO RELAXATION IN THE EFFORTS OF THE OPERATIONS DEPARTMENT TO BRING OFFENDERS TO JUSTICE, HE SAID.

SIR MURRAY NOTED THAT AN INCREASING NUMBER OF INDIVIDUALS WERE MAKING CLEAR THEIR OWN STAND AGAINST CORRUPTION IN RESPONSE TO PERSISTENT EFFORTS OF THE COMMUNITY RELATIONS DEPARTMENT OF THE COMMISSION.

+ATTITUDES AND BEHAVIOUR WHICH WERE ONCE REGARDED AS UNCHANGEABLE ARE GIVING WAY TO NEW VALUES,+ HE SAID.

+BUT LET US HAVE NO ILLUSIONS= THERE IS STILL TOO MUCH CORRUPTION AND THERE ARE TOO MANY PEOPLE WHO ARE STILL PREPARED TO TOLERATE ITS EXISTENCE,+ HE ADDED.

SIR MURRAY ALSO PRAISED THE RETIRING COMMISSIONER, SIR DONALD LUDDINGTON, FOR HIS LEADERSHIP OF THE ICAC AND SAID IN THIS HE HAD ADDED YET ANOTHER AND VERY SUCCESSFUL CHAPTER TO HIS LONG RECORD OF WISE AND ABLE PUBLIC SERVICE.

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WEDNESDAY, OCTOBER 1, 1980

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LAW AND ORDER SERVICES EXPAND
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THE PRISONS DEPARTMENT HAS BEEN PROVIDED WITH FUNDS FOR A NEW MAXIMUM SECURITY PRISON AT SHEK PIK ON LANTAU TO COPE WITH THE INCREASING PRISON POPULATION, THE GOVERNOR, SIR MURRAY MACLEHOSE SAID.

SPEAKING AT THE OPENING SESSION OF THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) SIR MURRAY NOTED THAT THE NUMBER OF REGULAR PRISONERS, PARTICULARLY THOSE LONG-TERM AND REQUIRING HIGH SECURITY, HAD INCREASED FROM JUST OVER 6 000 A YEAR AGO TO 6 900.

+ALTHOUGH THE PRISONS DEPARTMENT HAS NOT BEEN REQUIRED TO DIVERT SO MUCH OF ITS RESOURCES TO VIETNAMESE BOAT REFUGEES THIS YEAR, THE NUMBER OF ILLEGAL IMMIGRANTS BEING HELD IN THE DEPARTMENT'S CUSTODY HAS INCREASED SHARPLY,+ HE ADDED.

THEY ARE THE ONES WHO WERE ORIGINALLY FROM VIETNAM BUT SUBSEQUENTLY SETTLED IN CHINA.

TALKING ABOUT THE LATEST DEVELOPMENT OF THE DEPARTMENT, SIR MURRAY SAID A SECOND INSTITUTION FOR WOMEN AT TAI TAM GAP HAD BEEN OPENED.

THE DETENTION CENTRE PROGRAMME FOR YOUNG OFFENDERS OF THE 14-20 AGE GROUP HAD CONTINUED TO PROVE MOST EFFECTIVE AND A SECOND DETENTION CENTRE HAD OPENED ON HEI LING CHAU.

HE NOTED THAT 95 PER CENT OF THOSE WHO PASSED THROUGH THE PROGRAMME HAD NOT BEEN RECONVICTED OF ANY OFFENCE IN THE YEAR FOLLOWING RELEASE, AND NEARLY 80 PER CENT HAD NOT BEEN RECONVICTED DURING THE THREE YEARS FOLLOWING RELEASE.

THE FIRST RESULTS OF THE PROGRAMME WHICH WAS EXTENDED IN AUGUST 1977 IN A MODIFIED FORM TO YOUNG ADULTS BETWEEN 21 AND 24 HAVE BEEN EQUALLY ENCOURAGING, HE SAID.

ON THE WORK OF THE CUSTOMS AND EXCISE SERVICE, SIR MURRAY SAID IN THE LAST THREE YEARS IT HAD GROWN BY 20 PER CENT.

HE EXPLAINED THAT THIS REFLECTED THE GROWTH OF TRAVEL, THE EXPANSION OF OVERSEAS TRADE, THE DEVELOPMENT OF THE KWAI CHUNG CONTAINER PORT AND, MORE RECENTLY, +THE DEMANDS OF THE INCREASE IN TRAFFIC OF ALL KINDS BETWEEN HONG KONG AND CHINA+.

SIR MURRAY POINTED OUT THE SERVICE WAS BEING EXPANDED AND MODERNISED TO MEET THE REQUIREMENTS OF LAW ENFORCEMENT AND THE PROTECTION OF OUR INTERNATIONAL TRADING REPUTATION.

SIR MURRAY PAID TRIBUTE TO THE MEMBERS AND CIVILIAN STAFF OF THE SERVICE OUTSIDE THEIR ANTI-NARCOTICS WORK.

+THEY COLLECT OVER FIVE PER CENT OF THE TOTAL REVENUE AND THEIR SUCCESS IN THE SUPPRESSION OF COPYRIGHT OFFENCES IN RECENT YEARS HAS BEEN HELD UP AS A MODEL FOR OTHER COUNTRIES, AND HAS RELIEVED HONG KONG OF SOME VOCIFEROUS INTERNATIONAL CRITICISM,+ HE SAID.

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ON THE FIRE AND AMBULANCE SERVICES, SIR MURRAY DISCLOSED THAT THERE WERE PLANS OVER THE NEXT FIVE YEARS TO PROVIDE FOR CONTINUED EXPANSION AT AN AVERAGE RATE OF 15 PER CENT PER YEAR.

+AS HONG KONG HAS EXPANDED SO HAVE THE DEMANDS ON THESE SERVICES,+ HE SAID. THE SERVICE HAD TO RESPOND TO AN AVERAGE OF 650 EMERGENCY CALLS A DAY AT PRESENT COMPARED WITH 320 SEVEN YEARS AGO.

HE ALSO MENTIONED THAT IN SPITE OF CONGESTED STREETS, APPLIANCES AND AMBULANCES IN THE URBAN AREAS WERE ALMOST ALWAYS ON THE SCENE WITHIN SIX MINUTES OF AN ALARM BEING RECEIVED.

+FOR THIS SHORT RESPONSE TIME TO BE POSSIBLE THE SERVICE HAS BEEN EXPANDED OVER THE LAST SEVEN YEARS FROM JUST UNDER 3 500 TO OVER 5 000 MEN OF ALL RANKS WITH A CORRESPONDING INCREASE IN FIRE STATIONS AND AMBULANCE DEPOTS AS WELL AS FIRE APPLIANCES AND AMBULANCES,+ HE SAID.

SIR MURRAY SAID IN HONG KONG'S CROWDED ENVIRONMENT AND LONG DRY WINTER, FIRE POSED A CONSTANT THREAT, AND THERE WERE PARTICULAR HAZARDS OF BOTH HIGH RISE DEVELOPMENT AND SQUATTER SETTLEMENTS.

+THE FIRE AND AMBULANCE SERVICES HAVE MET THESE CHALLENGES EXCEPTIONALLY WELL,+ HE REMARKED.

ON FIRE PREVENTION IN MULTI-STOREY BUILDINGS, HE MENTIONED THAT SINCE THE EARLY 1970S THE FIRE SERVICES DEPARTMENT HAD REQUIRED NEW BUILDINGS OVER A CERTAIN HEIGHT TO BE PROVIDED WITH AUTOMATIC FIRE DETECTION AND SUPPRESSION SYSTEMS, AND THE BENEFITS OF THESE WERE NOW BECOMING APPARENT.

+IT IS HOPED THAT WITH THE WIDER APPLICATION OF MODERN SYSTEMS AND AS PROPERTY IS REDEVELOPED, THE RISK OF DEVASTATING FIRES IN MULTI-STOREY BUILDINGS WILL CONTINUE TO DECREASE,+ HE SAID, ADDING THAT +THE CO-OPERATION OF PROPERTY OWNERS AND OCCUPIERS IS ESSENTIAL.+

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MORE POWER FOR DRUG FIGHTERS

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THE GOVERNMENT WILL INTRODUCE MORE LEGISLATIVE POWER IN THE NEAR FUTURE AS PART OF THE CONTINUING BATTLE AGAINST NARCOTICS, THE GOVERNOR, SIR MURRAY MACLEHOSE DISCLOSED TODAY.

ADDRESSING THE OPENING OF THE LEGISLATIVE COUNCIL, SIR MURRAY SAID THREE NEW PIECES OF LEGISLATION, WHICH HAD BEEN RECOMMENDED BY THE ACTION COMMITTEE AGAINST NARCOTICS, WOULD BE SUBMITTED DURING THE SESSION.

