



# DAILY INFORMATION BULLETIN

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THURSDAY, OCTOBER 7, 1993

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THURSDAY, OCTOBER 7, 1993

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GOVERNOR AT LEGCO QUESTION AND ANSWER SESSION ON HIS POLICY ADDRESS  
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THE PRESIDENT: COUNCIL WILL NOW RESUME. THE GOVERNOR WILL MAKE A SHORT ADDRESS. THE QUESTION TIME THIS AFTERNOON WILL BE DEVOTED TO MATTERS ARISING FROM THE GOVERNOR'S POLICY ADDRESS.

THE GOVERNOR: THE GOVERNOR WILL MAKE AN EXTREMELY SHORT ADDRESS. I SPOKE FOR JUST OVER TWO HOURS YESTERDAY AND I THINK IT WOULD BE UNGENTLEMANLY OF ME TO SPEAK AT LENGTH THIS AFTERNOON. SO, I SUGGEST IF THE COUNCIL ARE SATISFIED, THAT WE PROCEED DIRECTLY TO QUESTIONS SO THE COUNCIL HAVE AS MUCH TIME AS POSSIBLE. IF THE COUNCIL IS SATISFIED WITH THAT, I HOPE THEY WILL FEEL THERE IS PLENTY IN THIS SPEECH ON WHICH THEY CAN ASK QUESTIONS.

THE PRESIDENT: MEMBERS MAY NOW PUT QUESTIONS TO THE GOVERNOR. A MEMBER WHO HAS ASKED A QUESTION MAY, FOR THE PURPOSE OF ELUCIDATION ONLY, ASK A SHORT FOLLOW-UP QUESTION.

MR ANDREW WONG (THROUGH INTERPRETER): DO I NEED TO STAND UP, MR PRESIDENT? MR CHAIRMAN, I THINK THE GOVERNOR'S POLICY ADDRESS IS BORING ON THE FIRST PART BUT QUITE SUBSTANTIAL, BUT THE LATTER PART IS QUITE SEDUCTIVE. WELL, MR GOVERNOR, DURING THE NEGOTIATIONS, HAVE YOU CONSIDERED AND HAVE YOU TRIED TO USE A THIRD CHANNEL TO CONDUCT NEGOTIATIONS? NOW WHAT I MEAN BY THAT IS THAT THE BRITISH SIDE WILL NOT INSIST ON YOUR ORIGINAL PACKAGE OR PROPOSAL AND WILL NOT INSIST ON SOME RIGID INTERPRETATION OF THE BASIC LAW. AND IF YOU HAVE NOT TRIED THIS, WHY DIDN'T YOU? IN FUTURE - NOW IN THE COMING WEEKS - NOW, YOU MENTIONED WEEKS YESTERDAY IN YOUR SPEECH, AND YOU SAID THAT THE TIME REMAINING WILL BE IN WEEKS, SO IN THE COMING WEEKS, WILL YOU BE PROPOSING THIS THIRD CHANNEL? WILL THIS BECOME THE ONLY CHANNEL THAT WILL LEAD US TO SUCCESSFUL TALKS? THANK YOU.

THE GOVERNOR: I ASSUME THAT IN CATEGORISING THAT QUESTION, I SHOULD REGARD IT AS SEDUCTIVE RATHER THAN BORING. I AM NOT ENTIRELY SURE WHAT THE HONOURABLE GENTLEMAN MEANS BY 'A THIRD CHANNEL'. I WAS NOT ABLE TO DETECT IN WHAT HE WAS SAYING, A DIFFERENT ARTIFACT FOR TRYING TO GET FROM WHERE WE ARE NOW TO WHERE HE AND I, AND I GUESS ALL OF US, WOULD LIKE US TO BE. WE HAVE, DURING THE NEGOTIATIONS, SHOWN, I THINK, ON OUR SIDE OF THE TABLE, CONSIDERABLE FLEXIBILITY AND CREATIVITY. I SET OUT, NOT TO UNIVERSAL APPROBATION, YESTERDAY, SOME OF THE THINGS WHICH THE BRITISH AND HONG KONG COLLEAGUES, HAD BEEN PREPARED TO DO AND SAY. IT IS OBVIOUSLY FOR CHINESE OFFICIALS TO SAY WHAT THEY HAVE BEEN PREPARED TO DO, AND I AM SURE THAT THEY WILL SAY THAT IN DUE COURSE. BUT I CAN ASSURE THE HONOURABLE MEMBER THAT WE HAVE LEFT NO STONE UNTURNED, SAVE THAT WE DON'T INTEND TO ABANDON OUR PRINCIPLES.

/MR ALFRED TSO .....

MR ALFRED TSO (THROUGH INTERPRETER): MR PRESIDENT, PLEASE ALLOW ME TO ASK THE GOVERNOR ON THE PENSION RESERVE FUND. NOW, EVERYBODY IN OUR COMMUNITY AGREES THAT IT IS VERY IMPORTANT TO BOOST THE MORALE OF OUR CIVIL SERVANTS. THIS IS VERY IMPORTANT IN MAINTAINING STABILITY AND PROSPERITY. ALTHOUGH YOU PROPOSE TO USE SEVEN BILLION DOLLARS TO SET UP THE PENSION RESERVE FUND, IT IS INDEED A VERY SMALL AMOUNT, AND I DON'T THINK IT IS VERY HELPFUL IN GIVING CONFIDENCE TO THE CIVIL SERVANTS AND IN GUARANTEEING THEIR PENSIONS. SO, CAN YOU LET US KNOW WHAT IS THE SUM OF PENSIONS THAT YOU OWE OUR CIVIL SERVANTS NOW, AND WHETHER YOU WILL HAVE A CONCRETE TIME FRAME IN WHICH YOU WILL INJECT MORE MONEY INTO THIS FUND SO THAT YOU CAN REALLY EASE THE MINDS OF THE CIVIL SERVANTS? THANK YOU.

THE GOVERNOR: FIRST OF ALL, I WOULD LIKE TO CONGRATULATE THE HONOURABLE MEMBER ON HIS ARRIVAL IN THIS LEGISLATIVE COUNCIL. I AM SURE THAT HE WILL FIND IT AS ENTERTAINING AND CONSTRUCTIVE A WAY OF PASSING HIS HOURS AS HIS 59 COLLEAGUES DO.

I THINK THE HONOURABLE MEMBER AND I MUST HAVE VERY DIFFERENT IDEAS OF MAGNITUDE. TO REGARD SEVEN BILLION HONG KONG DOLLARS AS BEING RATHER A TRIVIAL SUM, DOES SEEM TO ME TO GIVE NEW MEANING TO THE CONCEPT OF TRIVIALITY. IF SEVEN BILLION IS TRIVIAL, I THINK MOST MEMBERS OF THE COUNCIL WOULD LIKE TO BE TRIVIAL WITH THAT SORT OF MONEY. WHAT WE FACE - AND PERHAPS I CAN SET OUT THE POSITION IN SOME DETAIL - WHAT WE FACE IS A RATHER STRANGE DILEMMA AND REQUEST. THERE IS NO DOUBT WHATSOEVER THAT THE CONTINUING PAYMENT OF CIVIL SERVICE PENSIONS IS A STATUTORY RIGHT, IT IS PERFECTLY CLEAR IN THE LAW, AND A STATUTORY CHARGE ON OUR REVENUES. THERE IS EQUALLY NO DOUBT THAT WE HAVE PLENTY OF MONEY, YEAR ON YEAR, TO GO ON PAYING CIVIL SERVICE PENSIONS AS WE HAVE DONE OUT OF GENERAL REVENUE, REPRESENTING AT TOP, ABOUT FOUR OR FIVE PER CENT OF WHAT WE HAVE COMING IN. THERE IS EQUALLY NO DOUBT THAT THE JOINT DECLARATION AND THE BASIC LAW MAKE PERFECTLY PLAIN THE COMMITMENT OF A FUTURE SAR GOVERNMENT TO PAYING CIVIL SERVICE PENSIONS, AS THIS GOVERNMENT HAS DONE UNDER BRITISH SOVEREIGNTY. THAT IS AS PLAIN A COMMITMENT AS THE COMMITMENTS TO - WHAT SHALL I SAY? - FREEDOM OF SPEECH, FREEDOM OF ASSEMBLY, FREEDOM OF WORSHIP, AND ALL THOSE OTHER MATTERS. NOW, ON THOSE OTHER MATTERS, CHINESE OFFICIALS ARE NOT SAYING, "BUT WE MAY HAVE TO HAVE DOUBLE-BANKING IN ORDER TO ENSURE THAT THIS PRINCIPLE IS STOOD BY FOR THE FUTURE". IN THE CASE OF CIVIL SERVICE PENSIONS, THEY HAVE TAKEN RATHER A DIFFERENT POINT OF VIEW.

MY OWN CONCERN, AND MY PRINCIPAL CONCERN, HAS BEEN TO SATISFY WHAT SOME MAY THINK IS A SLIGHTLY IRRATIONAL CONCERN AMONG CIVIL SERVANTS BUT IT IS A CONCERN WHICH NEVERTHELESS EXISTS, AND WHERE POSSIBLE, I WANT TO TRY TO DO ALL WE CAN TO SAFEGUARD AND PRESERVE CIVIL SERVICE MORALE DURING THIS VERY DIFFICULT PERIOD. SO, GIVEN THE FACT THAT THE BOOKS LOOK PARTICULARLY GOOD AT THE MOMENT, WE THOUGHT IT WAS SENSIBLE TO IDENTIFY A REASONABLE SUM OF MONEY TO SET ASIDE FOR PARTIAL FUNDING OF PENSIONS. AND I THINK THAT THE AMOUNT THAT WE HAVE SET ASIDE HAS SURPRISED SOME CIVIL SERVANTS, NOT BY ITS TRIVIALITY BUT BY ITS SCALE.

/WE WILL .....

WE WILL BE DISCUSSING THE PRECISE WAYS IN WHICH THE FUND SHOULD BE MANAGED WITH THE CIVIL SERVICE UNIONS, WITH THIS COUNCIL, WITH THE EXECUTIVE COUNCIL, AND WITH CHINESE OFFICIALS AS WELL, BECAUSE THIS IS A BIG COMMITMENT FOR THE FUTURE. BUT I THINK IT IS AN IMAGINATIVE STEP, I THINK IT IS A PRUDENT STEP, AND I DON'T REGARD IT AS ANYTHING OTHER THAN A REASONABLE AND HANDSOME OFFER BY THE HONG KONG TAXPAYER TO THOSE WHO SERVE THE HONG KONG TAXPAYER SO EXTRAORDINARILY WELL.

MR HUI YIN-FAT: THANK YOU, SIR. MR GOVERNOR, WE WELCOME YOUR PROMISE TO PROVIDE MORE NURSING AND CARE AND ATTENTION HOME PLACES FOR THE ELDERLY. BUT HOW ARE THESE PLACES TO BE PROVIDED, BY PRIVATE OPERATORS OR BY SUBVENTED WELFARE AGENCIES? DO YOU THINK THE PROVISION OF THESE ADDITIONAL PLACES MIGHT BE HAMPERED, FIRSTLY, BY THE INTRODUCTION OF LEGISLATION ON THE OPERATION OF SUCH HOMES NEXT YEAR, AND SECONDLY, BY THE SHORTAGE OF MANPOWER? IF SO, HOW ARE WE GOING TO OVERCOME THESE DIFFICULTIES?

THE GOVERNOR: THE SECOND POINT WHICH THE HONOURABLE MEMBER MADE IS ONE ON WHICH I KNOW THE COUNCIL WILL WISH TO BE SATISFIED WHEN THE ADMINISTRATION COMES FORWARD WITH LEGISLATION ON CARE AND ATTENTION HOMES IN THE NEXT FEW MONTHS BECAUSE WHILE THE WHOLE COUNCIL WISHES TO SEE THE BEST POSSIBLE STANDARDS OF CARE IN THESE HOMES, IT DOES NOT WANT TO SEE A RISE IN STANDARDS LEAD TO A SUBSTANTIAL FALL IN PLACES. SO WHAT WE NEED TO DO IS TO GO FOR THE BEST QUALITY, BUT DO SO IN A SENSIBLE AND FLEXIBLE WAY WHICH ENSURES THAT WE DO NOT LOSE A LARGE NUMBER OF PLACES AND SEE ELDERLY MEN AND WOMEN TURFED-OUT, AS IT WERE, ON TO THE STREET. WE ARE DETERMINED TO AVOID THAT AT ALL COSTS, WHILE AT THE SAME TIME RAISING STANDARDS OF CARE. I THINK WE WILL WANT TO PROVIDE THESE ADDITIONAL PLACES THROUGH ALL THE MEANS THAT ARE AVAILABLE AND WE WILL WANT TO DO SO AT THE SAME TIME AS WE IMPROVE SAFETY STANDARDS, AS WE IMPROVE STAFFING PROVISION, IN THE HOMES IN QUESTION. I DON'T, MYSELF, BELIEVE THE SORT OF OBLIGATIONS THAT WE ARE GOING TO PLACE ON THOSE PROVIDING CARE AND ATTENTION PLACES IN TERMS OF STAFF NUMBERS, COULD CONCEIVABLY BE REGARDED AS EXCESSIVELY ONEROUS, BUT THAT WILL BE A POINT WHICH THE COUNCIL HAVE TO DECIDE FOR ITSELF IN DUE COURSE.

MR LAU WAH-SUM: MR GOVERNOR, THE HONG KONG PEOPLE ARE VERY CONCERNED ABOUT INFLATION ALTHOUGH IT IS TRUE THAT IT HAS FALLEN A BIT IN RECENT MONTHS BUT VERY FEW PARAGRAPHS IN YOUR POLICY ADDRESS WERE DEVOTED TO THE QUESTION OF INFLATION SO DO YOU HAVE A GOOD SOLUTION TO THE PROBLEM? THANK YOU.

/THE GOVERNOR: .....

THE GOVERNOR: I AM DELIGHTED AT LEAST THAT WE ARE DISCUSSING THIS MATTER THIS YEAR WITH OUR INFLATION PREDICTIONS NOW RATHER LOWER FOR THE YEAR THAN THEY WERE AT THE BEGINNING OF THE YEAR IN HONG KONG, AS I SAID YESTERDAY. IT LOOKS AS THOUGH THE INFLATION FIGURES FOR THE YEAR WILL BE LOWER THAN WE WERE ANTICIPATING AND THAT'S THE RESULT OF A NUMBER OF FACTORS, SOME OF WHICH MAY HAVE MORE TO DO WITH THE HONG KONG GOVERNMENT SOME OF WHICH ARE FORTUITOUS. I'VE SAID BEFORE THAT WE FIND OURSELVES FIGHTING INFLATION IN DIFFERENT CIRCUMSTANCES TO OTHER COMMUNITIES. FIRST OF ALL, WE ARE NOT IN A POSITION, AND THIS IS SOMETHING WHICH I WILL CONTINUE TO DEFEND, IN WHICH WE CAN USE MONETARY INSTRUMENTS IN THE WAY THAT SOME OTHER COMMUNITIES WOULD. SECONDLY, WE HAVE SUPPLY SIDE CONSTRAINTS BOTH IN RELATION TO LAND AND IN RELATION TO LABOUR WHICH ALSO AFFECT INFLATION HERE. THAT MAKES IT ALL THE MORE INCUMBENT UPON US THAT IN GOVERNMENT WE GIVE THE BEST POSSIBLE EXAMPLE BY CONDUCTING OUR FINANCIAL AFFAIRS AS PRUDENTLY AS POSSIBLE. SO EVEN THOUGH WE WERE ABLE TO ANNOUNCE YESTERDAY THE ENHANCEMENT OF A NUMBER OF PROGRAMMES ALBEIT \$7 BILLION MAY NOT SEEM ENOUGH TO SOME HONOURABLE MEMBERS, THAT ENHANCEMENT WAS WITHIN OUR CUSTOMARY GUIDELINES, THAT IS, WE ARE NOT PREPARED TO ALLOW PUBLIC EXPENDITURE TO GROW BEYOND THE RATE OF GROWTH IN THE ECONOMY AS A WHOLE. I DON'T THINK THERE ARE MANY GOVERNMENTS AROUND THE WORLD WHO'VE BEEN ABLE HAND ON HEART TO COMMIT THEMSELVES TO THAT YEAR AFTER YEAR AND STICK TO IT. WE ALSO CONTINUE TO PURSUE IN GOVERNMENT A TOUGH EFFICIENCY DRIVE TO TRY TO MAKE CERTAIN THAT THE MONEY THAT WE SPEND ON BEHALF OF THE HONG KONG TAXPAYER IS AS WELL SPENT AS POSSIBLE. I AM SOMETIMES SURPRISED BY THE IMPLICATION THAT TO TRY TO BECOME MORE EFFICIENT IN GOVERNMENT WITH A RISING PUBLIC EXPENDITURE PROGRAMME IS TANTAMOUNT TO CUTS IN PUBLIC EXPENDITURE. WHAT WE'VE MADE PERFECTLY CLEAR IS THAT WHERE DEPARTMENTS ARE ABLE TO MAKE SAVINGS THROUGH GREATER EFFICIENCY THEY CAN DEPLOY THOSE REVENUES IN ORDER TO ENHANCE OTHER PROGRAMMES. THAT'S A VERY SENSIBLE PIECE OF HOUSEKEEPING AND ONE WE INTEND TO STICK TO. SO THE SECOND THING WE HAVE TO DO IS TO BE EFFICIENT WITH OUR OWN MONEY OR RATHER WITH THE TAXPAYERS MONEY.

THIRDLY, WE ARE DOING WHAT WE CAN IN THE LABOUR MARKET BOTH THROUGH THE LABOUR IMPORTATION SCHEME - 22,000 WORKERS HAVE COME IN UNDER THE LABOUR IMPORTATION SCHEME SO FAR WITH ANOTHER 3,000 TO COME - WE ARE ALSO, AS THE HONOURABLE MEMBER WILL KNOW EMBARKED ON AN AMBITIOUS PROGRAMME OF RE-TRAINING AND I MADE PROPOSALS YESTERDAY ABOUT HOW WE COULD CAST THE NET A LITTLE WIDER IN ORDER TO PROVIDE MORE RE-TRAINING FOR OTHERS IN ADDITION TO THOSE WHO LOSE THEIR JOBS BECAUSE OF INDUSTRIAL RESTRUCTURING OR SIMILAR ECONOMIC PROCESSES AND, FINALLY, WE HAVE TO DO WHAT WE CAN IN THE PROPERTY MARKET. WE SUPPORT - I SUPPORT - THE PRUDENT MEASURES WHICH BANKS HAVE TAKEN FOR GOOD FINANCIAL REASONS DETERMINED BY THEMSELVES TO PREVENT TOO MUCH OVERHEATING IN THE PROPERTY MARKET. I HOPE WE MADE A CONTRIBUTION YESTERDAY WHEN WE ANNOUNCED AN ADDITIONAL 120 CIVIL SERVANTS IN LAND DEPARTMENT TO EXPEDITE ISSUES LIKE LEASE MODIFICATION AND WE THINK THAT A RESULT OF THAT SHOULD BE THAT WE ARE ABLE TO INCREASE BY ABOUT 2,000 THE NUMBER OF FLATS FOR HOME OWNERSHIP WHICH ARE COMPLETED NEXT YEAR AND THAT INCREASE IN DEMAND - IN SUPPLY RATHER - SHOULD I THINK HAVE SOME IMPACT - PERHAPS MARGINAL - BUT SOME IMPACT ON PROPERTY SPECULATION AND PROPERTY PRICES. SO WE HAVE TO GO ON WORKING RIGHT ACROSS THE BOARD. THE HONOURABLE MEMBER IS ENTIRELY CORRECT TO SAY THAT THE BATTLE AGAINST INFLATION HAS TO REMAIN A PRIORITY CONSIDERATION FOR US. THERE HAS JUST BEEN A WORLD BANK REPORT ON WHY THE EAST ASIAN ECONOMIES HAVE DONE SO MUCH BETTER THAN OTHER DEVELOPING ECONOMIES ELSEWHERE IN THE WORLD AND I THINK ONE OF THE LESSONS FROM THAT REPORT IS THE IMPORTANCE OF SENSIBLE AND PRUDENT MACRO-ECONOMIC POLICY AND ABOVE ALL, BEARING DOWN WHEREVER POSSIBLE WHENEVER POSSIBLE ON INFLATION.

/THE PRESIDENT: .....

THE PRESIDENT: MR STEVEN ... YOU ARE NOT ENTITLED TO IT I AM AFRAID UNLESS YOU WANT THAT AS A QUESTION BUT YOU ARE JUMPING THE QUEUE. MR STEPHEN POON.

MR STEPHEN POON: THANK YOU MR PRESIDENT. MR GOVERNOR, IN YOUR POLICY ADDRESS YOU TALK ABOUT THE AIRPORT BUT MOST OF THE THINGS MENTIONED ARE DONE BY THE HONG KONG GOVERNMENT. YOU HAVEN'T SAID MUCH ABOUT HOW YOU CONDUCT NEGOTIATIONS WITH CHINA ON THE AIRPORT BUT WE HAVE SEEN REPORTS WHICH HAVE SAID THAT THE HONG KONG GOVERNMENT HAS SUBMITTED A NEW PROPOSAL TO THE CHINESE AND ONE OF OUR MEMBERS SAID TO THE PRESS THAT IN NOVEMBER THERE WILL BE AN AGREEMENT AND WE HAVE HEARD REPORTS, FOR EXAMPLE, THE FINANCIAL SECRETARY IN NEW YORK SAID THAT FINANCIAL ARRANGEMENTS SHOULDN'T BE A PROBLEM. MAYBE THE CHINESE ARE WAITING FOR A CHANCE TO GIVE ITS CONSENT. MR GOVERNOR, CAN YOU TELL US THIS. WHAT IS THE LATEST PROPOSAL FROM THE HONG KONG GOVERNMENT REGARDING THIS? AND WHAT IS THE RESPONSE OF THE CHINESE? IS IT TRUE THAT VERY SOON THERE WILL BE AN AGREEMENT?

THE GOVERNOR: OBVIOUSLY THERE IS A MEMBER OF THIS LEGISLATIVE COUNCIL WHO KNOWS MORE ABOUT THE NEGOTIATIONS OVER THE AIRPORT THAN I DO BECAUSE I AM NOT AWARE OF AN IMMINENT AGREEMENT THOUGH I PRAY REGULARLY FOR ONE AND MY PRAYERS ARE OCCASIONALLY ANSWERED.

