



DAILY INFORMATION BULLETIN

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CONTENTS

PAGE NO.

LEGISLATIVE COUNCIL:

AUSTERE LIFE AHEAD, SAYS UNOFFICIAL--THE HON CHARLES S.C. YEUNG	1
MORE PUBLICITY ABOUT FOSTER HOMES SUGGESTED--DR THE HON K.F. HO	2
CALL FOR SOCIAL AUDIT SYSTEM--THE HON ANDREW K.W. SO	5
+BUY HONG KONG+ DRIVE ADVOCATED--THE HON F.K. HU	6
CONCERN OVER MANUFACTURING INDUSTRY--THE HON WONG PO-YAN .	8
PRAISE FOR GOVERNMENT'S +PRAGMATIC APPROACH+--THE HON W.C.L. BROWN	11
LOW-COST LAND FOR INDUSTRIES SUGGESTED--THE HON K.C. CHAN	13
PLEA FOR TWO-TIER INTEREST RATES--THE HON STEPHEN K.C. CHEONG	16
BETTER DEAL FOR NT RESIDENTS URGED--THE HON CHEUNG YAN LUNG	18
ADVANTAGES OF WHOLE-DAY SCHOOLING--THE HON SELINA CHOW ...	19
NON-INTERVENTION POLICY CRITICISED--THE HON MARIA TAM	21
BACK FROM CHINA WATER TALKS	24
RUBBISH DUMP TURNED INTO CAR PARK	24
SHORT-TERM TENANCY OF CROWN LAND AVAILABLE	25
ELEVATED ROAD TO BE BUILT	25
CAS RECRUITS TO PARADE	26

THURSDAY, OCTOBER 29, 1981

- 1 -

AUSTERE LIFE AHEAD, SAYS UNOFFICIAL
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HONG KONG PEOPLE MUST BRACE THEMSELVES FOR AN AUSTERE LIFE AHEAD, THE HON CHARLES YEUNG WARNED TODAY.

+ ... NOT SO MUCH AS WE CANNOT AFFORD A BETTER LIFE NOW AS WE CANNOT AFFORD TO LOSE A BETTER LIFE IN OUR IMMEDIATE FUTURE,+ HE SAID.

HE NOTED THAT AS ECONOMIC BENEFIT IS THE ORDER OF THE DAY IN INTERNATIONAL RELATIONSHIPS, HONG KONG MUST IMPROVE ITS ECONOMIC STRENGTH SO THAT IT MAY BE IN A POSITION FOR ITS OWN GOOD TO OFFER MORE.

+THIS CAN ONLY BE ACHIEVED BY PLACING OUR COMMUNAL WEALTH BEFORE PERSONAL WEALTH, FUTURE PROSPERITY BEFORE SHORT TERM SUCCESS, IMMEDIATE BENEFIT TO OTHERS BEFORE IMMEDIATE GAIN TO OURSELVES,+ MR YEUNG SAID.

AS GOOD RELATION CANNOT BE MAINTAINED WITHOUT GOODWILL AND GOODWILL CANNOT BE FOSTERED WITHOUT BENEFIT, HE AGREED THAT +AT THIS TIME THE BEST CONTRIBUTION WE CAN MAKE TO OUR FUTURE IS THE FOSTERING OF THE GROWING ECONOMIC LINKS THAT EXIST WITH OUR NEIGHBOUR+.

+NO DOUBT OUR PEOPLE WILL SPARE NO EFFORT TO SUPPORT OUR GOVERNMENT TO ACHIEVE THIS AIM IN RETURNING THE GOODWILL WHICH HAS BEEN EXTENDED AND SURELY WILL CONTINUE TO EXTEND TO US BY CHINA.+

EARLIER, MR YEUNG COMMENTED ON THE INCREASE IN TUITION FEES FOR OVERSEAS STUDENTS BY THE BRITISH UNIVERSITIES, AND ON THE BRITISH NATIONALITY BILL.

+THOUGH UNFORTUNATE TO US,+ HE SAID, +IT IS CONSIDERED BY THE BRITISH GOVERNMENT, PURPORTEDLY TO REFLECT THE PEOPLE'S SENTIMENT, AS ESSENTIAL IN THE BRITISH NATIONAL INTERESTS, ALBEIT SHORTSIGHTED AND SELF-CENTRED, RESULTING IN ISOLATION IN INTERNATIONAL POLITICS AND FRIENDS AND ALIENATION OF FINANCE AND RESOURCE AND SELF-NEGATION OF FOREIGN INVESTMENT IN AND TRADE WITH BRITAIN.

+I, FOR ONE, CANNOT COMMEND THE WISDOM OF TAKING A DECISION ON THE STRENGTH OF SUCH PLAUSIBLE CONSIDERATION BY THE BRITISH GOVERNMENT.+

HOWEVER, HE POINTED OUT, +OUR HAND OF GOODWILL EXPRESSED IN MATERIAL FORM HAS BEEN ALL ALONG STRETCHING WITH EVER INCREASING VIGOUR AND ZEAL OVER THE OCEANS AND CONTINENTS TO THE BRITISH GOVERNMENT AND ITS PEOPLE+.

+I BELIEVE THAT OUR EFFORT WILL BE WELL APPRECIATED AND APPROPRIATELY RETURNED IN THE LONG RUN,+ HE ADDED.

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MORE PUBLICITY ABOUT FOSTER HOMES SUGGESTED

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DR THE HON HO KAM-FAI CALLED FOR MORE PUBLICITY ON THE MERITS OF FOSTER HOMES AND SMALL GROUP HOMES.

HE POINTED OUT THAT THE MODERN CONCEPT OF CHILD CARE IS SHIFTING ITS EMPHASIS TOWARDS NON-INSTITUTIONAL SERVICES TAKING THE FORM OF FOSTER HOMES AND SMALL GROUP HOMES.

CHILD WELFARE WORKERS, HE SAID, EXPOUNDED THAT CHILDREN IN NEED OF A SUBSTITUTE HOME SHOULD BE BEST REARED IN AN ENVIRONMENT AS HOME-LIKE AS POSSIBLE +SO THAT THEIR EMOTIONAL, SOCIAL AND PSYCHOLOGICAL NEEDS CONTINUE TO BE MET WITH MINIMUM DISRUPTION+.

EXPLAINING THE FEATURE OF SUCH HOMES, DR HO SAID THEY ARE LOCATED UNOBTRUSIVELY IN PRIVATE OR PUBLIC HOUSING DEVELOPMENTS AND ARE NON-DISTINGUISHABLE FROM OTHER ORDINARY HOMES.

THIS PERMITS CLOSE IDENTIFICATION WITH COMMUNITY LIVING AND THEREFORE FACILITATES THE CHILDREN'S RE-INTEGRATION INTO THE COMMUNITY.

+UNDER THE GUIDANCE AND CARE OF A MARRIED COUPLE WHO HAVE BEEN CAREFULLY SELECTED FOR THE JOB, THE FOSTER HOME OR THE SMALL GROUP HOME ENGENDERS THE KIND OF FAMILY LIFE, PARENTAL AFFECTION, PEER GROUP RELATIONSHIP, DISCIPLINE AND SECURITY WHICH ARE ESSENTIAL ELEMENTS FOR THE CHILDREN TO GROW INTO HEALTHY AND RESPONSIBLE INDIVIDUALS.

+THESE ADVANTAGES ARE NORMALLY NOT AVAILABLE FROM LARGE, DEPERSONALIZED CHILDREN'S INSTITUTIONS AND ORPHANAGES.+

HOWEVER, DR HO POINTED OUT, THE DEVELOPMENT OF THIS ALTERNATIVE TYPE OF CHILD CARE SERVICES HAS BEEN VERY SLOW IN HONG KONG.

QUOTING STATISTICS, HE SAID THE FIVE-YEAR PLAN REVIEW 1981 INDICATED THAT THERE IS A REQUIREMENT OF SOME 300 NON-INSTITUTIONAL PLACES IN 1981/82 AGAINST A CURRENT PROVISION OF 94.

AND THE PROPORTION OF PLACES IN NON-INSTITUTIONAL SETTINGS TO THE TOTAL RESIDENTIAL CHILD CARE PLACES IN HONG KONG IS ABOUT 5 PER CENT, COMPARED WITH 56 PER CENT IN THE UNITED KINGDOM IN 1976.

+THE MAJOR OBSTACLES TO THE DEVELOPMENT OF THIS TYPE OF CHILD CARE ARE DIFFICULTIES RELATED TO THE SECURITY OF SUITABLE ACCOMMODATION AND TO THE RECRUITMENT OF PERSONNEL,+ HE SAID.

+THE GOVERNMENT SHOULD PERHAPS ORGANISE A CAMPAIGN TO PUBLICISE THE MERITS OF FOSTER HOMES AND SMALL GROUP HOMES, TO AROUSE THE INTEREST OF THOSE PARENTS WHO HAVE REARED THEIR OWN CHILDREN.

/+THE GOVERNMENT

+THE GOVERNMENT SHOULD ALSO BE PREPARED TO SUBSIDISE PRIVATELY LEASED ACCOMMODATION, ALLOCATE MORE ACCOMMODATION IN PUBLIC HOUSING ESTATES FOR CHILD CARE SERVICES AND INCREASE THE AMOUNT OF INCENTIVE ALLOWANCE FOR THE FOSTER PARENTS.+

TURNING TO RESIDENTIAL CHILD CARE SERVICES, DR HO HIGHLIGHTED THE CURRENT SHORT-FALLS IN THE PROVISION OF PLACES FOR NEEDY CHILDREN.

HE SAID THAT ACCORDING TO REPORTS, OF THE 800 CHILDREN APPLYING FOR RESIDENTIAL CARE LAST YEAR, ONLY 240 PLACES WERE FOUND.

+AN INCREDIBLY LONG WAITING TIME, COUPLED WITH A LOW DISCHARGE RATE FROM INSTITUTIONS, SERVES TO DETER NEW APPLICATIONS FOR PLACEMENT OF NEEDY CHILDREN.

+IN ORDER TO PUT THE PROVISION AND THE DEMAND IN A BETTER BALANCE, THE GOVERNMENT SHOULD EARNESTLY MAKE PLANS TO EXPAND RESIDENTIAL CHILD CARE SERVICES, WHICH ARE MAINLY PROVIDED BY THE SUBVENTED AGENCIES.

+THE GOOD-WILL AND SERVICES OF THE VOLUNTARY SECTOR CAN AND SHOULD BE VIGOROUSLY EXPLOITED BY WAY OF INCREASED SUBVENTIONS,+ DR HO SAID.

HE ALSO CALLED ON THE GOVERNMENT TO URGENTLY DRAW UP A CODE OF PRACTICE LAYING DOWN THE MINIMUM STANDARDS FOR CHILDREN'S HOMES SO AS TO SAFEGUARD THE WELFARE OF THE UNDERPRIVILEGED AND MALADJUSTED CHILDREN.