THEY ARE TO PROVIDE FOR THE CONFIDENTIALITY OF RECORDS OF DRUG ADDICTS- TO IMPOSE STRINGENT PENALTIES ON SHIPS REPEATEDLY FOUND TO BE CARRYING DANGEROUS DRUGS INTO HONG KONG- AND TO STRIP CONVICTED DRUG TRAFFICKERS OF THEIR PROFITS.

/SIR MURRAY

SIR MURRAY SAID THE CAMPAIGN AGAINST DRUG TRAFFICKING AND DRUG ADDICTION HAD CONTINUED TO BE SUCCESSFUL.

HE NOTED THAT DUE TO THE SUCCESS OF LAW ENFORCEMENT AGENCIES IN INTERCEPTING SUPPLIES, THE PRICE OF HEROIN IS STILL THREE TIMES THAT OF JUNE LAST YEAR.

+THE GOVERNMENT AND VOLUNTARY AGENCIES ARE DOING EVERYTHING THEY CAN TO EXPLOIT THIS SITUATION TO FREE ADDICTS FROM THEIR ADDICTION,+ HE STRESSED.

OUTLINING THE SIGNIFICANT ACHIEVEMENTS REFLECTING GROWING SUPPORT AND ASSISTANCE FROM THE PUBLIC, SIR MURRAY POINTED OUT THAT AN AVERAGE OF 7 000 PERSONS NOW ATTENDED THE 22 METHADONE CLINICS DAILY AND ANOTHER 7 000 WERE UNDERGOING OTHER FORMS OF VOLUNTARY OR COMPULSORY TREATMENT, REHABILITATION AND AFTER-CARE.

+COMPARED WITH AN ESTIMATED ADDICT POPULATION OF ABOUT 40 000 THIS FIGURE OF 14 000 UNDER CARE REPRESENTS GOOD COVERAGE,+ HE REMARKED.

ON THE INCIDENCE OF YOUNG PEOPLE'S ADDICTION, SIR MURRAY SAID THAT THE FIGURE HAD CONTINUED TO DECREASE.

HE POINTED OUT THAT BETWEEN 1973 AND 1979, THE NUMBER OF ADDICTS UNDER 21 YEARS OF AGE ADMITTED TO PRISONS DEPARTMENT DRUG ADDICTION TREATMENT CENTRES, AND TO THE VOLUNTARY CENTRE AT SHEK KWU CHAU, DECLINED BY 66 PER CENT AND 72 PER CENT RESPECTIVELY.

+AT PRESENT MINORS ACCOUNT FOR ONLY FOUR PER CENT OF INMATES IN DRUG ADDICTION TREATMENT CENTRES AND TWO PER CENT OF THOSE BEING TREATED AT SHEK KWU CHAU,+ HE ADDED.

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LAND PLANNING ADMINISTRATION AND PRODUCTION UNDER REVIEW

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A COMPLETE REVIEW OF THE SYSTEM OF LAND PLANNING ADMINISTRATION AND PRODUCTION AND THE ASSOCIATION OF UNOFFICIALS WITH IT IS BEING UNDERTAKEN, THE GOVERNOR, SIR MURRAY MACLEHOSE, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE SAID HE ATTACHED IMPORTANCE TO THE WORK OF THE SPECIAL COMMITTEE ON LAND PRODUCTION, NOW CHAIRED BY MISS LYDIA DUNN, BECAUSE THE HIGH COST OF LAND +DOES US NO GOOD, TO SOME EXTENT OFF-SETTING THE MANY ATTRACTIONS WHICH HONG KONG OTHERWISE OFFERS INVESTORS.+

THANKS TO THE EXERTIONS OF THE LAND AUTHORITIES, SIR MURRAY SAID THE FIGURE OF 120 NET HECTARES HE FORECAST LAST YEAR TO BE AVAILABLE FOR SALE UP TO MARCH 31, 1982, HAD BEEN RAISED BY 25 PER CENT TO 150 HECTARES, AND EVEN THIS MIGHT WELL BE EXCEEDED.

+WITH REGARD TO LAND SALES IN 1982/83 A TARGET HAS BEEN SET BY THE COMMITTEE OF 50 HECTARES NET OF PRIVATE RESIDENTIAL AND 30 HECTARES NET FOR LIGHT INDUSTRIAL USE.

/+THIS DOES

+THIS DOES NOT INCLUDE 49 HECTARES ADDITIONALLY BEING PRODUCED FOR THE INDUSTRIAL ESTATES CORPORATION IN THIS PERIOD.

+IN ADDITION THE TARGET OF LAND PRODUCTION OF PUBLIC HOUSING BETWEEN NOW AND MARCH 1983 IS 190 HECTARES GROSS,+ HE SAID.

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WHITE PAPER ON PRIMARY EDUCATION
TO BE PUBLISHED IN CURRENT LEGCO SESSION
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A WHITE PAPER ON PRIMARY EDUCATION AND PRE-PRIMARY SERVICES WILL BE PUBLISHED IN THIS SESSION OF THE LEGISLATIVE COUNCIL.

IT WILL COMPLETE THE SERIES OF REVIEWS OF THE EDUCATION SYSTEM BEGUN IN 1974 WITH THE WHITE PAPER ON SECONDARY EDUCATION CONTINUING IN 1978 WITH ONE ON SENIOR SECONDARY AND TERTIARY EDUCATION.

THE GOVERNOR, SPEAKING ON EDUCATION IN HIS OPENING ADDRESS TO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), NOTED THAT THE CHANGE ACHIEVED BOTH ON THE GROUND UP TO JUNIOR SECONDARY FORM III, AND IN PLANNED EXPANSION OF SENIOR EDUCATION UP TO THE MID-80'S, WAS SPECTACULAR AND WAS RADICALLY CHANGING THE LEVEL OF EDUCATION IN HONG KONG.

HE RECOGNISED HOWEVER THAT THERE WAS STILL MUCH MORE ROOM FOR MODIFICATION, ADJUSTMENT AND IMPROVEMENT IN QUALITY. +NEVERTHELESS WE NOW HAVE A WELL-DEFINED BACKGROUND AGAINST WHICH ANY FURTHER CHANGE CAN BE CONSIDERED.

+THIS SHOULD MAKE IT TIMELY TO CONDUCT IN 1981 THE PROMISED OVERALL REVIEW OF THE ENTIRE SYSTEM TO EXAMINE THE COHERENCE AND EFFECTIVENESS OF THE EDUCATION SERVICE AND THE BALANCE AND PRIORITIES BETWEEN DIFFERENT DISCIPLINES,+ HE SAID.

SIR MURRAY SAID THAT WITH THE AIM OF NINE YEARS FREE, UNIVERSAL AND COMPULSORY EDUCATION NOW REALISED, PRESENT EFFORTS WERE MAINLY DIRECTED TO THE IMPLEMENTATION OF THE 1978 WHITE PAPER ON SENIOR SECONDARY AND TERTIARY EDUCATION.

HE POINTED OUT THAT AS A RESULT OF IMMIGRATION WE WOULD BE MARGINALLY SHORT OF THE 1981 FORM IV TARGET OF SUBSIDISED PLACES FOR 60 PER CENT OF THE 15 YEAR-OLD-AGE GROUP.

+BY OUR BEST EFFORT, WE WILL ONLY BE PROVIDING FOR 58 PER CENT, BUT AT 58 700 PLACES, THIS IS AN INCREASE OF 24 700 PLACES OVER 1980,+ HE SAID.

YET, BECAUSE OF THE DECLINE OF THE 15-YEAR-OLD POPULATION AND OUR LARGE SCHOOL BUILDING PROGRAMME, THE TARGET OF 60 PER CENT SHOULD BE EXCEEDED BY 1982 AND SHOULD REACH 68 PER CENT BY 1984.

/TO MEET

TO MEET THESE REQUIREMENTS, THERE WAS THE BUILDING PROGRAMME OF 130 SCHOOLS, OF WHICH 59 HAD BEEN COMPLETED BY JULY- AND, TO ALLEVIATE THE EFFECTS OF DELAYS, ADDITIONAL FORM IV CLASSES WOULD BE OPERATED IN NEW AND DEVELOPING SCHOOLS AND OPENING OF SOME SCHOOLS WOULD BE ADVANCED BY THE TEMPORARY USE OF BORROWED PREMISES, IN MOST CASES FOR ONLY ONE SCHOOL YEAR.

ON THE TECHNICAL SIDE, SIR MURRAY SAID THE ORIGINAL TARGET FOR THE FIVE TECHNICAL INSTITUTES FOR SLIGHTLY OVER 40 000 FULL-TIME, PART-TIME DAY AND PART-TIME EVENING PLACES HAD BEEN REVISED TO 43 000 BY 1983/84. A SIXTH INSTITUTE AT TUEN MUN WOULD BE OPENED IN 1985.