THE SITUATION ON THE AIRPORT IS FRUSTRATING FOR THE GOVERNMENT, FRUSTRATING FOR THE PUBLIC, FRUSTRATING FOR LEGISLATIVE COUNCILLORS PARTICULARLY THOSE LIKE THE HONOURABLE MEMBER WHO HAVE BEEN SO INVOLVED IN THE DETAILED DEBATES ABOUT THESE MATTERS AND WHO KNOW SO MUCH ABOUT THEM; CONCEIVABLY, WHO KNOWS, FRUSTRATING FOR SOME CHINESE OFFICIALS WHO WOULD LIKE TO SEE US GET ON WITH THINGS. IF I CAN SUMMARISE WHERE WE ARE: THE AIRPORT CORE PROJECTS AT A COST OF \$164 BILLION ARE ROLLING FORWARD WITH THE SUPPORT AND UNDER THE ENQUIRING SCRUTINY OF THIS COUNCIL. WE'VE LET 33 CONTRACTS AT A COST OF \$45 BILLION SO FAR. THEY ARE GOING FORWARD ON TIME WITHIN THE COSTS AGREED, WE STILL ALAS, EVEN THOUGH WE'VE NOW COMPLETED ABOUT A QUARTER OF THE PLATFORM AND ARE HOST OF THE LARGEST DREDGING FLEET IN THE WORLD, WE STILL HAVEN'T HIT THE JACKPOT IN FINDING AN OVERALL FINANCING SCHEME WHICH WILL SATISFY THE DEMANDS AND REQUESTS CHANGE THOUGH THEY MAY OF CHINESE OFFICIALS. WE HAVE TRIED MAXIMISING EQUITY INVESTMENT, WE'VE TRIED MAXIMISING BORROWING AND WE ARE NOW SOMEWHERE BETWEEN THE TWO AND I DON'T THINK IT WOULD BE UNDULY HELPFUL OF ME TO GET INTO TOO MUCH PRECISE DETAIL ABOUT WHERE EXACTLY WE STAND BECAUSE THAT MAY PROVOKE THE SORT OF REACTIONS WHICH NEITHER THE HONOURABLE MEMBER NOR I WOULD LIKE. I DON'T MIND PARTICULARLY ANYBODY KNOWING WHERE WE STAND BUT THERE ARE OTHER WHO ARE PARTY TO THESE NEGOTIATIONS WHO TAKE A RATHER DIFFERENT POINT OF VIEW. I HOPE WE CAN GET SOMEWHERE SOONER RATHER THAN LATER. I'VE GONE ON SAYING THE SAME THINGS I'D HAVE THOUGHT LONG ENOUGH FOR PEOPLE NOW TO BELIEVE THAT I MEAN IT WHEN I SAY THAT WE DON'T BELIEVE IT MAKES SENSE TO TRY TO TURN LIVELIHOOD ISSUES, ISSUES OF INFRASTRUCTURE INTO POLITICAL BARGAINING CHIPS, IF THAT IS BEING DONE, AND IT'S OCCASIONALLY SUGGESTED IT IS BEING. I REPEAT WHAT EVERYBODY IN THIS COUNCIL - AND I SHOULD THINK 99.9% OF PEOPLE IN HONG KONG AND GUANGDONG KNOW PERFECTLY WELL - HONG KONG IS GOING TO HAVE A NEW INTERNATIONAL AIRPORT, IT'S GOING TO HAVE A NEW INTERNATIONAL AIRPORT AT CHEK LAP KOK, QUITE WHY ANYBODY SHOULD REGARD IT AS BEING IN THEIR INTERESTS THAT IT HAS THAT AIRPORT LATER RATHER THAN SOONER HEAVEN ALONE KNOWS.

/MR JAMES TIEN: .....

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MR JAMES TIEN: GOVERNOR, IN YOUR ADDRESS TO US YESTERDAY, YOU STRESSED HEAVILY ON OUR RELATIONSHIP WITH CHINA, OR YOUR (THE) IMPORTANCE OF THAT. HOWEVER, YOU ALSO HIGHLIGHTED TO US, ON THE NEGATIVE SIDE OF THAT RELATIONSHIP, YOU SEE THE PROBLEM WITH OUR AIRPORT RAILROAD, CT9, JLG'S WORK COMING TO A HALT. ON THE POSITIVE SIDE, YOU DID MENTION THINGS ABOUT THE BREADTH AND DEPTH OF OUR RELATIONSHIPS, OUR BUSINESS RELATIONSHIP WITH CHINA, AND OUR CIVIL SERVICE RELATIONSHIP WITH THEM. BUT PERSONALLY, GOVERNOR, I FEEL THE MOST IMPORTANT RELATIONSHIP WITH CHINA IS PROBABLY THAT OF YOU, SIR, GOVERNOR, AS THE CHIEF EXECUTIVE OF HONG KONG. GOVERNOR, WILL YOU PLEASE TELL US, WHAT CAN YOU DO, OR WHAT WILL YOU DO, TO IMPROVE YOUR PERSONAL RELATIONSHIP WITH CHINA IN THE NEXT FEW YEARS TO ENSURE A SMOOTH TRANSITION FOR US AFTER 1997?

THE GOVERNOR: I HAVE NO DIFFICULTY HAVING A GOOD RELATIONSHIP WITH CHINA AND CHINESE OFFICIALS. IN A PREVIOUS INCARNATION I NEGOTIATED AT CONSIDERABLE LENGTH, WHAT I THINK WAS THE LARGEST CONCESSIONAL FINANCING AGREEMENT THAT THE BRITISH GOVERNMENT HAD EVER CONCLUDED WITH ANYBODY. I CONCLUDED THAT AGREEMENT, THAT NEGOTIATION, WITH CHINA. IT WAS PRETTY BRUISING, BUT AT THE END OF THE DAY WE ACHIEVED A SATISFACTORY SOLUTION, ALBEIT ONE WHICH SOMETIMES MADE ME FEEL AS THOUGH CHINA WAS GIVING THE UNITED KINGDOM THE MONEY RATHER THAN THE OTHER WAY ROUND. SO I HAVE NO DIFFICULTY IN ESTABLISHING A GOOD RELATIONSHIP WITH CHINESE OFFICIALS AND I WOULD VERY MUCH LIKE TO HAVE THAT. BUT IF THE ONLY WAY IN WHICH, AS IT WERE, THE CHIEF EXECUTIVE OF HONG KONG CAN HAVE A GOOD RELATIONSHIP WITH CHINA AT THE MOMENT IS BY NOT STANDING UP FOR HONG KONG, THEN I DON'T THINK THAT THAT IS A PRICE WHICH THE COMMUNITY WOULD WISH ME TO PAY. I THINK THAT CHINESE OFFICIALS SHOULD RECOGNISE THAT IT IS IN HONG KONG'S INTEREST AND IN CHINA'S INTEREST, IN THE INTEREST OF "ONE COUNTRY TWO SYSTEMS", TO HAVE A STRONG GOVERNMENT IN HONG KONG, TO HAVE A STRONG CHIEF EXECUTIVE WHO GIVES A STRONG LEAD, AND TO HAVE A GOVERNMENT WHICH STANDS UP FOR THE PRINCIPLES OF THE JOINT DECLARATION. AND THE FACT THAT THAT HAS PROVOKED A LITTLE MORE CONTROVERSY THAN I WOULD HAVE LIKED OVER THE LAST YEAR, DOES NOT MAKE ME DESPAIR OF THE MEDIUM AND LONGER TERM.

THE PAGES OF RECENT POLITICAL HISTORY ARE LITTERED WITH THE EXAMPLES OF LEADERS, OF POLITICIANS, OUTSIDE CHINA, WHO WERE DENOUNCED UP HILL AND DOWN DALE FOR LONG PERIODS BUT TRANSMOGRIFIED, THROUGH A PROCESS OF HISTORY, WITHOUT DROPPING THEIR PRINCIPLES, INTO WHAT I THINK IS CALLED 'OLD FRIENDS OF CHINA'. AND I SPEAK OF MY OPTIMISM FOR THE FUTURE, AND I SUPPOSE I SHOULD INCLUDE THAT IN IT BECAUSE I THINK IT WOULD BE GOOD FOR HONG KONG. BUT I REPEAT - I REPEAT AND I MEAN THESE WORDS VERY SINCERELY - I DO NOT BELIEVE THAT THE RIGHT WAY TO TRY TO CONSTRUCT A GOOD RELATIONSHIP BETWEEN HONG KONG AND CHINA IS BY FAILING TO STAND UP FOR HONG KONG.

/DR HUANG CHEN-YA .....

DR HUANG CHEN-YA (THROUGH INTERPRETER): FIRST OF ALL, I WOULD LIKE TO CONGRATULATE THE GOVERNOR ON HIS POLICY ADDRESS. THE ADDRESS WAS VERY ELOQUENT. UNFORTUNATELY, ON THE IMPORTANT ISSUES, THE POLICY ADDRESS DREW A BLANK. AND ON THE CONSTITUTIONAL DEVELOPMENTS, YOU HAVE BACK-PEDALLED ON HUMAN RIGHTS; THERE IS NO PROGRESS ON HUMAN RIGHTS. YOU HAVE NOT SAID ANYTHING CONCRETE. YOU HAVE ONLY SAID THAT THIS ISSUE WILL BE HANDED OVER TO THE SECRETARY FOR HOME AFFAIRS. LEGCO HAS ENDORSED THE IDEA OF A HUMAN RIGHTS COMMISSION BUT THERE IS SILENCE IN YOUR POLICY ADDRESS. I WOULD LIKE TO KNOW WHETHER THE GOVERNOR THINKS THAT HUMAN RIGHTS ARE NOT IMPORTANT, OR IT IS NOT WORTH PAYING A GREATER PRICE OR GREATER EFFORTS, THAT IS WHY WE SHOULD NOT NEED SPECIFIC EFFORTS TO SAFEGUARD HUMAN RIGHTS?

THE GOVERNOR: WHEN I WAS LAST ANSWERING QUESTIONS IN THE COUNCIL, BEFORE WE ALL, OR MOST OF US, HAD A SUMMER HOLIDAY, I THINK I AM RIGHT IN SAYING THAT I HAD A QUESTION FROM THE HONOURABLE MEMBER MR TIEN ABOUT THE ESTABLISHMENT OF A HUMAN RIGHTS COMMISSION, AND I RECOGNISE THAT THERE ARE DEMANDS ON, AS IT WERE, ALL SIDES OF THE COUNCIL FOR SUCH A DEVELOPMENT. I SAY, NOT IN ORDER TO PROVOKE UNREST BUT AS A REASONABLE PASSING OBSERVATION, THAT I THINK IT IS ODD TO ADVOCATE THE ESTABLISHMENT OF A HUMAN RIGHTS COMMISSION AS, AS IT WERE, A POLICEMAN FOR THE BILL OF RIGHTS, AND AT THE SAME TIME TO CRITICISE THE GOVERNMENT FOR FOLLOWING THE BILL OF RIGHTS IN CASES OF THE EMPLOYMENT OF PUBLIC SERVANTS, BUT THAT MAY BE A SUBJECT WHICH COMES UP A LITTLE LATER.

I DON'T HAVE - AS I SAID WHEN I ANSWERED QUESTIONS FROM THE HONOURABLE MEMBER - I DON'T HAVE A CLOSED MIND ON THE QUESTION OF A HUMAN RIGHTS COMMISSION. AND IF THE LEGISLATIVE COUNCIL CAN DEMONSTRATE TO THE ADMINISTRATION AND TO THE EXECUTIVE COUNCIL THE POSITIVE ADVANTAGES WHICH WOULD FLOW FROM SUCH A DEVELOPMENT, I WILL BE VERY HAPPY TO LOOK AT THEM. I DO THINK WE NEED TO LOOK AT THE ISSUE OF HUMAN RIGHTS IN THE ROUND, AND TO DEFINE OUR TERMS A LITTLE. I REGARD A FUNDAMENTAL HUMAN RIGHT AS - A FAIRLY FUNDAMENTAL HUMAN RIGHT - AS THE CERTAINTY THAT IF YOU TAKE PART IN AN ELECTORAL PROCESS IT IS GOING TO BE A FAIR ELECTORAL PROCESS, AND SO I THINK THAT THE TALKS THAT WE ARE HAVING ABOUT CONSTITUTIONAL DEVELOPMENT GO RIGHT TO THE HEART OF THE DEBATE ABOUT HUMAN RIGHTS. AND I THINK THIS COUNCIL, AN INDEPENDENT, NOT UNCRITICAL, COUNCIL LIKE THIS ONE, IS ONE OF THE BEST POSSIBLE GUARDIANS OF THE HUMAN RIGHTS OF THE CITIZENS, OF THE PEOPLE OF HONG KONG.

ONE OTHER THING WHICH I SHOULD TOUCH ON. MANY PEOPLE, MANY PEOPLE IN THIS COUNCIL, MANY PEOPLE OUTSIDE THIS COUNCIL, ARE CONCERNED ABOUT THE HUMAN RIGHTS OF THAT FIFTY PER CENT OF OUR POPULATION WHO HOLD UP "HALF OF HEAVEN", TO BORROW A PHRASE; WORRY ABOUT THE HUMAN RIGHTS OF THE WOMEN OF HONG KONG. AND THAT IS AN ISSUE WHICH WE WILL HAVE TO ADDRESS IN A WAY WHICH SATISFIES THIS COUNCIL WHEN WE RESPOND TO THE CONSULTATION PROCESS OVER THE GREEN PAPER, AND RESPOND IN PARTICULAR, TO THE DEMANDS FROM THIS COUNCIL AND THE DEMANDS FROM OUTSIDE THIS COUNCIL FOR HONG KONG TO ACCEDE TO CEDAW.

MR JAMES TO (THROUGH INTERPRETER): MR GOVERNOR, IN YOUR POLICY ADDRESS, IN THE BEGINNING YOU SAID THAT FOR THE CONSTITUTIONAL REFORMS PROPOSED LAST YEAR, THEY WERE IN LINE WITH THE BASIC LAW AND THE JOINT DECLARATION AND THEY GOT THE BLESSING FROM LEGCO AND MAJORITY SUPPORT FROM THE COMMUNITY. UNFORTUNATELY, IN YOUR POLICY ADDRESS NOW, YOU HAVE ADMITTED THAT THE BRITISH SIDE HAS MADE MAJOR CONCESSIONS IN THE TALKS, SO THAT FUNCTIONAL CONSTITUENCIES AND THE ELECTORAL COMMITTEE FOR THE COMPOSITION, THEY ARE NOW VASTLY DIFFERENT FROM YOUR ORIGINAL IDEA. MR GOVERNOR, YOU SAID THAT THE ELECTORAL PROCESS SHOULD BE OPEN, FAIR AND ACCEPTABLE TO THE PEOPLE OF HONG KONG. WHY IS THAT YOU HAVE DONE THIS WHICH IS AGAINST PUBLIC OPINION? NOW, FOR YOUR AMENDMENTS THIS TIME, ON WHAT BASIS OF PUBLIC OPINION ARE THEY MADE? IF THERE IS NO AGREEMENT, WILL YOU PUT FORWARD YOUR ORIGINAL PROPOSALS WHICH HAVE BEEN WIDELY ACCEPTED, TO THIS COUNCIL?

THE GOVERNOR: I'D HOPED THAT I'D MADE IT CLEAR, NOT LEAST BY USING THE WORD "IF" TWICE, IN MY SPEECH YESTERDAY THAT THE CONCESSIONS WHICH THE BRITISH TEAM OFFERED IN JULY AND AUGUST IN THE TALKS IN PEKING WERE CONDITIONAL ON AN ACCEPTABLE OVERALL SETTLEMENT, INCLUDING ACCEPTABLE, AGREED, OBJECTIVE CRITERIA FOR THE THROUGH TRAIN. I WANT, IN CASE THERE WAS ANY DOUBT ABOUT THAT - AND SOME OF THE COMMENTS WHICH I HAVE HEARD OVER THE LAST 12-18 HOURS SUGGEST THAT SOME PEOPLE MUST HAVE THOUGHT I WAS WHISPERING MY 'IF' - I'D JUST LIKE TO MAKE IT CLEAR ONCE AGAIN THAT THE CONCESSIONS THAT WERE PUT FORWARD WERE UNDERSTANDABLY CONDITIONAL, AS YOU WOULD EXPECT IN NEGOTIATIONS SUCH AS THOSE THAT WE'RE ENGAGED IN. WHY DID WE OFFER, DURING THESE TALKS, ANY CHANGE, CONDITIONAL THOUGH IT MAY BE, FROM OUR ORIGINAL PROPOSALS? FOR A VERY SIMPLE REASON: WE WOULD LIKE, IF IT IS POSSIBLE, TO HAVE AGREED ARRANGEMENTS FOR THE '94 AND '95 ELECTIONS, WITH THE MAXIMUM CHANCE RATHER THAN THE POSSIBLE CHANCE OF THEIR SURVIVAL THROUGH 1997 TO 1999. I THINK - UNLESS I HAVE JUDGED THE COMMUNITY HOPELESSLY WRONGLY - I THINK THE COMMUNITY WANTS FAIR AND OPEN AND ACCEPTABLE ARRANGEMENTS, AND IF POSSIBLE, WANTS THOSE ARRANGEMENTS TO BE ACCEPTABLE TO CHINA AS WELL AS BRITAIN AND HONG KONG. BUT IT MAY NOT BE POSSIBLE TO ARRIVE AT THAT HAPPY SITUATION.

TWO OTHER THINGS, IN THE COURSE OF WHICH I WILL ANSWER THE HONOURABLE MEMBER'S INTERESTING LAST QUESTION. FIRST OF ALL, WE WOULD NOT HAVE PUT FORWARD ANY PROPOSALS IN THE TALKS IN PEKING WHICH WE DID NOT THINK PROVIDED OPEN AND FAIR ARRANGEMENTS FOR ELECTIONS, AND I COULD DEFEND VERY STOUTLY, WITHIN THOSE PRINCIPLES, THE PROPOSALS THAT WE HAVE PUT CONDITIONALLY ON THE TABLE.

/FINALLY, THE .....

FINALLY, THE HONOURABLE MEMBER ASKS ME WHAT WE WILL DO IF WE DON'T HAVE AN AGREEMENT WITH CHINA AT THE TALKS. I HOPE THE HONOURABLE MEMBER WILL REGARD IT AS SENSIBLE AND DIPLOMATIC RATHER THAN THE BEHAVIOUR OF A POLITICIAN, IF I SAY THAT I THINK IT WOULD BE WRONG OF ME TO ANNOUNCE, WHEN WE ARE STILL TRYING TO GET AN AGREEMENT IN THESE TALKS, WHAT WE WOULD DO IF AN AGREEMENT DIDN'T TRANSPIRE. BUT IF WE DIDN'T GET AN AGREEMENT, I WOULD OF COURSE HAVE TO TAKE ACCOUNT OF THE REACTIONS IN THE COMMUNITY TO THAT, AND I WOULD HAVE TO TAKE ACCOUNT OF THE PAST BEHAVIOUR AND PAST DEBATES IN THE LEGISLATIVE COUNCIL. AND I NOTE THAT THE PROPOSALS WHICH WE ORIGINALLY PUT FORWARD HAVE BEEN ENDORSED IN GENERAL AND IN PARTICULAR BY THE LEGISLATIVE COUNCIL, ADMITTEDLY IN A GENERAL FORM RATHER THAN IN A SPECIFIC LEGISLATIVE FORM. AND I NOTE THAT NOT ONE, BUT VIRTUALLY EVERY OPINION POLL THERE HAS BEEN, HAS SUGGESTED SUBSTANTIAL PUBLIC SUPPORT. AND I NOTE THAT THE FIRST OPINION POLL AFTER MY ADDRESS YESTERDAY, SUGGESTED, I THINK, THAT SIXTY-EIGHT PER CENT OF THE PEOPLE OF HONG KONG WERE, BROADLY SPEAKING, IN FAVOUR OF THE APPROACH THAT WE HAVE SUGGESTED, TO POLITICAL DEVELOPMENT, AND NINETEEN PER CENT WERE AGAINST. SIXTY-EIGHT TO NINETEEN, OR EVEN A RATHER SMALLER MAJORITY THAN THAT, SEEMS TO ME LIKE QUITE A BIG STEER, BUT WE WILL HAVE TO TAKE ACCOUNT OF THOSE ISSUES. WHAT I WILL WANT TO DO, WHAT THE GOVERNMENT WILL WANT TO DO, WHAT THE UNITED KINGDOM GOVERNMENT WILL WANT TO DO AT THE END OF THE DAY, IF WE CAN'T GET THAT AGREEMENT WHICH WE WOULD ALL LIKE TO GET, IS TO PUT IN PLACE THE ARRANGEMENTS WHICH ARE MOST ACCEPTABLE TO THE PEOPLE OF HONG KONG AND THEREFORE TO THIS LEGISLATIVE COUNCIL. THERE IS NO OTHER WAY WE CAN PROCEED. BUT I CAN ASSURE THE HONOURABLE MEMBER THAT WE WILL GIVE A FIRM AND CLEAR LEAD WHEN THOSE MATTERS COME BEFORE THE COUNCIL, IF THEY DO. I SAY AGAIN, WE HOPE THAT WE CAN GET AN AGREEMENT. BUT BEFORE VERY LONG, HOPE IS GOING TO DRAIN INTO THE SAND.

MR HOWARD YOUNG (THROUGH INTERPRETER): MR PRESIDENT, IN THE POLICY ADDRESS YESTERDAY THE GOVERNOR SAID ABOUT THE IMPORTANCE OF SINO-HONG KONG RELATIONSHIPS AND HE TALKED ABOUT SEVERAL ASPECTS, IN PARTICULAR TRANSPORT. THE CROSS-BORDER TRAFFIC ACTUALLY IS NOW BOOMING AND ROUTE THREE IS VERY IMPORTANT TO THAT. HOW COME, IN THE POLICY ADDRESS, I ONLY HEARD ABOUT THE TING KAU BRIDGE AND THAT THE ADMINISTRATION WILL BUILD THE TING KAU BRIDGE, WHILE IT DID NOT SAY ANYTHING ABOUT THE ADMINISTRATION'S COMMITMENT TO EXPEDITING THE PROJECT OF ROUTE THREE? BECAUSE WITH TING KAU BRIDGE AND WITHOUT ROUTE THREE, IT WILL BE QUITE USELESS? IS IT BECAUSE THE ADMINISTRATION HAS NOT MADE UP ITS MIND YET?

THE GOVERNOR: NO, AND I THOUGHT I HAD SAID A LITTLE MORE ABOUT TRANSPORT THAN THE HONOURABLE MEMBER IS GIVING ME CREDIT FOR. BUT PERHAPS I CAN REMIND THE HONOURABLE MEMBER OF A NUMBER OF THE IMPROVEMENTS THAT WE ARE MAKING. AS WELL AS A MAJOR SECTION OF THE YUEN LONG HIGHWAY, AS WELL AS THE IMPROVEMENTS TO CASTLE PEAK ROAD AND TUEN MUN HIGHWAY, WE DID SAY THAT WE ARE BUILDING THE TING KAU BRIDGE. AND WE ARE INVITING, AS I THINK THE HONOURABLE MEMBER MAY KNOW, THE PRIVATE SECTOR TO BUILD THE COUNTRY PARK SECTION OF ROUTE THREE UNDER A THIRTY YEAR FRANCHISE ARRANGEMENT. WE WILL BE, OBVIOUSLY, CONSULTING THE CHINESE OFFICIALS ON THAT BEFORE ANY FRANCHISE IS FINALISED BUT I THINK THAT REPRESENTS A SENSIBLE WAY FORWARD.

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I WOULD LIKE TO MAKE ONE OTHER POINT ABOUT LINKS. FIRST OF ALL, I REGARD IT AS EXTREMELY IMPORTANT TO MOVE TOWARDS TWENTY-FOUR-HOUR OPENING ON THE BORDER AS SOON AS WE CAN, AND WE HAVE MADE PROPOSALS IN RELATION TO LOK MA CHAU WHICH I HOPE WILL FIND FAVOUR WITH CHINESE OFFICIALS.

SECONDLY, I FEEL VERY STRONGLY, MYSELF, THAT THE DEVELOPMENT OF HONG KONG'S RAILWAY INFRASTRUCTURE IS GOING TO PLAY AN EXTREMELY IMPORTANT PART IN THE FUTURE, NOT ONLY OF HONG KONG BUT THE FUTURE OF SOUTHERN CHINA. AND THE SOONER WE CAN GET INTO DISCUSSIONS ABOUT THE DEVELOPMENT OF A PROPER DEVELOPED RAILWAY NETWORK, THE BETTER. I THINK A DEDICATED FREIGHT LINE IS GOING TO BE ONE OF THE IMPORTANT CONSEQUENCES OF DEVELOPMENTS OF OUR CONTAINER PORT, AND I THINK WILL HELP, AMONG OTHER MATTERS, TO MOVE SOME FREIGHT WHICH IS AT PRESENT ON OUR ROADS, ON TO RAIL.