HE SAID A LOW SOCIAL WORKER TO CHILDREN RATIO, AGGRAVATED BY AN INADEQUATE COMPLEMENT OF RELIEF WORKERS, ACCOUNTS IN PART FOR THE GENERALLY LESS THAN SATISFACTORY SERVICE STANDARDS IN SOME OF THE INSTITUTIONS.

A HIGH STAFF TURNOVER RATE ADVERSELY AFFECTS NOT ONLY THE CLOSE RELATIONSHIP BETWEEN THE CHILD AND THE SOCIAL WORKER, BUT ALSO THE CHILDREN'S PROCESS OF DEVELOPMENT.

+GENERAL UNDER-STAFFING, VARIATIONS IN MANAGERIAL ABILITY, AND THE GENERAL LACK OF APPROPRIATE PROGRAMME ACTIVITIES ALL CONTRIBUTE THEIR SHARES IN REDUCING THE EFFECTIVENESS OF THE CHILDREN'S HOME.+

ON THE SUBJECT OF WATER QUALITY, DR HO REMARKED THAT DESPITE OUR WATER POLLUTION CONTROL EFFORTS, THE WATER QUALITY OF THE INLAND RIVERS, WELLS, BEACHES AND HARBOURS IN THE NEW TERRITORIES HAS REGRETTABLY CONTINUED TO DETERIORATE.

HE DESCRIBED THE WATER COURSES THERE AS +DEPOSITORIES FOR AGRICULTURAL WASTE, TOXIC EFFLUENTS FROM SQUATTER INDUSTRIAL PLANTS, AND LEFTOVERS OF UNCIVIC-MINDED PICNICKERS+.

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- 4 -

AND THE WELL WATER IN MOST PARTS OF THE NEW TERRITORIES IS REPORTED TO BE SO CONTAMINATED THAT IT IS NOT POTABLE IN ACCORDANCE WITH THE GUIDELINES ISSUED BY THE WORLD HEALTH ORGANISATIONS.

DR HO WAS PARTICULARLY CONCERNED THAT SOME 100 000 WELL USERS ARE EXPOSED TO HEALTH HAZARDS FROM CONSUMING THE GROSSLY CONTAMINATED WELL WATER.

FROM PUBLIC HEALTH AND ECOLOGICAL POINTS OF VIEW, HE SAID, THE GOVERNMENT SHOULD TAKE IMMEDIATE REMEDIAL MEASURES TO AMELIORATE THE SITUATION.

+SUCH MEASURES MAY INCLUDE MAKING LOANS AVAILABLE TO FARMS IN NEED OF FINANCIAL SUPPORT TO SET UP AGRICULTURAL WASTE TREATMENT PLANTS SUCH AS 'BIOGAS' PLANTS.

+THE VILLAGERS MAY ALSO BE TAUGHT TO USE CHICKEN MANURE TO GROW BLOODWORMS, WHICH ARE IN GREAT DEMAND BY THE TROPICAL FISH INDUSTRY IN HONG KONG.

+A MORE EFFICIENT REFUSE AND ANIMAL WASTE COLLECTION SERVICE SHOULD BE IMPLEMENTED TO DISCOURAGE DUMPING OF ALL KINDS INTO THE INLAND WATER COURSES.+

PRIORITY SHOULD ALSO BE GIVEN TO PROVIDE METERED WATER OR PUBLIC STANDPIPES TO AS MANY RURAL COMMUNITIES AND VILLAGES IN THE NEW TERRITORIES AS POSSIBLE, HE SAID.

AS REGARDS THE POST OF THE HEAD OF THE WATER QUALITY SECTION IN THE ENVIRONMENTAL PROTECTION AGENCY WHICH HAS BEEN LEFT VACANT SINCE APRIL, DR HO HOPED IT WOULD NOT GIVE RISE TO THE PUBLIC CONCERN THAT THE NEWLY GENERATED MOMENTUM IN WATER POLLUTION CONTROL HAS DISAPPEARED.

HE WARNED THAT TOO READY A RELIANCE ON CONSULTANTS AND CONTRACT OFFICERS FROM OVERSEAS MAY ENTAIL ONLY TEMPORARY BENEFITS.

+IF WE WANT TO ENSURE AN ON-GOING ACHIEVEMENT IN ENVIRONMENTAL RESTORATION, WE MUST BUILD UP A CONTINGENT OF OUR OWN LOCAL TALENTS EQUIPPED WITH THE APPROPRIATE APTITUDE AND TRAINING IN THIS FIELD OF KNOWLEDGE.

+THE GOVERNMENT MAY HAVE TO STEP UP ITS EDUCATIONAL AND PROMOTION EFFORTS FOR THIS RELATIVELY NEW CAREER,+ HE SAID.

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- 5 -

CALL FOR SOCIAL AUDIT SYSTEM

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A CALL FOR THE INTRODUCTION OF A +SOCIAL AUDIT+ SYSTEM IN HONG KONG CAME FROM THE HON ANDREW SO.

SPEAKING DURING THE POLICY DEBATE IN THE LEGISLATIVE COUNCIL TODAY, MR SO SAID SOCIAL AUDIT, A CONCEPT EVOLVED IN THE SIXTIES, IS A SYSTEM UNDER WHICH CONTINUING ACCOUNT IS KEPT OF NON-FINANCIAL ASSETS AND LIABILITIES.

+AS IN FINANCIAL ACCOUNTING,+ HE POINTED OUT, +A TALLY IS MADE OF EACH OF THE SOCIAL COSTS, INCLUDING SUCH DISADVANTAGES AS LAYING OFF STAFF OR AIR POLLUTION AND SOCIAL BENEFITS AS SELF-DEVELOPMENT OPPORTUNITIES FOR EMPLOYEES OR SUBSIDISING COMMUNITY SERVICES.

+ALTHOUGH THIS CONCEPT IS STILL NASCENT, IT WILL PERFORCE BECOME THE BEST MEANS TO CHECK AGAINST CORPORATE SOCIAL IRRESPONSIBILITY AS WELL AS MEASURE CORPORATE CONSCIENCE.+

MR SO NOTED THAT SOME PROGRESSIVE CORPORATIONS IN NORTH AMERICA AND EUROPE ARE ALREADY DEVELOPING SUCH A SYSTEM.

IN FRANCE, HE SAID, THE PRACTICE HAS EVEN BEEN LEGISLATED AND THE LOCAL GOVERNMENT HAS ENGAGED MORE THAN 750 EXPERTS TO CONDUCT A SOCIAL AUDIT EVERY FINANCIAL YEAR SINCE 1978.

WHILE ADMITTING THAT HONG KONG IS A UNIQUE PLACE WHERE IMPORTED CONCEPTS OR SYSTEMS MIGHT NOT BE PRACTICAL, MR SO TOLD MEMBERS THAT HONG KONG HAS A GREAT NEED TO ESTABLISH SOCIAL STANDARDS AGAINST WHICH ITS ECONOMIC ENTERPRISES CAN BE JUDGED.

+WE HAVE TO TRAIN EXPERTS SIMILAR TO SOCIAL AUDITORS IN OTHER COUNTRIES. ABOVE ALL, WE HAVE TO RECOGNISE THE NEED FOR SOCIAL AUDIT,+ HE STRESSED.

IN RECENT YEARS, THE GOVERNMENT HAS MADE GREAT EFFORTS TO EFFECT ADMINISTRATIVE AND ENVIRONMENTAL IMPROVEMENTS.

BUT TO IMPROVE OUR SOCIAL ENVIRONMENT WOULD INVOLVE MORE THAN JUST GOVERNMENT OR LEGISLATIVE EFFORTS, HE ADDED.

THE GOVERNMENT SHOULD SET A GOOD EXAMPLE AND CALL UP ALL OUR CORPORATIONS AND ORGANISATIONS TO GIVE DUE ATTENTION TO THEIR SOCIAL RESPONSIBILITIES INSTEAD OF THINKING ONLY OF ECONOMIC GAINS.

THE RECENTLY ESTABLISHED DISTRICT BOARDS MAY CONSIDER EMPHASISING THIS ASPECT OF THEIR WORK, HE SAID.

MR SO ALSO SAID THAT IF A SOCIAL AUDIT REPORT IS PUBLISHED IN FUTURE, IDENTIFYING WHICH OF OUR POLICIES AND ACTIVITIES AFFECTS THE HEALTH OF OUR WORKERS, WHICH POLLUTES OUR AIR OR WATER, WHICH ERODES THE MIND OF OUR YOUTH AND AT THE SAME TIME PRESENTING WAYS AND MEANS TO IMPROVE THE SITUATION, IT WILL CERTAINLY AROUSE WIDE PUBLIC INTEREST.

THURSDAY, OCTOBER 29, 1981

- 6 -

+BUY HONG KONG+ DRIVE ADVOCATED
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THE HON F.K. HU TODAY CALLED FOR A +BUY HONG KONG+ CAMPAIGN TO ENCOURAGE HONG KONG PEOPLE TO SUPPORT LOCAL INDUSTRIES.

HE SAID THIS WOULD INCREASE PRODUCTION, EASE THE UNEMPLOYMENT PROBLEM AND REDUCE TRADE DEFICIT.

AND HE SUGGESTED THAT THE GOVERNMENT SHOULD SET AN EXAMPLE BY GIVING PREFERENCE, SAY FIVE PER CENT IN PRICE, TO PURCHASE EQUIPMENT AND GOODS OF HONG KONG ORIGIN, SUBJECT TO QUALITY BEING COMPARABLE.

+SUCH ACTION WOULD NO DOUBT GIVE GREAT ENCOURAGEMENT TO LOCAL INDUSTRIES AND COULD, IN SOME CASES, COUNTERACT THE DUMPING SALES OF SUPPLIERS OF NON-HONG KONG GOODS,+ HE SAID.

QUOTING STATISTICS, MR HU POINTED OUT THAT HONG KONG'S UNEMPLOYMENT RATE HAS INCREASED FROM 2.3 PER CENT IN MARCH 1979 TO 3.8 PER CENT IN SEPTEMBER LAST YEAR AND FURTHER TO 4.1 PER CENT IN MARCH THIS YEAR.

FURTHERMORE, HE ADDED, THE GROWTH RATE OF TOTAL IMPORTS IN MONEY TERMS THIS YEAR HAS BEEN FASTER THAN THAT OF TOTAL EXPORTS.

+ALL THESE ARE DANGEROUS SIGNS NOT TO BE OVERLOOKED,+ HE WARNED.

+THE GOVERNMENT MUST EXERT EVERY EFFORT IN SUPPORTING OUR INDUSTRIES TO INCREASE THEIR EXPORT.

+ON THE OTHER HAND, WE MUST RECOGNISE THAT THERE IS A HUGE DOMESTIC MARKET WHICH SHOULD NOT BE IGNORED.

+ALTHOUGH IN PRINCIPLE WE ARE COMMITTED TO A FREE ECONOMY, THERE IS NO REASON WHY OUR INDUSTRIES WITH THE SUPPORT OF THE GOVERNMENT COULD NOT AIM AT A BIGGER SHARE OF OUR OWN MARKET,+ HE SAID.