HE ADDED THAT ABOUT 5 000 TECHNICIAN COURSE PLACES AT THE POLYTECHNIC WOULD BE TRANSFERRED IN PHASES TO THE TECHNICAL INSTITUTES OVER A FOUR-YEAR PERIOD BEGINNING NEXT SEPTEMBER TO MAKE ROOM AT THE POLYTECHNIC FOR HIGHER LEVEL WORK.

AS FOR POST-SECONDARY COLLEGES, SIR MURRAY SAID BAPTIST AND LING NAM, WHICH ACCEPTED THE GOVERNMENT'S OFFER OF FINANCIAL ASSISTANCE, HAD BEGUN THEIR NEW TWO-YEAR POST-FORM VI COURSES IN SEPTEMBER.

AT THE SAME TIME, THE UK COUNCIL FOR NATIONAL ACADEMIC AWARDS HAD AGREED TO ASSESS THE APPROPRIATE AWARDS FOR THE STUDENTS.

IN ADDITION, IN IMPLEMENTING THE 1978 WHITE PAPER, A SCHEME TO SUBVENT PROJECTS IN ADULT EDUCATION OF A RETRIEVAL NATURE RUN BY VOLUNTARY ORGANISATIONS WAS INTRODUCED IN SEPTEMBER ON TRIAL FOR ONE YEAR AND WOULD BE EXTENDED NEXT YEAR SHOULD IT PROVE SUCCESSFUL.

REFERRING TO THE PUBLIC CONCERN ABOUT THE SYSTEMS OF SELECTION AND ALLOCATION FOR SECONDARY SCHOOL PLACES, SIR MURRAY SAID A WORKING PARTY WOULD REPORT ON THE ALLOCATION PROCEDURE BY THE END OF THIS YEAR AND AN ADVISORY COMMITTEE WOULD SHORTLY BE SET UP TO MONITOR THE PROPOSED NEW FORM III ASSESSMENT AND ALLOCATION PROCEDURES.

ON THE ENGLISH-SPEAKING SCHOOLS WHICH WERE DIS-ESTABLISHED LAST SEPTEMBER AND NOW ADMINISTERED BY THE ENGLISH SCHOOLS FOUNDATION, SIR MURRAY SAID THE REPORT BY THE COMMITTEE CHAIRED BY MR Q.W. LEE ON THE APPLICATION OF THE PRINCIPLE OF PARITY OF SUBSIDY HAD BEEN ACCEPTED BY THE GOVERNMENT.

SPEAKING ON HIGHER EDUCATION PROVIDED BY THE TWO UNIVERSITIES, SIR MURRAY SAID THEIR ENROLMENT FOR THE ACADEMIC YEAR NOW STARTING WAS EXPECTED TO BE marginally higher than the target of 10 330 SET IN THE 1978 WHITE PAPER, AT A THREE PER CENT ANNUAL GROWTH RATE.

+FOR A VARIETY OF REASONS, NOT LEAST OF WHICH IS THE INCREASED COST OF UNIVERSITY EDUCATION FOR OUR STUDENTS OVERSEAS, THE GOVERNMENT HAS ASKED THE UPGC (UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE) TO CONSIDER THE FEASIBILITY OF INCREASING THE ANNUAL GROWTH RATE IMMEDIATELY TO FOUR PER CENT,+ HE SAID.

HE RECOGNISED THIS WAS AN INTERIM MEASURE AND NOTED THE CONCERN OF THE COMMITTEE ON DIVERSIFICATION THAT TERTIARY EDUCATION FACILITIES MAY PROVE INADEQUATE.

+AN OFFICIAL REVIEW IS THEREFORE BEING UNDERTAKEN AS A MATTER OF URGENCY,+ HE SAID.

AS FOR THE POLYTECHNIC, NO PROBLEMS WERE FORESEEN IN REACHING THE TARGET OF 12 000 FULL-TIME EQUIVALENT STUDENTS BY 1983/84.

WITHIN THIS TOTAL, IT HOPED TO START OFFERING SOME COURSES AT DEGREE LEVEL AND TO INCREASE THE NUMBER OF STUDENTS ON HIGHER LEVEL WORK. DETAILED PROPOSALS, AS FOR THE UNIVERSITIES, ARE ABOUT TO BE MADE BY THE UPGC, SIR MURRAY SAID.

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HIGH PRODUCTION RATE OF FLATS TO BE MAINTAINED

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THERE WAS AN OVERALL INCREASE OF 65 000 NEW FLATS IN THE PUBLIC AND PRIVATE SECTORS THIS YEAR AND THE GOVERNOR EXPECTS THIS PRODUCTION RATE TO BE MAINTAINED AT LEAST FOR THE NEXT TWO YEARS AND PROBABLY FOR SEVERAL YEARS MORE.

+WE HAVE EVERY RIGHT TO BE PROUD OF THESE FIGURES WHICH ARE MUCH HIGHER THAN WE HAVE EVER ACHIEVED BEFORE AND ARE GREATLY TO THE CREDIT OF THE HOUSING DEPARTMENT AND PRIVATE DEVELOPERS ALIKE,+ THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID IN HIS OPENING ADDRESS TO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

+NEVERTHELESS WE STILL HAVE TO LOOK SQUARELY AT WHERE THIS RATE OF COMPLETIONS IS GETTING US, AND WHEN IT WILL BRING THE CHRONIC PROBLEM OF INADEQUATE HOUSING NEARER A SOLUTION,+ SIR MURRAY SAID.

HE SAID +A NEW STUDY OF THIS OLD PROBLEM+ HAD BEEN UNDERTAKEN AND WOULD SHORTLY BE SUBMITTED TO THE EXECUTIVE COUNCIL AND IN DUE COURSE, PUBLISHED.

SIR MURRAY SAID IT WAS CLEAR THAT BY THE MID-80'S THERE WOULD STILL BE A VERY LARGE NUMBER OF PEOPLE IN SHARED, OVERCROWDED NON SELF-CONTAINED, OR OTHERWISE SUB-STANDARD ACCOMMODATION.

IT WAS ALSO ABUNDANTLY CLEAR THAT FOR MANY YEARS TO COME WE WOULD HAVE TO STRIVE TO IMPROVE ON THE LEVEL OF FLATS PRODUCTION IN BOTH PUBLIC AND PRIVATE SECTORS AND PLAN OUR LAND PRODUCTION ACCORDINGLY.

HE SAID: +THE POSITION HAS BEEN WORSENERED BY IMMIGRATION. IMMIGRANTS ARE NOT IMMEDIATELY ELIGIBLE FOR PUBLIC HOUSING, BUT THE DEMAND ON OUR HOUSING STOCK THAT WILL EVENTUALLY BE MADE BY THE NUMBERS THAT ARRIVED LAST YEAR IS EQUAL TO AT LEAST A FULL YEAR'S BUILDING AT CURRENT RATES.

/+THE LONGER

+THE LONGER THE INFLUX CONTINUES THE MORE DIFFICULT WILL IT BECOME EVER TO CORRECT THE SITUATION. MEANWHILE THE SPREADING SQUATTER SETTLEMENTS AND OVERCROWDING IN THE PRIVATE SECTOR TELL THEIR OWN TALE.+

OF THE 65 000 NEW FLATS PRODUCED THIS YEAR, ABOUT 30 000 ARE EXPECTED TO BE COMPLETED BY THE PRIVATE SECTOR AND 35 000, INCLUDING NEARLY 9 000 HOME OWNERSHIP SCHEME FLATS, BY THE PUBLIC SECTOR.

LAST YEAR BECAUSE OF SLIPPAGE, THE NUMBER OF FLATS COMPLETED IN THE PUBLIC SECTOR WAS A LITTLE ABOVE 32 000, OR 33 000 WHEN ADDING THE HOUSING SOCIETY CONTRIBUTION.

ALTHOUGH THE PUBLIC SECTOR PRODUCTION TARGET SET BY THE HOUSING AUTHORITY WAS 35 000 FLATS, THE 33 000 COMPLETIONS ACHIEVED WAS MORE THAN DOUBLE THE OUTPUT IN THE PREVIOUS YEAR.

MEANWHILE THE PRIVATE SECTOR PRODUCED OVER 28 600 FLATS, THUS MAKING UP A TOTAL PRODUCTION OF OVER 60 000 FLATS, WHICH WAS BY FAR THE HIGHEST FIGURE FOR THE DECADE.

IN THE LIGHT OF EXPERIENCE, SIR MURRAY SAID IT WAS APPARENT THAT GRANTING AUTHORITY FOR A GIVEN LEVEL OF CONTRACTS WOULD NOT PRODUCE A SIMILAR LEVEL OF COMPLETIONS BECAUSE OF THE INTERVENTION OF A HOST OF EXTRANEOUS AND OFTEN UNFORESEEABLE FACTORS.

AS A RESULT, CONTRACTS WERE NOW BEING LET TO A LEVEL OF ABOUT 10 PER CENT ABOVE TARGET TO ENSURE THAT AT LEAST 35 000 FLATS WOULD BE COMPLETED EACH YEAR. THIS WOULD SHOW RESULTS FROM 1983/84 ONWARDS, HE SAID.