MR NGAI SHIU-KIT (THROUGH INTERPRETER): MR GOVERNOR, IN YOUR POLICY ADDRESS PARAGRAPH 183 YOU SAID, AND I QUOTE, "IF WE ARE NOT PREPARED TO STAND UP FOR HONG KONG'S WAY OF LIFE TODAY, WHAT CHANCE OF DOING SO TOMORROW" UNQUOTE. MR GOVERNOR, WHAT DO YOU MEAN BY THESE REMARKS? ARE YOU CASTING DOUBT ON THE CHINESE SIDE'S SINCERITY IN IMPLEMENTING THE JOINT DECLARATION? ARE YOU IMPLYING THE CHINESE SIDE DOES NOT HAVE THE SINCERITY TO GUARANTEE THAT OUR SPECIAL WAY OF LIFE WILL REMAIN UNCHANGED FOR 50 YEARS?

THE GOVERNOR: WELL, LET'S SAY IT'S PART OF MY RESPONSIBILITY TO DO ALL I CAN AS GOVERNOR, AS HEAD OF THE HONG KONG GOVERNMENT BEFORE 1997 TO ENSURE THAT THE FIRMEST POSSIBLE FOUNDATIONS ARE LAID FOR THE IMPLEMENTATION OF THE JOINT DECLARATION AFTER 1997. I DON'T CAST DOUBT ON CHINESE INTENTIONS. SOMETIMES THE LANGUAGE OF ADVISORS TO CHINA CASTS DOUBTS ON THOSE INTENTIONS. I THINK SOME OF THE THINGS WHICH HAVE BEEN SAID BY MEMBERS OF THE SO-CALLED PWC (PRELIMINARY WORKING COMMITTEE FOR SAR PREPARATORY COMMITTEE) HAVE BEEN QUITE ASTONISHING AND I HOPE THEY DON'T REPRESENT THE THINKING OF MAINSTREAM CHINESE OFFICIALS. I THINK THAT IT'S ALSO THE CASE THAT SINCE AT THE HEART OF THE JOINT DECLARATION IS THE COMMITMENT TO A LEGISLATURE FORMED BY ELECTIONS AND AN EXECUTIVE ACCOUNTABLE TO THE LEGISLATURE, SOME OF THE DEBATES WE'VE HAD ABOUT OUR DETERMINATION TO ENSURE THAT THOSE ELECTIONS ARE FAIR DOES RAISE QUESTIONS ABOUT THE COMPREHENSION OF SOME PEOPLE ABOUT WHAT IT IS THAT HONG KONG'S WAY OF LIFE COMPRISES. SO I THINK THAT IT IS IMPORTANT FOR HONG KONG'S FUTURE TO STAND UP FOR HONG KONG'S WAY OF LIFE TODAY. I'VE LONG FELT THAT AND I WOULD BE SURPRISED IF MANY MEMBERS OF THIS COUNCIL DIDN'T FEEL IT AS WELL.

/MRS PEGGY LAM .....

MRS PEGGY LAM (THROUGH INTERPRETER): MR GOVERNOR, ORIGINALLY I HAD ANOTHER QUESTION FOR YOU BUT I HAVE READ THE LIST AND I UNDERSTAND THAT AS A FEMALE LEGISLATIVE COUNCILLOR IF I DIDN'T ASK THIS PARTICULAR QUESTION OTHER FEMALE COLLEAGUES MIGHT NOT HAVE THE CHANCE BECAUSE MS ANNA WU IS ABOUT TEN NAMES BEHIND ME SO I WOULD LIKE TO ASK THIS PARTICULAR QUESTION. MR GOVERNOR, IN YOUR POLICY ADDRESS IN PARAGRAPH 114 YOU MENTIONED ABOUT THE STATUS OF WOMEN AND ABOUT CEDAW (CONVENTION ON THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN), ABOUT WHETHER THIS SHOULD BE INTRODUCED INTO HONG KONG. MR GOVERNOR YOU SAID THAT YOU WERE POSITIVELY CONSIDERING THE VIEWS OF LEGCO AND THE PUBLIC ON THIS POINT BUT A LOT OF WOMEN'S RIGHTS ASSOCIATIONS HAVE SUGGESTED THAT A WOMEN'S COMMISSION SHOULD BE SET UP AND YOU'VE MENTIONED NOTHING ABOUT THIS. DOES THAT MEAN THAT MR GOVERNOR YOU DO NOT BELIEVE THAT IT IS NECESSARY FOR US TO HAVE SUCH A COMMISSION? IF NOT, THEN HOW WOULD YOU SUPPORT THE SETTING UP OF THIS WOMEN'S COMMISSION? THANK YOU.

THE GOVERNOR: I DON'T WANT TO GIVE THE GOVERNMENT'S DEFINITIVE REPLY TO THE CONSULTATION EXERCISE ON THE GREEN PAPER THIS AFTERNOON. AS I SAID YESTERDAY IN THE SAME PARAGRAPH, AND IF I CAN SAY IN PASSING, I THINK THE DECLARATION OF SISTERHOOD AT THE OUTSET OF THE HONOURABLE MEMBER'S QUESTION WAS IMPORTANT. I POINTED OUT YESTERDAY THAT WE WOULD HAVE TO RESPOND IN PARTICULAR TO THE ARGUMENTS WHICH HAVE BEEN LOUDLY AND FREQUENTLY EXPRESSED BY THIS COUNCIL AND HAVE BEEN EXPRESSED OUTSIDE FOR HONG KONG TO ACCEDE TO THE CONVENTION ON THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN OR CEDAW. LEGCO PASSED A MOTION ON THIS I THINK LAST DECEMBER. IT'S A CONVENTION WHICH ALREADY APPLIES TO THE UNITED KINGDOM AND TO CHINA, BOTH THE PRESENT AND THE FUTURE SOVEREIGN POWERS AND I DARE SAY THERE ARE GOING TO BE VERY MANY MEMBERS OF THIS COUNCIL WHO WILL SAY, "WELL, IF IT APPLIES TO BRITAIN AND CHINA WHY CAN'T IT APPLY TO HONG KONG?" WITHOUT DOTTING I'S AND CROSSING T'S ANYMORE THAN THAT, I WOULD SAY THAT WE WILL HAVE TO TAKE ACCOUNT OF THOSE PERSUASIVE ARGUMENTS WHEN WE RESPOND TO THE COUNCIL IN THE NEW YEAR. I REGARD THE ESTABLISHMENT OF A WOMEN'S COMMISSION AS BEING A RATHER SEPARATE ISSUE JUST AS I REGARD THE QUESTION OF A HUMAN RIGHTS COMMISSION AS BEING A RATHER SEPARATE ISSUE TO THAT OF WHETHER YOU HAVE A BILL OF RIGHTS. MY POSITION ON A WOMEN'S COMMISSION IS RATHER SIMILAR TO MY POSITION ON A HUMAN RIGHTS COMMISSION. I AM NOT IN FAVOUR OF SETTING UP COMMISSIONS UNLESS THEY HAVE A GOOD PURPOSE, UNLESS THEY'VE GOT A PROPER AGENDA AND A PROPER ROLE TO PERFORM AND WE WILL HAVE TO CONSIDER THAT ARGUMENT WHEN WE ARE CONSIDERING THE RESPONSES TO OUR GREEN PAPER.

MR K K FUNG (THROUGH INTERPRETER): MR PRESIDENT VIA YOU I WOULD LIKE TO ASK THE GOVERNOR A QUESTION. IN THE POLICY ADDRESS THE GOVERNOR SEEMS TO HAVE PAID PARTICULAR ATTENTION TO THE CARE OF THE ELDERLY IN THE CHAPTERS ON A SECURE OLD AGE AND HE MENTIONED THAT THERE WILL BE HOUSING AND SOME MORE ALLOWANCES FOR THE ELDERLY PEOPLE AND THERE WILL BE MORE WELFARE MEASURES FOR THEM. AND I THINK THAT I FIND THE CLEARER DIRECTION HERE, AND I THINK THE DIRECTION HERE IS VERY CORRECT. BUT SO MANY DEPARTMENTS WILL BE IN CHARGE AND THIS GIVES US AN IMPRESSION THAT THERE IS NOT MUCH CO-ORDINATION. SO MR GOVERNOR ABOUT THE CARE OF THE ELDERLY I WONDER WHETHER THE ADMINISTRATION CAN CONSIDER A PARTICULAR INSTITUTION, FOR EXAMPLE, A CENTRAL COMMITTEE ON THE CARE OF THE ELDERLY WHICH IS DIRECTLY RESPONSIBLE TO THE ADMINISTRATION SO THAT IT CAN FORMULATE THE ELDERLY CARE POLICY AND SO THAT IT CAN EXECUTE THE POLICY. THANK YOU.

THE GOVERNOR: THE HONOURABLE MEMBER IS SPOT ON. I THINK THE HONOURABLE MEMBER HAS IDENTIFIED ONE OF THE KEY PROBLEMS IN RESPONDING TO AN IMPORTANT SOCIAL ISSUE. I SPENT PART OF MY EARLY ADULTHOOD AS A CIVIL SERVANT TRYING TO CO-ORDINATE POLICY IN THE BRITISH CIVIL SERVICE ON SOCIAL WELFARE ISSUES WHICH SPANNED MORE THAN ONE DEPARTMENT AND IT CREATES DIFFICULTIES AND THE HONOURABLE MEMBER IS RIGHT IN SAYING THAT IT'S A PARTICULARLY ACUTE PROBLEM IN RELATION TO THE ELDERLY. ONE IS TALKING ABOUT FINANCIAL ISSUES, ONE IS TALKING ABOUT SOCIAL WELFARE ISSUES, ONE IS TALKING ABOUT HOUSING ISSUES, ONE'S TALKING ABOUT HEALTH ISSUES, OTHER ISSUES AS WELL. TRANSPORTATION, LAW AND ORDER, ALL THOSE COME INTO PLAY. SO, THE ADMINISTRATION HAS REACHED THE SAME CONCLUSION AS THE HONOURABLE MEMBER AND WE PROPOSE TO SET UP A WORKING PARTY WHICH WILL TRY TO PULL TOGETHER ALL THE THREADS AND ENSURE THAT WE HAVE A COHERENT AND COMPREHENSIVE POLICY ON THE ELDERLY. BUT I ALSO FEEL THAT WE CAN'T WAIT FOR THAT WORKING PARTY TO REPORT TO ME WHICH IT WILL DO BY NEXT AUGUST. I CAN ANNOUNCE I HOPE TO THE SATISFACTION OF THE CHAIRMAN, LIKELY CHAIRMAN OF THE COMMITTEE THIS AFTERNOON. WE CAN'T WAIT UNTIL NEXT AUGUST TO GET ON WITH THINGS WHICH IS WHY I ANNOUNCED YESTERDAY A SERIES OF OTHER STEPS THAT WE INTEND TO TAKE IN RELATION TO INFIRMARY PLACES, IN RELATION TO CARE AND ATTENTION PLACES, IN RELATION TO ACUTE BEDS, IN RELATION TO HOME HELPS AND IN RELATION TO THE ESTABLISHMENT OF A NETWORK OF NURSING HOMES AT CONSIDERABLE CAPITAL AS WELL AS RECURRENT COST BUT TO MEET A VERY IMPORTANT DEMAND. SO WE WILL GET AHEAD WITH THOSE ISSUES NOW, BUT THE HONOURABLE MEMBER IS ENTIRELY RIGHT TO SAY THAT WE NEED TO PULL ALL THESE POLICY THREADS TOGETHER. IF I CAN ADD ONE OTHER POINT BECAUSE IT'S AN AREA ABOUT WHICH THE HONOURABLE MEMBER KNOWS AS MUCH AS ANYBODY IN THIS COMMUNITY - IF I CAN ADD SOMETHING ON HOUSING. WE ARE PLANNING TO MORE THAN DOUBLE SHELTERED HOUSING UNITS FOR THE ELDERLY IN THE NEXT FIVE YEARS FROM 1900 TO ABOUT 4000 AND WE ARE DISCUSSING A NUMBER OF MATTERS WITH THE HOUSING AUTHORITY, NOT LEAST HOW IT CAN CLEAR THE BACKLOG OF 4000 ELDERLY SINGLE PEOPLE ON THE WAITING LIST BY 1997, AND HOW IT CAN BEST GIVE PRIORITY TO NEW ELDERLY APPLICANTS FOR PUBLIC HOUSING. THOSE ARE ALL, IN MY JUDGMENT, IMPORTANT STEPS THAT WE NEED TO TAKE.

LEE WING-TAT (THROUGH INTERPRETER): MR PRESIDENT, THIS YEAR, MR GOVERNOR, NOW YOU WERE DESCRIBED AS A "ONE ISSUE GOVERNOR". I HOPE THAT THIS IS NOT TRUE TODAY, BECAUSE WE HAVE MANY ISSUES. TODAY, I WOULD LIKE TO ASK A QUESTION ON HOUSING. MR GOVERNOR, IN YOUR POLICY ADDRESS YOU TALKED ABOUT HOUSING BUT I AM QUITE DISAPPOINTED BECAUSE YOU TALKED ABOUT SOMETHING QUITE TRIVIAL, SOMETHING, REALLY, I DIDN'T EXPECT FROM A POLICY ADDRESS. WELL MR GOVERNOR, YOUR PREDECESSOR, IN 1987, ANNOUNCED A LONG TERM HOUSING STRATEGY AND IT IS A PUBLIC UNDERTAKING THAT BY 1997 ALL THE BACKLOG ABOUT (OF) PEOPLE ON THE WAITING-LIST WILL BE CLEARED. WE HAVE ABOUT 180,000 PEOPLE ON THE WAITING-LIST NOW. THE HOUSING AUTHORITY, AFTER ITS VERY STRINGENT SCREENING SCHEME, ABOUT 120,000 PEOPLE ARE STILL ON THE WAITING-LIST AND THE HOUSING AUTHORITY IS ONLY PRODUCING ABOUT 35,000 UNITS EVERY YEAR. ABOUT ONLY 14,000 WILL BE GIVEN TO THESE PEOPLE ON THE WAITING-LIST, SO BY '97 THERE WILL BE STILL 60,000 PEOPLE WAITING FOR HOUSING. SO THIS POLICY IS REALLY A FAILURE BUT NOT ONE WORD WAS DEVOTED TO THIS STRATEGY. IS IT BECAUSE YOU DO NOT KNOW ABOUT THIS STRATEGY, OR IS IT BECAUSE YOU DO NOT WANT TO FACE THE FAILURE OF THIS STRATEGY? SO HOW WOULD YOU DEAL WITH THIS UNDERTAKING WHICH MAY FALL THROUGH? PLEASE LET US KNOW WHAT SOLUTIONS YOU HAVE IN MIND? THANK YOU.

THE GOVERNOR: FIRST OF ALL, IF I CAN DEAL WITH THE PREFACE TO THE HONOURABLE MEMBER'S QUESTION. THE HONOURABLE MEMBER WILL HAVE NOTICED, AT THE BACK OF MY SPEECH, A DETAILED PUBLIC PUBLISHED RECORD OF HOW WE HAVE DONE IN RELATION TO A HUGE AGENDA OF SOCIAL, ENVIRONMENTAL, EDUCATIONAL, ECONOMIC POLICY THAT WE PUT FORWARD LAST YEAR. NOT ONE ISSUE BUT OVER A HUNDRED ISSUES. IF WE HADN'T PUBLISHED THAT DETAILED BLOW-BY-BLOW ACCOUNT OF THE PROGRESS WE HAVE MADE, I DARESAY PEOPLE WOULD HAVE SAID THAT THE SPEECH LAST YEAR WAS JUST HOT AIR; WHAT HAPPENED TO IT? WELL, HERE IS WHAT HAPPENED TO IT. THIS YEAR, ANOTHER SPEECH, IN WHICH NINETY-FIVE PER CENT OF IT WAS ABOUT SOCIAL, EDUCATIONAL, ENVIRONMENTAL AND RELATED ISSUES. AGAIN, A LARGE NUMBER OF ISSUES, NOT JUST ONE. IT'S NOT ENTIRELY MY FAULT IF, WHEN I GO TO A HOUSING ESTATE AND AM GREETED BY OUR FRIENDLY COLLEAGUES FROM THE FOURTH ESTATE, THEY SAY, "BUT WHAT ABOUT THE TALKS, MR PATTEN?" IT'S NOT ENTIRELY MY FAULT IF, WHEN I GO TO A HOSPITAL FOR DENTISTRY, I COME OUT AND AREN'T ASKED ABOUT FILLINGS OR ABOUT PLAQUE, BUT ASKED ABOUT "THE TALKS, MR PATTEN?" IT'S NOT ENTIRELY MY FAULT IF, WHEN I GO TO A PRIMARY SCHOOL OR A KINDERGARTEN OR A TERTIARY EDUCATION INSTITUTION, THE SAME THING HAPPENS TO ME. I'LL ANSWER PEOPLE'S QUESTIONS ON ANYTHING BUT IT JUST SO HAPPENS THAT MOST OF THEM, WHATEVER I AM DOING, TEND TO BE ABOUT THE SAME RATHER WEARILY SHORT AGENDA.

THE HONOURABLE MEMBER ASKS ABOUT HOUSING POLICY IN PARTICULAR AND I WOULD ARGUE VERY STRONGLY, IT WAS UNFAIR TO SEE WHAT HAD HAPPENED IN THE HOUSING SECTOR AS REPRESENTING FAILURE, NOT LEAST WHEN WE HAVE ACTUALLY BEEN BUILDING 146 HOUSING UNITS A DAY AGAINST A TARGET OF JUST OVER 100. THAT SEEMS TO ME TO BE REASONABLY GOOD PROGRESS. WE'VE MADE GOOD PROGRESS IN RELATION TO CLEARING TEMPORARY HOUSING AREAS AND MEAN TO MAKE MUCH BETTER PROGRESS. WE'VE MADE GOOD PROGRESS IN INCREASING BY SIXTY PER CENT THE AMOUNT OF MONEY SPENT ON MAINTENANCE IN OUR HOUSING ESTATES. BUT, THE HONOURABLE MEMBER IS ENTIRELY RIGHT TO SAY THAT DESPITE THE COMMITMENT OF FORTY-THREE BILLION OVER THE NEXT FIVE YEARS BY THE HOUSING AUTHORITY FOR PUBLIC HOUSING, THERE REMAIN SERIOUS HOUSING ISSUES, SERIOUS HOUSING PROBLEMS TO ADDRESS, AND THEY DO REQUIRE, IN MY JUDGMENT, US TO LOOK ONCE AGAIN AT OUR HOUSING POLICIES IN HONG KONG. I THINK THAT IS SOMETHING WHICH THE HOUSING AUTHORITY ARE BEGINNING TO DO NOW, AND I WILL LOOK FORWARD TO HAVING A DIALOGUE WITH THEM ON THE ISSUE, BECAUSE I BELIEVE VERY STRONGLY THAT THERE IS ALMOST NO ISSUE MORE IMPORTANT TO HAPPY FAMILY LIFE THAN DECENT HOUSING, AND WE WANT TO GO ON DOING EVERYTHING WE CAN IN THIS COMMUNITY TO ENSURE THAT AS MANY PEOPLE AS POSSIBLE ARE PROPERLY HOUSED. THE HONOURABLE MEMBER IS ONE OF MANY IN THIS CHAMBER WHO I AM SURE SPENDS A HUGE AMOUNT OF TIME DEALING WITH HOUSING PROBLEMS FROM CONSTITUENTS, DEALING WITH PEOPLE WHO ARE WORRIED AND ANXIOUS ABOUT THEIR HOUSING, AND I AM NOT AT ALL SURPRISED THAT HE FEELS SO PASSIONATELY ABOUT THE SUBJECT.

LEE WING-TAT (THROUGH INTERPRETER): JUST A POINT FOR CLARIFICATION. MR GOVERNOR, YOU SAID THAT FOR THE HA, IT PRODUCES 146 FLATS PER DAY. WHAT YEAR DOES THAT REFER TO AND HOW DO YOU ARRIVE AT THAT FIGURE?

THE GOVERNOR: I ARRIVE AT THAT FIGURE BY A PROCESS OF LONG-DIVISION, DIVIDING THE NUMBER OF UNITS WHICH HAVE BEEN COMPLETED SINCE I LAST ADDRESSED THIS COUNCIL, BY THE INORDINATE NUMBER OF DAYS, AND THE FIGURE THAT EMERGES FROM THAT ARITHMETICAL PROCESS IS 146. AT THIS POINT, I HAD BETTER CONFESS THAT I DID NOT DO THE MATHEMATICS.

MR MICHAEL HO (THROUGH INTERPRETER): MR PRESIDENT, I WOULD LIKE TO TALK ABOUT MEDICAL AND HEALTH CARE POLICIES. YESTERDAY, IN THE POLICY ADDRESS, THE GOVERNOR DID NOT REALLY TALK ABOUT A REVIEW OF MEDICAL AND HEALTH POLICIES. ABOUT THE POLICY ADDRESS: YES, IT TALKS ABOUT FUNDING FOR THE CHRONICALLY-ILL, SO THAT WE CAN INCREASE RENAL-DIALYSIS AND IMPROVE HOSPICE CARE AND I AM GLAD TO SEE THAT NURSING IS MENTIONED. NEVERTHELESS, THERE IS NO POLICY DIRECTIVES HERE. OKAY, WE MAY HAVE FUNDING TO IMPROVE RENAL-DIALYSIS OR HOSPICE CARE. AFTER THAT, OBVIOUSLY, WE WON'T GET ANY POLICY INSTRUCTION TO GUIDE THE FURTHER IMPROVEMENTS OF THESE SERVICES SO THAT WE FURTHER PERFECT THESE SERVICES. MR GOVERNOR, WILL YOU INSTRUCT YOUR ADMINISTRATION TO CARRY OUT A COMPREHENSIVE POLICY REVIEW SO THAT FOR THESE SERVICES, IN FUTURE, THEY WILL NOT BE DELIVERED IN A PIECEMEAL FASHION? IN THIS WAY WE CAN HAVE A SUSTAINED POLICY DIRECTIVE.

YESTERDAY, YOU TALKED ABOUT NURSES AND YOU TALKED ABOUT PRIMARY SCHOOL TEACHERS. WHEN I DRAW COMPARISONS, I DISCOVER THAT YOU TALK ABOUT UPGRADING PRIMARY SCHOOL TEACHERS INTO GRADUATE TEACHERS. IT IS CLEARER THAN WHEN YOU TALK ABOUT NURSES. AND FOR PRIMARY SCHOOL TEACHERS, SPECIFIC FUNDING WAS MENTIONED, BUT NOT FOR NURSES. WHY IS THERE SUCH A VAST DIFFERENCE?