MR HU EMPHASISED THAT IN AN ERA OF TECHNOLOGY AND SOPHISTICATION, THE PROSPECT OF FURTHERING EXPORT NO LONGER RELIES ON LABOUR INTENSIVE AND LOW PRICED PRODUCTS ALONE, BUT ON OUR ABILITY TO PRODUCE HIGH TECHNOLOGY GOODS.

+IT IS IMPERATIVE THAT WE SHOULD HAVE A LONG TERM PLAN TO TRAIN SKILLED AND TECHNICAL PERSONNEL IN ORDER TO ACHIEVE THIS AIM.

+IN THIS RESPECT, I FULLY SUPPORT THE ESTABLISHMENT OF A STATUTORY VOCATIONAL TRAINING COUNCIL WITH EXECUTIVE AS WELL AS ADVISORY RESPONSIBILITIES FOR THE PROMOTION OF INDUSTRIAL TRAINING.+

TURNING TO HOUSING, THE UNOFFICIAL COUNCILLOR SAID IT IS STILL HONG KONG'S BIGGEST SOCIAL PROBLEM AND HAS TO BE TACKLED VIGOROUSLY.

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THURSDAY, OCTOBER 29, 1981

- 7 -

HE WAS PLEASED TO NOTE THAT THE PREVIOUS TARGET OF 35 000 PUBLIC HOUSING UNITS A YEAR WILL BE INCREASED TO 42 500 UNITS A YEAR.

HE PAID TRIBUTE TO THE GOVERNMENT FOR EXCLUDING LAND VALUE FROM THE PRICE OF HOUSING UNITS PURCHASED THROUGH THE HOME OWNERSHIP SCHEME.

BUT HE WOULD LIKE TO SEE THE IMPOSITION OF RULES STRICTER THAN THOSE ADVANCED BY THE SECRETARY FOR HOUSING TO PROHIBIT THE RESALE OF SUCH UNITS.

+I ACCEPT THAT THERE COULD BE VARIOUS REASONS WHICH NECESSITATE AN OWNER TO WISH TO SELL HIS UNIT,+ SAID MR HU.

+HOWEVER, IN SUCH CASE, I FEEL THAT THE HOUSING AUTHORITY SHOULD BE GIVEN THE FIRST OPTION TO BUY IT BACK, IRRESPECTIVE OF THE YEAR OF OWNERSHIP, AT THE PREVAILING SELLING PRICE OF A SIMILAR HOME OWNERSHIP SCHEME UNIT WITH APPROPRIATE DEDUCTION TAKING INTO CONSIDERATION DEPRECIATION AND OTHER RELEVANT CHARGES.+

ONLY IN THE EVENT OF THE HOUSING AUTHORITY DECLINING TO TAKE UP THE OPTION THAT THE OWNER WOULD BE ALLOWED TO SELL THE UNIT IN THE OPEN MARKET AFTER PAYMENT OF A SUITABLE PREMIUM TO THE GOVERNMENT TO COVER THE AMOUNT OF SUBSIDY IN THE ORIGINAL PRICE ADJUSTED TO THE PREVAILING MARKET PRICE, HE ADDED.

ON THE PRIVATE SECTOR PARTICIPATION SCHEME, MR HU NOTED THAT THE PRESENT TERMS UNDER WHICH PREMIUM MUST BE PAID IN FULL WITHIN A MONTH WOULD NOT BE ATTRACTIVE TO MANY COMPANIES.

THIS IS DUE TO THE RELATIVELY LOW ALBEIT GUARANTEED RETURN COUPLED WITH HIGH INITIAL FINANCIAL INVESTMENT.

HE PROPOSED THAT EASIER PAYMENT TERMS, SAY 10 PER CENT DOWN PAYMENT, WITH THE BALANCE TO BE PAID UP IN 10 EQUAL ANNUAL INSTALMENTS AT 10 PER CENT INTEREST PER ANNUM, SHOULD BE OFFERED IN ORDER TO ATTRACT MORE TENDERERS AND TO ACHIEVE MORE FAVOURABLE RESULTS.

MR HU ALSO URGED THE GOVERNMENT TO HELP THE +HIGHER MIDDLE INCOME GROUP+ WHO ARE NOT ELIGIBLE FOR THE HOME OWNERSHIP SCHEME UNITS TO SOLVE THEIR HOUSING PROBLEM.

HE PROPOSED THAT THE GOVERNMENT SHOULD REVIEW THE COMPREHENSIVE REDEVELOPMENT PLANS FOR BOTH URBAN DISTRICTS AND FOR NEW TOWNS, TAKING INTO CONSIDERATION TRANSPORT FACILITIES, COMMUNITY NEEDS AND SERVICES AND THEN CONSIDER A REASONABLE INCREASE IN THE PLOT RATIO OF BUILDINGS TO BE CONSTRUCTED.

+SUCH REVISION WOULD CERTAINLY HELP TO INCREASE PRODUCTION IN THE PRIVATE SECTOR AND WOULD REDUCE THE SELLING PRICE OF FLATS TO THE BENEFIT OF THIS INCOME GROUP,+ HE SAID.

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THURSDAY, OCTOBER 29, 1981

- 8 -

CONCERN OVER MANUFACTURING INDUSTRY
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THE HON WONG PO-YAN EXPRESSED GRAVE CONCERN OVER THE PROBLEMS OF HONG KONG'S MANUFACTURING INDUSTRY AND ITS EFFECT ON THE WEAKNESS OF THE HONG KONG DOLLAR.

SPEAKING AT THE LEGISLATIVE COUNCIL, HE SAID THE PERSISTENT WIDENING OF OUR VISIBLE TRADE +GAP+ IS THE MOST FUNDAMENTAL SINGLE FACTOR FOR THE DECLINING EXCHANGE VALUE OF OUR DOLLAR.

+DISTINCT FROM SUCH OTHER FACTORS AS A TEMPORARY IN-FLOW OR OUT-FLOW OF FUNDS OR SPECULATIONS IN FOREIGN EXCHANGE, WHICH MAY AFFECT THE HONG KONG DOLLAR WITHIN A SPECIFIC PERIOD, THE WIDENING TRADE GAP HAS A CONTINUOUS AND FAR-REACHING EFFECT.

+IT IS NOT ILLOGICAL TO SAY, AND I BELIEVE WE ALL KNOW, THAT THE LONG-TERM SOLUTION FOR STIFFENING OUR DOLLAR IS TO NARROW THIS GAP - BY STRENGTHENING THE COMPETITIVENESS OF OUR EXPORT-ORIENTATED FOREIGN-EXCHANGE-EARNING MANUFACTURING INDUSTRY,+ HE SAID.

QUOTING STATISTICS, MR WONG SAID THE +GAPS+ IN THE FIRST HALF OF THIS YEAR WERE 16 PER CENT COMPARED WITH 14.7 PER CENT FOR THE SAME PERIOD LAST YEAR - A DIFFERENCE OF 1.3 PER CENT OR AN INCREASE OF 8.8 PER CENT IN PERCENTAGE TERMS.

IN DOLLAR TERMS, THE +GAPS+ IN THE SAME HALF-YEAR PERIOD WERE \$10 480 MILLION AGAINST \$7 614 MILLION, AN INCREASE OF 37.6 PER CENT.

HE NOTED THAT ACCORDING TO PRESS REPORTS, JAPANESE IMPORTS IN A RECENT MONTH INCREASED BY ONE PER CENT ONLY WHILE THEIR EXPORTS INCREASED BY 12 PER CENT COMPARED WITH THE SAME MONTH LAST YEAR.

+WE CANNOT AND MUST NOT IGNORE THE POSSIBLE EFFECTS OF OUR PERSISTENTLY WIDENING VISIBLE TRADE 'GAP',+ HE STRESSED.

+WE HAVE TO DO WHATEVER WE CAN TO INCREASE OUR EXPORTS, IF WE CANNOT REDUCE IMPORTS BY CERTAIN EFFECTIVE MEASURES BECAUSE OF OUR 'POSITIVE NON-INTERVENTION' ECONOMIC POLICY.+

MR WONG POINTED OUT THAT THE STATE AND SURVIVAL OF THE LOCAL MANUFACTURING INDUSTRY WHICH EMPLOYS SOME 42 PER CENT OF A 2.4 MILLION WORKFORCE, HAS DIRECT OR INDIRECT BEARINGS ON THE ENTIRE ECONOMY, AND HENCE THE LIVELIHOOD OF EACH AND EVERY ONE IN HONG KONG.

HE SAID IN THE LAST FEW YEARS HONG KONG HAD ABSORBED HUNDREDS OF THOUSANDS OF NEW IMMIGRANTS, A VERY HIGH PERCENTAGE OF THEM ARE WITHIN THE WORKING AGE RANGE.

BUT THEY ARE MOSTLY UNSKILLED WORKERS AND MANY OF THEM CAN ONLY BE EMPLOYED IN THE COMPARATIVELY LESS SOPHISTICATED INDUSTRIES.

/+THEREFORE, WHEN

+THEREFORE, WHEN WE ARE EARNESTLY MOVING UP-MARKET AND UPGRADING THE TECHNOLOGICAL STANDARD OF OUR MANUFACTURING INDUSTRY, WE HAVE TO ACCEPT THE FACT THAT FROM A SOCIAL POINT OF VIEW, THE EXISTENCE OF CERTAIN FACTORIES AND INDUSTRIAL UNDERTAKINGS AT THE LOWER END IS NECESSARY TO TAKE CARE OF THESE UNSKILLED WORKERS,+ HE SAID.

MR WONG URGED THAT CERTAIN ASSISTANCE TO THESE FACTORIES TO ENABLE THEM TO CONTINUE THEIR OPERATIONS MAY BE JUSTIFIED IN THE LIGHT OF SOCIAL CONSIDERATIONS, ADDING THAT THIS SHOULD NOT AFFECT IN ANY WAY THE TREMENDOUS EFFORTS IN UPGRADING AND DIVERSIFYING OUR INDUSTRY IN GENERAL.

TURNING TO THE EXTERNAL ENVIRONMENT OF OUR MANUFACTURING INDUSTRY, MR WONG POINTED OUT THAT IN THE EARLY YEARS, OUR NEIGHBOURING COUNTRIES WERE FAR BEHIND US IN PROGRESS AND THEIR COMPETITION WAS NOT A REAL THREAT.

SOME OF THEM EVEN WERE NOT YET ACTIVE IN THE WORLD MARKET WHILE HONG KONG HAD THE PROTECTION OF THE COMMONWEALTH PREFERENCE SYSTEM AT THAT TIME.

+TODAY, WE STAND STRIPPED OF THESE ADVANTAGES AND, ON THE CONTRARY, OUR NEIGHBOURS HAVE REVERSED THE POSITION ON US.

+THEY HAVE LOW COST LAND, THEY HAVE MORE RESOURCES, THEY HAVE A LARGER POTENTIAL DOMESTIC MARKET AND THEY ALSO HAVE THEIR GOVERNMENT'S ASSISTANCE IN ONE WAY OR ANOTHER. THEY HAVE DEVELOPED MANY BASIC INDUSTRIES TO PRODUCE THE RAW MATERIALS WHICH WE STILL HAVE TO IMPORT.