SIR MURRAY SAID THE GOVERNMENT WAS LOOKING INTO THE POSSIBILITY OF EXPANDING THE POPULAR HOME OWNERSHIP SCHEME.

+BUT THIS WILL NOT AND MUST NOT BE AT THE COST OF RENTED ACCOMMODATION WHICH IS NEEDED SO BADLY FOR THOSE WHO CANNOT AFFORD THE CAPITAL OUTLAY OF HOME PURCHASE AND ARE ON THE WAITING LIST, AND THOSE WHO LOSE THEIR HOMES THROUGH CLEARANCE OR NATURAL DISASTER,+ HE SAID.

THE GOVERNOR SAID THE SCHEME WAS FULFILLING, AS INTENDED, A DOUBLE PURPOSE OF PROVIDING HOMES FOR THOSE WHO CAN AFFORD THEM AND RENTED ACCOMMODATION FOR THOSE WHO CANNOT.

OUT OF THE FIRST 10 300 HOUSEHOLDS SO FAR ALLOCATED HOME OWNERSHIP FLATS, ALMOST 5 000 WERE VACATING THEIR PLACES IN HOUSING AUTHORITY ESTATES, HE SAID.

MEDICAL IMPROVEMENT PLANS
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HONG KONG COULD ABANDON ANY HOPE OF ACHIEVING PLANNED IMPROVEMENTS IN MEDICAL AND HEALTH DEVELOPMENTS IF CURRENT IMMIGRATION LEVELS WERE NOT REDUCED, THE GOVERNOR SIR MURRAY MACLEHOSE, SAID IN HIS OPENING ADDRESS AT THE LEGISLATIVE COUNCIL TODAY.

+WE WOULD MAKE VIRTUALLY NO ADVANCE ON PRESENT LEVELS AND IN CRUDE TERMS THE SHORTFALL WOULD BE FOUR MAJOR HOSPITALS, 10 STANDARD CLINICS, 520 DOCTORS AND 3 200 NURSES.+

+THIS,+ SAID SIR MURRAY, +IS YET ANOTHER EXAMPLE OF THE SIZE OF THREAT THAT CONTINUED IMMIGRATION AT PRESENT LEVELS REPRESENTS TO STANDARDS THE POPULATION HAS DESERVED AND HAD EVERY RIGHT TO EXPECT, AND THE PROGRESSIVE STRAIN IT IS PLACING ON PUBLIC SERVICES.+

ON FUTURE PLANS, HE SAID THAT IN ADDITION TO THE 1 400-BED HOSPITAL UNDER CONSTRUCTION AT SHA TIN, OTHERS OF SIMILAR SIZE WERE PLANNED FOR COMPLETION BEFORE THE END OF THIS DECADE AT TUEN MUN AND EAST KOWLOON.

BY 1989, HE SAID, WE WOULD HAVE REACHED THE TARGET OF THE MEDICAL DEVELOPMENT ADVISORY COMMITTEE OF 5.7 BEDS PER 1 000 POPULATION, AND IN CLINICS SEVEN CONSULTING ROOMS PER 100 000 POPULATION -- INSTEAD OF 4.4 AND FIVE RESPECTIVELY AT PRESENT.

+THE IMPROVEMENT IN SERVICE WOULD HAVE BEEN DRAMATIC. THIS ASSUMED A NORMAL POPULATION GROWTH RATE OF ABOUT 1.5 PER CENT.

+BUT IF CURRENT IMMIGRATION LEVELS ARE NOT REDUCED, WE CAN ABANDON ANY HOPE OF ACHIEVING SUCH IMPROVEMENTS,+ SAID SIR MURRAY.

SIR MURRAY ANNOUNCED THAT THE SHA TIN HOSPITAL, WHICH IS EXPECTED TO BE COMPLETED IN SEPTEMBER 1982, WOULD BE NAMED THE PRINCE OF WALES HOSPITAL BY AGREEMENT WITH HRH, PRINCE CHARLES. THE HOSPITAL, HE SAID WOULD BE COMPLEMENTARY TO A NEW MEDICAL SCHOOL AT THE CHINESE UNIVERSITY.

ON OTHER DEVELOPMENTS HE SAID:

- * THE SOUTH KWAI CHUNG HOSPITAL HAD BEEN COMPLETED, PROVIDING 1 300 BEDS FOR THE TREATMENT OF THE MENTALLY ILL AND THUS RELIEVING PRESSURE AT THE CASTLE PEAK HOSPITAL=
- * THE SCHOOLS DENTAL CARE SERVICE WAS INITIATED LAST MONTH WHEN THE FIRST SCHOOL DENTAL CLINIC WAS OPENED=
- * THE NEW SCHOOL FOR DENTISTS HAD BEEN ESTABLISHED IN THE HONG KONG UNIVERSITY= AND,
- * THE ACCOMPANYING PRINCE PHILIP DENTAL HOSPITAL WAS BEING COMMISSIONED (+I BELIEVE THAT IT IS A SHOWPIECE BY ANY STANDARD+) AND IN A LITTLE OVER FOUR YEARS, HONG KONG WOULD SEE ITS FIRST BATCH OF LOCALLY TRAINED DENTISTS.

SIR MURRAY SAID THERE WERE NOW 150 NURSES IN THE COMMUNITY NURSING SERVICE AND THIS NUMBER WOULD BE DOUBLED WITHIN THE NEXT TWO YEARS TO IMPROVE HEALTH CARE AS WELL AS TO FREE HOSPITAL BEDS.

HE DESCRIBED THE SERVICE AS BEING SUCCESSFUL AND POPULAR.

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DSW LOOKING INTO ADEQUACY OF ASSISTANCE ALLOWANCES
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THE GOVERNMENT IS EXAMINING WHETHER PUBLIC ASSISTANCE ALLOWANCES ADEQUATELY REFLECT CHANGES IN THE STANDARD OF LIVING FOR THE COMMUNITY AS A WHOLE AND WHETHER THE RENT ALLOWANCE IS REALISTIC, THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID TODAY (WEDNESDAY).

THE EXAMINATION, HE SAID AT THE LEGISLATIVE COUNCIL, WAS BEING CONDUCTED BY THE DIRECTOR OF SOCIAL WELFARE.

PROGRAMMES FOR THE ELDERLY HAD BEEN DELAYED FOR LACK OF SUITABLE SITES FOR INSTITUTIONS.

+BUT,+ SAID SIR MURRAY, +IT IS HOPED THAT AT LEAST 5 000 NEW PLACES IN INSTITUTIONS FOR THE ELDERLY WILL BE PROVIDED OVER THE NEXT FOUR YEARS, WHETHER IN PUBLIC HOUSING ESTATES OR SEPARATELY BUILT HOMES.+

HE SAID THE SITUATION SHOULD BE EASED BY THE INTRODUCTION OF A QUOTA FOR ELDERLY PEOPLE, WHO WOULD BE GIVEN QUICKER ACCESS TO PUBLIC HOUSING.

SIR MURRAY WARNED THAT THE ADEQUACY OF THE PROVISION IN DEVELOPING PROGRAMMES COULD LOOK RADICALLY DIFFERENT +IF THE NORMAL GROWTH OF POPULATION CONTINUES TO BE SWOLLEN BY MASSIVE IMMIGRATION+.

HE SAID THE PROVISION FOR SOCIAL WELFARE IN 1980/81 INCREASED BY 19 PER CENT OVER THE PREVIOUS YEAR, BUT LARGER INCREASES WERE EXPECTED OVER THE NEXT FEW YEARS, AS THE WHITE PAPER PROJECTS, PUBLISHED LAST YEAR, WERE BROUGHT INTO OPERATION.

THE DISABILITY ALLOWANCE WAS EXTENDED TO THE PROFOUNDLY DEAF AND THE DISABILITY SUPPLEMENT WAS INTRODUCED FOR PARTIALLY DISABLED PEOPLE RECEIVING PUBLIC ASSISTANCE.

LAST MONTH, THE RATES OF PUBLIC ASSISTANCE AND SPECIAL NEEDS ALLOWANCE WERE RAISED BY 22 PER CENT TO MAINTAIN THEIR PURCHASING POWER.

HE SAID SATISFACTORY PROGRESS IN IMPLEMENTING THE 1977 REHABILITATION WHITE PAPER CONTINUED AND THAT THE FIRST ESSENTIAL WAS TO SPOT HANDICAPS AT AN EARLY STAGE.

CONSIDERABLE PROGRESS, SIR MURRAY SAID, HAD BEEN MADE WITH ESTABLISHING VARIOUS TYPES OF SCREENING AND VETTING, TO DETECT AND IDENTIFY HANDICAPS AMONG CHILDREN, WHICH NOW COVERED 90 PER CENT OF PRIMARY SCHOOLS.