THE GOVERNOR: CAN I DEAL WITH THE SECOND POINT FIRST, BECAUSE I RECOGNISE THE HONOURABLE MEMBER'S CONCERN FOR THE NURSING PROFESSION AND HIS KNOWLEDGE ON THE SUBJECT AND THE WORK HE HAS DONE FOR THE NURSING PROFESSION, AND I SHARE HIS BELIEF THAT THE NURSING PROFESSION - AND THIS HAS BEEN THE CASE EVEN BEFORE FLORENCE NIGHTINGALE - IS AT THE HEART OF GOOD HEALTH CARE IN OUR COMMUNITY. WE ARE KEEN TO RECRUIT AND RETAIN MORE NURSES. I THINK I AM RIGHT IN SAYING THERE HAS BEEN A SEVEN PER CENT INCREASE IN THE NUMBER OF NURSES ON OUR HOSPITAL WARDS OVER THE PAST TWO YEARS, AN INCREASE OF ABOUT 1,100, AND NURSE RECRUITMENT HAS INCREASED FROM 1,845 TO 2,020. BUT IT IS NOT JUST, AS THE HONOURABLE MEMBER WOULD DOUBTLESS ARGUE, A QUESTION OF MORE NURSES, BUT OF ENSURING, FIRST OF ALL, THAT THROUGH THE MANAGEMENT OF WORK IN HOSPITALS, NURSES HAVE SOME OF THE JOBS TAKEN FROM THEM WHICH DO NOT REQUIRE THEIR PARTICULAR PROFESSIONAL SKILLS, AND THAT MEANS THAT THEY NEED MORE SUPPORT WITH SOME OF THE MORE BURDENSOME AND NON-SPECIALISED DUTIES.

SECONDLY, THE HONOURABLE MEMBER IS ENTIRELY RIGHT TO SAY THAT WE ALSO NEED TO DEVELOP NURSES' QUALIFICATIONS, TO GIVE THEM MORE AND BETTER TRAINING, AND TO RAISE THEIR STANDARDS IN THAT WAY AND IN ORDER TO TRY TO MEET THOSE OBJECTIVES, WE HAVE GIVEN AN EXTRA 10 MILLION FOR NURSE TRAINING. THAT SHOULD PROVIDE ABOUT 160 EXTRA FIRST-YEAR FIRST-DEGREE PLACES FOR NURSES IN THE 1995-98 TRIENNIUM. WE WILL ALSO BE SPONSORING SELECTED NURSES ON DEGREE CONVERSION COURSES AND I HOPE THAT THOSE INITIATIVES WILL MEAN ENHANCED PROFESSIONAL STATUS AND JOB SATISFACTION FOR NURSES. THE HONOURABLE MEMBER IS RIGHT TO SAY THAT THAT MATTERS AS MUCH FOR NURSES AS IT DOES FOR TEACHERS.

/GOING THEN .....

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GOING THEN TO THE FIRST PART OF THE HONOURABLE MEMBER'S QUESTION. I DON'T ACCEPT THAT WE DON'T HAVE A SENSIBLE STRATEGY FOR THE HEALTH SERVICE AT PRESENT, THOUGH THE HONOURABLE MEMBER IS ENTIRELY RIGHT TO SAY THAT THE COMMUNITY IS GOING TO HAVE TO FACE SOME DIFFICULT AND IMPORTANT STRATEGIC DECISIONS ABOUT THE DEVELOPMENT OF THE HEALTH SERVICE IN THE NEXT FEW YEARS. BUT I SPOKE, YESTERDAY, OF OUR COMMITMENT TO CUTTING QUEUES, TO IMPROVING AMENITIES, TO IMPROVING CARE FOR THE CHRONICALLY-ILL, TO DEVELOPING OUR HOSPICE PROGRAMME, ABOUT WHICH I FEEL, MYSELF, EXTREMELY STRONGLY. ALL THOSE ARE MATTERS, AS WELL AS IMPROVING CARE FOR THE ELDERLY, WHICH FORM PART OF OUR DETERMINATION TO PROVIDE BETTER HEALTH CARE IN HONG KONG.

I SAY, JUST BRIEFLY, ONE FURTHER WORD. WE PUBLISHED, A FEW MONTHS AGO, AN EXTREMELY WELL-WRITTEN DOCUMENT ON THE FUTURE OF THE HEALTH SERVICE IN HONG KONG, WHICH ATTEMPTED TO DEAL, IN AN INTELLIGENT AND RATIONAL WAY - I THINK, SUCCESSFULLY - WITH SOME OF THE FUNDING ISSUES WHICH THE COMMUNITY IS GOING TO HAVE TO CONFRONT. LIKE OTHER DEVELOPED SUCCESSFUL COMMUNITIES, WE ARE GOING TO FACE PROBLEMS IN THE NEXT FEW YEARS. FIRST OF ALL, BECAUSE ADVANCES IN MEDICAL SCIENCE AND TECHNOLOGY CONSTANTLY INCREASE WHAT THE MEDICAL PROFESSION IS CAPABLE OF DOING AND INCREASE THE APPETITE OF PATIENTS, CUSTOMERS IF YOU LIKE, FOR GREATER HEALTH CARE. SECONDLY, FOR A NUMBER OF REASONS, INCLUDING THE EXPENSES OF MEDICAL TECHNOLOGY, INFLATION IN THE HEALTH SERVICE TENDS TO OUTSTRIP INFLATION OUTSIDE, SO THAT YOU HAVE TO SPEND MORE MONEY TO STAND STILL IN THE HEALTH SERVICE. THERE ARE ALSO ADDITIONAL COSTS, BECAUSE WE HAVE AN AGING POPULATION, AND IN PARTICULAR, AN AGING, AGING POPULATION - MORE VERY ELDERLY - AND THE ELDERLY WILL CONSUME, UNDERSTANDABLY, A GROWING PROPORTION OF HEALTH EXPENDITURE IN THE NEXT FEW YEARS.

SO FOR ALL THOSE REASONS, WE ARE GOING TO SEE THE HEALTH SERVICE COST A HIGHER PROPORTION OF OUR GNP, WE ARE GOING TO SEE MORE AND MORE SERIOUS PROBLEMS ARISING IN FUNDING THE LEVEL OF HEALTH PROVISION WE WANT. WE CAN'T DUCK THOSE QUESTIONS. WHAT WE HAVE TO DO IS TO TRY TO FACE UP TO THEM INTELLIGENTLY AS A COMMUNITY, AND I HOPE, NEVER LOSING SIGHT OF TWO THINGS. FIRST OF ALL, ANY CIVILISED COMMUNITY SHOULD ENSURE THAT PEOPLE CAN GET THE HEALTH CARE THEY NEED REGARDLESS OF THEIR PERSONAL RESOURCES. SECONDLY, IT IS NOT AT ODDS WITH THAT PRINCIPLE TO SAY THAT THE HEALTH SERVICE, LIKE EVERY OTHER PUBLIC SERVICE, SHOULD BE AS EFFICIENTLY RUN AS POSSIBLE. AND I AM BOUND TO SAY THAT I AM EXTREMELY IMPRESSED BY THE DEDICATION I FIND, IN, FOR EXAMPLE, MANAGERS OF OUR SERVICE, PARTICULARLY MANAGERS OF THE HOSPITAL AUTHORITY'S FACILITIES. I FIND EXTREMELY IMPRESSIVE THEIR DEDICATION TO DOING THE BEST FOR THEIR PATIENTS BY SPENDING THE MONEY WHICH IS GIVEN TO THEM IN THE MOST EFFECTIVE AND EFFICIENT FASHION.

/CONRAD LAM: .....

CONRAD LAM: MR GOVERNOR, JUST NOW IN THE ANSWER, YOU GAVE THE IMPRESSION THAT ON THE ONE HAND YOU CARED ABOUT THE CHRONICALLY ILL, THE INFIRM AND THE AGED. YOU WANT TO STEP UP ASSISTANCE TOWARDS THEM BUT, ON THE OTHER HAND, YOU TALK ABOUT THE CONSULTATION DOCUMENTS TOWARDS BETTER HEALTH. YOU TALK ABOUT THE FUNDING PROBLEM. IT SEEMS YOU GIVE THE IMPRESSION THAT YOU WANT TO GET SOME MONEY OUT FROM THE PATIENTS IN ORDER TO DO SOMETHING MORE. MR GOVERNOR, WHEN YOU FORMULATE FUTURE MEDICAL AND CARE POLICIES, ESPECIALLY RELATING TO THE CHARGING POLICY, WHAT DO YOU THINK ABOUT PUBLIC OPINION? WILL YOU RESPECT PUBLIC OPINION?

THE GOVERNOR: VERY MUCH, AS I AM SURE THE HONOURABLE MEMBER WOULD IN MAKING DECISIONS ON A RANGE OF ISSUES PERHAPS EVEN CONCEIVABLY POLITICAL DEVELOPMENT AMONG OTHERS. BUT LET ME MAKE A SIMPLE POINT I HOPE NOT TOO PROVOCATIVELY. HONG KONG HAS PRODUCED OVER THE YEARS MANY MIRACLES BUT EVEN HONG KONG HAS NOT YET DISCOVERED MONEY-BEARING TREES AND IF WE WANT TO DEVELOP OUR HEALTH CARE FACILITIES, AS WE DO, IF WE WANT TO GIVE PEOPLE IN HONG KONG THE LEVEL OF SERVICE WHICH THEY DEMAND AND DESERVE, AND WE DO, IF WE WANT TO ENSURE THAT HEALTH INDICATORS IN HONG KONG CONTINUE TO IMPROVE AS THEY HAVE, AND WE DO, THEN THERE ARE COSTS. NOW, THERE ARE A NUMBER OF WAYS YOU CAN MEET THOSE COSTS. YOU CAN MEET THEM OUT OF GENERAL TAXATION. YOU CAN MEET THEM OUT OF FORMS OF INSURANCE. YOU CAN MEET THEM OUT OF DIFFERENT SORTS OF CHARGE. YOU CAN MEET THEM OUT OF DIFFERENT SORTS OF TARGETTED FEE. THERE IS A RANGE OF WAYS IN WHICH YOU CAN MEET HEALTH COSTS BUT YOU HAVE TO MEET THEM SOMEHOW AND WHAT WE HAVE TO DEVELOP AS A COMMUNITY IS THE FAIREST AND MOST EFFECTIVE WAY OF MEETING THEM WHICH COMMANDS, AS THE HONOURABLE MEMBER SUGGESTED, THE BROADEST CONSENSUS. IN MY EXPERIENCE, AND IT'S NO CRITICISM OF TAXPAYERS ANYWHERE, MOST PEOPLE MOST OF THE TIME WANT IMPROVED PUBLIC SERVICES, BUT THEY ARE RELUCTANT TO PAY MORE IN TAXES FOR THEM. IN HONG KONG, THANKS TO THE GROWTH RATE IN OUR ECONOMY OVER THE LAST FEW YEARS WE'VE BEEN ABLE TO ENJOY LOW TAXES, WHILE ENJOYING IMPROVED PUBLIC SERVICES. WHETHER THAT CAN CONTINUE INDEFINITELY NOT LEAST IN RELATION TO HEALTH CARE WAS THE ISSUE WHICH, QUITE PROPERLY, THE SECRETARY FOR HEALTH AND WELFARE AND OTHERS WERE KEEN FOR THE COMMUNITY TO DEBATE BECAUSE, LIKE THE ISSUE OF A CENTRAL PROVIDENT FUND, IT'S GOING TO BE AN ISSUE WHICH WILL DETERMINE WHAT THIS COMMUNITY IS LIKE IN TEN OR FIFTEEN OR TWENTY, OR TWENTY-FIVE YEARS TIME AND WE'VE GOT TO FACE UP TO IT NOW. THERE ARE ISSUES EVERYWHERE. MRS RODHAM CLINTON, AT THE MOMENT, IS WRESTLING WITH THESE PROBLEMS IN THE UNITED STATES WITH SO FAR GREAT SUCCESS IT SEEMS. WE'VE GOT TO FACE UP TO EXACTLY THE SAME PROBLEMS HERE AND I HOPE IN THE PROCESS AVOID MAKING SOME OF THE MISTAKES THAT HAVE BEEN MADE IN THE UNITED STATES AND, IF I MAY SAY SO, IN THE UNITED KINGDOM AS WELL.

MR ERIC LEE: MR GOVERNOR, IN YOUR POLICY ADDRESS, IN THE BEGINNING - IN THE BEGINNING PART, THE PEKING TALKS - YOU SAID THAT AFTER SIX MONTHS WE DEVELOPED THE TALKS AND IN THE BEGINNING WHEN LEGISLATIVE DEBATE WAS ABOUT TO START IN THIS COUNCIL AND SAY, PERHAPS THERE IS A LESSON IN THAT. WHAT'S THE MEANING OF THERE'S A LESSON IN THAT? DOES IT MEAN THAT IF THE LEGISLATIVE COUNCIL DOES NOT PROCEED WITH THE SECOND READING OF THE BILL THEN THERE WON'T SPECIFIC PROGRESS IN THE PEKING TALKS?

/THE GOVERNOR: .....

THE GOVERNOR: SOME THROWAWAY LINE WHICH WASN'T MEANT TO HIT ANYBODY. A NUMBER OF PEOPLE, A NUMBER OF THE WISEST COMMENTATORS ON RELATIONS WITH THE PRC HAVE SOMETIMES SAID THAT YOU ONLY MAKE PROGRESS AT THE ELEVENTH HOUR OR THEY NORMALLY PUT IT EVEN MORE STRONGLY AND SAY YOU ONLY MAKE PROGRESS AT FIVE MINUTES TO MIDNIGHT AND THAT WAS A REFLECTION OF THAT PARTICULAR POINT OF VIEW, WHETHER OR NOT IT IS CORRECT, WE SHALL DISCOVER. I HOPE THAT CHINESE OFFICIALS WILL RECOGNISE THAT TIME DOES MARCH RELENTLESSLY ON. THAT WE CAN'T ALLOW OURSELVES TO GET INTO A POSITION WHERE WE CAN'T MAKE PROPER ARRANGEMENTS FOR THE 94 AND 95 ELECTIONS BECAUSE THE CALENDAR HAS MOVED PAST US. I HAVE TO SAY THAT I THINK WE ARE ALREADY CUTTING THINGS VERY FINE BECAUSE OF OUR DETERMINATION, IF WE CAN GET ONE, TO GET AN AGREEMENT. BUT THE WHOLE OF THIS COUNCIL WOULD, UNDER ORDINARY CIRCUMSTANCES, HAVE LIKED US TO HAVE HAD IN PLACE ALREADY MOST OF THESE ARRANGEMENTS, PARTICULARLY THE ARRANGEMENTS FOR DISTRICT BOARD AND MUNICIPAL COUNCIL ELECTIONS. I WISH WE ALREADY HAD THOSE ARRANGEMENTS IN PLACE SO THAT PEOPLE KNEW WHERE THEY STOOD. SO WE ARE DOWN TO WEEKS. I HOPE WHEN I BRING PROPOSALS TO THE LEGISLATIVE COUNCIL I CAN SAY WE'VE AGREED THESE PROPOSALS WITH CHINA, I CAN RECOMMEND THEM TO THE COUNCIL WITH GREAT ENTHUSIASM, I HOPE THE COUNCIL WILL ACCEPT THEM AS A WAY OF SECURING THE SMOOTHEST POSSIBLE TRANSITION. IF I CAN'T MAKE THAT SPEECH I WILL HAVE TO MAKE ANOTHER SPEECH IN WHICH I WILL INVITE THE LEGISLATIVE COUNCIL TO FOLLOW THE LEAD I GIVE IT, BUT I WILL DEPEND, OF COURSE, ON BEING ABLE TO PERSUADE THE LEGISLATIVE COUNCIL THAT WHAT I AM PROPOSING IS IN THE BEST INTERESTS OF HONG KONG.

MR ERIC LEE: THIS IS A FOLLOW-UP QUESTION MR GOVERNOR. DURING FIRST READING, ACTUALLY WHEN THERE WAS SOME PROGRESS IN THE TALKS, THE CHINESE SIDE HAD SAID THROUGH DIFFERENT CHANNELS THAT IF WE HAVE A SECOND READING DEBATE IN THE LEGCO THEN THE TALKS WOULD HALT IMMEDIATELY. MR GOVERNOR, DO YOU THINK THIS IS SOME KIND OF POLITICAL GESTURE OR DO YOU THINK THAT THE CHINESE SIDE IS PERFECTLY SERIOUS ON THIS? DOES THAT MEAN THAT IF WE HAVE A DEBATE HERE THEY WILL STOP THE TALKS?

GOVERNOR: I HONESTLY COULDN'T TELL YOU. THERE HAVE BEEN THREATS AND THERE HAVE BEEN THINGS SAID OVER THE LAST YEAR WHICH HAPPILY HAVEN'T BEEN BORNE OUT BY EVENTS WHEN WE'VE GONE ON AND DONE WHAT WE BELIEVE IS RIGHT. I THINK IT IS MOST LIKELY THAT WE WILL ONLY BE DEBATING THESE MATTERS EITHER AFTER THERE'S AN AGREEMENT OR AFTER TALKS HAVE CONCLUDED BECAUSE WE CAN'T COME TO AN AGREEMENT, BUT IT MAY BE THAT THE LEGISLATIVE COUNCIL IN ITS WISDOM WILL DECIDE TO GO ON AND DEBATE THESE MATTERS ANYWAY. THIS IS AN INDEPENDENT COUNCIL AND I DON'T SEEK TO - I SEEK TO PERSUADE IT - BUT I DON'T SEEK TO HEAVY IT.

/FRED LI .....

FRED LI (THROUGH INTERPRETER): I WOULD LIKE TO ASK YOU A PRACTICAL QUESTION, NOTHING TO DO WITH POLITICS. WELL, YOU CAN PROUDLY TELL US THAT OUR GDP PER HEAD HAS GROWN TODAY, IT HAS ALREADY OVERTAKEN AUSTRALIA AND THE UK, IN THE COMING YEAR, WE SHOULD DRAW LEVEL WITH CANADA. AND YOU ALSO DECIDED THAT STARTING FROM 1ST APRIL NEXT YEAR, THERE WILL BE MORE CHILDREN'S ALLOWANCES AND \$100 FOR CHILDREN WITH SPECIAL NEEDS, \$100 PER MONTH. WE HAVE 23,000 SUCH CHILDREN RECEIVING THE ALLOWANCES. EVERY DAY THEY ARE RECEIVING \$34 ONLY. THEY WILL GET \$3.30 MORE WITH YOUR PACKAGE AND THEY CAN'T EVEN BUY A HAMBURGER WITH THAT. BUT WE ARE LIVING IN SUCH AN AFFLUENT SOCIETY, CAN WE REALLY ALLOW THESE CHILDREN TO ONLY RECEIVE SUCH A SMALL AMOUNT AS \$34, AND THEY HAVE TO PAY FOR EVERYTHING WITH IT? NOW, YOU OF COURSE WANT THEM TO JOIN MORE EXTRACURRICULAR ACTIVITIES IN PARTIES WITH THEIR SCHOOLMATES. I DON'T THINK THEY CAN DO THAT WITH THE MONEY THAT THEY GET AND I HOPE THAT YOU WILL BE ABLE TO FURTHER INCREASE THE ALLOWANCES GIVEN TO THEM.

THE GOVERNOR: I HAVE FOUND MYSELF, IN THE LAST DAY OR TWO - AND THE SAME THING HAPPENED TO ME LAST YEAR, TO MY GREAT SURPRISE - ATTACKED FOR MY ALLEGEDLY INCIPIENT SOCIALISM FOR INCREASING SPENDING IN SOME AREAS. LAST YEAR, DIRECTOR LU PING ATTACKED ME AS A SOCIALIST, WHICH I TAKE IT AS A COMPLIMENT. ON THE OTHER HAND, THE HONOURABLE MEMBER AND SOME OTHERS SAY THAT I AM NOT SPENDING ENOUGH, I'M NOT BEING SOCIALIST ENOUGH. WHAT I AM TRYING TO BE IS RESPONSIBLE, BOTH SOCIALLY AND FISCALLY. AND WHEN ONE IS FACED WITH SOCIAL PROBLEMS, SUCH AS THOSE ABOUT WHICH THE HONOURABLE MEMBER KNOWS A GREAT DEAL, THE INSTINCT OF ANY OF US IS TO BE AS GENEROUS AS POSSIBLE, ALBEIT, IF YOU ARE IN GOVERNMENT, WITH OTHER PEOPLE'S MONEY. BUT YOU HAVE TO BE GENEROUS, AND IN MY VIEW, PRUDENT AT THE SAME TIME.

NOW, LAST YEAR WE DID MAKE A SIGNIFICANT INCREASE IN SOCIAL SECURITY PAYMENTS. WE MADE AN INCREASE WHICH FOR INDIVIDUALS WAS TEN PER CENT AHEAD OF THE RATE OF INFLATION, AND THAT CAME IN LAST SUMMER. FOR A FAMILY OF FOUR THE INCREASE AMOUNTED TO THIRTEEN PER CENT AHEAD OF INFLATION. THOSE WERE, I THINK, IMPORTANT STEPS FORWARD, ALBEIT NEVER ENOUGH. YOU SAID IT WASN'T A POLITICAL QUESTION; I'VE BEEN IN POLITICS LONG ENOUGH TO UNDERSTAND THAT ONE WILL NEVER BE REGARDED AS HAVING DONE ENOUGH IN THESE AREAS AND I UNDERSTAND WHY.

BUT I WOULD JUST LIKE TO MAKE ONE OTHER POINT IN RELATION TO THE CHILDREN AND THE ALLOWANCE THEY RECEIVE. THERE ARE, AS THE HONOURABLE GENTLEMAN SAID, ABOUT 23,000 - I THINK IT'S 22,900, TO BE PEDANTIC - WHO WILL BE IN RECEIPT OF THIS ALLOWANCE. I HAD A LONG SECTION, IN AN EARLIER DRAFT OF MY SPEECH YESTERDAY, IN WHICH I SET OUT ALL THE OTHER GRANTS WHICH THESE CHILDREN AND YOUNG PEOPLE WERE QUITE PROPERLY ENTITLED TO RECEIVE. IN THE INTERESTS OF MAKING MY SPEECH AS BRIEF AS POSSIBLE, I CUT THAT PARTICULAR SECTION OUT. BUT IT IS THE CASE THAT CHILDREN AND YOUNG PEOPLE WHO ARE ENTITLED TO THIS ALLOWANCE ARE ALSO ENTITLED TO ABOUT SEVEN HUNDRED DOLLARSWORTH OF GRANTS FOR A VARIETY OF DIFFERENT COURSES: FOR TRAVEL, FOR BOOKS, FOR SCHOOL-MEALS AND RELATED MATTERS. I WILL SEND HIM, IF THE HONOURABLE MEMBER WOULD FIND IT HELPFUL, THE BIT OF MY SPEECH WHICH I LEFT ON THE STUDY FLOOR ONE NIGHT ABOUT A WEEK AGO. SO IT IS NOT JUST THE BASIC ALLOWANCE OF, NOW, \$1,095 OR RATHER MORE THAN THAT IF THEY ARE DISABLED, IT IS NOT JUST THAT BASIC ALLOWANCE WHICH ONE IS TALKING ABOUT, ONE IS ALSO TALKING ABOUT A LOT OF OTHER GRANTS AS WELL, WHICH I THINK ONE HAS TO TAKE INTO ACCOUNT.

I CAN SAY ONE LAST THING. IF WE ARE SERIOUSLY CONCERNED ABOUT THE WELFARE OF THE FAMILY, WE HAVE TO COME BACK TO THE SORT OF ISSUE THE HONOURABLE MEMBER HAS RAISED, AGAIN AND AGAIN AND AGAIN, AND HE IS QUITE RIGHT TO CHIDE ME FOR NOT DOING MORE. BUT I THINK IT WAS AN IMPORTANT AND USEFUL MOVE FORWARD AND I HOPE AS RESOURCES ALLOW, WE WILL BE ABLE TO MOVE FURTHER WITHOUT THE GOVERNOR OF HONG KONG EVER BEING CALLED A REAL SOCIALIST OR EVEN AN OLD FASHIONED TORY.