+WE EVEN HAVE TO COMPETE WITH SOME WELL-DEVELOPED COUNTRIES IN CERTAIN EXPORT ITEMS,+ HE SAID.

INTERNALLY, MR WONG CONTINUED, IN THE LAST FEW YEARS DURING THE PERIOD OF THE ECONOMIC UPSURGE, THE MANUFACTURING SECTOR AS A WHOLE HAS HAD A LESSER PORTION OF THE FORTUNE WHICH THE ENTIRE COMMUNITY CREATED.

HE SAID SOME INDUSTRIALISTS WHO WERE TOO ENTHUSIASTIC IN INCREASING OR IMPROVING THEIR PRODUCTION EQUIPMENT OR FOR ANY OTHER REASON WHO DID NOT SECURE A PIECE OF PROPERTY FOR THEIR OWN USE ARE NOW FACING THE PROBLEM OF INCREDIBLY HIGH RENTS FOR THEIR FACTORY SITES.

+THEREFORE, WE HAVE A GENUINE AND URGENT PROBLEM OF PROVIDING SITES FOR THOSE INDUSTRIES WHICH CANNOT COMPETE IN THE OPEN MARKET BUT WHOSE EXISTENCE IS DESIRABLE ON SOCIAL CONSIDERATIONS.

+PROBABLY THE PROVISION OF MORE PUBLIC INDUSTRIAL BUILDINGS MAY BE ONE OF THE ANSWERS FOR THE SMALL SIZE FACTORIES, ESPECIALLY THOSE WHICH HAVE TO BE CLEARED FROM CROWN LAND REQUIRED FOR DEVELOPMENT.+

THURSDAY, OCTOBER 29, 1981

- 10 -

ANOTHER PROBLEM WHICH MR WONG SAID FACED THE MANUFACTURING INDUSTRY IS HOW TO MAINTAIN OR CREATE AN ENVIRONMENT CONDUCIVE TO ATTRACTING FOREIGN AS WELL AS LOCAL INVESTMENTS.

+I BELIEVE IT IS NOT ALWAYS WRONG TO USE PUBLIC FUNDS TO STIMULATE INDUSTRIAL INVESTMENTS BY PROVIDING LOWER INTEREST RATES FOR THE MANUFACTURING SECTOR.

+IF IT IS, WHY SO MANY COUNTRIES - INCLUDING THE E.E.C., U.S.A. AND JAPAN - USE THE FUNDS PROVIDED BY THEIR GOVERNMENTS OR PUBLIC BODIES TO FINANCE THE EXPORTS OF SPECIFIC PROJECTS AT AN AVERAGE INTEREST RATE AS LOW AS EIGHT PER CENT UNTIL NOW WHICH IS MUCH LOWER THAN THE MARKET RATE?+ MR WONG ASKED.

IN CALLING FOR SOME POSITIVE ACTION TO BE TAKEN TO RECTIFY THE UNFAVOURABLE CONDITIONS WHICH AFFECT THE LOCAL ECONOMIC DEVELOPMENT, MR WONG URGED THE GOVERNMENT TO GIVE CAREFUL CONSIDERATIONS TO THE FOLLOWING PROPOSALS:

- * USE PART OF THE SURPLUS TO SET UP A CENTRAL FUND FOR PROVIDING TRULY LOW-INTEREST LOANS TO CERTAIN CATEGORIES OF MANUFACTURING INDUSTRIES AND TO FINANCE IMPORTANT INDUSTRIAL PROJECTS= AND
- * INTRODUCE A PAYMENT-BY-INSTALMENT SCHEME AT A LOW INTEREST RATE FOR AUCTIONED INDUSTRIAL LANDS, SPECIFIED FOR INDUSTRIAL USE ONLY, BY THE MANUFACTURER-PURCHASER FOR A MINIMUM OF, SAY, TEN YEARS, ON THE CONDITION THAT THEY CANNOT BE RESOLD IN THE OPEN MARKET.

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/11

THURSDAY, OCTOBER 29, 1981

- 11 -

PRAISE FOR GOVERNMENT'S +PRAGMATIC APPROACH+

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THE HON WILLIAM BROWN PAID TRIBUTE TO THE GOVERNMENT FOR +TRANSLATING OPTIMISM INTO A PRAGMATIC APPROACH+ TOWARDS CURRENT ECONOMIC CONDITIONS.

SPEAKING AT THE LEGISLATIVE COUNCIL TODAY, MR BROWN NOTED THAT HONG KONG'S DEPENDENCE ON EXTERNAL FACTORS REQUIRES CONSTANT EMPHASIS.

+I AM SURE WE CAN CONTINUE TO RELY ON GOVERNMENT REFUSING TO PUSH THE 'PANIC BUTTON' WHENEVER OUR ECONOMIC INDICATORS GYRATE IN SYMPATHY WITH EVENTS LARGELY OUTSIDE OUR CONTROL.

+AVOIDANCE OF PRECIPITATE ACTION IN SUCH CIRCUMSTANCES DOES NOT IMPLY THAT NOTHING AT ALL CAN BE DONE AND IT MUST BE CORRECT THAT THE PRIVATE SECTOR, FOR ITS PART, IS UNDER A DUTY TO DEMONSTRATE IT POSSESSES THE WISDOM TO MANAGE ITS AFFAIRS IN THE INTERESTS OF THE WHOLE COMMUNITY IN RETURN FOR GOVERNMENT'S COMMITMENT TO AS LITTLE INTERVENTION AS POSSIBLE IN OUR FREE ECONOMY.+

HOWEVER, MR BROWN ADDED, THE PUBLIC SECTOR SHOULD ALSO KEEP THIS ADMONITION IN MIND.

HE SAID IN SOME AREAS IT MUST ENSURE THAT THE PROTECTION OF ITS OWN SECTIONAL INTERESTS DOES NOT RUN CONTRARY TO THE COMMON GOOD.

IN PARTICULAR, RESTRAINT SHOULD BE EXERCISED IN REGARD TO FUTURE PAY AWARDS, THEIR TIMING AND THE METHOD BY WHICH THEY ARE DETERMINED.

+WE HAVE AN EXCELLENT CIVIL SERVICE THAT SERVES US WELL, AND IT IS IN THE COMMON INTEREST THAT IT SHOULD BE GENEROUSLY REWARDED.

+HOWEVER, IN TIMES OF ECONOMIC HARDSHIP FOR MANY OF OUR COMMUNITY WE MUST GUARD AGAINST TOO BIG A GAP EMERGING BETWEEN ANY OF ITS COMPONENT SECTORS - BE THEY PRIVATE OR PUBLIC,+ HE WARNED.

REFERRING TO MONETARY STATISTICS AND THE RELATIVE SIZE OF PUBLIC SECTOR EXPENDITURE, MR BROWN DREW ATTENTION TO THE DANGER OF BECOMING OBSESSED BY SUCH STATISTICS AND WARNED THAT EXTREME CARE WAS NEEDED IN THEIR INTERPRETATION. THERE WAS A NEED TO AVOID SEEKING SOLUTIONS TO PROBLEMS WHICH DO NOT EXIST, OR AT LEAST DO NOT EXIST TO THE EXTENT OR IN THE FORM OF POPULAR BELIEF, HE SAID.

/ EXPRESSING RESPECT

THURSDAY, OCTOBER 29, 1981

- 12 -

EXPRESSING RESPECT FOR THE INTELLECTUAL VIEWS OF ECONOMIC COMMENTATORS, MR BROWN REMARKED THAT HE HAD EQUAL RESPECT FOR THE VERY VISIBLE EVIDENCE IN HONG KONG THAT AS A COMMUNITY WE WERE FARING REMARKABLY WELL IN VERY DIFFICULT WORLD CONDITIONS.

+IF THE ACHIEVEMENT OF IMPROVED MONETARY STATISTICS SHOULD NECESSITATE A HIGHER LEVEL OF UNEMPLOYMENT AND LOWER GROWTH RATES, OR IF A LOWER RATIO OF PUBLIC EXPENDITURE SHOULD REQUIRE ANY REDUCTION IN OUR HOUSING, TRANSPORT AND OTHER ESSENTIAL COMMUNITY SERVICES AND PROJECTS, THEN I KNOW WHERE MY CHOICE WOULD BE,+ SAID MR BROWN.

HE WENT ON TO POINT OUT THAT THE EXPERIENCE OF THOSE TERRITORIES WHICH HAVE CONCENTRATED ON GETTING THEIR ECONOMIC INDICATORS WITHIN SELF IMPOSED ACCEPTABLE LEVELS HAVE NOT GENERALLY PRODUCED RESULTS WORTHY OF EMULATION.

ACKNOWLEDGING THAT WE CANNOT BE COMPLACENT ABOUT THE LEVEL OF INFLATION, MR BROWN ENDORSED THE ATTITUDE OF THE FINANCIAL SECRETARY IN THAT WE MUST AVOID ANY CURE OF OUR ECONOMIC CONDITIONS CAUSING RESULTS WORSE THAN THE DISEASE.

+WE MUST ALSO BE CAREFUL NOT TO ADMINISTER MEDICINE JUST AS THE PATIENT IS RECOVERING FOR THERE IS GROWING EVIDENCE THAT MARKET FORCES ARE PRODUCING THEIR OWN SOLUTIONS TODAY JUST AS THEY HAVE DONE IN THE PAST,+ HE ADDED.

TURNING TO THE AIMS AND ASPIRATIONS OF OUR SOCIETY, MR BROWN SAID HE WAS PLEASED AND ENCOURAGED TO SEE THAT EMPHASIS IS BEING PLACED ON THE NEED TO IMPROVE OUR CULTURAL AND PHYSICAL ENVIRONMENT.

+THAT WE LIVE IN A MATERIALISTIC AGE CANNOT BE DENIED, BUT THE REFERENCES IN YOUR (THE GOVERNOR'S) ADDRESS TO THOSE ASPIRATIONS WHICH PRODUCE REWARDS BEYOND ANOTHER DOLLAR IN THE BANK ACCOUNT ARE A TIMELY REMINDER OF WHAT LIFE IS, OR SHOULD BE, ALL ABOUT,+ HE REMARKED.

HE ALSO PLEDGED FULL SUPPORT TO THE GOVERNMENT'S WIDE RANGING PROGRAMME FOR COMMUNITY PROJECTS IN THE COMING YEARS.

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/13

THURSDAY, OCTOBER 29, 1981

- 13 -

LOW-COST LAND FOR INDUSTRIES SUGGESTED

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THE TIME IS RIPE FOR THE GOVERNMENT TO ASSIST THE MANUFACTURING SECTOR BY MAKING MORE PRIVATE TREATY GRANTS OR SETTING THE SALE PRICES OF INDUSTRIAL LAND AT LOWER THAN THE MARKET VALUE, THE HON CHAN KAM-CHUEN SAID TODAY.

HE SUGGESTED THAT SUCH SUBSIDISED LAND MAY ONLY BE RE-SOLD UNDER VERY EXCEPTIONAL CIRCUMSTANCES TO THE GOVERNMENT AND RE-SALE TO THE OPEN MARKET FOR PROFIT SHOULD BE PROHIBITED, HE SAID.