+THE NEXT MAJOR STEP,+ HE SAID, +WILL BE TO FORM THE CENTRAL REGISTRY OF THE HANDICAPPED RECOMMENDED IN THE WHITE PAPER.+

SIR MURRAY HOPED THIS WOULD BE DONE IN THE COMING YEAR -- THE INTERNATIONAL YEAR OF THE DISABLED PERSON.

TO INTEGRATE THE HANDICAPPED INTO THE COMMUNITY, A SECTION HAD BEEN ESTABLISHED IN THE EDUCATION DEPARTMENT TO DEAL WITH VOCATIONAL TRAINING FOR THEM.

THE LABOUR DEPARTMENT HAD SET UP A SELECTIVE PLACEMENT SERVICE TO HELP THE DISABLED FIND EMPLOYMENT IN COMMERCE AND INDUSTRY, WHILE THE CIVIL SERVICE REGULATIONS SHOULD ALSO NOW MAKE IT EASIER TO EMPLOY MORE DISABLED PERSONS IN THE CIVIL SERVICE.

SIR MURRAY SAID THERE WERE 26 000 PLACES FOR SPECIAL EDUCATION THIS YEAR, AND IT WAS HOPED THERE WOULD BE 50 000 BY 1985/86 WHICH STILL REPRESENTED A SUBSTANTIAL SHORTFALL BELOW THE 73 000 +WHO IT IS CALCULATED MAY NEED SUCH PLACES BY THEN+.

+AND THIS TAKES NO ACCOUNT OF THE IMMIGRATION INFLUX,+ HE ADDED.

BUT, SAID SIR MURRAY, PLACES COULD NOT BE PROVIDED UNTIL TEACHERS WITH THE NECESSARY TRAINING WERE AVAILABLE.

PROVISION OF DAY AND RESIDENTIAL FACILITIES FOR THE MENTALLY HANDICAPPED WOULD AMOUNT TO 1 740 PLACES NEXT YEAR AND 4 700 IN 1986 -- AGAINST A CALCULATED DEMAND OF 7 400 AND 8 200 RESPECTIVELY.

+AS THESE FIGURES SHOW,+ SAID SIR MURRAY, +WE HAVE A LONG WAY TO GO, THOUGH AGAINST THE HISTORY OF THE URGENT PRESSURES UNDER WHICH HONG KONG HAS EVOLVED IT IS NOT SURPRISING THAT THESE SERVICES HAVE COME LATE IN THE QUEUE.+

THE DEVELOPMENT OF MEDICAL AND REHABILITATION SERVICES WAS VERY DEPENDENT ON TRAINED SUPPORTING PERSONNEL, OF WHICH, SAID SIR MURRAY, +WE ARE EXTREMELY SHORT.+

+A DETERMINED EFFORT HAS BEEN MADE TO ESTABLISH COURSES TO PRODUCE THE PEOPLE REQUIRED WHETHER AT THE POLYTECHNIC, UNIVERSITIES OR DIRECTLY BY THE EDUCATION, MEDICAL AND SOCIAL WELFARE DEPARTMENTS.+

HE SAID HE WAS GLAD TO HAVE A VERY FAVOURABLE REPORT FROM THE UNIVERSITY POLYTECHNIC GRANTS COMMITTEE ON THE PROGRESS MADE.

+BUT,+ HE SAID, +THE FIELD IS WIDE AND IN MANY DISCIPLINES THE BUILD-UP OF THE CADRES REQUIRED IS LIKELY TO PROGRESS OVER AT LEAST THE DECADE RATHER THAN THE NEXT FEW YEARS.+

WEDNESDAY, OCTOBER 1, 1980

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MORE ECONOMIC USE OF ROADS URGED

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MORE ECONOMIC USE WILL HAVE TO BE MADE OF THE EXISTING ROAD SYSTEM, AND IF UNAVOIDABLE, THE GROWTH OF VEHICLES IN USE WILL HAVE TO BE CURBED, THE GOVERNOR, SIR MURRAY MACLEHOSE, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SIR MURRAY SAID HONG KONG WAS EXPERIENCING GROWING ROAD TRAFFIC CONGESTION DESPITE THE RELIEF TO THE ROAD SYSTEM RESULTING FROM THE OPENING OF THE MASS TRANSIT RAILWAY.

SPEAKING ON TRANSPORT AND COMMUNICATIONS, HE SAID VEHICLE REGISTRATIONS WERE NOW 40 PER CENT ABOVE THEIR LEVEL THREE YEARS AGO AND PRIVATE CAR REGISTRATIONS 50 PER CENT ABOVE THAT LEVEL.

HE REPORTED SUBSTANTIAL PROGRESS BEING MADE IN THE ROAD PROGRAMME. THE COMING YEAR WOULD SEE THE COMPLETION OF MAJOR PROJECTS SUCH AS THE ABERDEEN TUNNEL, THE EAST KOWLOON CORRIDOR AND FLYOVERS AT CANAL ROAD, STUBBS ROAD AND THE JUNCTION OF POK FU LAM ROAD AND HILL ROAD.

THE GOVERNOR ALSO SAID STARTS WERE BEING MADE ON THE ISLAND EASTERN CORRIDOR BETWEEN CAUSEWAY BAY AND NORTH POINT, ON THE TAI KOK TSUI SECTION OF THE WEST KOWLOON CORRIDOR, ON THE COASTAL HIGHWAY FROM SHA TIN TO TAI PO, AND ON THE COMPLETION OF THE TUEN MUN HIGHWAY.

CONSULTANTS, HE SAID, WOULD FINALISE THEIR REPORT ON THE EXPANSION OF CROSS HARBOUR LINKS WITHIN THE NEXT FEW MONTHS AND CONSULTANTS WERE ALSO PROCEEDING WITH THE DESIGN OF A FIXED CROSSING TO LANTAU AND WOULD SUBMIT THEIR REPORT BY JUNE 1982.

+A STUDY OF A MAJOR NEW ROAD BETWEEN SHA TIN AND TSUEN WAN WILL BE COMMISSIONED SHORTLY,+ THE GOVERNOR CONTINUED.

BUT HE TOLD COUNCIL MEMBERS THAT IT WOULD BE SOME TIME BEFORE THESE PROJECTS WOULD AFFORD SIGNIFICANT RELIEF TO HONG KONG'S INADEQUATE ROAD SYSTEMS.

+THE REPHASING OF SUCH PROJECTS FROM TIME TO TIME IN RESPONSE TO ECONOMIC NECESSITY HAS UNDOUBTEDLY BEEN PRUDENT, BUT EQUALLY UNDOUBTEDLY THERE IS A PRICE TO PAY IN TERMS OF CONVENIENCE, TIME WASTED, AND PERHAPS MOST IMPORTANT OF ALL IF IT IS ALLOWED TO GO TOO FAR, THE ATTRACTIONS OF HONG KONG TO SOME INDUSTRIAL INVESTORS,+ HE SAID.

THE GOVERNOR CONTINUED: +MEANWHILE MORE ECONOMIC USE WILL HAVE TO BE MADE OF THE EXISTING ROAD SYSTEM, AND IF UNAVOIDABLE THE GROWTH OF VEHICLES IN USE WILL HAVE TO BE CURBED.

+IT IS THE UNENVIABLE TASK OF THE TRANSPORT ADVISORY COMMITTEE TO WRESTLE WITH THESE COMPLICATED, INTRACTABLE AND CONTROVERSIAL PROBLEMS AND ADVISE THE GOVERNMENT ON PRACTICAL SOLUTIONS. I AM SURE WE ALL WISH THE NEW UNOFFICIAL CHAIRMAN, MR T.S. LO, EVERY SUCCESS.+

/TRAFFIC ACCIDENTS

TRAFFIC ACCIDENTS AND CASUALTY FIGURES HAD DECLINED marginally AND MUCH GOOD WORK HAD BEEN DONE IN THIS FIELD. BUT, HE SAID, NONE OF US WOULD ACCEPT THIS AS SATISFACTORY.

HE SAID A ROAD SAFETY DIVISION WAS BEING FORMED TO UNDERTAKE MORE SCIENTIFIC IDENTIFICATION OF THE CAUSES OF ACCIDENTS AND TO TAKE COUNTER-MEASURES.

ON THE MTR WHICH WAS HAVING A MAJOR EFFECT ON TRANSPORT PATTERNS, THE GOVERNOR SAID A DECISION WOULD BE TAKEN SHORTLY ON WHETHER IT SHOULD BE EXTENDED ON HONG KONG ISLAND.

IN ANY EVENT, HE SAID, THE EFFECT OF THE MTR WOULD CONTINUE TO BE MONITORED CAREFULLY TO ENSURE THAT ALL FORMS OF PUBLIC TRANSPORT WERE INTEGRATED INTO AN EFFICIENT NETWORK.