MR MAN SAI-CHEONG (THROUGH INTERPRETER): MR PRESIDENT, FREEDOM OF THE PRESS AND FREEDOM OF SPEECH ARE VERY IMPORTANT, THEY ARE CORNERSTONES OF A DEMOCRATIC SOCIETY. IN PARAGRAPH 15, MR GOVERNOR, YOU SAID THAT IN AN OPEN SOCIETY WE WILL NOT KEEP UNNECESSARY SECRETS, AND THEN IN PARAGRAPH 113 YOU EMPHASISED THAT IT IS VERY IMPORTANT TO PROTECT PERSONAL FREEDOM AND LIBERTIES AND PRESS FREEDOM. IF THAT IS TRUE, HOW COME YOU ONLY TALK ABOUT DISCLOSING PUBLIC INFORMATION WITHOUT TELLING US WHETHER YOU HAVE NEW MEASURES TO PROTECT PRESS FREEDOM MORE? FOR EXAMPLE, TO RELEASE MORE INFORMATION ON GOVERNMENT INFORMATION. NOW, THERE ARE SEVEN ORDINANCES CURBING PRESS FREEDOM. WILL YOU RELAX OR REPEAL THESE LAWS TO WIN THE SUPPORT OF THE JOURNALISTS? THANK YOU.

THE GOVERNOR: AS A FORMER POLITICIAN, I'M SURE THE HONOURABLE MEMBER WILL KNOW THAT THE LAST THING I EVER SEEK TO DO IS TO WIN SUPPORT FROM JOURNALISTS. BUT THE HONOURABLE MEMBER MAKES AN IMPORTANT POINT. WE HAVE BEEN REVIEWING - WITH THE JOURNALISTS' ASSOCIATION PUSHING US AND SPURRING US ON - WE HAVE BEEN REVIEWING THOSE LAWS, THOSE ORDINANCES IN HONG KONG, WHICH NOT JUST JOURNALISTS BUT MANY OTHERS OUTSIDE THE JOURNALIST PROFESSION BELIEVE MAY EITHER BE POTENTIALLY IN CONFLICT WITH THE BILL OF RIGHTS OR MAY BE ACTUALLY IN CONFLICT WITH THE BILL OF RIGHTS, OR MAY BE UNHELPFUL IN RELATION TO THE IMPLEMENTATION OF THE JOINT DECLARATION IN THE FUTURE. - WE'VE TRIED TO RESPOND TO THE JOURNALISTS' ASSOCIATION AS CONSTRUCTIVELY AS POSSIBLE. THE JOURNALISTS' ASSOCIATION WOULD LIKE US TO GO FURTHER AND WE'RE, I HOPE, IN A CONTINUING DIALOGUE WITH THE CHAIRMAN, THE CHAIR OF THE JOURNALISTS' ASSOCIATION, AND OTHERS, ABOUT WHAT FURTHER THEY WOULD LIKE US TO DO. I THINK THE PROPOSALS WE HAVE PUT FORWARD SO FAR ARE SENSIBLE BUT I AM PERFECTLY PREPARED TO BE PERSUADED TO GO FURTHER.

WHERE THERE IS A GENUINE ISSUE OF PRINCIPLE WHICH SEPARATES SOME OF US, IS WHETHER WE SHOULD HAVE GENERAL DECLARATORY LEGISLATION ON THE STATUTE BOOK ABOUT FREEDOM OF INFORMATION. AND AS I THINK THE HONOURABLE MEMBER AND OTHER HONOURABLE MEMBERS WILL KNOW, I AM DUBIOUS ABOUT GENERAL DECLARATORY LEGISLATION, THOUGH I AM ENTHUSIASTICALLY IN FAVOUR OF OPENING UP GOVERNMENT IN SPECIFIC AREAS FOR SPECIFIC PURPOSES.

MR MAN SAI-CHEONG: ELUCIDATION ON THE LAST POINT. WHAT AREAS ARE YOU PREPARED TO OPEN UP IN THE GOVERNMENT? ARE YOU TALKING ONLY ABOUT THE RIGHT-TO-KNOW IN ENVIRONMENTAL MATTERS OR YOU SHOULD TRY TO PUSH IT FURTHER AS AN EXAMPLE FOR AN OPEN GOVERNMENT?

/THE GOVERNOR: .....

THE GOVERNOR: YES, I AGREE THAT THE ONUS SHOULD BE ON GOVERNMENT TO DEMONSTRATE THAT IT NEEDS TO KEEP SOME MATTERS AS SECRET OR CONFIDENTIAL RATHER THAN THE OTHER WAY ROUND. BUT THERE ARE MATTERS WHICH WE'RE OPENING UP TO PUBLIC SCRUTINY AND WE'LL CONTINUE TO DO SO. A NUMBER OF THE DECISIONS THAT WE HAVE TAKEN OVER THE LAST YEAR OR SO HAVE MADE PUBLIC, INFORMATION WHICH HAS HITHERTO ALWAYS BEEN PRIVATE, BEGINNING JUST OVER A YEAR AGO WITH THE FINANCIAL SECRETARY'S DECISION TO ANNOUNCE THE AMOUNT OF MONEY IN OUR EXCHANGE FUND.

MR SAMUEL WONG: GOVERNOR, ON THE QUESTION OF LOCALISATION YOU'VE SAID A SPECIAL MEASURES HAVE BEEN TAKEN TO DEAL WITH PARTICULAR SITUATIONS AND YOU GAVE AS EXAMPLES THE LEGAL DEPARTMENT AND THE LEGAL AID DEPARTMENT. MY QUESTION IS, ARE THERE OTHER DEPARTMENTS IN WHICH SPECIAL MEASURES SHOULD ALSO BE TAKEN TO SPEED UP LOCALISATION?

GOVERNOR: YES, THERE ARE - I THINK I AM RIGHT IN SAYING 53 DEPARTMENTS ALTOGETHER, AND WHEN WE WERE LOOKING AT - I AM LOOKING FOR RAISED EYEBROWS OR SHAKES OF THE HEAD WHICH MIGHT SUGGEST THAT I AM RIGHT OR WRONG - THERE ARE JUST OVER FIFTY, I THINK THAT SHOULD COVER MOST EVENTUALITIES - DEPARTMENTS, AND I THINK IT'S GENERALLY RECOGNISED THAT THERE HAVE PROBABLY BEEN PROBLEMS IN SIX OR SEVEN. THERE ARE SOME DEPARTMENTS WHERE LOCALISATION IS VIRTUALLY COMPLETE. EDUCATION, HEALTH, INLAND REVENUE, IMMIGRATION - JUST TO NAME SOME - FIRE SERVICES. THERE ARE OTHERS, IN ADDITION TO THE LEGAL DEPARTMENT AND I THINK THE HONOURABLE MEMBER HAS A PROFESSIONAL KNOWLEDGE OF ONE OR TWO OF THOSE, WHERE ALMOST CERTAINLY, FOR REASONS OF PROFESSIONAL DEVELOPMENT, THERE HAVE BEEN PROBLEMS AS WELL AND WE NEED TO PURSUE THOSE PROBLEMS THROUGH SENSIBLE PERSONNEL MANAGEMENT. I HOPE IT'S AN ISSUE THAT WE CAN AVOID AS FAR AS POSSIBLE AND POLITICISING BECAUSE I DON'T THINK IT WILL MAKE IT ANY EASIER TO SORT IT OUT. I THINK THE ADMINISTRATION HAS TO DEMONSTRATE, NOT JUST TO THIS COUNCIL, NOT JUST TO ITS OWN EMPLOYEES, BUT TO THE COMMUNITY AS A WHOLE, ITS TOTAL COMMITMENT TO PURSUE LOCALISATION IN A SENSIBLE WAY. THAT'S WHAT I WAS TRYING TO DO YESTERDAY. THAT'S WHAT I WILL CONTINUE TO TRY TO DO AND I KNOW THAT THE EXISTING CHIEF SECRETARY, THE CHIEF SECRETARY DESIGNATE, THE SECRETARY OF CIVIL SERVICE AT PRESENT AND THE SECRETARY OF CIVIL SERVANT-DESIGNATE ALL SHARE MY ENTHUSIASM ON THAT PARTICULAR POINT.

MR TANG SIU-TONG: THANK YOU MR CHAIRMAN. MR GOVERNOR, IN YOUR POLICY ADDRESS YESTERDAY, YOU TALKED ABOUT THE PROGRESS IN JLG (JOINT LIAISON GROUP). YOU SAID THERE'S NOT MUCH PROGRESS ON ISSUES SUCH AS CT9 (CONTAINER TERMINAL 9), THE ACP (AIRPORT CORE PROGRAMME) AND THE VISAS. MR GOVERNOR, I HAVE A QUESTION FOR YOU. WHAT DO YOU THINK OF THE REASONS FOR THIS LACK OF PROGRESS? AND HOW WOULD YOU PROPOSE TO SOLVE THE PROBLEM? ABOUT THE ISSUES TALKED ABOUT BY JLG SOME OF THEM RELATED TO PEOPLE'S LIVELIHOOD AND DO YOU THINK LIVELIHOOD ISSUES ARE MORE IMPORTANT OR POLITICAL REFORMS?

/GOVERNOR: .....

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GOVERNOR: I THINK THAT IF WE WERE TO ABANDON THE PRINCIPLES WHICH WE HAVE DISCUSSED SO FREQUENTLY ABOUT THE ELECTORAL PROCESS IT WOULD UNDERMINE THIS COUNCIL AND ITS ROLE, IT WOULD UNDERMINE THE NOTION OF AN EXECUTIVE ACCOUNTABLE TO THE LEGISLATURE, IT WOULD UNDERMINE THE RULE OF LAW AND WOULD THEREFORE INEVITABLY AND CERTAINLY AND MASSIVELY HAVE AN EFFECT ON THE STABILITY OF THIS COMMUNITY AND AN EFFECT ON ITS PROSPERITY AS WELL; AND I FEEL THOSE THINGS VERY STRONGLY. THE HONOURABLE MEMBER ASKS WHY WE DON'T MAKE MORE PROGRESS IN THE JLG, WHY WE HAVEN'T ALREADY HAD AN AGREEMENT ABOUT THE AIRPORT AND THE CONTAINER TERMINAL. I JUST SAY IN PASSING WHERE ELSE IN THE WORLD, WHERE ELSE IN THE WORLD, DO FOREIGN SECRETARIES, DO SENIOR MINISTERS AND OFFICIALS SIT DOWN AND SPEND THEIR TIME ARGUING ABOUT AIRPORTS AND CONTAINER TERMINALS? WHERE? AND WHY DO THEY DO IT? WHY DOES IT HAVE TO HAPPEN? DOES ANYBODY SERIOUSLY THINK THAT THE HONG KONG GOVERNMENT, OR THE BRITISH GOVERNMENT IS TRYING TO SLOW UP PROGRESS ON THE AIRPORT? DOES ANYBODY SERIOUSLY THINK THAT IT'S IN THE INTERESTS OF THE HONG KONG GOVERNMENT OR THE BRITISH GOVERNMENT TO SLOW UP PROGRESS ON THE CONTAINER TERMINAL? DOES ANYBODY THINK IT'S IN OUR INTERESTS NOT TO MAKE THE SORT OF PROGRESS WE WOULD LIKE WITH THE LOCALISATION OF LAWS, WITH INVESTMENT PROTECTION AND PROMOTION AGREEMENTS, WITH AIR SERVICE AGREEMENTS AND SO ON? THE PARADOX - THE PARADOX - IS THERE IS NO SPECIFIC BRITISH INTEREST IN SECURING AGREEMENT ON THESE MATTERS EXCEPT AS I SAID YESTERDAY, THAT WE WOULD LIKE - WHILE WE ARE SOVEREIGN IN HONG KONG - TO GOVERN HONG KONG AS DECENTLY AND COMPETENTLY AS POSSIBLE. WE WOULD LIKE TO LEAVE HONG KONG IN 1997 WITH A JOB AS WELL DONE AS WE CAN CONCEIVABLY DO IT. NOW, THAT'S IN A SENSE AN INTEREST BUT IT'S NOT THE SAME SORT OF INTEREST WHICH CHINA PRESUMABLY HAS IN WORKING 24-HOURS A DAY, SEVEN DAYS A WEEK, AS SHE SHOULD BE WISHING TO DO, FOR THE BETTERMENT OF THE PEOPLE OF HONG KONG AND FOR THE LIVELIHOOD OF THE PEOPLE OF HONG KONG. THAT SHOULD BE SOMETHING THAT WE ALL SHARE.

SO, I REPEAT - I REPEAT AS FIRMLY AS I CAN - THE BRITISH GOVERNMENT, THE HONG KONG GOVERNMENT ARE NOT DRAGGING THEIR FEET IN THE JLG. DOES ANYBODY SERIOUSLY SUPPOSE THAT AMBASSADOR GALSWORTHY AND HIS TEAM DIDN'T WANT TO MAKE AS MUCH PROGRESS AS POSSIBLE? AMBASSADOR GALSWORTHY WAS A GREAT ORNITHOLOGIST BUT HE WOULD HAVE PREFERRED TO SPEND MORE TIME IN MEETINGS OF THE JLG THAN AT MAI PO, MUCH AS HE ENJOYED MAI PO. IT IS IMPORTANT FOR EVERYONE TO RECOGNISE THAT THESE MATTERS REQUIRE AGREEMENT ON BOTH SIDES OF THE TABLE. ON OUR SIDE OF THE TABLE WE ARE ANXIOUS TO REACH AGREEMENT AS RAPIDLY AND AS COMPREHENSIVELY AS POSSIBLE. I CAN'T SPEAK FOR WHAT THE VIEWS ARE ON THE OTHER SIDE OF THE TABLE.

PRESIDENT: IN ACCORDANCE WITH STANDING ORDERS I NOW ADJOURN THE SITTING UNTIL WEDNESDAY, 13TH OCTOBER 1993.

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## GOVERNOR AT SHATIN PUBLIC MEETING

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GOVERNOR: GOOD EVENING LADIES & GENTLEMEN, THANK YOU VERY MUCH INDEED FOR COMING THIS EVENING. LAST YEAR, WHEN I CAME TO SHATIN AFTER MY LEGISLATIVE COUNCIL SPEECH, I MADE TWO PROMISES. FIRST OF ALL, I SAID THAT I WOULD DO SOMETHING WHICH I HAD BEEN ADVISED TO DO BUT HADN'T YET DONE AND THAT WAS TO HAVE DINNER AT THE PIGEON RESTAURANT IN SHATIN. WELL, THIS YEAR, TO CELEBRATE MY FIRST YEAR IN HONG KONG, I WENT WITH ALL MY OFFICE STAFF TO THE PIGEON RESTAURANT AND WE HAD AN AWFUL LOT OF PIGEONS. SECONDLY, I'D PROMISED THAT I'D COME BACK AND HAVE ANOTHER PUBLIC MEETING THIS YEAR AND EVERY YEAR AFTER MY LEGISLATIVE COUNCIL SPEECH. SO HERE I AM AGAIN KEEPING LAST YEAR'S PROMISE AND IF I HADN'T HAVE DONE SO, EMILY LAU - WHO I THINK IS IN THE AUDIENCE SOMEWHERE - WOULD HAVE SCOLDED ME. THOSE OF YOU WHO CAME LAST YEAR WILL KNOW THAT THIS EVENING IS REALLY AN EVENING FOR YOU RATHER THAN ME. PEOPLE USE VERY GRAND WORDS WHEN THEY TALK ABOUT POLITICS AND GOVERNMENT. ONE OF THE PHRASES THEY USE IS THE EXECUTIVE, THE GOVERNMENT BEING ACCOUNTABLE TO THE LEGISLATURE. ONE OF THE THINGS THAT MEANS IS THAT THE EXECUTIVE LIKE ME SHOULD MAKE OURSELVES AVAILABLE TO ANSWER THE QUESTIONS OF YOU. NOW, BEFORE I ASK WHETHER ANY OF YOU WANT TO ASK A QUESTION AND IF NONE OF YOU DO, I GUESS WE CAN ALL GO HOME EARLY.

BEFORE I ASK FOR QUESTIONS, JUST LET ME MAKE A COUPLE OF COMMENTS VERY BRIEFLY ABOUT WHAT I SAID IN MY SPEECH TO THE LEGISLATIVE COUNCIL YESTERDAY. I SAID THEN, AND I THINK ALL OF US KNOW IT'S TRUE, THAT THE LAST YEAR HAS BEEN A VERY GOOD ONE FOR HONG KONG IN EVERY SENSE EXCEPT ONE. OUR ECONOMY HAS DONE EXTREMELY WELL ONCE AGAIN AND BECAUSE OUR ECONOMY HAS DONE WELL, WE'VE BEEN ABLE TO DO MORE FOR OUR HEALTH SERVICE, FOR SOCIAL WELFARE, FOR EDUCATION, FOR THE ENVIRONMENT AND FOR THE OTHER THINGS WE CARE ABOUT AS A COMMUNITY. LAST YEAR I SET OUT A WHOLE AGENDA OF THINGS WHICH I WANTED US TO DO OVER THE NEXT FIVE YEARS AND IN AN ANNEXE TO MY POLICY SPEECH THIS YEAR, WE'VE SET OUT IN DETAIL THE PROGRESS WE'VE MADE ON ALL THOSE LIVELIHOOD ISSUES. NOW, BECAUSE OUR ECONOMY HAS GONE ON DOING WELL, BECAUSE YOU'VE WORKED SO HARD, BECAUSE OUR ECONOMY HAS CONTINUED TO EXPAND, WE'VE BEEN ABLE TO MAKE MORE COMMITMENTS THIS YEAR TO IMPROVE THE HEALTH SERVICE, TO GIVE MORE HELP TO THE ELDERLY, TO PUT MORE MONEY INTO OUR SCHOOLS, TO DO MANY OF THE OTHER THINGS WHICH YOU WANT TO DO AS HONG KONG BECOMES MORE PROSPEROUS AND MORE SUCCESSFUL. THE ONE SHADOW ACROSS OUR PATH HAS BEEN THE PROBLEMS IN OUR RELATIONSHIP WITH CHINA AND ABOVE ALL, THE PROBLEMS IN TRYING TO AGREE TO A SET OF FAIR ELECTORAL ARRANGEMENTS FOR 1994 AND 1995. WE BELIEVE THAT WE NEED IN HONG KONG A FAIR AND OPEN ELECTION SYSTEM IN ORDER TO PROTECT THE RULE OF LAW, IN ORDER TO HELP PROTECT OUR WAY OF LIFE, IN ORDER TO TRY TO ENSURE THAT ALL THE THINGS WHICH HAVE MADE HONG KONG SUCCESSFUL CONTINUE INTO THE FUTURE.

SO, WE THINK THAT IN ORDER TO ENSURE THAT HONG KONG'S SYSTEM SURVIVES AND PROSPERS WE HAVE TO STAND UP FOR HONG KONG. I HOPE THE TALKS THAT WE ARE HAVING WITH CHINA AT THE MOMENT LEAD TO A SUCCESSFUL CONCLUSION BUT WHATEVER HAPPENS WE'LL GO ON STANDING UP FOR HONG KONG'S WAY OF LIFE. NOW, I'VE SAID ENOUGH, SO IT'S OVER TO YOU.

CAN I JUST SAY A COUPLE OF THINGS WHICH I DARESAY MAY HAVE BEEN SAID BEFORE I ARRIVED. WE WANT TO GET IN AS MANY QUESTIONS TONIGHT AS POSSIBLE. SO, IT'S IN THE INTERESTS OF ALL OF YOU, AND PARTICULARLY IN THE INTERESTS OF THOSE WHO HAVEN'T YET BEEN ABLE TO ASK A QUESTION WHEN YOU ASK YOUR QUESTION, TO KEEP YOUR QUESTIONS SHORT. LET ME LET YOU INTO A SECRET AS WELL. SHORT QUESTIONS ARE MUCH MORE DIFFICULT TO ANSWER THAN LONG QUESTIONS. SO IF YOU REALLY WANT TO BE VERY KIND TO ME THIS EVENING, BUT VERY UNKIND TO ALL YOUR FRIENDS AND COLLEAGUES HERE, YOU ASK ME LONG QUESTIONS. WHAT I'LL DO, I'LL ASK FOR A SHOW OF HANDS, I'LL TRY TO ASK FOR QUESTIONERS FROM DIFFERENT PARTS OF THE AUDIENCE, I'LL CALL ABOUT THREE PEOPLE AT A TIME, AND YOU CAN TAKE IT IN - STAND IN A QUEUE AS IT WERE - AT THE MICROPHONES AROUND THE HALL. RIGHT, WHILE THE REST OF YOU ARE PUTTING YOUR HANDS UP, JUST IN ORDER TO GIVE HIM A BIT OF TIME, THERE'S A GENTLEMAN IN A WHEELCHAIR AT THE BACK OF THE HALL NEAR MICROPHONE NO.3. WHILE HE IS MANEUVERING HIMSELF OVER INTO POSITION I'LL THEN TAKE THE GENTLEMAN NEXT TO NO.1 OVER THERE AND FOLLOWING THAT, I'LL TAKE THE LADY - SHE'S NEXT TO A GENTLEMAN WHO HAS GOT HIS RIGHT ARM UP - THE LADY WITH HER LEFT ARM UP AND IF YOU'D LIKE TO COME DOWN TO NO.4, IS THAT ALRIGHT? IT'S GOING TO BE THE GENTLEMAN AT THE BACK IN THE WHEELCHAIR, THEN NO.1, AND THEN THE LADY. SO FIRST OF ALL, NO.3.

QUESTION: MR PATTEN, THANK YOU FOR LETTING ME ASK THE FIRST QUESTION. I WAS HERE LAST YEAR, IN FACT, YOU MADE THREE PROMISES. THE THIRD ONE WAS TO HELP THE DISABLED PEOPLE TO GET ON PUBLIC TRANSPORT WHICH YOU HAVE DONE EXCELLENTLY AND THE PROBLEM HAS BEEN PRELIMINARILY SOLVED. THERE HAS BEEN A MEETING AMONG ALL THE PARTIES CONCERNED BUT NOW I HAVE ANOTHER QUESTION I WANT TO ASK. IT'S ABOUT EMPLOYMENT OF THE DISABLED. WHILE HONG KONG IS SO PROSPEROUS, THERE IS A SHOCKING FACT WHICH IS DISCLOSED IN THE REHABILITATION GREEN PAPER. ABOUT 49% OF THE DISABLED PEOPLE IN HONG KONG ARE UNEMPLOYED. IN THE GREEN PAPER MANY OPTIONS HAVE BEEN BROUGHT UP, FOR EXAMPLE, TAX CONCESSION, TO LEGISLATE, TO REQUIRE THE BUSINESSES TO EMPLOY A PROPORTION OF DISABLED PEOPLE AND TO SET UP A FUND FOR SELF-EMPLOYMENT. ALL THESE ARE GOOD OPTIONS, BUT NOT ANY ONE OF THEM HAS BEEN IMPLEMENTED. MAY I ASK YOU, MR PATTEN, TO MOTIVATE THE MATTER, TO CALL A MEETING AMONG THE DEPARTMENTS CONCERNED AND THE LARGE BUSINESSES, SUCH AS BANKS AND SUPERMARKETS AND THE ORGANISATIONS OF THE DISABLED PEOPLE SO THAT WE CAN SIT AROUND THE TABLE AND TALK ABOUT HOW TO HELP THIS GROUP OF PEOPLE WHO CANNOT SHARE THE FRUIT OF PROSPERITY OF HONG KONG.

GOVERNOR: FOLLOWING QUESTIONS THAT I WAS ASKED HERE AND ELSEWHERE LAST YEAR ABOUT THE PROBLEMS WHICH THE DISABLED FIND THEY HAVE TO COPE WITH IN PUBLIC TRANSPORT, WE HAD A MEETING BETWEEN ALL THE DISABLED GROUPS AND ALL THE PUBLIC TRANSPORT MANAGEMENT, FERRIES, BUSES AND TRAINS.