+THIS NEW ARRANGEMENT WOULD NOT ONLY ENCOURAGE MORE LOCAL AND OVERSEAS INVESTMENTS IN OUR MANUFACTURING SECTOR, BUT ALSO BOOST HONG KONG'S FOREIGN EXCHANGE EARNINGS DUE TO INCREASED EXPORTS.

+IN ADDITION, OUR WORKERS WOULD BE ASSURED THAT A PORTION OF OUR INDUSTRIAL LAND AND THE BUILDINGS THEREON ARE RESERVED FOR A CERTAIN NUMBER OF JOBS, THOUGH THEIR OWNERSHIP AND TYPES OF INDUSTRIAL UNDERTAKINGS MAY CHANGE.+

BUT HE EMPHASISED THAT THIS NEW ARRANGEMENT SHOULD ONLY APPLY TO NEW INDUSTRIAL LAND SITES AND SHOULD NOT BE IMPOSED ON EXISTING INDUSTRIAL LAND OR BUILDINGS WHICH SHOULD CONTINUE TO BE FREELY REDEVELOPED BY THEIR OWNERS.

MR CHAN ALSO EXPRESSED CONCERN OVER THE SITUATION THAT SOME INDUSTRIALISTS WERE ANXIOUS TO REAP HUGE AND QUICK PROFITS BY SELLING THEIR FACTORY SITES FOR RE-DEVELOPMENT INTO DOMESTIC OR COMMERCIAL PREMISES.

MANY OF THE FACTORIES WHICH HAD BEEN PULLED DOWN WERE NOT NECESSARILY INEFFICIENT ONES, HE NOTED.

TO PREVENT SIMILAR RECURRENCES, HE URGED THE GOVERNMENT TO STIPULATE IN FUTURE AUCTIONS OF INDUSTRIAL LAND IN DESIGNATED AREAS THAT THE USE OF THE LAND MAY NOT BE CHANGED TO OTHER PURPOSES.

REFERRING TO THE WIDENING TRADE +GAP+ AND THE WEAKENING HONG KONG DOLLAR, MR CHAN CALLED ON THE PUBLIC TO GRADUALLY REDUCE THEIR EXPENSIVE HABIT OF TAKING TOO MANY PLEASURE TRIPS ABROAD AND SPENDING LAVISHLY ON NON-ESSENTIAL CONSUMER GOODS.

EXCESSIVE INDULGENCE, HE SAID, WOULD ONLY HELP WEAKEN THE HONG KONG DOLLAR AND THE LOWER INCOME GROUP WOULD CONSEQUENTLY SUFFER FROM RUNAWAY INFLATION.

HE POINTED OUT THAT THE TRULY STRONG ECONOMIC POWERS ARE NOT ONLY STRONG IN THEIR MANUFACTURING INDUSTRIES, PRODUCTIVITY AND EXPORTS, BUT THEIR SCHOOL CHILDREN ARE ALSO EDUCATED TO BE PROUD OF THEIR COUNTRIES AND USE THEIR OWN PRODUCTS.

/+THIS IS

THURSDAY, OCTOBER 29, 1981

- 14 -

+THIS IS THE PSYCHOLOGICAL DEFENCE LINE IN THE MIND OF EVERY WELL-DISCIPLINED CITIZEN, WHICH FOREIGN BUSINESSES FIND HARD TO PENETRATE.

+IT IS TIME THAT WE SHOULD CAPITALISE ON ADVERSITY AND GRADUALLY BUILD UP THIS MENTALITY BY STARTING A +USE HONG KONG GOODS+ CAMPAIGN.

+THEREFORE, WHENEVER POSSIBLE OUR MANUFACTURERS SHOULD DEVELOP THE DOMESTIC MARKET, WHICH AFTER ALL HAS A POTENTIAL 5.1 MILLION BUYERS.

+THE PEOPLE OF HONG KONG SHOULD ALSO BE EDUCATED AND ENCOURAGED TO BUY MORE HONG KONG GOODS,+ HE SAID.

MR CHAN ALSO NOTED THAT IN 1980/81, THERE WERE 7.9 MILLION DEPARTURES OF HONG KONG RESIDENTS TO CHINA, MACAU AND OTHER COUNTRIES. THE EXPENDITURE OF EACH HONG KONG RESIDENT OVERSEAS WAS ESTIMATED TO BE \$595, EXCLUDING SUCH EXPENSIVE GIFTS AS TELEVISION SETS AND OTHER CONSUMER GOODS THAT WERE CARRIED OVER THE BORDER.

IF GIFTS OF AN AVERAGE VALUE OF \$1 838.50 WERE CARRIED ON EACH OF THE 7.9 MILLION DEPARTURES OF HONG KONG RESIDENTS ON OVERSEAS TOURS, MR CHAN SAID, THE TOTAL EXPENDITURE ON SUCH GIFTS WOULD BE EQUAL TO THE VISIBLE TRADE DEFICIT OF \$14.52 BILLION IN THE SAME FINANCIAL YEAR.

+I BELIEVE THE GOVERNMENT MIGHT CONSIDER ASKING THE PEOPLE, ON LEAVING HONG KONG, TO COMPLETE A SIMPLE FORM TO 'DECLARE' THE TRUE VALUE OF ANY BRAND NEW CONSUMER GOODS WHICH THEY ARE BRINGING OUT OF HONG KONG,+ HE SAID.

+THIS IS OF COURSE NOT FOR THE PURPOSE OF TAXATION BUT TO PRESENT A MORE ACCURATE PICTURE OF THE MAGNITUDE OF THE PROBLEM.

+THE GOVERNMENT MIGHT LATER WISH TO RE-CLASSIFY 'PERSONAL GIFTS' IN ITS TRADE STATISTICS, THEREBY PLACING OUR VISIBLE TRADE DEFICIT IN THE CORRECT PERSPECTIVE WITH A VIEW TO INSTITUTING EFFECTIVE MEASURES TO IMPROVE OUR TRADE BALANCE.+

ON INDUSTRIAL SAFETY, MR CHAN NOTED THAT THE COMMITTEE OF INDUSTRIAL SAFETY AND ACCIDENT PREVENTION OF THE LABOUR ADVISORY BOARD IS PERFORMING PARTLY THE FUNCTIONS OF AN INDUSTRIAL SAFETY COUNCIL ON A TRIPARTITE BASIS AND IS DEVELOPING IN THIS DIRECTION.

HE WAS ALSO PLEASED TO NOTE THAT THE PUBLICITY CAMPAIGN ON SAFETY AT WORK THROUGH THE MEDIA, SHOWS AND DISPLAYS, COUPLED WITH SEMINARS ORGANISED WITH THE LABOUR DEPARTMENT, HAVE AROUSED A GROWING INDUSTRIAL SAFETY CONSCIOUSNESS AMONG BOTH WORKERS AND EMPLOYERS.

HE HOPED THAT THIS WOULD REDUCE THE NUMBER OF HONG KONG'S +RATHER LAMENTABLE+ INDUSTRIAL ACCIDENTS, PARTICULARLY IN THE FATAL AND SERIOUS DISABILITY CASES.

/TURNING TO

THURSDAY, OCTOBER 29, 1981

- 15 -

TURNING TO THE CIVIL SERVICE, MR CHAN BELIEVED THAT THE RETROACTIVE ELEMENT IN CIVIL SERVICE PAY ADJUSTMENTS IS RELATED TO THE GOVERNMENT'S POLICY OF FOLLOWING GENERAL PAY MOVEMENTS WHICH HAVE OCCURRED IN THE PRIVATE SECTOR.

HE NOTED THAT THE STANDING SALARIES COMMISSION IS CURRENTLY STUDYING THE METHODOLOGY OF PAY SURVEYS AND THE TIMING OF CIVIL SERVICE PAY ADJUSTMENTS.

+WHATEVER THE RECOMMENDATIONS, THESE WOULD AFFECT SOME 130 000 CIVIL SERVANTS PLUS THOUSANDS OF EMPLOYEES IN SUBVENTED ORGANISATIONS.

+I HOPE, THEREFORE, THAT AFTER CONSULTATION WITH THE STAFF BODIES, THE GOVERNMENT WOULD BE PRUDENT AND FAIR-MINDED IN MAKING ANY NECESSARY CHANGES TO THE AGREED PRACTICE SO AS NOT TO UNSETTLE THE PRESENTLY HARMONIOUS STAFF RELATIONS,+ HE SAID.

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/16

THURSDAY, OCTOBER 29, 1981

- 16 -

PLEA FOR TWO-TIER INTEREST RATES

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THE HON STEPHEN CHEONG TODAY URGED THE GOVERNMENT TO INITIATE CONSULTATIONS WITH THE VARIOUS ORGANISATIONS REPRESENTING MANUFACTURING INTERESTS AND LOCAL FINANCIAL INSTITUTIONS, WITH THE AIM OF INTRODUCING A TWO-TIER SYSTEM OF INTEREST RATES.

HIS CALL WAS MADE IN DISAGREEMENT WITH THE GOVERNMENT'S +STRONG PREFERENCE+ FOR RESTRAINT OF THE EXCESSIVE CREDIT GROWTH BY THE SELF-DISCIPLINE AND RESPONSIBILITY OF OUR FINANCIAL INSTITUTIONS.

SAID MR CHEONG: +I APPRECIATE THAT, IN A FREE ENTERPRISE ECONOMY SUCH AS OURS, THE SCOPE FOR GOVERNMENT INTERVENTION IS LIMITED.

+BUT GIVEN THE ALMOST WHOLLY EXPORT-ORIENTED NATURE OF OUR MANUFACTURING ENTERPRISE AND THE SIZE OF THEIR CONTRIBUTION TO THE WELL-BEING OF OUR ECONOMY, I AM NOT SURE HOW THE EXERCISE OF SELF-DISCIPLINE BY OUR FINANCIAL INSTITUTIONS ALONE COULD RESTRAIN CREDIT GROWTH WITHOUT, AT THE SAME TIME, ADVERSELY AFFECTING THE MANUFACTURING SECTOR.

+NOR AM I CERTAIN THAT ACROSS-THE-BOARD UPLIFTS IN THE BANKS' BEST LENDING RATE IS NOT TOO BLUNT AN INSTRUMENT, PARTICULARLY IN DIFFICULT TIMES SUCH AS THOSE WE ARE NOW FACING.+

HE POINTED OUT THAT A MEANINGFUL TWO-TIER SYSTEM OF INTEREST RATES IS ALREADY IN OPERATION IN SOUTH KOREA, TAIWAN AND SINGAPORE WHICH ARE AMONGST HONG KONG'S CLOSEST COMPETITORS.