HE SAID AGREEMENTS HAD BEEN SIGNED IN FEBRUARY BETWEEN THE GOVERNMENT AND THE MAJOR BUS COMPANIES, INCLUDING PROGRAMMES TO IMPROVE THEIR STANDARDS OF SERVICE.

THESE PROGRAMMES INCLUDED THE ACQUISITION OF 420 NEW DOUBLE-DECKER BUSES THIS YEAR AND 640 NEXT, AND IMPROVED MAINTENANCE FACILITIES.

ON FERRIES, THE GOVERNOR SAID THE GOVERNMENT INTENDED TO INTRODUCE A FERRY SERVICE ORDINANCE LATER THIS YEAR UNDER WHICH NEW FRANCHISES WITH THE MAJOR FERRY COMPANIES WOULD BE DESIGNED TO ENSURE THE FUTURE EFFICIENCY AND VIABILITY OF FERRY OPERATIONS.

THE GOVERNOR ALSO SAID THE \$2 000 MILLION PROGRAMME TO MODERNISE AND ELECTRIFY THE RAILWAY FROM HUNG HOM TO LO WU WAS NOW WELL UNDER WAY. WORK WOULD BE SEEN INCREASINGLY ON THE GROUND AS MORE CONTRACTS WERE LET ON THE ROUTE OF THE ENTIRE RAILWAY WHICH SHOULD BE COMPLETED BY DECEMBER 1982.

+WHEN THE INTERCHANGE WITH THE MTR AT KOWLOON TONG IS COMPLETED IN APRIL 1982, THE TWO SYSTEMS SHOULD GREATLY IMPROVE THE CONVENIENCE OF OUR PUBLIC TRANSPORT,+ SIR MURRAY ADDED.

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HOME PURCHASE SCHEME PROPOSALS GOING TO EXCO SOON
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THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID TODAY (WEDNESDAY) PROPOSALS FOR THE HOME PURCHASE SCHEME FOR CIVIL SERVANTS WOULD SHORTLY BE PUT TO THE EXECUTIVE COUNCIL FOR CONSIDERATION.

SIR MURRAY SAID AT THE LEGISLATIVE COUNCIL THAT THE SCHEME, IF ACCEPTED, MIGHT HAVE TO BE IMPLEMENTED IN PHASES DUE TO ITS FAR-REACHING FINANCIAL AND ECONOMIC IMPLICATIONS.

BUT HE SINCERELY HOPED A START COULD BE MADE IN THE NEXT FINANCIAL YEAR.

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ON THE STANDING COMMISSION ON CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE, SIR MURRAY PRAISED THE COMMISSION FOR ITS ARDUOUS AND VERY VALUABLE WORK, FIRST UNDER THE CHAIRMANSHIP OF SIR Y.K. KAN AND NOW UNDER SIR S.Y. CHUNG.

HE POINTED OUT THAT THE COMMISSION'S REPORT ON IMPROVING CONSULTATIVE ARRANGEMENTS IN THE CIVIL SERVICE WOULD BE PUBLISHED SHORTLY.

THE REPORT WAS LIKELY TO HAVE GREAT AND LONG-TERM EFFECT AND, +IT OFFERS THE OPPORTUNITY TO IMPROVE BOTH THE FORMAL CONSULTATIVE MACHINERY AND THE INFORMAL DIALOGUE BETWEEN STAFF AND MANAGEMENT,+ THE GOVERNOR SAID.

SIR MURRAY ALSO NOTED THAT THE COMMISSION HAD IDENTIFIED A NUMBER OF OTHER ISSUES FOR ITS NEXT REVIEW. PROBABLY THE MOST IMPORTANT WOULD BE ITS EXAMINATION OF THE PRESENT SYSTEM OF MAKING SERVICE-WIDE PAY ADJUSTMENTS.

SINCE THE COMMISSION WAS A PERMANENT AND NOT A TEMPORARY BODY, THE GOVERNOR SAID IT WAS ABLE TO REVIEW ITS OWN RECOMMENDATIONS AND, IN SOME CASES, IT HAD ALREADY DONE SO.

+SINCE CLEARLY IT WOULD NOT BE HUMANLY POSSIBLE TO GET SO MANY INTERRELATED RECOMMENDATIONS ABSOLUTELY RIGHT FIRST TIME, AND PARTICULARLY WHEN NEW FACTS ARE BROUGHT TO ITS ATTENTION, THIS CAPACITY TO REVIEW ITS OWN DECISIONS IS LIKELY TO PROVE ONE OF THE GREAT STRENGTHS OF THIS NEW ORGANISATION AND ONE WHICH SHOULD ALLOW THE STAFF SIDE TO HAVE CONFIDENCE IN IT,+ HE SAID.

SIR MURRAY THANKED AND CONGRATULATED THE PUBLIC SERVICE. +THE EVER-EXPANDING SIZE AND COMPLEXITY OF THE NEW HONG KONG THAT WE ARE BUILDING PLACES EVER-INCREASING BURDENS ON THE PUBLIC SERVICE AND PARTICULARLY ON ITS MORE EXPERIENCED MEMBERS,+ HE SAID.

+I AM PROFOUNDLY GRATEFUL TO THE SERVICE FOR THE ENTHUSIASM AND DEDICATION WITH WHICH THIS CHALLENGE HAS BEEN MET,+ HE ADDED.

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GOVT SHOULD FINANCE ADDITIONAL INDUSTRIAL TRAINING SCHEMES
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THE GOVERNOR-IN-COUNCIL HAS AGREED THAT THE GOVERNMENT SHOULD ACCEPT THE FINANCING OF ADDITIONAL INDUSTRIAL TRAINING SCHEMES AND RELATED TECHNICAL EDUCATION AS A CHARGE ON GENERAL REVENUE, BUT WITH TWO PROVISOS, THE GOVERNOR, SIR MURRAY MACLEHOSE SAID AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE FIRST, HE SAID, WAS THAT THE GOVERNMENT SUBVENTION SHOULD BE IN THE FORM OF A BLOCK GRANT TO THE TRAINING COUNCIL OR TRAINING AUTHORITY, WHICH WOULD ASSUME A ROLE SIMILAR TO THAT OF THE UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE, TO ACHIEVE MAXIMUM FLEXIBILITY.

COMMITMENTS WOULD BE ACCEPTED BY THE GOVERNMENT TO PERMIT FORWARD PLANNING.

THE SECOND PROVISIO WAS THAT THE EXISTING CONSTRUCTION INDUSTRY AND CLOTHING INDUSTRY TRAINING SCHEMES SHOULD REMAIN INTACT WITH THEIR LEVIES +IF THAT IS THEIR WISH.+

LEGISLATION ON THE FINANCING OF THE INDUSTRIAL TRAINING SCHEMES WOULD BE INTRODUCED THIS SESSION.

SIR MURRAY SAID THAT ALTHOUGH THE EXECUTIVE COUNCIL HAD ADVISED ACCEPTANCE OF MOST OF THE RELEVANT RECOMMENDATIONS ON INDUSTRIAL TRAINING BY THE ADVISORY COMMITTEE ON DIVERSIFICATION, ONE DIFFICULT QUESTION WAS THE METHOD OF FINANCING.

+THE TRAINING COUNCIL HAS ADVOCATED A GENERAL LEVY ON EXPORTS OR ON IMPORTS AND EXPORTS- THE ADVISORY COMMITTEE ON DIVERSIFICATION RECOMMENDED THIS SHOULD BE A CHARGE ON GENERAL REVENUE,+ HE SAID.

SINCE THE ENACTMENT OF THE APPRENTICESHIP ORDINANCE IN 1976, HE HAD SPECIFIED 37 TRADES AS DESIGNATED TRADES WHICH RESULTED IN SOME 15 000 APPRENTICESHIP CONTRACTS BEING REGISTERED.

ON THE STATE OF INDUSTRIAL SAFETY IN HONG KONG, HE SAID, +IT IS NOT SOMETHING WE ARE PROUD OF.+

BUT THERE WERE WELCOME SIGNS THAT EMPLOYERS AND WORKERS WERE BECOMING MORE CONSCIOUS OF THE NEED FOR INDUSTRIAL SAFETY.

A NUMBER OF EMPLOYERS' ASSOCIATIONS HAD BEEN CO-OPERATING MORE CLOSELY WITH THE GOVERNMENT ABOUT PREVENTIVE MEASURES. SOME WORKERS' ORGANISATIONS, HE ADDED, HAD ALSO BEEN INVOLVED IN PROMOTING INDUSTRIAL SAFETY.

+I HOPE THIS TREND WILL CONTINUE TO HELP TO REDUCE THE PRESENT UNACCEPTABLY HIGH NUMBER OF INDUSTRIAL ACCIDENTS,+ HE SAID.