GOVERNOR: THAT WAS A VERY POSITIVE MEETING, WE AGREED A RANGE OF MEASURES WHICH THE TRANSPORT OPERATORS COULD TAKE IN ORDER TO IMPROVE CONDITIONS FOR THE DISABLED. WHAT I SAID AT THAT MEETING WAS THAT WE WOULD HAVE ANOTHER SUMMIT THIS YEAR TO REVIEW PROGRESS AND I CAN PROMISE YOU WE WILL CALL THAT MEETING A LITTLE LATER, SO THAT WE CAN SEE EXCTL WHAT HAS BEEN ACHIEVED OVER THE LAST YEAR.

WE HAVE TO BE JUST AS POSITIVE ABOUT EMPLOYMENT OPPORTUNITIES FOR DISABLED PEOPLE. AND IN DOING THAT, WE ARE NOT JUST BEING FAIR TO THE DISABLED, WE ARE DOING SOMETHING IMPORTANT FOR HONG KONG BECAUSE WE NEED THE SKILLS AND ABILITIES WHICH DISABLED PEOPLE CAN BRING TO OUR ECONOMY AND OUR COMMUNITY. SO I ANNOUNCED IN MY SPEECH YESTERDAY, THAT WE ARE INTENDING TO EXTEND THE RANGE OF OUR RETRAINING FUND SO THAT IT CAN HELP THE DISABLED TRAIN FOR JOBS, AS WELL AS HELP THOSE WHO HAVE LOST THEIR JOBS BECAUSE OF CHANGES, TECHNOLOGICALLY, IN THEIR FIRM, OR FOR OTHER REASONS.

BUT WE NEED TO LOOK, AS WELL, AT THE OTHER ISSUES RAISED IN THE GREEN PAPER ON REHABILITATION, INCLUDING SELF-EMPLOYMENT, AND I CAN PROMISE YOU WE WILL DO SO IN THE COURSE OF THE NEXT FEW MONTHS AND HAVE A DISCUSSION ON THE OUTCOME OF THOSE TALKS IN GOVERNMENT WITH DISABLED GROUPS AGAIN.

QUESTION (IN ENGLISH): HONOURABLE GOVERNOR, EVERYONE HERE EXPECTS THE FREEDOM OF SPEECH, THROUGH TRAIN AFTER 1997, BILL OF RIGHTS, IN THE BASIC LAW, CHAPTER 3, CONDITION 27, AND FREE ELECTIONS SEEM NOT TO BE PROTECTED AS WHAT WE EXPECT. WHAT ADDITIONAL MEASURES CAN ACHIEVE THIS GOAL? AND SOME POLITICAL CRITICS ALWAYS BELIEVE THAT BRITAIN SEEMS TO BE LEAVING SOME POLITICAL SPACE SO THAT THEY ARE VERY KEEN ON THE INTERESTS OF THE FREE ELECTIONS - I MEAN FOR THE 1994-5 ELECTIONS. WHAT HELP US TO DEFEND THIS. AND ALWAYS REMINDS ME THAT POLITICAL NEGOTIATIONS SHOULD BE ..... WANT TO MAKE IT SIMPLE, WHY TECHNICALLY WE CANNOT SEPARATE 1994 AND 1995 ELECTIONS? CONCLUSIVELY, WE, ALL THE PEOPLE IN HONG KONG, APPRECIATE THE EXCELLENT MANAGEMENT OF THE BRITISH, ESPECIALLY THE PEOPLE, NATIVE PEOPLE OF HONG KONG ISLAND, NEW TERRITORIES AND KOWLOON PENINSULAR. THANK YOU.

GOVERNOR: CAN I TAKE THOSE AS TWO SEPARATE QUESTIONS, FIRST OF ALL, TO EXPLAIN THE PROBLEMS OF TIMING IN MAKING THE ARRANGEMENTS FOR THE 1994 AND '95 ELECTIONS, AND SECONDLY, TO TRY TO ANSWER YOUR QUESTION ABOUT HOW WE CAN BEST GUARANTEE ALL THOSE VALUES WHICH HAVE MADE HONG KONG SUCH A MARVELLOUS PLACE TO LIVE, WHICH HAVE MADE HONG KONG AN OPEN AND SUCCESSFUL COMMUNITY.

FIRST, THE QUESTION OF THE TIMING OF LEGISLATION. AS I SAID TO THE LEGISLATIVE COUNCIL THIS AFTERNOON, WE'RE GETTING PRETTY TIGHT FOR TIME FOR THE ARRANGEMENTS FOR THE DISTRICT BOARD AND MUNICIPAL COUNCIL ELECTIONS, AS WELL AS FOR THE LEGISLATIVE COUNCIL ELECTIONS. UNDER NORMAL CIRCUMSTANCES, WE WOULD HAVE WANTED TO HAVE ALL THE ARRANGEMENTS IN PLACE BY NOW FOR THE DISTRICT BOARD ELECTIONS, SO THAT CANDIDATES COULD BE GETTING TO KNOW THEIR WARDS, SO THAT PEOPLE COULD BE PREPARING FOR NEXT YEAR'S DISTRICT BOARD ELECTIONS.

THE LEGISLATIVE COUNCIL ELECTION ARRANGEMENTS HAVE TO BE MADE LEGISLATIVELY BY NEXT JULY. THERE'S A LONG PROCESS BEFORE THAT: DRAFTING THE BILLS, GETTING THE BILLS DISCUSSED IN THE LEGISLATIVE COUNCIL. AND AFTER WE HAVE DONE THAT, THE BOUNDARY AND ELECTION COMMISSION HAVE TO BRING FORWARD MORE LEGISLATION ON ISSUES LIKE THE VOTER REGISTRATION FOR THE FUNCTIONAL CONSTITUENCIES. SO WITH THE BEST WILL IN THE WORLD, TRY AS WE MIGHT, WE HAVEN'T GOT VERY MUCH MORE TIME. SO, I REPEAT, WE'RE NOT RUSHING ANY FENCES; WE'RE NOT ACTING IN A PRECIPITATED AND IN A TOO SPEEDY WAY. WE'RE ACTUALLY LEANING OVER BACKWARDS TO TRY TO GIVE MORE TIME FOR THESE DISCUSSIONS.

OF COURSE, IF CHINESE OFFICIALS SAID TOMORROW, "WE WILL AGREE WITH YOU ABOUT THE DISTRICT BOARDS AND MUNICIPAL COUNCILS; WE WILL AGREE WITH YOU ABOUT THE VOTING-AGE; WE WILL AGREE WITH YOU ABOUT SINGLE-SEAT, SINGLE-VOTE FOR GEOGRAPHICAL ELECTIONS", SO THAT WE CAN THEN JUST CONCENTRATE ON THE OTHER MATTERS AFFECTING THE LEGCO ELECTIONS WHICH HAVE CONCERNED US IN THE PAST AND HAVE PRODUCED SO MANY WORDS FROM THE NEW CHINA NEWS AGENCY. IF THEY WERE TO SAY THAT, THEN WE WOULD ALL BE VERY GRATEFUL AND WE COULD GO AHEAD WITH THESE OTHER MATTERS.

GOVERNOR: NOW, WHAT ABOUT THOSE OTHER ISSUES YOU'VE MENTIONED? WELL, FREEDOM OF SPEECH IS GUARANTEED IN THE JOINT DECLARATION SIGNED BETWEEN BRITAIN AND CHINA. HONG KONG HAS WRITTEN INTO ITS BASIC LAW THE INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS. AGAIN, THAT GUARANTEES THE SORT OF FREEDOMS SET OUT IN THE BILL OF RIGHTS. AND THE JOINT DECLARATION MAKES IT PERFECTLY CLEAR THAT THE LEGISLATIVE COUNCIL HERE IN HONG KONG SHOULD BE COMPOSED OF PEOPLE ELECTED. IT DOESN'T SAY IT SHOULD BE COMPOSED OF PEOPLE FAIRLY ELECTED BUT THEN I DON'T IMAGINE ANYBODY SUPPOSES THAT ELECTIONS SHOULD BE UNFAIR. I HAVE TO ACT BEFORE 1997 WHILE I HAVE RESPONSIBILITY TO DEFEND ALL THOSE PRINCIPLES AND I THINK IF I DEFEND ALL THOSE PRINCIPLES BEFORE 1997 THEY ARE MUCH MORE LIKELY TO SURVIVE AFTER 1997.

QUESTION: MR PATTEN IN YOUR POLICY SPEECH WE ARE VERY DISAPPOINTED ON THE SECTION ON POLITICS BECAUSE YOU DID NOTHING TO RECTIFY THE FUNCTIONAL CONSTITUENCY ELECTION WHICH WE THINK HAVE VIOLATED HUMAN RIGHTS. I REPRESENT AN ORGANISATION "UNITED ANTS". WE HAVE WRITTEN YOU EARLIER ON TO POINT OUT THIS FACT BUT YOU REPLIED, IN YOUR REPLY YOU JUST TOLD US THAT YOU HAVE CONSULTED LEGAL ADVICE AND THAT THE FUNCTIONAL CONSTITUENCY ELECTION IS NOT A VIOLATION OF THE HUMAN RIGHTS, BUT YOU DID NOT DISCLOSE THE SOURCE OF YOUR LEGAL ADVICE. THEREFORE THERE IS NO WAY WE CAN CARRY ON WITH OUR DISCUSSION. AND THERE IS HUMAN RIGHTS ORDINANCE IN HONG KONG, BUT WE HAVE THIS KIND OF FUNCTIONAL CONSTITUENCY ELECTION WHICH IS A VIOLATION OF HUMAN RIGHTS. FURTHERMORE, WE DO NOT HAVE ANY JUDICIAL REVIEW, NO RECOURSE TO JUDICIAL REVIEW. CAN YOU GIVE US A SHORT ANSWER? WHO GAVE YOU THIS LEGAL ADVICE, SO THAT THE SOURCE OF YOUR LEGAL ADVICE CAN DISCUSS WITH PEOPLE OF THE LEGAL CIRCLE, SO THAT WE CAN HAVE A FAIR REPLY ON THIS ISSUE?

GOVERNOR: WE'VE HAD LEGAL ADVICE BOTH FROM GOVERNMENT LAWYERS AND FROM DISTINGUISHED LAWYERS OUTSIDE GOVERNMENT. FOR EXAMPLE, SOME WHO WERE MEMBERS OF OUR EXECUTIVE COUNCIL. BUT I WANT TO COME NOT JUST TO THE LEGAL POINTS WHICH I AM QUITE HAPPY TO WRITE TO YOU ABOUT IN GREATER DETAIL. I WANT TO COME TO THE CENTRAL POINT OF YOUR QUESTION. WE ARE, AS YOU KNOW, COMMITTED UNDER THE JOINT DECLARATION AND THE BASIC LAW TO A MIXED SYSTEM FOR CHOOSING OUR LEGISLATIVE COUNCIL. AT THE NEXT LEGISLATIVE COUNCIL ELECTIONS HALF THE LEGISLATIVE COUNCIL WILL BE CHOSEN BY FUNCTIONAL CONSTITUENCIES, TEN WILL BE CHOSEN BY THE ELECTION COMMITTEE AND THE REST IN GEOGRAPHICAL CONSTITUENCIES LIKE THE ONE THAT EMILY REPRESENTS HERE.

UNDER THE BASIC LAW, THE NUMBER OF LEGISLATORS WHO ARE DIRECTLY ELECTED FROM GEOGRAPHICAL CONSTITUENCIES STEADILY INCREASES AND THERE IS PROVISION IN THE BASIC LAW IN THE FUTURE FOR ALL MEMBERS OF THE LEGISLATIVE COUNCIL TO BE DIRECTLY ELECTED IN THAT WAY. BUT FOR THE TIME BEING WE ARE BOUND INTO A SYSTEM IN WHICH A LARGE NUMBER OF MEMBERS ARE ELECTED FROM FUNCTIONAL CONSTITUENCIES. NOW, THERE ARE TWO PARTICULAR ANXIETIES WHICH PEOPLE - I DON'T KNOW WHETHER THEY ARE YOUR ANXIETIES - BUT THERE ARE TWO PARTICULAR ANXIETIES WHICH PEOPLE EXPRESS ABOUT THE FUNCTIONAL CONSTITUENCIES. FIRST, THEY SAY, THAT UNDER THE PRESENT SYSTEM, WHILE MOST PEOPLE JUST HAVE ONE VOTE, SOME PEOPLE HAVE TWO VOTES OR MORE VOTES BECAUSE OF THE FUNCTIONAL CONSTITUENCY SYSTEM. SECONDLY, IT'S ALSO ARGUED THAT SOME OF THE FUNCTIONAL CONSTITUENCIES ARE SO SMALL THAT UNFORTUNATELY THEY CAN LEAD TOO EASILY TO CORRUPT OR UNFAIR ELECTORAL PRACTICES. FOR THOSE REASONS, WE ARE DETERMINED TO ENSURE THAT THE FUNCTIONAL CONSTITUENCIES, WHILE RETAINING THE SPIRIT BEHIND THEM, ARE AS BROADLY DRAWN AS POSSIBLE AND INVOLVE AS MANY INDIVIDUALS AS POSSIBLE. SO WE ARE IN FAVOUR OF INDIVIDUALS VOTING IN FUNCTIONAL CONSTITUENCIES, NOT CORPORATE VOTING IN FUNCTIONAL CONSTITUENCIES. NOW, UNFORTUNATELY, THAT'S NOT GOING TO SATISFY YOU BECAUSE YOU DON'T LIKE THE SYSTEM OF FUNCTIONAL CONSTITUENCIES IN PRINCIPLE. I CAN'T DO ANYTHING ABOUT THAT. I HAVE TO WORK WITHIN THE TERMS OF THE JOINT DECLARATION AND THE BASIC LAW. BUT WHAT I CAN TRY TO DO IS TO ENSURE THAT THE FUNCTIONAL CONSTITUENCY OPERATE IN AS FAIR A WAY AS POSSIBLE AND THAT'S WHAT I AM DETERMINED TO ATTEMPT.

QUESTION: THANK YOU, MR PATTEN. AT THE BEGINNING OF THE FORUM, YOU TOLD US ABOUT THE TWO PROMISES YOU MADE LAST YEAR WHEN YOU CAME TO SHA TIN, AND YOU GAVE US AN IMPRESSION THAT YOUR BEHAVIOUR AND YOUR WORDS MATCHED. BUT IN YOUR POLICY SPEECH, I DON'T THINK YOU HAVE DONE SO. YOU HAVE TALKED ABOUT DEMOCRATIC PRINCIPLE AND YOU MENTIONED THAT THE EXECUTIVE SHOULD BE ACCOUNTABLE TO THE LEGISLATURE, BUT I DON'T THINK YOU HAVE IMPLEMENTED THIS IN FULL. FOR EXAMPLE, THE RICH HOUSEHOLD POLICY OF THE PUBLIC HOUSING ESTATES, YOU DID NOT DO WHAT THE LEGCO MEMBERS AGREED ON, SO YOU HAVEN'T DONE ACCORDING TO LEGCO'S WISHES.

AND THE SECOND THING IS ON SINO-HONG KONG RELATIONS. YOUR PREDECESSORS HAVE BUILT UP QUITE A GOOD RELATIONSHIP WITH CHINA. I DO NOT UNDERSTAND WHY THIS RELATIONSHIP HAS BECOME SO TENSE SINCE YOUR ARRIVAL. I DON'T THINK IT IS DUE TO A CHANGE OF THE CHINESE POLICY, IT WAS DUE TO A CHANGE OF THE BRITISH POLICY. AND YOU SAID IN YOUR POLICY SPEECH THAT YOU WISH TO IMPROVE SINO-HONG KONG RELATIONS, BUT WHAT YOU DID, I DON'T THINK YOU HAVE SINCERITY.

GOVERNOR: LET ME START WITH DOUBLE-RENT POLICY WHICH YOU REFERRED TO, AND JUST SAY A WORD OR TWO ABOUT THE EXECUTIVE BEING ACCOUNTABLE TO THE LEGISLATURE, WHICH IS PERHAPS A CONCEPT BETTER UNDERSTOOD IN OUR SYSTEM THAN IN ONE OR TWO OTHER SYSTEMS CLOSE BY. WHAT YOU WERE SUGGESTING WAS THAT THE GOVERNMENT IN ANY SOCIETY SHOULD ALWAYS AGREE WITH AND ALWAYS DO WHATEVER THE LEGISLATURE SUGGESTS. THE LEGISLATIVE COUNCIL HAS VOTED, BY A SUBSTANTIAL MARGIN, IN FAVOUR OF THE GOVERNMENT'S PROPOSALS ON POLITICAL DEVELOPMENT. SO, UNDER YOUR ARGUMENT, WE SHOULDN'T TAKE ANY OTHER CONSIDERATIONS INTO ACCOUNT BUT WE SHOULD GO STRAIGHT AHEAD AND IMPLEMENT THE LEGISLATION WHICH WE ORIGINALLY PROPOSED FOR THE ELECTIONS IN 1994 AND 1995. PRESIDENT CLINTON HAS TO ACCOUNT TO HIS LEGISLATURE, BUT YOU WILL HAVE NOTICED HE DOESN'T ALWAYS AGREE WITH IT IN EVERY DETAIL.

ON THE HOUSING AUTHORITY'S DOUBLE-RENT POLICY, I HAVE TO SAY THAT I DON'T THINK IT IS UNREASONABLE THAT TENANTS WHO ARE MUCH BETTER OFF THAN OTHERS SHOULD SEE THAT REFLECTED IN THE RENT THEY PAY. IF YOU EARN, AS A HOUSEHOLD, THREE TIMES AS MUCH, WHICH IS THE STARTING POINT, THREE TIMES AS MUCH AS THE INCOME LEVELS FOR ALL HOUSING AUTHORITY TENANTS, IF YOU'VE BEEN A HOUSING AUTHORITY TENANT FOR OVER TEN YEARS, I DON'T THINK IT IS UNREASONABLE THAT SHOULD BE REFLECTED IN YOUR RENT, AND I THINK IT WOULD BE UNEQUAL IF IT WASN'T.

I'LL TURN TO RELATIONS WITH CHINA. THERE ARE SOME PEOPLE WITH A LOT LONGER MEMORIES THAN PERHAPS YOU AND ME, MEMORIES THAT GO BACK NOT JUST TEN YEARS BUT TWENTY OR THIRTY YEARS, AND THEY WILL REMEMBER PERIODS OF FAR GREATER TURBULENCE AND FAR GREATER DIFFICULTY THAN WE'VE BEEN THROUGH IN THE LAST YEAR. AND DESPITE THOSE DIFFICULTIES, HONG KONG HAS CONTINUED TO DO WELL, HAS CONTINUED TO PROSPER. WHY? BECAUSE OUR SYSTEM WORKS. THE LAST UNRESOLVED ISSUE OF THE TRANSITION WAS THE QUESTION OF THE ELECTORAL ARRANGEMENTS FOR 1994 AND 1995. MAYBE ONE REASON WHY IT HADN'T ALREADY BEEN RESOLVED IS BECAUSE IT IS RATHER A DIFFICULT QUESTION. I'M NOT GOING TO ASK YOU TO LET US RESOLVE IT IN A WAY WHICH I THINK WOULD DAMAGE HONG KONG, BOTH TODAY AND IN THE FUTURE. PEOPLE TALK ABOUT POLITICAL TURMOIL OR POLITICAL INSTABILITY. WHERE IS THE TURMOIL OR THE INSTABILITY IN HONG KONG? I CAN POINT TO THAT IN SOME OTHER PLACES IN THE REGION BUT IT DOESN'T HAPPEN HERE IN HONG KONG.

QUESTION: THANK YOU MR GOVERNOR. I AM GOING TO ASK A SHORT QUESTION WHICH YOU WILL FIND VERY DIFFICULT TO ANSWER.

GOVERNOR: THANKS FOR THE WARNING.

QUESTION: IF THERE IS NO DEAL WITH CHINA AND YOU ARE FORCED TO GO TO LEGCO ALONE, BEFORE YOU DO SO, I UNDERSTAND THAT YOU HAVE TWO PROPOSALS IN HAND. SO BEFORE YOU GO TO LEGCO ALONE, WOULD YOU OPEN A CONSULTATIVE MEETING LIKE THIS TO ASK OUR OPINION?

GOVERNOR: I THINK THAT IF THAT EMERGES WE WILL NEED NOT JUST ONE MEETING LIKE THIS BUT A LOT OF MEETINGS LIKE THIS. LET ME MAKE TO YOU A VERY SIMPLE POINT WHICH I MADE TO THE LEGISLATIVE COUNCIL YESTERDAY. IN MAKING DECISIONS ON THESE ISSUES WE ALL KNOW THAT WE ARE TALKING ABOUT MATTERS WHICH WILL AFFECT, AND CAN AFFECT FUNDAMENTALLY, THE FUTURE OF HONG KONG AND OF ALL THE FAMILIES WHO LIVE IN HONG KONG. SO I MAKE THIS POINT NOT AS AN ABDICATION OF LEADERSHIP BUT AS A SIMPLE STATEMENT OF A PRINCIPLE ON WHICH I HAVE TO STAND. I CAN'T GO FURTHER, THE GOVERNMENT CAN'T GO FURTHER THAN THE PEOPLE OF HONG KONG WISH US TO GO. BUT NOR CAN WE GO LESS FAR. WHEN I LEAVE ON THE 30TH OF JUNE 1997 I DON'T WANT PEOPLE TO SAY IF ONLY HE'D GONE FURTHER AND DONE WHAT WE ALL WANTED HOW MUCH BETTER THE FUTURE WOULD LOOK. OF COURSE, I HAVE TO GIVE A LEAD, OF COURSE I HAVE TO TELL YOU WHAT MY JUDGMENT IS ABOUT WHAT WOULD BE BEST FOR THE COMMUNITY, BUT AT THE END OF THE DAY, I CAN'T GO FURTHER THAN THE COMMUNITY WANTS TO GO. I SAY THAT ABSOLUTELY CLEARLY ON BEHALF ON MYSELF, ON BEHALF OF THE HONG KONG GOVERNMENT AND ON BEHALF OF THE UNITED KINGDOM GOVERNMENT.

/QUESTION: .....

QUESTION: THANK YOU MR PATTEN. I WANT TO ASK TWO QUESTIONS BUT BEFORE I DO SO, I'D LIKE TO MAKE SOME COMMENTS. I APPRECIATE YOU. I APPRECIATE YOU BECAUSE YOU HAVE MADE SOME OF THE HONG KONG PEOPLE VERY UNHAPPY BUT YOU HAVE MADE MOST OF US VERY HAPPY, BECAUSE THOSE PEOPLE WHO ARE UNHAPPY, THEY ARE USED TO 'KOWTOWING' TO THE NORTH AND NOW THEY ARE GOING TO DO SO. WHAT WE NEED IS A GOVERNOR WHO CAN SUPPORT US IN OUR FIGHT FOR DEMOCRACY. SINCE YOU CAME TO HONG KONG THERE HAVE BEEN A LOT OF CRITICISMS TO ATTACK THE GOVERNMENT, WHICH I THINK IS A GOOD THING.

MY FIRST QUESTION IS - I FULLY SUPPORT A FULL DIRECT ELECTION AND I ALSO SUPPORT A REFERENDUM FOR HONG KONG BUT WATCHING TV LAST NIGHT I CAN SEE THAT YOU WERE VERY FIRM, YOU WERE FIRMLY AGAINST A REFERENDUM. IS THERE ANY OTHER WAY TO CHANGE YOUR MIND SO THAT THE PEOPLE OF HONG KONG CAN EXPRESS THEIR VIEWS?