MR CHEONG SAID HE WAS PLEADING FOR GOVERNMENT INTERVENTION IN THIS ISSUE NOT JUST BECAUSE HE BELIEVED THAT THE CURRENT LEVEL OF BEST LENDING RATES ARE HAVING A DAMAGING EFFECT ON THE MANUFACTURING SECTOR BUT ALSO BECAUSE HE WAS NOT CONVINCED THAT THE SELF-DISCIPLINE EXERCISE BY THE FINANCIAL INSTITUTIONS ALONE WOULD RECONCILE THE NEED TO DAMPEN DOWN EXCESSIVE CREDIT CREATION AND THE NEEDS OF THE MANUFACTURING SECTOR.

+I WOULD SUBMIT THAT IT IS TIME THE GOVERNMENT CEASE 'WATCHING THE SITUATION CLOSELY' AND STARTS A CONSULTATIVE PROCESS, WITH A VIEW TO DEVISING SOME SOLUTIONS, HOWEVER DIFFICULT AND HOWEVER UNPALATABLE THE IDEA OF GOVERNMENT INTERVENTION MAY SEEM IN THIS FREE ENTERPRISE ECONOMY OF OURS.

/+THE DIFFICULTIES

THURSDAY, OCTOBER 29, 1981

- 17 -

+THE DIFFICULTIES OF A TWO-TIER SYSTEM OF INTEREST RATES WILL, I AM SURE, ARGUE FOR THEMSELVES.

+BUT LET US AT LEAST TAKE A GOOD, HARD LOOK AT IT,+ HE SAID.

EARLIER, MR CHEONG SAID HE DID NOT QUITE SHARE THE GOVERNOR'S OPTIMISM AT THE PRESENT TIME THAT +HONG KONG WILL EXPERIENCE YET ANOTHER YEAR OF PROSPERITY IN 1982+.

GIVEN THAT THE U.S. ADMINISTRATION HAS BEEN AT PAINS TO IMPRESS UPON OTHER GOVERNMENTS THAT IT WILL TAKE SOME TIME FOR ITS ECONOMIC AND MONETARY POLICIES TO BEAR FRUIT, HE SAID: +I WOULD LIKE TO KNOW THE BASIS UPON WHICH THE CONSENSUS THAT 'THINGS ARE LIKELY TO BE BETTER IN 1982, NOT WORSE' AND THAT 'THE RECESSION IS BOTTOMING OUT' WAS REACHED.+

FROM HIS TALK TO MANY BUSINESSMEN IN THE MANUFACTURING SECTOR ABOUT PROSPECTS FOR NEXT YEAR, MR CHEONG SAID HE HAD DETECTED +A MOOD OF DESPONDENCY+ HE HAD NEVER ENCOUNTERED BEFORE.

+THEY WOULD AGREE THAT, AS A SHORT-TERM PHENOMENON, THE RECENT DEPRECIATION IN THE EXCHANGE VALUE OF THE HONG KONG DOLLAR HAS MADE OUR EXPORT PRICES MORE COMPETITIVE- BUT THEY ARE IN MORE THAN TWO MINDS AS TO WHETHER THIS COULD LAST.+

BUT WHAT WAS EVEN MORE WORRYING IS THE GROWING RELUCTANCE OF MANY MANUFACTURERS TO INCREASE THEIR INVESTMENT IN PLANT AND EQUIPMENT.

+THIS IS WORRYING, PARTLY BECAUSE IT WILL RETARD THE PACE OF OUR RESPONSE TO ANY REVIVAL IN DEMAND IN OUR OVERSEAS MARKETS, AND PARTLY BECAUSE IT WILL SLOW DOWN THE RATE AT WHICH OUR MANUFACTURING OUTPUT MOVES UP-MARKET.

+I CAN ONLY HOPE THAT THIS RELUCTANCE IS SHORT-LIVED.

+IF IT PERSISTS, IT WILL DEFINITELY HAVE FAR-REACHING CONSEQUENCES FOR THE GROWTH RATE OF OUR ECONOMY,+ HE ADDED.

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/18

THURSDAY, OCTOBER 29, 1981

- 18 -

BETTER DEAL FOR NT RESIDENTS URGED
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THE HON CHEUNG YAN-LUNG DREW ATTENTION TO THE SOCIO-ECONOMIC CHANGES WHICH HAD TAKEN PLACE IN THE NEW TERRITORIES AND URGED THE GOVERNMENT TO GIVE HUMANITARIAN CONSIDERATION TO THE LONG-ESTABLISHED RESIDENTS OF THE NEW TERRITORIES.

IN HIS MAIDEN SPEECH TO THE LEGISLATIVE COUNCIL TODAY, MR CHEUNG SAID SOCIO-ECONOMIC CHANGE IN THE NEW TERRITORIES SINCE 1950 HAD BEEN DRAMATIC, IF NOT CATASTROPHIC - +DRAMATIC IN THEIR EFFECT ON PEOPLE'S ENTIRE LIVES AND CATASTROPHIC IN THEIR EFFECT ON THE HEARTS AND MINDS OF THE PEOPLE AT THE RECEIVING END+.

HE SAID HE WAS IMPRESSED BY THE HUMANITARIAN CONSIDERATION GIVEN IN THE PLANNING OF NEW HOUSING ESTATES, SUCH AS THE PROVISION OF FULLER SOCIAL SERVICES, HIGHER SAFETY STANDARDS, AND CHEAPER RENTALS AND PURCHASE PRICES FOR THE PEOPLE OF HONG KONG.

+WHY HAS THE SAME NOT BEEN DONE FOR THE LONG-ESTABLISHED RESIDENTS OF THE NEW TERRITORIES?+ MR CHEUNG ASKED.

+THESE PEOPLE ASKED SPECIFICALLY FOR HIGHER QUALITY EMERGENCY MEDICAL SERVICES, BETTER SAFETY STANDARDS FOR OVERHEAD POWER PYLONS ON THEIR PRIVATE LAND, AND PREMIA-FREE LICENCES TO BUILD THEIR OWN HOMES ON THEIR OWN LAND, AND A PROPER SYSTEM OF WATER SUPPLY WHICH UP TILL NOW IS VIRTUALLY NON-EXISTENT.+

MR CHEUNG ALSO ASKED THAT EQUAL IMPORTANCE BE GIVEN TO THE DEMOGRAPHIC REDISTRIBUTION FOR THE NEW TERRITORIES PEOPLE.

HE SAID: +IN THE WORDS OF YOUR EXCELLENCY, THE PROBLEM IS NOT ONLY TO PROVIDE SOCIAL, MEDICAL AND SECURITY SERVICES THAT ALL COMMUNITIES NEED BUT ALSO THE DEMOGRAPHIC REDISTRIBUTION WITHOUT WHICH NO RISE IN THE QUALITY OF LIFE IS POSSIBLE.

+THIS I BELIEVE TO BE THE KEY TO THE FUTURE OF THE NEW TERRITORIES, BEARING IN MIND THAT OUR RESOURCES WERE BARELY ADEQUATE TO SERVE THE EXISTING POPULATION EVEN BEFORE ANY FURTHER URBAN INFLUX, ESTIMATED TO BE RUNNING AT ABOUT 180 000 PEOPLE PER YEAR.+

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/19

THURSDAY, OCTOBER 29, 1981

- 19 -

ADVANTAGES OF WHOLE-DAY SCHOOLING
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THE GOVERNMENT SHOULD CONSIDER THE ADOPTION AND IMPLEMENTATION OF WHOLE DAY SCHOOLING, THE HON SELINA CHOW SAID.

SPEAKING FOR THE FIRST TIME AS AN UNOFFICIAL MEMBER OF THE LEGISLATIVE COUNCIL, MRS CHOW POINTED OUT THAT THE LIMITATIONS OF HALF-DAY SCHOOLS MIGHT RESULT IN THE DEVELOPMENT OF TWO EXTREMES.

+WITHIN SCHOOL HOURS+, SHE SAID, +LESSONS ARE OFTEN TAUGHT AT TOO FAST A PACE, LEAVING LITTLE TIME FOR REVISION AND COMMUNICATION BETWEEN TEACHERS AND STUDENTS AND AMONG STUDENTS THEMSELVES.

+THUS, CONCERNED PARENTS FIND IT NECESSARY TO COMPLEMENT THE INADEQUACIES OF THEIR CHILDREN'S SCHOOLING WITH REVISION AND TUTORING AT HOME, THEREBY AGGRAVATING ACADEMIC PRESSURE YET FURTHER.

+ON THE OTHER HAND, PERMISSIVE OR IRRESPONSIBLE PARENTS LEAVE THEIR CHILDREN ENTIRELY ON THEIR OWN ONCE THEY ARE HOME FROM SCHOOL WITH NEITHER SUPERVISION NOR ATTENTION FOR THE BETTER HALF OF THE DAY, LEAVING THE DOOR WIDE OPEN TO TEMPTATIONS.+

SHE EXPLAINED THAT WHOLE DAY SCHOOLING HAS MANY ADVANTAGES. THESE INCLUDE:

- * CURRICULUM BECOMES LESS CRAMMED, THUS ALLEVIATES PRESSURES FOR TEACHERS, PARENTS AND STUDENTS.
- * STUDENTS CAN LEARN, REVISE AND EXERCISE AMONG THEMSELVES IN AN ATMOSPHERE CONDUCIVE TO LEARNING.
- * MORE TIME IS AVAILABLE FOR EXTRA-CURRICULAR ACTIVITIES, STUDENT COUNSELLING, COMMUNITY SERVICES AND MORAL EDUCATION.
- * A MORE BALANCED AND RELAXED LIFE-STYLE WOULD RESULT AS STUDENTS CAN HAVE CLEARLY-DEFINED WORK AND LEISURE PERIODS IN THE DAY.

HOWEVER, MRS CHOW WARNED THAT ADDING HALF A DAY SCHOOLING DOES NOT MEAN ADDING 50 PER CENT WORKLOAD.

TEACHERS MUST ADOPT A MORE RELAXED STYLE OF TEACHING BY PLACING MORE EMPHASIS ON COMMUNICATION AND DISCUSSION TO GENERATE MORE INTEREST AND UNDERSTANDING OF KNOWLEDGE, SHE SAID.

TURNING TO BILINGUALISM, MRS CHOW SAID IT HAS BEEN ONE OF THE BASIC ELEMENTS ON WHICH THE SUCCESS OF HONG KONG IS BUILT.

BUT SHE FELT THE SIGNIFICANCE OF ENGLISH IS UNDERPLAYED IN PRIMARY SCHOOLS AND THUS A MAJORITY OF STUDENTS FACE +A LANGUAGE SHOCK+ ON GRADUATING FROM PRIMARY TO SECONDARY SCHOOL WHEN THE MEDIUM OF TEACHING CHANGES FROM CHINESE TO ENGLISH.

/+WE ARE

+WE ARE LEFT WITH TWO POSSIBLE ALTERNATIVES,+ SHE SAID. +EITHER THE STANDARD OF ENGLISH IS UPGRADED IN PRIMARY SCHOOL SO THAT STUDENTS ARE EQUIPPED TO ACCEPT EITHER ENGLISH OR CHINESE AS THE MEDIUM OF TEACHING IN SECONDARY SCHOOLS, OR, CHILDREN ARE CATEGORIZED INTO CHINESE AND ENGLISH SECONDARY SCHOOLS RESPECTIVELY.+

SHE THOUGHT THE FIRST ALTERNATIVE IS MORE DESIRABLE AS CHILDREN ARE PREPARED FOR A CHOICE WHICH THEY AND THEIR PARENTS ARE FREE TO MAKE UP TO THE AGE OF TWELVE.