ON OTHER LABOUR MATTERS, SIR MURRAY SAID A REPORT OF THE INTER-DEPARTMENTAL WORKING GROUP ON MATERNITY BENEFITS WAS CIRCULATED EARLIER THIS YEAR TO TRADE UNIONS, MAJOR EMPLOYERS' ASSOCIATIONS AND OTHER INTERESTED PARTIES.

MOST OF THE RECOMMENDATIONS WERE WELL RECEIVED, HE SAID, AND AMENDING LEGISLATION WOULD BE INTRODUCED DURING THIS SESSION.

THE GOVERNOR SAID THE FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE HAD BEEN AMENDED TO ALLOW REGULATIONS MADE UNDER IT TO PROVIDE FOR FINES UP TO \$50 000.

HE ADDED THAT AMENDING REGULATIONS COVERING INCREASED PENALTIES WILL BE MADE BY THE COMMISSIONER FOR LABOUR AND PUT TO THE LEGISLATIVE COUNCIL FOR APPROVAL DURING THIS SESSION.

NEW CAMPAIGN NEXT YEAR TO KEEP HK CLEAN
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A NEW KEEP HONG KONG CLEAN CAMPAIGN IN THE URBAN AREA AND THE NEW TERRITORIES, WITH PARALLEL ACTION IN THE COUNTRY PARKS, WILL START NEXT OCTOBER.

THE GOVERNOR, SIR MURRAY MACLEHOSE, SAID AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT ALTHOUGH HONG KONG WAS CLEANER, NEATER AND MUCH GREENER THAN BEFORE THE FIRST CAMPAIGN WAS LAUNCHED IN 1972, THE STANDARD HAD FALLEN IN THE URBAN AREAS AND WAS UNSATISFACTORY IN THE NEW TERRITORIES.

THE UBIQUITY OF CONSTRUCTION WITH ITS ACCOMPANYING MESS AND LITTER WAS PARTLY TO BLAME- SO ALSO WAS THE SHEER VOLUME OF THE PROBLEM OF REFUSE COLLECTION -- AN INCREASE OF 46 PER CENT SINCE 1972.

+BUT CLEARLY,+ SAID SIR MURRAY, +THE CO-OPERATION AND INTEREST OF THE PUBLIC HAS SLIPPED AND I SUSPECT THAT ON THE GOVERNMENTAL SIDE TOO LOW A PRIORITY AND TOO LITTLE ENCOURAGEMENT HAS BEEN GIVEN TO THE CLEANSING SERVICE.

+HOWEVER THAT MAY BE, UNLESS WE DO SOMETHING ABOUT IT HONG KONG WILL SLIP BACK INTO THE DIRTY, UNCARED-FOR APPEARANCE OF A DECADE AGO AND NO ONE WANTS THAT, EITHER FOR OURSELVES OR OUR INTERNATIONAL REPUTATION,+ HE SAID.

IN THE NEW CAMPAIGN, THE GOVERNMENT AND THE URBAN COUNCIL HAVE NO INTENTION OF SUBSTITUTING PUBLICITY GIMMICKS FOR ACTION.

+BUT WE DO NEED TO BE SURE THAT WE HAVE THE MEN, MACHINES AND COLLECTION POINTS TO DO THE JOB BETTER- SO AN URGENT REVIEW OF RESOURCES HAS BEEN UNDERTAKEN,+ THE GOVERNOR SAID.

HE CITED, FOR INSTANCE, THAT IT LOOKED AS IF IT WOULD BE NECESSARY TO SPEND ABOUT \$50 MILLION ON NEW EQUIPMENT IN THE NEW TERRITORIES.

+WE ALSO NEED TO CONSIDER WHAT MEASURES COULD REASONABLY BE TAKEN TO ENFORCE THE ANTI-LITTER LAWS MORE EFFECTIVELY.

+WHEN WE ARE SURE THAT THE GOVERNMENTAL SIDE OF THE OPERATION IS IN BETTER SHAPE, MEASURES WILL BE TAKEN TO ENLIST THE SUPPORT AND CO-OPERATION OF THE PUBLIC,+ HE SAID.

SIR MURRAY SAID THAT PROVIDED THE GOVERNMENT AND THE URBAN COUNCIL PLAYED THEIR PART, HE HAD NO DOUBT THAT THE PUBLIC WOULD PLAY THEIRS.

TURNING TO THE WATER POLLUTION BILL AND WASTE DISPOSAL BILL ENACTED IN THE PAST SESSION, THE GOVERNOR SAID THAT REGULATIONS NECESSARY BEFORE ACTION COULD MATERIALISE WERE BEING DRAFTED AND WOULD BE SUBMITTED TO THE EXECUTIVE COUNCIL DURING THE YEAR.

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HE ALSO SAID AN AIR POLLUTION CONTROL BILL WOULD BE INTRODUCED THIS SESSION AND THAT DURING THE LAST SESSION THE SUMMARY OFFENCES ORDINANCE HAD BEEN AMENDED TO CONTROL CONSTRUCTION NOISE.

THE GOVERNOR ADDED THAT WORK WAS PROCEEDING ON THE PREPARATION OF A NOISE ABATEMENT BILL BUT THAT IT WAS NOT CERTAIN WHETHER IT WOULD BE READY THIS SESSION.

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GOOD PROGRESS IN COMMERCIAL LAW REFORMS
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THE GOVERNMENT IS PLANNING BILLS FOR THE NEW SESSION OF THE LEGISLATIVE COUNCIL TO BRING THE BANKING ORDINANCE AND THE DEPOSIT-TAKING COMPANIES ORDINANCE INTO LINE WITH TODAY'S REQUIREMENT, SAID THE GOVERNOR, SIR MURRAY MACLEHOSE IN HIS OPENING ADDRESS.

SIR MURRAY SAID: +A THIRD BILL WE WOULD LIKE TO INTRODUCE WOULD MAKE THE EXCHANGE BANKS ASSOCIATION INTO A STATUTORY BODY.+

HE ALSO NOTED THAT GOOD PROGRESS HAD BEEN MADE IN BRINGING IN LEGISLATION WHICH AIMED PARTLY AT BUILDING UP INTERNATIONAL CONFIDENCE IN OUR TERTIARY SECTOR, AND PARTLY IN PROTECTING THE SMALL INVESTOR AND THE CONSUMER.

SIR MURRAY SAID A BILL, ALREADY GAZETTED, WITH SOME 255 CLAUSES PROPOSING TO AMEND THE COMPANIES ORDINANCE IN THE LIGHT OF THE RECOMMENDATIONS IN THE SECOND REPORT OF THE COMPANIES LAW REVISION COMMITTEE, WOULD BE PUT TO THE LEGISLATIVE COUNCIL AS SOON AS THE CONSULTATIVE PROCESS HAD BEEN COMPLETED.

IN ADDITION, WORK ON THE FIRST DRAFT OF TWO BILLS TO UP-DATE THE SECURITIES ORDINANCE AND THE COMMODITIES TRADING ORDINANCE IS NOW FAIRLY ADVANCED AND PROVIDED THE PROCESSES OF CONSULTATION ARE REASONABLY SMOOTH, THEY SHOULD BE BEFORE THE COUNCIL IN THE NEW SESSION, HE SAID.

SIR MURRAY POINTED OUT THAT GOOD PROGRESS HAD ALSO BEEN MADE WITH INSURANCE LEGISLATION. INTERIM LEGISLATION REGARDING PAID UP CAPITAL REQUIREMENTS AND SOLVENCY MARGINS FOR INSURANCE COMPANIES WOULD BE INTRODUCED VERY SOON.

AS REGARDS THE COMPREHENSIVE BILL ON THE INSURANCE INDUSTRY, SIR MURRAY SAID IF THE PRESENT RATE OF PRODUCTION OF THE DRAFT LEGISLATION AND THE CO-OPERATIVE ATTITUDE OF THE INDUSTRY CONTINUES, IT SHOULD ALSO BE BEFORE THE COUNCIL IN THE COMING SESSION.

REVIEWING OTHER PROPOSED LEGISLATION TO PROTECT CONSUMERS, SIR MURRAY SAID PROGRESS WAS MADE WITH DIFFICULT DRAFT LEGISLATION TO CONTROL HIRE PURCHASE, AND THE TRADE DESCRIPTION BILL WAS ALREADY BEFORE THE COUNCIL.

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HE ALSO POINTED OUT THAT AN EXPERT ON WEIGHTS AND MEASURES WAS EXPECTED TO BE WITH THE TRADE, INDUSTRY AND CUSTOMS DEPARTMENT EARLY NEXT MONTH BUT THIS WAS UNLIKELY TO GIVE THE GOVERNMENT ENOUGH TIME TO GET THE WEIGHTS AND MEASURES BILL TO THE COUNCIL IN THE COMING SESSION.

IT IS ALSO HOPED THAT THE MONETARY STATISTICS ORDINANCE AIMED AT GETTING MORE COMPREHENSIVE STATISTICS TO IMPROVE OUR MEASUREMENT OF DEVELOPMENTS IN THE MONETARY SECTOR WILL BE BROUGHT INTO FORCE IN TIME TO ALLOW STATISTICS BEING COLLECTED FROM THE END OF THIS YEAR, HE SAID.