THE SECOND ONE IS A FOLLOW UP QUESTION ON ANOTHER QUESTION WHICH WAS ASKED EARLIER. IT WAS ABOUT THE FUNCTIONAL CONSTITUENCY ELECTION WHICH I AGREE IS A VIOLATION OF HUMAN RIGHTS. ACCORDING TO THE BARRISTERS ASSOCIATION THIS ELECTION VIOLATES HUMAN RIGHTS BUT YOU SAID 'NO'. MAY I ASK YOU WHO GAVE YOU THIS LEGAL OPINION?

GOVERNOR: ON YOUR FIRST QUESTION YOU ASKED HOW YOU MIGHT CHANGE MY MIND. SOMETIMES THE BEST WAY TO CHANGE THE MIND OF A POLITICAL LEADER IS TO FLATTER HIM. BUT EVEN THOUGH YOU WERE EXTREMELY KIND AND COURTEOUS IN THE FIRST REMARKS YOU MADE, I DON'T THINK I CAN CHANGE MY MIND THIS EVENING. I JUST HOPE - IF I CAN MAKE THIS OTHER POINT BEFORE ANSWERING SPECIFICALLY ABOUT A REFERENDUM. I JUST HOPE THAT ENOUGH PEOPLE REALISE HOW MANY PEOPLE THERE ARE LIKE YOU WHO THINK THAT THE PROPOSALS THAT WE PUT FORWARD LAST AUTUMN ARE FAR TOO MODEST. I JUST WISH PEOPLE WOULD SOMETIMES RECOGNISE THAT THERE ARE HUNDREDS OF THOUSANDS OF PEOPLE IN HONG KONG WHO WOULD HAVE LIKED US TO HAVE GONE FURTHER, WHO'VE CONSISTENTLY VOTED FOR CANDIDATES IN ELECTIONS WHO WOULD HAVE GONE FURTHER THAN I WENT AND I HOPE THAT PEOPLE WILL GIVE THOSE LIKE YOU THE CREDIT FOR HAVING A LONG-TERM GOAL BUT BEING EXTREMELY RATIONAL AND MODERATE IN THE WAY YOU PURSUE IT. BUT AS LONG AS PEOPLE LIKE YOU BELIEVE IN YOUR HEARTS AS YOU DO, ONE DAY YOU WILL GET WHAT YOU WANT. NOW, YOU FLATTERED ME, I FLATTERED YOU.

NOW, REFERENDUMS. THE ISSUES THAT WE ARE TALKING ABOUT ARE OF COURSE EXCEPTIONALLY COMPLICATED AND VERY DIFFICULT IN SOME CIRCUMSTANCES TO GIVE A YES OR A NO ANSWER TO. I CAN IMAGINE PEOPLE FOR EXAMPLE, LOOKING AT A SET OF PROPOSALS ABOUT FUNCTIONAL CONSTITUENCIES AND THE ELECTION COMMITTEE AND THE VOTING AGE AND THINKING WHEN THEY GOT INTO THE REFERENDUM BALLOT BOX, OR THE VOTING STATION RATHER, 'WELL I AGREE WITH THE GOVERNOR ABOUT THIS, NOT QUITE SURE ABOUT THAT, I THINK HE SHOULD MODIFY THE OTHER, HOW DO I VOTE?' BUT EVEN MORE FUNDAMENTAL THAN THAT IT'S THE LEGISLATIVE COUNCIL WHICH HAS TO SHAPE THE LEGISLATION WHICH WILL PUT THESE ARRANGEMENTS IN PLACE AND I DON'T THINK THAT WE CAN DO OR SHOULD DO ANYTHING WHICH MAY MAKE SOME MEMBERS OF THE LEGISLATIVE COUNCIL THINK THAT THAT IS A RESPONSIBILITY WHICH ISN'T AT THE END OF THE DAY GOING TO BE ON THEIR SHOULDERS.

ON THE FUNCTIONAL CONSTITUENCIES THE ADVICE WHICH WE REST OUR CASE ON - AS LAWYERS SAY - IS THE ADVICE OF THE ATTORNEY GENERAL AND HIS DEPARTMENT AND THE ADVICE OF TWO OF THE MOST DISTINGUISHED LAWYERS IN HONG KONG - TWO OF THE MOST DISTINGUISHED QCS WHO ARE ON MY EXECUTIVE COUNCIL - BUT I AGREE THAT THERE IS AT LEAST ONE OTHER AND MAYBE SEVERAL OTHER DISTINGUISHED LAWYERS WHO TAKE A DIFFERENT POINT OF VIEW. ALL I CAN SAY IS THAT I HAVE TAKEN THE ADVICE I HAVE BEEN GIVEN IN GOOD PART AND ATTEMPTED AS FAR AS I CAN TO PUT FORWARD PROPOSALS WHICH MAKE OUR FUNCTIONAL CONSTITUENCY SYSTEM AS FAIR AS IT POSSIBLY COULD BE.

NOW DOES ANYBODY HAVE QUESTION ON EDUCATION OR WELFARE ISSUES WHICH THEY'D LIKE TO ASK?

QUESTION: THANK YOU, MR PATTEN, I WANT TO ASK A QUESTION ON EDUCATION. SINCE 1989 THE GOVERNMENT HAS PURSUED A POLICY OF EXPANDING THE TERTIARY EDUCATION MAINLY ON THE NUMBER OF PLACES. IN YOUR POLICY ADDRESS YOU SAID THAT THERE WILL BE MORE TERTIARY PLACES IN 1997, AND IN 1997, 2,200 MORE TEACHERS WILL BE EMPLOYED. MAY I ASK YOU, DO YOU THINK THAT THE GOVERNMENT IS GOING TOO FAST? IT IS VERY EASY TO PUT DOWN STATISTICS BUT HAVE YOU CONSIDERED, WHAT ABOUT THE QUALITY OF THESE ADDITIONAL TEACHERS? WOULD YOU THINK, IN YOUR EXPANSION POLICY, YOU HAVE PAID ATTENTION TO QUANTITY AT THE EXPENSE OF QUALITY?

GOVERNOR: AN IMPORTANT POINT, AND I SPEAK AS A FORMER EDUCATION MINISTER IN THE UNITED KINGDOM, AND THE GRANDSON OF TWO HEAD TEACHERS. PEOPLE CAN MAKE GREAT SPEECHES ABOUT EDUCATION, ABOUT THE CURRICULUM; WE CAN IMPROVE THE CLASSROOMS, WE CAN PUT, AS WE ARE DOING, MORE COMPUTERS IN THE CLASSROOMS. WE CAN DO ALL THOSE THINGS, BUT THE MOST IMPORTANT SINGLE ELEMENT IN A GOOD EDUCATION IS THE QUALITY OF THE TEACHING PROFESSION. WE ALL KNOW THAT FROM OUR OWN EXPERIENCE: THE TEACHERS WHO MADE US EXCITED AND INTERESTED IN A SUBJECT, THE TEACHERS WHO COULD GET US TO WORK HARDER WITHOUT THREATENING US. SO LAST YEAR, AND INCREASINGLY THIS, WE HAVE TRIED TO PUT MORE EMPHASIS, NOT JUST ON QUANTITY BUT ON QUALITY. FOR EXAMPLE, WE'VE PUT FORWARD PROPOSALS THIS YEAR FOR SPENDING 354 MILLION OF YOUR HONG KONG DOLLARS ON GIVING MORE PRIMARY SCHOOL TEACHERS THE OPPORTUNITY TO UPGRADE THEIR SKILLS SO THAT THEY CAN BECOME GRADUATES, AND FOR HAVING MORE GRADUATES IN OUR SECONDARY SCHOOLS. WE'RE DEVELOPING MORE IN-SERVICE TRAINING COURSES FOR TEACHERS, FOR TEACHERS WHO ARE ALREADY WORKING IN THE CLASSROOM, TO TRY TO INCREASE THEIR SKILLS AND THEIR ABILITIES. WE'RE DOING THAT, PARTICULARLY, FOR EXAMPLE, IN THE AREAS OF LANGUAGE TEACHING, BOTH PUTONGHUA AND ENGLISH. SO WE ARE CONCERNED ABOUT THE QUALITY OF THE TEACHING PROFESSION BUT WE CAN'T ENTIRELY FORGET THE QUESTION OF QUANTITY AS WELL.

/MOST OF .....

MOST OF MY SENIOR ADVISERS, MOST OF THE SENIOR MEMBERS OF THE HONG KONG CIVIL SERVICE NOW, WENT TO UNIVERSITY IN HONG KONG ABOUT THE SAME TIME THAT I WENT TO UNIVERSITY IN BRITAIN, AND WHEN THEY WENT TO UNIVERSITY, YOU COULD COUNT THE NUMBER OF STUDENTS, OF UNDERGRADUATES, IN HONG KONG, VIRTUALLY IN HUNDREDS. NOW, AS CHANCELLOR OF ALL THE TERTIARY EDUCATION INSTITUTIONS IN HONG KONG, I GO TO DEGREE AWARDING CEREMONIES AND THERE ARE SO MANY STUDENTS GETTING DEGREES THAT THEY HAVE TO STAND UP IN GREAT BLOCKS. I GO ROUND A BLOCK OF FLATS AND GO INTO PEOPLE'S HOMES AND I AM STRUCK BY HOW OFTEN - YOU MUST HAVE BEEN AS WELL - HOW OFTEN THERE'S A PICTURE OF A SON OR A GRAND-DAUGHTER, OR A BROTHER OR SISTER, WITH A CAP AND A GOWN. THAT'S A PROUD MOMENT FOR EVERY FAMILY, AND IT'S GOOD FOR HONG KONG. THE BETTER EDUCATED WE ARE, THE MORE COMPETITIVE WE WILL BE IN THE WORLD. AT THE MOMENT, FIFTEEN PER CENT OF THE AGE-GROUP 18-21 CAN GO ON TO TERTIARY EDUCATION. AT THE MOMENT, ABOUT FOUR OUT OF FIVE OF THOSE WHO ARE QUALIFIED CAN GO INTO TERTIARY EDUCATION. I WANT EVERYBODY WHO IS QUALIFIED TO BE ABLE TO GO ON TO TERTIARY EDUCATION, AND THEN I WANT TO TRY TO WORK TO GET MORE PEOPLE QUALIFIED TO GO ON TO TERTIARY EDUCATION BECAUSE AS INDIVIDUALS THEY DESERVE THAT, AND AS A SOCIETY, AS A COMMUNITY, WE NEED THAT.

QUESTION: MR PATTEN, MY QUESTION IS NOT TOO LONG AND IT'S NOT TOO SHORT.

GOVERNOR: THAT SOUNDS OMINOUS.

QUESTION: MR PATTEN, I LEARNT FROM THE PRESS REPORT THAT YOU SAID: IF THERE IS NO DEAL BETWEEN CHINA AND BRITAIN, THEN YOU WILL GO IT ALONE TO THE LEGCO AND YOU WILL INTRODUCE YOUR CONSTITUTIONAL PACKAGE TO LEGCO AND GET IT INTO IMPLEMENTATION. YOU BELIEVE THAT CHINA WILL NOT OVERTHROW IT AFTER 1997. FOR THIS, I ADMIRE YOUR BOLDNESS AND YOUR DETERMINATION, BUT MAY I QUOTE YOU AND MAY I BRING UP AN EXAMPLE. FOR EXAMPLE, THERE IS A TENANT WHO BUILDS A WALL TO BLOCK THE DOOR, WITHOUT THE CONSENT OF THE OWNER, AND HE BELIEVES THAT WHEN THE OWNER TAKES OVER THE HOUSE AGAIN HE WILL NOT TEAR DOWN THE WALL. NOW, MAY I ASK YOU, IF THERE IS NO DEAL BETWEEN CHINA AND BRITAIN, BASED ON WHAT ARGUMENTS DO YOU HAVE CONFIDENCE THAT THEY WILL NOT TEAR DOWN THE WALL? IF THERE IS NO CHINESE AGREEMENT, YOUR CONSTITUTIONAL PACKAGE WILL NOT GO BEYOND 1997. THAT MEANS IT WILL ONLY SURVIVE FOR TWO YEARS. IN THIS CASE, WHAT GOOD WILL IT DO THE PEOPLE OF HONG KONG? YOU HAVE ASKED THE PEOPLE OF HONG KONG TO SUPPORT YOU ALL THE WAY, TO FIGHT FOR DEMOCRACY. MAY I ASK YOU, MR PATTEN, AFTER 1997, WHEN YOU ARE NO LONGER THE GOVERNOR OF HONG KONG, WILL YOU STAY IN HONG KONG AS AN ORDINARY CITIZEN TO JOIN IN OUR FIGHT FOR DEMOCRACY?

GOVERNOR: I'M NOT SURE HOW POPULAR THAT WOULD MAKE ME IN PEKING, WERE I TO DO SO. WHAT I SAID EARLIER WAS THAT IN HONG KONG, THE GOVERNMENT COULDN'T GO FURTHER THAN THE PEOPLE WISH IT TO GO. NOW, IN THE FIRST OPINION POLL THAT WAS DONE AFTER MY SPEECH YESTERDAY, THE FINDINGS WERE QUITE SIMILAR TO THOSE OF POLLS RIGHT ACROSS THE LAST YEAR. SIXTY-EIGHT PER CENT OF THOSE WHO WERE QUESTIONED SAID THEY SUPPORTED THE GOVERNMENT'S APPROACH ON POLITICAL DEVELOPMENT, NINETEEN PER CENT SAID THEY WERE AGAINST IT. THAT WAS QUITE A LARGE MAJORITY.

BUT LET ME COME TO YOUR BUILDING ANALOGY, AND I'LL BE BRIEF BECAUSE I WANT TO FIT IN ONE LAST QUESTION IN A MOMENT. WHAT HAPPENS IF I'M THE LANDLORD TODAY AND THE LANDLORD THREE OR FOUR YEARS AHEAD SAYS TO ME, "YOU MUSTN'T BUILD A WALL USING THAT CEMENT BETWEEN THE BRICKS, YOU MUST BUILD A WALL WHICH HAS SAND BETWEEN THE BRICKS."? WHAT DO I DO? DO I SAY, "ALRIGHT, I'LL BUILD A WALL WHICH I THINK WILL FALL DOWN", OR DO I SAY, "I'M GOING TO BUILD WHAT I THINK IS THE BEST WALL; I VERY MUCH HOPE YOU WILL KEEP IT, I VERY MUCH HOPE WE CAN AGREE THAT THAT IS THE BEST WALL, BUT IF, IN DUE COURSE, YOU THREATEN TO KNOCK IT DOWN, THERE IS NOT VERY MUCH I CAN DO ABOUT IT."? A SENSIBLE LANDLORD BUILDS WALLS THAT ARE GOING TO STAND UP, NOT FALL DOWN.

GOVERNOR: HE'S PROMISED TO BE VERY BRIEF.

QUESTION: THANK YOU MR PATTEN. MY QUESTION IS ON POLITICS.

GOVERNOR: I THOUGHT WE WERE GOING TO HAVE LOTS OF QUESTIONS ABOUT WELFARE AND EDUCATION AND HOUSING.

QUESTION: MR PATTEN YOU HAVE BEEN HERE FOR MORE THAN A YEAR. YOU OFTEN SAY SOMETHING WHICH IS, IN HONG KONG, FOR THE 94/95 ELECTIONS, THE ARRANGEMENTS MUST BE FAIR, OPEN AND ACCEPTABLE TO THE PEOPLE OF HONG KONG.

GOVERNOR: RIGHT, RIGHT.

QUESTION: BUT YESTERDAY, IN YOUR SECOND POLICY SPEECH, YOU ALSO REPEATED THIS POINT. BUT IN YOUR TALKS WITH CHINA, I KNOW THAT YOU HAVE PROPOSED TO CREATE A FUNCTIONAL CONSTITUENCY FOR THE CIVIL SERVANTS. I UNDERSTAND THAT THERE IS NO SUCH PRACTICE IN THE WESTERN DEMOCRATIC COUNTRIES, INCLUDING BRITAIN. AS FAR AS I UNDERSTAND A LOT OF PEOPLE IN HONG KONG, AND A LOT OF ORGANISATIONS, INCLUDING A LOT OF CIVIL SERVANTS, THEY ARE FIRMLY AGAINST THIS PROPOSAL. SO WHAT ABOUT YOUR POINT OF BEING ACCEPTABLE TO THE PEOPLE OF HONG KONG? SO I THINK YOU ARE CONTRADICTING YOURSELF.

GOVERNOR: WELL, FIRST OF ALL, IT'S VERY DIFFICULT TO THINK OF ANY OTHER SOCIETY WHICH HAS FUNCTIONAL CONSTITUENCIES, LET ALONE A FUNCTIONAL CONSTITUENCY FOR THE CIVIL SERVICE, OR DOCTORS OR TEACHERS OR ANY OTHER GROUP. I EXPECT YOU KNOW THAT CIVIL SERVANTS VOTE IN AT PRESENT EIGHT DIFFERENT FUNCTIONAL CONSTITUENCIES. THEY MAKE UP 12% OF THE ELECTORATE IN THOSE FUNCTIONAL CONSTITUENCIES. IN TWO FUNCTIONAL CONSTITUENCIES THEY MAKE UP MORE THAN 50% OF THE VOTE. SO, IF WE WERE TALKING ABOUT NEW FUNCTIONAL CONSTITUENCIES WITH CHINESE OFFICIALS - AND YOU WOULDN'T EXPECT ME TO BREAK CONFIDENTIALITY I AM SURE, OTHERWISE THE NCNA WOULD BE VERY CROSS - BUT IF WE WERE TALKING ABOUT A CIVIL SERVICE FUNCTIONAL CONSTITUENCY IT WOULDN'T BREACH SOME NEW PRINCIPLE. BUT YOU ARE ABSOLUTELY RIGHT THAT, AT THE END, WE WILL HAVE TO PUT FORWARD ARRANGEMENTS WHICH WE BELIEVE ARE ACCEPTABLE TO PEOPLE IN HONG KONG, ACCEPTABLE TO A RANGE OF PEOPLE FROM YOU TO THOSE OVER THERE WHO PUT UP A FORMIDABLE CASE AGAINST FUNCTIONAL CONSTITUENCIES AT ALL. YOU MENTIONED THOSE THREE WORDS - FAIRNESS, OPENNESS AND ACCEPTABILITY - I AM SOMETIMES AMUSED THAT THERE ARE SOME PEOPLE WHO THINK OR SEEM TO ARGUE THAT THERE'S SOMETHING STRANGE ABOUT WANTING ARRANGEMENTS THAT ARE FAIR AND OPEN AND ACCEPTABLE.

I MEAN, HOW MANY PEOPLE THINK WE SHOULD HAVE ARRANGEMENTS WHICH ARE UNFAIR, SECRETIVE AND UNACCEPTABLE? PERHAPS EVERYBODY WHO THINKS WE SHOULD HAVE ARRANGEMENTS THAT ARE UNFAIR, SECRETIVE AND UNACCEPTABLE WOULD LIKE TO PUT THEIR HAND UP. THERE'S ONE OVER THERE, CARRIED BY AN OVERWHELMING MAJORITY.

I REPEAT WHAT I SAID EARLIER. I HOPE THAT WE GET AN AGREEMENT IN THESE DISCUSSIONS, I HOPE WE CAN DO THAT SOONER RATHER THAN LATER. IF WE CAN'T, WE WILL HAVE TO DO WHAT WE THINK IS IN THE BEST INTERESTS OF HONG KONG WITH I HOPE YOUR SUPPORT AND UNDERSTANDING.

WE'VE OVERRUN BY FIFTEEN MINUTES. WE MUSTN'T BE UNFAIR TO THE HALL STAFF AND ANYWAY, I AM SURE THERE ARE SOME OF YOU HERE WHO WANT TO GO TO THE PIGEON RESTAURANT.

I'D LIKE TO THANK YOU ONCE AGAIN FOR COMING. I'D LIKE TO THANK YOU FOR YOUR QUESTIONS AND, ON YOUR BEHALF, I'D LIKE TO THANK THOSE WHO'VE REALLY BEEN WORKING HARD THIS EVENING - OUR INTERPRETERS. IT'S A VERY HARD JOB, THEY ARE WONDERFULLY ACCURATE AND - AT LEAST I HOPE THEY ARE, OTHERWISE I AM IN TROUBLE - AND I AM AFRAID I WORK THEM VERY HARD AT THIS TIME OF THE YEAR. THANK YOU VERY MUCH AGAIN FOR COMING AND I LOOK FORWARD TO SEEING YOU IN THIS HALL AGAIN NEXT YEAR IF NOT BEFORE. THANK YOU.

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#### GOVT WELCOMES OVERHAUL OF SITE SAFETY MEASURES

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IN RESPONSE TO PRESS ENQUIRIES ON A RECENT MOVE BY THE SUN HUNG KAI GROUP TO LAUNCH AN OVERHAUL OF SAFETY MEASURES IN THE 50-ODD WORKSITES UNDER ITS CONTROL THROUGHOUT THE TERRITORY, LABOUR DEPARTMENT'S CHIEF FACTORY INSPECTOR, MR CHAN TAT-KING, WELCOMED THE COMPANY'S DECISION WHICH SERVED TO PROTECT THE CONSTRUCTION WORKERS.

"THIS REFLECTED THE FAR-SIGHTEDNESS AND DETERMINATION OF THE TOP MANAGEMENT OF THE COMPANY IN FULFILLING ITS STATUTORY OBLIGATIONS TO UPBRING THE SAFETY STANDARD OF ALL THEIR CONSTRUCTION SITES TO ENSURE THE SAFETY OF THEIR WORKERS," MR CHAN SAID.

"THIS SELF-INITIATED MOVE IS UNPRECEDENTED AND SHOULD INDEED BE FOLLOWED BY OTHER MAJOR CONTRACTORS WHO ARE ALSO REQUIRED BY LAW TO PROVIDE HEALTHY AND SAFE WORKPLACES FOR THEIR WORKERS THROUGH A PLANNED SAFETY AUDIT.

CONTRACTORS WHO HAVE BEEN UPGRADING THE LEVEL OF SAFETY IN THEIR WORKPLACES SHOULD MAKE FURTHER EFFORTS TO ACHIEVE A BETTER STANDARD OF SAFETY, HE ADDED.

MR CHAN ALSO APPEALED TO HESITANT EMPLOYERS NOT TO DRAG THEIR FEET ANY LONGER IN LIVING UP TO THEIR STATUTORY RESPONSIBILITIES TO PROVIDE A SAFE AND HEALTHY WORKPLACE FOR THEIR EMPLOYEES.

ON THE OTHER HAND, EMPLOYEES SHOULD ADOPT A MORE POSITIVE AND ACTIVE ROLE TO CO-OPERATE WITH THEIR EMPLOYERS IN COMPLYING WITH THEIR STATUTORY DUTIES IN TAKING NECESSARY SAFETY PRECAUTIONS AND KEEPING THE WORKPLACE SAFE, MR CHAN SAID.

CONTRACTORS AND OWNERS WHO HAVE PROBLEMS IN SAFETY MANAGEMENT MAY EITHER APPROACH THE FACTORY INSPECTORATE DIVISION BRANCH OFFICES, THE INDUSTRIAL SAFETY TRAINING CENTRE, 13TH FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, OR THE OCCUPATIONAL SAFETY AND HEALTH COUNCIL FOR HELP.

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### HEAVIER PENALTIES TO PROTECT WORKERS' SAFETY PROPOSED

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THE LABOUR DEPARTMENT HAS PROPOSED TO INCREASE THE MAXIMUM PENALTIES FOR OFFENCES UNDER THE FACTORIES AND INDUSTRIAL UNDERTAKINGS (F&IU) ORDINANCE AND ITS SUBSIDIARY REGULATIONS TO BETTER PROTECT WORKERS' SAFETY AND HEALTH.