ALSO ON THE SUBJECT OF EDUCATION, MRS CHOW SAID THE RECENT INFLUX OF IMMIGRANTS CALLS FOR A LONG HARD LOOK AT OUR ADULT EDUCATION PROGRAMME.

INFORMATION IS NOW REQUIRED TO IDENTIFY NEEDS IN VARIOUS INDUSTRIES AND THE QUALITY OF HUMAN RESOURCES AVAILABLE AND SUBSEQUENTLY TO PLAN TRAINING PROGRAMMES TO BRIDGE THE GAP BETWEEN SUPPLY AND DEMAND.

+THIS IS A MATTER OF IMMEDIATE SOCIAL SIGNIFICANCE AS THIS AFFECTS EMPLOYMENT OPPORTUNITIES FOR RECENT ARRIVALS AND INDIRECTLY THE STABILITY OF OUR COMMUNITY AS A WHOLE,+ SHE SAID.

COMMENTING ON THE FAR-REACHING INFLUENCE OF THE MASS MEDIA, MRS CHOW CALLED FOR A MORE STRUCTURED SYSTEM TO TRAIN THE PROGRAMME WORKERS AND MANAGERS AS WELL AS TO ASSESS THEIR PROFESSIONAL STANDARDS.

IT HAS BEEN RECOGNISED RECENTLY BY PEOPLE, BOTH WITHIN AND OUTSIDE THE BROADCASTING INDUSTRY, THAT PERHAPS THE MASS MEDIA SHOULD BE LOOKED AT MORE CLOSELY AS A MEDIUM NOT ONLY FOR FREE ENTERTAINMENT BUT ALSO FOR PUBLIC EDUCATION, SHE SAID.

THERE ARE SOME WHO BELIEVE THAT IT HAS NOT FULFILLED ITS MORAL FUNCTIONS ADEQUATELY, AND FEEL THE GOVERNMENT SHOULD EXERCISE MORE STRINGENT CONTROL OVER PROGRAMMING.

OTHERS TAKE THE MUCH MORE LIBERAL VIEW THAT NO ONE SHOULD HAVE THE RIGHT OF CENSORSHIP AND EVERY VIEWER SHOULD HAVE THE FREEDOM OF CHOICE.

+I PERSONALLY FEEL THAT GIVEN THE CONTEXT OF HONG KONG AND THE TREMENDOUS INFLUENCE THE MASS MEDIA HAS ON THE MINDS OF OUR PEOPLE, THE GOVERNMENT SHOULD RETAIN SOME FORM OF CONTROL PROVIDING PARAMETERS WITHIN WHICH CREATIVE FREEDOM IS NOT HAMPERED,+ MRS CHOW URGED.

HOWEVER, SHE ADDED, THE MAIN CONTROL IS IN THE HANDS OF THE PEOPLE WHO CREATE AND SELECT PROGRAMMES, AND IT IS THEY WHO SHOULD ASSUME THE ULTIMATE MORAL RESPONSIBILITY.

SHE NOTED THAT ALTHOUGH COMMERCIAL TELEVISION COMPANIES ARE CONTRACTUALLY BOUND TO PROVIDE A CERTAIN PERCENTAGE OF DIFFERENT TYPES OF PROGRAMME, SUCH PERCENTAGES HAVE NEVER BEEN STRICTLY ADHERED TO OR ENFORCED IN PRACTICE.

THIS HAS RESULTED IN AN OVERWHELMING PROPORTION OF LIGHT ENTERTAINMENT PROGRAMMES DURING WEEK-DAY PRIME-TIME WHERE THE HIGHEST VIEWERSHIP IS FOUND.

+IN MY VIEW, THIS IS WHERE THE GOVERNMENT CAN AND SHOULD COME IN TO EXERCISE CONTROL.

+BY ACHIEVING THE RIGHT BALANCE IN LIGHT AND SERIOUS PROGRAMMES, AND WITH OUR TECHNICAL EXCELLENCE, WE CAN THEN CLAIM TO BE THE TRUE LEADER IN THE BROADCASTING INDUSTRY IN THE ASIAN REGION, AS THE UNITED KINGDOM IS IN EUROPE,+ SHE SAID.

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NON-INTERVENTION POLICY CRITICISED

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THE GOVERNMENT'S +FREE ECONOMY+ AND +NON-INTERVENTION+ POLICIES CAME UNDER ATTACK BY AN UNOFFICIAL LEGISLATIVE COUNCILLOR, THE HON MARIA TAM, TODAY.

IN HER FIRST SPEECH TO THE LEGISLATIVE COUNCIL, MISS TAM SAID SUCH POLICIES MAY HAVE POSSIBLY LED TO THE PRESENT STATE OF CONFUSING +NO-POLICY+ AND HAVE THROWN THE MEDIUM AND SMALL MANUFACTURERS IN UTTER CHAOS.

SHE NOTED THAT SOME HIDDEN WORRIES ARE AT PRESENT BEDEVILLING HONG KONG'S INDUSTRIES. THESE ARE:

- * GLOBAL INFLATION=
- * EFFECTS OF THE LONG-STANDING HIGH LAND PRICE POLICY=
- * ASCENDANCY OF INTERNATIONAL PROTECTIONISM=
- * WEAKNESS OF THE LOCAL CURRENCY IN RECENT YEARS=
- * THE UNBEARABLE HEIGHTS AT WHICH INTEREST RATES ARE BEING PEGGED=
- * THE INCREASE OF PRODUCTION COSTS DUE TO RAISING OF INDUSTRIAL HEALTH AND SAFETY STANDARDS= AND
- * THE GROWING SOPHISTICATION OF NEIGHBOURING COUNTRIES AS COMPETITORS VYING FOR MARKETS HITHERTO ENJOYED BY OUR PRODUCTS.

/IT IS

IT IS REPORTED THAT IN THE THIRD QUARTER OF 1980, A TOTAL OF 2 479 MEDIUM AND SMALL FACTORIES SUSPENDED PRODUCTION - A TWO-FOLD INCREASE OVER THE NUMBER (1 227) FOR THE SAME PERIOD IN 1979, SHE SAID.

+HOW FAR INDEED HAS THE 'NON-INTERVENTIONIST' FREE ECONOMY AFFECTED HONG KONG?+ SHE ASKED.

+OUR EFFORTS IN DIVERSIFICATION HAVE BEEN THWARTED BY HIGH LAND PRICES WHICH PUSHED THE COST OF SETTING UP NEW FACTORIES TO SUCH HIGH LEVELS.

+SINCE 1978, SMALL FACTORIES, WHICH WERE RECOGNISED TO HAVE BEEN A BIG CONTRIBUTORY FACTOR TO HONG KONG'S INDUSTRY AND STANDING THEN AT SOME 37 000 ESTABLISHMENTS, HAVE NOT RECEIVED ANY ASSISTANCE IN TECHNOLOGY OR FACTORY LAND. THE SMALL FACTORY LOAN SCHEME HAD ALSO SUBSIDED IN 1976.+

ON THE CONTRARY, MISS TAM CONTINUED, SOUTH KOREA HAS IMPLEMENTED A NUMBER OF POLICIES TO HELP MEDIUM AND SMALL INDUSTRIES WHICH NOW STAND AS PEERS OF HONG KONG. THESE INCLUDE THE SETTING UP OF THE COUNCIL OF SMALL INDUSTRY POLICY TO PROVIDE CAPITAL, TECHNOLOGY, EXPORT AND MANAGEMENT SERVICES- AND THE BUREAU OF SMALL BUSINESS TO HELP SPECIALISATION AND MERGING OF SMALL BUSINESS.

ALTHOUGH SHE REALISED THAT THE GOVERNMENT HAS BEEN INCREASING THE STOCK OF INDUSTRIAL FACTORY SPACE, MISS TAM HOPED THAT IT WILL NOW ALLOCATE LAND TO ESTABLISH INDUSTRIAL ESTATES FOR SMALL FACTORIES TO ENABLE SMALL FACTORY OWNERS TO ACQUIRE THEIR OWN FACTORY PREMISES.

SHE ALSO CALLED ON THE GOVERNMENT TO SHOW ITS EMPHASIS AND CONCERN BY SETTING UP AS SOON AS POSSIBLE A BODY WHICH WOULD STUDY HOW A CONCESSIONARY INTEREST RATES SCHEME COULD BE BEST RUN FOR THE BENEFIT OF MEDIUM AND SMALL INDUSTRIES.

AS A LONG-TERM MEASURE, MISS TAM SUGGESTED THAT AN INDUSTRIAL AID AGENCY, SIMILAR TO WHAT THE AGRICULTURE AND FISHERIES DEPARTMENT HAS DONE, BE ESTABLISHED TO GIVE AID AND ADVICE WITH REGARD TO THE FOUR BASIC FACTORS OF PRODUCTION - LAND, LABOUR, CAPITAL, AND ORGANISATION AND MANAGEMENT.

TURNING TO IMMIGRATION, MISS TAM HIGHLIGHTED THE NEED TO CARRY OUT A SYSTEMATIC SURVEY OF THE +GREEN SEAL IDENTITY CARD HOLDERS+ IN ORDER TO FACILITATE IMPLEMENTATION OF AN ASSIMILATION SCHEME.

SHE SAID THE PUBLIC SHOULD TREAT THE 510 000 ODD +GREEN SEAL IC HOLDERS+ AS PART AND PARCEL OF THE HONG KONG COMMUNITY. WITH THE EXCEPTION OF VOTING RIGHTS, THEY SHOULD HAVE THE SAME RIGHTS AND OBLIGATIONS AS ANY OTHER HONG KONG CITIZEN.

SHE NOTED THAT AMONG THEM THERE ARE MANY MUSICIANS, DANCERS, ARTISTS AND WRITERS WHO HAVE ADDED LUSTRE TO HONG KONG'S ART AND CULTURAL ACTIVITIES. THERE ARE ALSO ATHLETES WHO ARE NOW TRAINING OUR YOUNG SPORTSMEN.

MISS TAM SAID IN THE COURSE OF HER URBAN COUNCIL WARD OFFICE DUTIES, SHE HAD COME ACROSS MANY +GREEN SEAL IC HOLDERS+ WORKING IN VARIOUS TRADES.

/BUT SHE

BUT SHE FELT THAT THOSE WORKING IN FACTORIES ARE MORE HARDWORKING AND THRIFTY AND ARE COMPARATIVELY EASIER TO ASSIMILATE.

+I THINK THAT TO INTEGRATE 'GREEN SEAL IC HOLDERS' INTO OUR SOCIETY, CONCERN AND GUIDANCE FROM THEIR RELATIVES AND FRIENDS IN HONG KONG ARE NECESSARY,+ SHE SAID.