SIR MURRAY SAID MUCH OF THIS LEGISLATION WAS GERMANE TO THE RECOMMENDATIONS OF THE ADVISORY COMMITTEE ON DIVERSIFICATION. THROUGHOUT THE YEAR, THE EXECUTIVE COUNCIL CONSIDERED A STEADY FLOW OF MEMORANDA ON THE 47 RECOMMENDATIONS OF THE ADVISORY COMMITTEE. +THIS PROCESS HAS BEEN COMPLETED AND THE EXECUTIVE COUNCIL IS NOW GETTING REPORTS EVERY SIX MONTHS ON PROGRESS WITH IMPLEMENTATION,+ HE ADDED.

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WORK OF LEGCO UNOFFICIAL APPRECIATED
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THE GOVERNOR, SIR MURRAY MACLEHOSE TODAY PAID TRIBUTE TO MR LEUNG TAT-SHING WHO HAS RETIRED FROM THE LEGISLATIVE COUNCIL AFTER FOUR YEARS OF SERVICE.

MR LEUNG HAS A VERY LONG RECORD OF PUBLIC SERVICE, INCLUDING MEMBERSHIP OF THE LABOUR ADVISORY BOARD, THE HONG KONG PRODUCTIVITY COUNCIL AND THE MEDICAL DEVELOPMENT ADVISORY COMMITTEE.

+HE WILL BE PARTICULARLY REMEMBERED IN THIS COUNCIL FOR THE CONTRIBUTIONS HE MADE ON LABOUR AFFAIRS AND ON SOCIAL WELFARE.

+I KNOW ALL MEMBERS WILL JOIN ME IN WISHING HIM AND HIS WIFE A VERY WELL-EARNED RETIREMENT,+ SIR MURRAY SAID.

THE SENIOR UNOFFICIAL MEMBER, THE HON OSWALD CHEUNG SPOKE TO ASSOCIATE THE UNOFFICIALS WITH ALL THAT THE GOVERNOR HAD SAID.

SIR MURRAY ALSO WELCOMED TO THE COUNCIL NEW UNOFFICIAL MEMBERS, THE HON CHAN KAM-CHUEN AND THE HON J.J. SWAINE.

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REPORT ON SUBSIDIES TO ENGLISH-SPEAKING SCHOOLS
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THE REPORT OF THE COMMITTEE TO REVIEW THE APPLICATION OF THE PARITY OF SUBSIDY PRINCIPLE TO THE ENGLISH-SPEAKING SCHOOLS HAS BEEN ACCEPTED BY THE GOVERNMENT.

THE COMMITTEE, APPOINTED BY THE GOVERNOR, SPENT SEVERAL MONTHS CARRYING OUT THIS REVIEW.

THE REVIEW HAD BEEN REQUESTED BY THE ENGLISH SCHOOLS FOUNDATION (ESF) WITH THE SUPPORT OF THE JOINT COUNCIL OF THE PARENT-TEACHER ASSOCIATIONS OF THE ENGLISH-SPEAKING SCHOOLS, DURING THE COURSE OF THE NEGOTIATIONS WHICH RESULTED IN THE TRANSFER OF GOVERNMENT ENGLISH SCHOOLS TO THE ESF FROM SEPTEMBER 1, 1979.

THE COMMITTEE, CHAIRED BY MR Q.W. LEE, GENERALLY ENDORSED THE TRANSFER ARRANGEMENTS AGREED BETWEEN THE GOVERNMENT AND THE ESF EXCEPT FOR A FEW MINOR CHANGES.

THESE CHANGES INCLUDE A NEW METHOD OF CALCULATING THE SALARY ELEMENT OF PER PUPIL GRANT TO THE ESF, TOGETHER WITH THE RECOMMENDATION THAT THE GOVERNMENT SHOULD IN FUTURE MEET THE ACTUAL CROWN RENT AND RATES FOR THE ESF SCHOOLS. THE EFFECT OF THESE CHANGES ON THE ACTUAL SUBSIDY TO THE ESF WILL BE MINOR.

THE COMMITTEE WAS ALSO ASKED TO PUT FORWARD SUGGESTIONS FOR FUTURE CAPITAL ASSISTANCE TO THE ESF.

ITS RECOMMENDATIONS, WHICH TAKE INTO ACCOUNT CURRENT PRACTICE IN THE LOCAL AIDED SECTOR, ARE THAT, IN GENERAL FOR THE ESF PRIMARY SCHOOLS, A GRANT OF 80 PER CENT FROM THE GOVERNMENT SHOULD BE MADE AVAILABLE TO THE ESF, WITH THE ESF CONTRIBUTING 20 PER CENT.

AND FOR THE ESF SECONDARY SCHOOLS, THE GOVERNMENT GRANT SHOULD BE 65 PER CENT, WITH THE ESF MEETING THE REMAINING 35 PER CENT.

LOANS SHOULD BE MADE AVAILABLE TO THE ESF FOR IT TO MEET ITS CONTRIBUTION.

THE COMMITTEE ALSO RECOMMENDED THAT THE ESF SHOULD BE GIVEN A SPECIFIC GRANT FOR THE RELIEF OF HARDSHIP CASES, CALCULATED AT 2 PER CENT OF THE ANNUAL PER CAPITA GRANTS FOR THE PRIMARY SCHOOLS AND AT 3 PER CENT FOR THE SECONDARY SCHOOLS, IN RESPECT OF PUPILS ENROLLED FROM SEPTEMBER 1, 1981. THERE WILL BE BRIDGING ARRANGEMENTS UNTIL THE PUPILS CURRENTLY ENROLLED HAVE LEFT THEIR EXISTING SCHOOLS.

THESE PROPOSALS WILL BE SUBJECT TO THE VOTING OF FUNDS BY THE FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL IN THE MORMAL WAY.

NOTE TO EDITORS:

LIMITED COPIES OF THE COMMITTEE REPORT, IN ENGLISH, ARE AVAILABLE AND CAN BE OBTAINED FROM THE GIS DUTY OFFICER.

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\$100 000 YUEN LONG ANTI-DRUG CAMPAIGN
TO BE LAUNCHED THIS MONTH
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A SLOGAN AND POSTER DESIGN COMPETITION IS TO BE HELD IN YUEN LONG TO DRAW THE ATTENTION OF YOUNG PEOPLE TO THE DANGERS OF DRUG TAKING.

THE COMPETITION IS PART OF A ONE-MONTH CAMPAIGN WHICH BEGINS ON OCTOBER 17.

IT IS BEING ORGANISED BY YUEN LONG DISTRICT ANTI-DRUG COMMITTEE.

THE ACTION COMMITTEE AGAINST NARCOTICS, WHICH IS REPRESENTED ON THE COMMITTEE, HAS PROVIDED \$100 000 TOWARDS CAMPAIGN EXPENSES.

A SPOKESMAN FOR THE COMMITTEE SAID MORE THAN 50 LOCAL PRIMARY AND SECONDARY SCHOOLS HAD BEEN INVITED TO PARTICIPATE IN THE COMPETITION.

EACH SCHOOL WOULD SELECT THREE WINNERS, WITH BOOK AND STATIONERY TOKENS AS PRIZES.

THE OVERALL WINNER OF THE POSTER COMPETITION WOULD RECEIVE \$500 AND THE RUNNERS UP \$300 AND \$200.

SCHOOLS SHOULD SUBMIT THEIR THREE WINNING ENTRIES TO THE LOCAL DISTRICT OFFICE BY OCTOBER 17 FOR FINAL JUDGING. ALL WILL BE DISPLAYED AT THE ANTI-NARCOTICS EXHIBITION TO BE HELD IN YUEN LONG TOWN HALL AT THE END OF THIS MONTH.

OTHER ACTIVITIES IN CONNECTION WITH THE CAMPAIGN WILL INCLUDE MOBILE FILM SHOWS, CANTONESE OPERAS AND A FUN-FAIR.

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TRAFFIC ARRANGEMENTS
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THE TRANSPORT DEPARTMENT ANNOUNCED TODAY THAT THE PUBLIC LIGHT BUS CLEARWAY RESTRICTION ON THE EASTBOUND CARRIAGEWAY OF PRINCE EDWARD ROAD FROM GRAMPAN ROAD TO CHOI HUNG ROAD WILL BE CANCELLED FROM 10 AM ON FRIDAY (OCTOBER 3).

ALSO FROM FRIDAY, CHOI WAN ESTATE BUS TERMINUS WILL BE DESIGNATED A PROHIBITED ZONE OTHER THAN FOR FRANCHISED BUSES.

MOTOR VEHICLES WITHOUT WRITTEN AUTHORISATION WILL NOT BE ALLOWED TO ENTER THE TERMINUS.

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