THE FACTORIES AND INDUSTRIAL UNDERTAKINGS AMENDMENT BILL 1993 AND SUBSIDIARY AMENDMENT REGULATIONS 1993, WHICH OUTLINE THE PROPOSALS, HAVE BEEN ENDORSED BY THE GOVERNOR IN COUNCIL AND WILL BE GAZETTED TOMORROW (FRIDAY).

UNDER THE PROPOSALS, ALL OFFENCES RELATING TO THE ORDINANCE AND ITS SUBSIDIARY REGULATIONS WILL BE CLASSIFIED AS 'MINOR', 'SERIOUS' AND 'VERY SERIOUS' DEPENDING ON THE DEGREE OF RISKS AND HAZARDS AS WELL AS THE POSSIBLE ADVERSE CONSEQUENCES.

THE PROPOSED MAXIMUM PENALTIES FOR EACH CATEGORY OF OFFENCES ARE \$10,000 FOR MINOR OFFENCES, \$50,000 FOR SERIOUS AND \$200,000 WITH OR WITHOUT IMPRISONMENT FOR VERY SERIOUS OFFENCES.

ASSISTANT COMMISSIONER FOR LABOUR, MR MAK SAI-YIU, SAID IN GENERAL, "MINOR OFFENCES" ARE MAINLY TECHNICAL BREACHES OF STATUTORY PROCEDURAL REQUIREMENTS SUCH AS FAILURE TO KEEP RECORDS OR REGISTERS, ABSENCE OF STATUTORY WARNING NOTICES OR SIGNS, LACK OF FIRST AID EQUIPMENT.

"OFFENCES INVOLVING RELATIVELY SERIOUS BREACHES OF SAFETY REGULATIONS, BUT NOT NORMALLY CAUSING VERY SERIOUS BODILY HARM ARE CLASSIFIED AS 'SERIOUS OFFENCES'," HE SAID.

EXAMPLES ARE FAILURE TO MARK THE MAXIMUM SPEED OF ABRASIVE WHEELS AND POOR WORKPLACE LIGHTING.

ON THE OTHER HAND, OFFENCES INVOLVING BREACHES OF SAFETY REGULATIONS WHICH MAY CAUSE IMMINENT RISK OF FATALITY OR VERY SERIOUS BODILY INJURY ARE CLASSIFIED AS 'VERY SERIOUS OFFENCES'.

SUCH OFFENCES INCLUDE NEGLIGENCE OF GENERAL DUTIES PROVISIONS TO ENSURE WORKERS' SAFETY AND HEALTH AT WORK, LACK OF PROTECTION TO PREVENT FALLING FROM HEIGHT, OUTBREAK OF EXPLOSION AND GRAVE FIRE HAZARDS.

ALSO INCLUDED IN THE BILL IS A PROPOSAL TO EMPOWER THE COMMISSIONER FOR LABOUR TO ISSUE CODES OF PRACTICE UNDER THE F&IU ORDINANCE.

"THE CODES OF PRACTICE, WRITTEN IN LAYMAN'S LANGUAGE, WILL SUPPLEMENT THE LEGAL PROVISIONS TO PROVIDE FOR PRECISE STANDARDS AND PRACTICAL GUIDANCE ON SPECIFIC REGULATIONS OR SUBJECTS," MR MAK SAID.

HE SAID THE LABOUR DEPARTMENT HAD ISSUED CODES OF PRACTICE, BUT THEY DID NOT HAVE ANY LEGAL STATUS.

"FOLLOWING THE ENACTMENT OF THE BILL, FAILURE TO OBSERVE A PROVISION OF THE CODES OF PRACTICE ISSUED BY THE COMMISSIONER SHALL NOT BY ITSELF RENDER A PERSON LIABLE TO CRIMINAL PROCEEDINGS," MR MAK SAID.

"HOWEVER, IN ANY CRIMINAL PROCEEDINGS, THE COURT OR MAGISTRATE MAY TAKE INTO ACCOUNT ANY PROVISION OF A CODE OF PRACTICE WHICH APPEARS TO BE RELEVANT TO ANY LIABILITY IN QUESTION," HE ADDED.

MR MAK SAID THE BILL PROPOSED TO TRANSFER THE POWER TO AMEND THE FIRST, SECOND AND THIRD SCHEDULES FROM THE GOVERNOR IN COUNCIL TO THE COMMISSIONER FOR LABOUR.

THESE SCHEDULES CONTAINED LISTS OF DANGEROUS TRADES, TRADES WHICH THE COMMISSIONER MAY PROHIBIT AND CONTROL THE EMPLOYMENT OF SPECIFIC GROUP OR GROUPS OF PERSONS, AND SPECIFIED STRUCTURES AND WORKS RELATING TO THE DEFINITION OF CONSTRUCTION WORK, HE SAID.

THE BILL, IF PASSED BY THE LEGISLATIVE COUNCIL, WILL TAKE IMMEDIATE EFFECT, MR MAK ADDED.

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LABOUR COMMISSIONER TO MAKE REGULATIONS UNDER  
BOILERS AND PRESSURE ORDINANCE PROPOSED

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A PROPOSAL TO EMPOWER THE COMMISSIONER FOR LABOUR TO MAKE REGULATIONS UNDER THE BOILERS AND PRESSURE VESSELS (BPV) ORDINANCE HAS BEEN ENDORSED BY THE GOVERNOR IN COUNCIL.

THE BOILERS AND PRESSURE VESSELS (AMENDMENT) BILL 1993, WHICH OUTLINES THE PROPOSAL, WILL BE GAZETTED TOMORROW (FRIDAY).

UNDER THE PROPOSAL, THE POWER OF THE GOVERNOR IN COUNCIL TO PROVIDE BY REGULATION FOR THE SAFETY STANDARDS, NUMBERING OF BOILERS AND PRESSURE VESSELS, CONTROL OF THEIR OPERATION AND FEES WILL BE TRANSFERRED TO THE BOILERS AND PRESSURE VESSELS AUTHORITY, WHO AT PRESENT IS THE COMMISSIONER FOR LABOUR.

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ASSISTANT COMMISSIONER FOR LABOUR, MR MAK SAI-YIU, SAID TODAY (THURSDAY):

"IN FACT, THE AUTHORITY IS ALREADY GIVEN THE POWER TO MAKE OTHER SUBSIDIARY LEGISLATION, NAMELY, TO PRESCRIBE THE FORM OF A CERTIFICATE OF FITNESS, A CERTIFICATE OF COMPETENCY AND OF ANY OTHER RELEVANT DOCUMENT UNDER SECTION 67 OF THE BPV ORDINANCE."

THE PROPOSAL, IF PASSED BY THE LEGISLATIVE COUNCIL, WILL FACILITATE THE MAKING AND UPDATING OF SUBSIDIARY LEGISLATION OF A TECHNICAL NATURE IN FUTURE, HE ADDED.

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DEMONSTRATION OF APEC TARIFF DATABASE

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THE CUSTOMS AND EXCISE DEPARTMENT HAS ARRANGED A DEMONSTRATION SESSION OF A TARIFF DATABASE SYSTEM CURRENTLY UNDER CONSIDERATION BY THE ASIA PACIFIC ECONOMIC COOPERATION (APEC) TOMORROW (FRIDAY) FOR TRADERS AND CIVIL SERVANTS.

THE TARIFF DATABASE HAS BEEN ENDORSED BY APEC SUBJECT TO A VIABILITY STUDY IN ALL 15 APEC MEMBER ECONOMIES. HONG KONG IS A MEMBER OF APEC.

IT IS AN ELECTRONIC NETWORK FOR THE PROVISION OF COMPUTERISED INFORMATION OF TARIFF SCHEDULES OF APEC MEMBERS BASED ON THE HARMONISED COMMODITY DESCRIPTION AND CODING SYSTEM.

SUBJECT TO THE VIABILITY STUDY, THE DATABASE WILL BE USED BY THE TRADE COMMUNITY, GOVERNMENT DEPARTMENTS OR OTHER PRIVATE SECTORS WITH AN INTEREST IN THE TARIFF STRUCTURES OF OTHER APEC MEMBER ECONOMIES.

THE DEMONSTRATION SESSION WILL BE HELD AT THE CONFERENCE ROOM, HONG KONG TRADE DEVELOPMENT COUNCIL, 39TH FLOOR, OFFICE TOWER, CONVENTION PLAZA, 1 HARBOUR ROAD, HONG KONG.

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ATTENTION NEWS EDITORS:

YOU ARE INVITED TO COVER THE DEMONSTRATION SESSION TOMORROW (FRIDAY) AT 2.30 PM.

FOR FURTHER ENQUIRIES, PLEASE CONTACT SENIOR INSPECTOR TSUI LOK-YEE, LINA ON TEL 852 3503.

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"GIVE" AND "TAKE" IN HK'S ENVIRONMENTAL PROGRAMMES

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THE DIRECTOR OF ENVIRONMENTAL PROTECTION, DR STUART REED, TODAY (THURSDAY) URGED BUSINESSMEN TO CONTRIBUTE TO HONG KONG'S ENVIRONMENTAL PROGRAMMES IN RETURN FOR CHANCES TO SUPPLY GOODS AND SERVICES FOR THESE PROGRAMMES.

SPEAKING AT THE LUNCHEON MEETING OF AMCHAM'S ENVIRONMENT COMMITTEE, DR REED SAID ONE OF THE WAYS TO GIVE IS TO "GREEN THE SUPPLY CHAIN" BY LEANING ON SUPPLIERS TO MINIMISE ANY UNDERSIRABLE ENVIRONMENTAL SIDE EFFECTS CREATED BY EACH STAGE OF THE SUPPLY CHAIN, INCLUDING ESPECIALLY THE PRODUCTION PROCESS ITSELF.

AS FAR AS HONG KONG IS CONCERNED, THE GARMENT AND ELECTRONICS INDUSTRIES ARE THE TWO MAJOR TARGETS.

HE SAID HE WAS GLAD TO SEE THAT THERE WAS AN INCREASING TENDENCY AMONGST MAJOR COMPANIES WORLD-WIDE AND IN HONG KONG TO PUT PRESSURE ON THEIR SUPPLIERS TO MEET CERTAIN ENVIRONMENTAL STANDARDS.

"THIS PRESSURE CAN RANGE FROM A COMPLETE REFUSAL TO PURCHASE FROM PRODUCERS WHO DO NOT MEET CERTAIN BASIC ENVIRONMENTAL STANDARDS, TO OFFERING TECHNICAL ASSISTANCE ON REDUCING POLLUTION FROM THE PRODUCTION PROCESS," HE SAID.

WHILE NOTING THAT IT MIGHT BE COMMERCIALY UNREALISTIC FOR SMALL COMPANIES TO EXERT SUCH DIRECT PRESSURE, DR REED SAID: "IT SHOULD NEVERTHELESS BE POSSIBLE TO EXPRESS AN INTEREST, WHEN DEALING WITH FACTORY SUPPLIERS, IN WHAT POLLUTION CONTROL MEASURES THEY HAVE ADOPTED."

"OVER TIME, I AM SURE THIS WILL GENERATE AMONGST OUR FACTORY OWNERS A KEENER APPRECIATION OF THE NEED TO GIVE SOME CONSIDERATION TO THE EFFECT THAT THEIR ACTIVITIES ARE HAVING ON THE HEALTH AND WELL-BEING OF THE COMMUNITY IN HONG KONG."

PRAISING AMCHAM FOR TAKING THE INITIATIVE IN SETTING UP AN ENVIRONMENT COMMITTEE, DR REED SAID HE HOPED THE COMMITTEE WOULD WORK OUT SOME PRACTICAL MEASURES THAT INDIVIDUAL COMMERCIAL COMPANIES COULD ADOPT, WITH A VIEW TO "GREENING THE SUPPLY CHAIN".

HE URGED THE COMMITTEE TO PUT ITS "SPEAKERS PROGRAMME" HIGHER ON ITS PRIORITY LIST AS THIS WAS A VERY GOOD WAY FOR SENIOR MEMBERS OF THE AMERICAN BUSINESS COMMUNITY HERE TO DEMONSTRATE ENVIRONMENTAL LEADERSHIP.

WHILST BUSINESSMEN COULD EXPECT TO GAIN FROM INVOLVEMENT IN ENVIRONMENT PROGRAMMES, SUCH AS THOSE FOR SEWAGE AND WASTE DISPOSAL FACILITIES, THEY WOULD AT THE SAME TIME BE GIVING BECAUSE THE SUPPLY OF SERVICES AND EQUIPMENT IS AN ESSENTIAL REQUIREMENT FOR IMPLEMENTING THESE PROGRAMMES.

HE SAID THE VARIOUS ENVIRONMENTAL INFRASTRUCTURE PROGRAMMES WOULD CREATE A VERY CONSIDERABLE DEMAND FOR THE SUPPLY OF SERVICES AND EQUIPMENT AND THIS DEMAND WOULD INCREASE FURTHER AS A RESULT OF EPD'S IMPROVED POLLUTION CONTROL ENFORCEMENT EFFORT.

/DR REED .....

DR REED SAID A TOTAL OF FIVE NEW LOCAL OFFICES HAD BEEN SET UP RECENTLY TO IMPROVE THE DEPARTMENT'S ENFORCEMENT ACTIVITIES UNDER THE VARIOUS POLLUTION CONTROL ORDINANCES.

THE CREATION OF THESE OFFICES WILL MEAN THAT EPD STAFF WILL BECOME MORE FAMILIAR WITH THE LOCAL SITUATION AND WITH THE ENVIRONMENTAL CONCERNS OF THE LOCAL COMMUNITY, AS WELL AS BEING MORE DIRECTLY ACCOUNTABLE TO THE COMMUNITY THAT THEY SERVE, HE SAID.

"ONE RESULT OF THIS IMPROVED ENFORCEMENT EFFORT WILL BE AN INCREASE IN DEMAND, FROM THOSE WHO ARE THE TARGET OF THIS ENFORCEMENT EFFORT, FOR ADVISORY SERVICES, DESIGN WORK ON POLLUTION CONTROL SYSTEMS AND THE SUPPLY OF THESE SYSTEMS," HE SAID.

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BEACH WATER QUALITY GRADING  
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THE ENVIRONMENTAL PROTECTION DEPARTMENT (EPD) TODAY (THURSDAY) ANNOUNCED GRADES ON THE BACTERIOLOGICAL WATER QUALITY OF ALL BATHING BEACHES IN HONG KONG.

THE PURPOSE OF THE GRADING SYSTEM IS TO INFORM SWIMMERS AND THE GENERAL PUBLIC ABOUT THE STATE OF BACTERIOLOGICAL POLLUTION AT VARIOUS BEACHES.

A SPOKESMAN FOR THE DEPARTMENT SAID THE GRADING WOULD BE ANNOUNCED BIWEEKLY DURING THE BATHING SEASON TO COINCIDE WITH THE FREQUENCY AT WHICH BEACH WATERS WERE USUALLY SAMPLED.

THE GRADING IS BASED ON THE MOST RECENT E COLI DATA OBTAINED BY EPD IN ITS ROUTINE MONITORING PROGRAMME.

AS WITH LAST YEAR, THE GRADING ALSO INCLUDES AN ESTIMATE OF THE RISK OF SUFFERING SOME MINOR SKIN OR GASTROINTESTINAL COMPLAINTS AS A RESULT OF SWIMMING AT A BEACH WHICH HAS SOME DEGREE OF POLLUTION.

THE ESTIMATE IS BASED ON A VERY LARGE BODY OF STATISTICAL INFORMATION GATHERED IN HONG KONG IN RECENT BATHING SEASONS.

THE GRADING OF SOME BEACHES MAY VARY DURING THE SUMMER. THIS REPRESENTS A NATURAL FLUCTUATION IN THE BACTERIOLOGICAL QUALITY OF BATHING WATERS IN MOST CASES, AS RAIN AND TIDES BRING MORE OR LESS POLLUTION TO THE BEACHES.

HOWEVER, THE GRADES GIVE A GOOD GENERAL PICTURE OF THE WATER QUALITY AT BATHING BEACHES AT THE TIME OF REPORTING AND FORM THE BEST AVAILABLE FORECAST FOR THE IMMEDIATE FUTURE.

"BEACHES WITH HIGHLY DEVELOPED HINTERLANDS ARE LIKELY TO BE MORE POLLUTED THAN THE GRADES SUGGEST DURING AND AFTER HEAVY RAIN.

/"BATHERS SHOULD .....

"BATHERS SHOULD AVOID SUCH BEACHES FOR TWO OR THREE DAYS AFTER A STORM, LONGER IF THE WEATHER REMAINS OVERCAST OR LESS IF THERE IS STRONG SUNSHINE," THE SPOKESMAN SAID.

THE SYSTEM FOR GRADING BEACH WATER QUALITY IS AS FOLLOWS:

- \* GRADE "1" INDICATES THAT THE WATER QUALITY IS GOOD. THE E COLI COUNT IS NO MORE THAN 24 PER 100 MILLILITRES AT EACH BEACH SO GRADED, AND THE EXPECTED RISK OF MINOR ILLNESS TO SWIMMERS IS UNDETECTABLE.
- \* GRADE "2" INDICATES THAT THE WATER QUALITY IS FAIR. THE E COLI COUNT IS NO MORE THAN 180 PER 100 MILLILITRES AT EACH BEACH SO GRADED, AND THE EXPECTED HEALTH RISK IS NO MORE THAN 10 CASES OF MINOR ILLNESS PER 1,000 SWIMMERS.
- \* GRADE "3" INDICATES THAT THE WATER QUALITY IS POOR. THE E COLI COUNT IS NO MORE THAN 610 PER 100 MILLILITRES AT EACH BEACH SO GRADED, AND THE EXPECTED HEALTH RISK IS NO MORE THAN 15 CASES OF MINOR ILLNESS PER 1,000 SWIMMERS.
- \* GRADE "4" INDICATES THAT THE WATER QUALITY IS VERY POOR. THE E COLI COUNT IS MORE THAN 610 PER 100 MILLILITRES AT EACH BEACH SO GRADED, AND THE EXPECTED HEALTH RISK IS MORE THAN 15 CASES OF MINOR ILLNESS PER 1,000 SWIMMERS.

THE DECISION WHETHER OR NOT TO CLOSE A BEACH TO SWIMMERS IS BASED ON A JUDGMENT OF WHAT DEGREE OF POLLUTION IS ACCEPTABLE.

NORMALLY, THE CLOSURE OF A BEACH WOULD ONLY BE CONSIDERED BY THE URBAN COUNCIL OR REGIONAL COUNCIL IF A GRADE "4" OCCURRED REPEATEDLY, SO THAT THE AVERAGE HEALTH RISK OVER THE BATHING SEASON EXCEEDED 15 CASES PER 1,000 SWIMMERS.

AT PRESENT, TWO BATHING BEACHES, CASTLE PEAK AND OLD CAFETERIA, HAVE BEEN DECLARED UNSUITABLE FOR SWIMMING, BASED ON THE WATER QUALITY DURING PAST SEASONS.

THEY ARE POLLUTED BY FAECAL WASTE. THE PUBLIC ARE ADVISED NOT TO SWIM AT THESE TWO BEACHES.

IN ADDITION, ROCKY BAY BEACH HAS BEEN CLOSED FOR SWIMMING BY THE URBAN COUNCIL. THESE THREE BEACHES ARE IDENTIFIED BY AN "X" IN THE FOLLOWING LIST.

/THE GRADES .....

THE GRADES ON THE BACTERIOLOGICAL WATER QUALITY OF VARIOUS BEACHES IN HONG KONG TODAY ARE LISTED BELOW:

BEACH -----	PREVIOUS GRADING ----- (AS AT 23.9.93)	PRESENT GRADING ----- (AS AT 7.10.93)
HONG KONG SOUTH -----		
BIG WAVE BAY	2	2
CHUNG HOM KOK	2	2
DEEP WATER BAY	2	2
HAIRPIN	2	1
MIDDLE BAY	1	1
REPULSE BAY	1	2
SHEK O	2	2
SOUTH BAY	1	1
ST STEPHEN'S	1	1
TURTLE COVE	2	2
STANLEY MAIN	2	2
ROCKY BAY	X	X
TO TEI WAN*	1	1
TUEN MUN DISTRICT -----		
OLD CAFETERIA	X	X
NEW CAFETERIA	3	3
CASTLE PEAK	X	X
KADOORIE	2	2
BUTTERFLY	4	3
SAI KUNG DISTRICT -----		
CAMPERS	1	1
CLEAR WATER BAY 1ST BEACH	2	2
CLEAR WATER BAY 2ND BEACH	1	2
HAP MUN BAY	1	1
KIU TSUI	1	1
PAK SHA CHAU	1	1
SILVERSTRAND	1	2
TRIO (HEBE HAVEN)	1	2

/ISLANDS DISTRICT .....

## ISLANDS DISTRICT

CHEUNG SHA UPPER	1	1
CHEUNG SHA LOWER	2	2
DISCOVERY BAY*	2	2
HUNG SHING YEH	1	1
KWUN YAM WAN	1	1
TONG FUK	1	1
LO SO SHING	1	1
PUI O	2	1
SILVERMINE BAY	2	2
TUNG WAN, CHEUNG CHAU	1	1
TUNG O*	1	1

## TSUEN WAN DISTRICT

ANGLERS'	4	4
APPROACH	3	3
CASAM	3	3
GEMINI	2	2
HOI MEI WAN	2	3
LIDO	2	2
TING KAU	3	3
TUNG WAN, MA WAN	2	2

NOTE : "X" THE BEACH HAS BEEN CLOSED FOR SWIMMING PURPOSES.  
\* NON-GAZETTED BEACHES.

THE FOLLOWING BEACHES HAVE CHANGED GRADING ON THIS OCCASION:

HAIRPIN AND PUI O FROM "2" TO "1", BUTTERFLY FROM "4" TO "3";  
REPULSE BAY, CLEAR WATER BAY 2ND BEACH, SILVERSTRAND AND TRIO (HEBE  
HAVEN) FROM "1" TO "2"; HOI MEI WAN FROM "2" TO "3".

ALL OF THE CHANGES ARE WITHIN THE NORMAL RANGE OF FLUCTUATION  
OF THE BACTERIOLOGICAL WATER QUALITY OF THESE BEACHES.

NOTE TO EDITORS:

FOR FURTHER ENQUIRIES, PLEASE CONTACT MR K F TANG, ACTING  
PRINCIPAL ENVIRONMENTAL PROTECTION OFFICER OF EPD ON TEL 835 1234.

THURSDAY, OCTOBER 7, 1993

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HONG KONG GOVERNMENT EXCHANGE FUND  
MONEY MARKET OPERATIONS

\* \* \* \* \*

	\$ MILLION
	-----
OPENING BALANCE IN THE ACCOUNT	2,000
REVERSAL OF LAF	NIL
BALANCE AFTER REVERSAL OF LAF	2,000
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	-30
CLOSING BALANCE IN THE ACCOUNT	1,970
LAF RATE 2.00 BID/4.00 OFFER	TWI 112.3 **0.0* 7.10.93

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS

EF NOTES/HONG KONG GOVERNMENT BONDS

TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	2.55 PCT	13 MONTHS	2411	4.625	101.47	3.29
1 MONTH	2.67 PCT	16 MONTHS	2502	4.75	101.70	3.48
3 MONTHS	2.76 PCT	19 MONTHS	2505	3.75	100.08	3.73
6 MONTHS	2.92 PCT	22 MONTHS	2508	4.625	101.46	3.84
12 MONTHS	3.20 PCT					

TOTAL TURNOVER OF BILLS AND BONDS - 19,216 MN

CLOSED OCTOBER 7, 1993

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