+AS FOR TRAINING AND CULTIVATING THEIR SKILLS, OR REACHING OUT TO ISOLATED AND ITINERANT GROUPS, OR SETTING UP PERMANENT ADVISORY SERVICES, WE WILL HAVE TO DEPEND ON THE EFFORTS OF THE GOVERNMENT.+

AS REGARDS COMMUNICATION BETWEEN THE POLICE AND SOCIAL WORKERS, MISS TAM REMARKED THAT HER INVOLVEMENT WITH VOLUNTARY AGENCIES HAS BROUGHT HER INTO CONTACT WITH OUTREACH WORKERS AND SOMETIMES WITH THE POLICE.

SHE DISCOVERED THAT EVEN THOUGH THE POLICE AND SOCIAL WORKERS MAINTAIN OFFICIAL LIAISON AT A HIGHER LEVEL, THERE IS NO APPROPRIATE MEASURE OF COMMUNICATION BETWEEN THEM ON THE LEVEL OF THE DIVISIONAL FRONT.

+SOMETIMES CONSTABLES TAKE OUTREACH WORKERS FOR TROUBLEMAKERS,+ SHE SAID. +OUTREACH WORKERS ARE ALSO UNABLE TO TELL WHAT HELP THE POLICE CAN OFFER THEIR CLIENTS WHO HAVE COMMITTED A CRIME.

+AS A RESULT, WORKERS AND LAW ENFORCEMENT AGENTS WHO ARE ON THE SAME BATTLE FRONT TO REDUCE THE INCIDENCE OF JUVENILE CRIME FIND GROSS INCOORDINATION AND DISHARMONY IN THEIR RELATIONSHIPS.

+I HOPE THE POLICE COMMUNITY RELATIONS OFFICES OF VARIOUS DIVISIONAL STATIONS WILL STRENGTHEN THEIR REGULAR CONTACTS WITH WORKERS OF VOLUNTARY AGENCIES IN ORDER TO BETTER UNDERSTAND ONE ANOTHER.+

QUOTING THE POLICE DISCRETIONARY SCHEME AS ANOTHER EXAMPLE, MISS TAM POINTED OUT THAT OF THE 749 PEOPLE WHO PARTICIPATED IN THIS SCHEME IN 1980, ONLY 28 RETURNED TO CRIME. THIS COMPARED WITH 326 PEOPLE TOOK PART IN THE SCHEME UP TO NOW THIS YEAR, WITH ONLY NINE RETURNED TO CRIME.

+HOWEVER, THERE HAS BEEN NO ANALYTICAL REPORT WHICH EXPLAINS WHY YOUNG PEOPLE WITH COMPARATIVELY BETTER FAMILY, SCHOOL AND OTHER BACKGROUND TURN TO CRIME OR WHY THE INCIDENCE OF SUCH CRIME HAS BEEN SO HIGH.

+AN ANALYSIS OF THESE CASES WILL GIVE US A CLEARER IDEA AS TO WHETHER LAWS SHOULD BE ENACTED TO HELP CONVICTED JUVENILES IN THEIR REHABILITATION AND TO HAVE THEIR RECORD OF CONVICTION REMOVED.

+I FEEL THAT THE POLICE SHOULD COMMUNICATE MORE WITH THE SOCIAL WELFARE DEPARTMENT AND OTHERS AND UTILISE OTHER DEPARTMENT'S EXPERTISE IN ANALYSING THEIR OWN DATA.

+THIS WILL ENHANCE BETTER RESULTS WITH LESS EFFORT,+ SHE ADDED.

THURSDAY, OCTOBER 29, 1981

- 24 -

BACK FROM CHINA WATER TALKS
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A SIX-MAN DELEGATION, LED BY THE SECRETARY FOR LANDS AND WORKS, MR DAVID MCDONALD, RETURNED TO HONG KONG THIS MORNING (THURSDAY) AFTER TALKS IN GUANGDONG WITH REPRESENTATIVES OF THE DEPARTMENT OF WATER CONSERVATION AND HYDRO-ELECTRIC POWER.

THE DISCUSSIONS ON ADDITIONAL WATER SUPPLY FROM CHINA WERE DESCRIBED AS FRUITFUL.

THE DELEGATION IS TO REPORT TO THE GOVERNOR-IN-COUNCIL AND AN ANNOUNCEMENT ON THE RESULT OF THE TALKS IS EXPECTED TO BE MADE SHORTLY.

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RUBBISH DUMP TURNED INTO CAR PARK
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AN UNSIGHTLY RUBBISH DUMP IN HANG HAU, SAI KUNG, HAS BEEN CONVERTED INTO A CAR PARK FOR 20 VEHICLES WITH DISTRICT BOARD FUNDS.

THE SITE, COVERING AN AREA OF 415 SQUARE METRES, IS LOCATED ON HANG HAU TOWN MAIN STREET FACING JUNK BAY.

FOR SEVERAL YEARS THE GROUND WAS USED BY LOCAL RESIDENTS AND SHOP OPERATORS TO DUMP RUBBISH.

TO IMPROVE THE ENVIRONMENT AND PREVENT FURTHER DUMPING, THE ENVIRONMENT IMPROVEMENT SUB-COMMITTEE OF SAI KUNG DISTRICT BOARD DECIDED IT WAS AN EXCELLENT SITE FOR A CAR PARK.

CLEARANCE AND EXCAVATION WORK STARTED AT THE BEGINNING OF AUGUST AND SURFACING WAS COMPLETED RECENTLY.

THE CONSTRUCTION COST OF \$47 000 WAS MET BY SAI KUNG DISTRICT BOARD'S MINOR ENVIRONMENTAL IMPROVEMENT VOTE, WHICH TOTALS \$385 200 THIS FINANCIAL YEAR.

SIMILAR PROJECTS IN THE DISTRICT INCLUDE CONSTRUCTING TWO SITTING-OUT AREAS AT PO LO CHE AND TUI MIN HOI, SURFACING THE PAK KONG SOCCER PITCH, AND PLANTING AND TURFING SEVERAL ROADSIDE AMENITY PROJECTS.

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SHORT-TERM TENANCY OF CROWN LAND AVAILABLE

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TENDERS FOR A SHORT-TERM TENANCY OF A PIECE OF CROWN LAND AT CHAI WAN, HONG KONG ARE BEING SOUGHT BY THE CROWN LANDS AND SURVEY OFFICE.

THE 1 580-SQUARE-METRE SITE, SITUATED BETWEEN WAN TSUI ROAD AND SUI MAN ROAD, IS FOR THE STORAGE OF TENANT'S GOODS VEHICLES (INCLUDING FEE PAYING CAR PARK), CONSTRUCTION EQUIPMENT AND MATERIALS BUT EXCLUDING CONCRETE/ASPHALT BATCHING.

THE TENANCY IS FOR AN INITIAL PERIOD OF ONE YEAR AND QUARTERLY, THEREAFTER.

CLOSING DATE FOR TENDERS WILL BE NOON NOVEMBER 13.

TENDER FORMS AND PARTICULARS CAN BE OBTAINED AT THE CROWN LANDS AND SURVEY OFFICE, MURRAY BUILDING, 19TH FLOOR, GARDEN ROAD, HONG KONG AND ALSO AT THE KOWLOON GOVERNMENT OFFICES, 405 NATHAN ROAD, 10TH FLOOR.

THE TENDER PLAN MAY ALSO BE INSPECTED AT THESE OFFICES.

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ELEVATED ROAD TO BE BUILT

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THE HIGHWAYS OFFICE OF THE ENGINEERING DEVELOPMENT DEPARTMENT TODAY AWARDED A \$59-MILLION CONTRACT TO FRANKI CONTRACTORS LIMITED FOR THE CONSTRUCTION OF THE NORTHERN ELEVATED ROAD FROM NGAU TAU KOK TO KOWLOON BAY.

THE CONTRACT WAS SIGNED BY MR K.C. YEUNG, CHIEF ENGINEER OF OF CONSULTANTS MANAGEMENT DIVISION OF THE HIGHWAYS OFFICE AND A REPRESENTATIVE OF THE COMPANY.

THE CONTRACT INVOLVES CONSTRUCTION OF A 520-METRE ELEVATED ROAD LINKING THE ALREADY-COMPLETED SECTION OVER THE MASS TRANSIT RAILWAY DEPOT WITH NGAU TAU KOK ROAD TO THE WEST AND THE AIRPORT TUNNEL ROAD TO THE EAST, TOGETHER WITH A GRADE SEPARATED CROSSING AT KWUN TONG ROAD.

THERE WILL ALSO BE GRADE SEPARATED ACCESS TO AND FROM WAI YIP STREET.

A SUBWAY WILL BE BUILT FOR PEDESTRIAN TRAFFIC UNDER THE AIRPORT TUNNEL ROAD NEAR WAI YIP STREET.

THE WORK IS EXPECTED TO TAKE ABOUT TWO YEARS TO COMPLETE.

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THURSDAY, OCTOBER 29, 1981

- 26 -

CAS RECRUITS TO PARADE
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MORE THAN 300 CIVIL AID SERVICE RECRUITS FROM 10 UNITS WILL BE DRAWN UP ON PARADE ON SATURDAY (OCTOBER 31) AT THE ROYAL HONG KONG AUXILIARY POLICE HEADQUARTERS PARADE GROUND AT 8 PM.

THE RECRUITS, THE LARGEST IN NUMBER, COMPRISE ADULTS AND CADETS WHO HAVE COMPLETED FULL TRAINING AIMED AT MAKING THEM EFFICIENT CAS VOLUNTEERS.

THEIR TRAINING INCLUDED FOOT DRILL, DISCIPLINE, FIRST AID, LIGHT RESCUE, FOREST FIRE FIGHTING, COMMUNITY INVOLVEMENT AND TYPHOON DUTIES.

A CAS SPOKESMAN SAID THE VOLUNTEERS WERE DRAWN FROM ALL WALKS OF LIFE AND FROM EVERY PROFESSION. THEY HAVE SATISFIED THE EXAMINERS OF THEIR WILLINGNESS TO PERFORM DUTIES FOR THE BENEFIT OF HONG KONG.

MR HILTON CHEONG-LEEN, CHAIRMAN OF THE URBAN COUNCIL, WILL INSPECT THE PARADE AND PRESENT CERTIFICATES TO THE BEST RECRUITS. HE WILL ALSO AWARD CIVIL DEFENCE LONG SERVICE MEDALS TO 19 SERVING CAS MEMBERS.

THERE WILL BE PERFORMANCES BY THE 50-MEMBER CAS BAND, THE CHAMPIONSHIP CADETS AND ADULT DRILL TEAMS, AND THE CAS SPECTACULAR TRICK BICYCLING TEAM.

AT THE END OF THE PARADE, REFRESHMENTS WILL BE SERVED TO GUESTS AND MEMBERS OF THE PRESS.

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NOTE TO EDITORS :

YOU ARE INVITED TO COVER THE PARADE WHICH BEGINS AT 8 PM ON SATURDAY AT THE ROYAL HONG KONG AUXILIARY POLICE HEADQUARTERS PARADE GROUND, HARBOUR ROAD, WAN CHAI.

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