



DAILY INFORMATION BULLETIN

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WEDNESDAY, MARCH 14, 1984

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+INSTRUCTIVE AND CONSTRUCTIVE+, SAYS H.E.
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TODAY'S LEGISLATIVE COUNCIL DEBATE ON THE FUTURE WAS DESCRIBED BY THE GOVERNOR, SIR EDWARD YOUDE, AS +BOTH INSTRUCTIVE AND CONSTRUCTIVE+.

SIR EDWARD MADE THE COMMENT AS HE LEFT AFTER THE DEBATE.

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DEBATE ON THE FUTURE
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FOLLOWING IS THE TEXT OF THE SPEECH BY THE CHIEF SECRETARY, SIR PHILIP HADDON-CAVE, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SIR,

+I HAVE LISTENED TO THE DEBATE WITH CLOSE ATTENTION AND VERY GREAT INTEREST. I WISH TO PAY TRIBUTE TO THOSE MEMBERS WHO HAVE SPOKEN FOR THE DEEP SERIOUSNESS AND GREAT SENSE OF DUTY AND RESPONSIBILITY WHICH THEY HAVE SHOWN IN APPROACHING AN ISSUE WHICH AFFECTS THE ENTIRE FUTURE OF HONG KONG AND OF ITS PEOPLE AND IS OF VITAL CONCERN TO US ALL.

+AS MR LOBO SAID, IT IS NOW 18 MONTHS SINCE THE PRIME MINISTER, MRS THATCHER, VISITED CHINA AND A COMMUNIQUE WAS ISSUED WHICH STATED THAT THE LEADERS OF BOTH COUNTRIES AGREED TO ENTER INTO TALKS THROUGH DIPLOMATIC CHANNELS, FOLLOWING HER VISIT, WITH THE COMMON AIM OF MAINTAINING THE STABILITY AND PROSPERITY OF HONG KONG. IT IS EIGHT MONTHS SINCE THE SECOND PHASE OF THE TALKS BEGAN. THERE HAVE BEEN NINE ROUNDS OF TALKS IN THE SECOND PHASE. THE TENTH ROUND WILL TAKE PLACE ON FRIDAY AND SATURDAY OF THIS WEEK. IT HAS BEEN OFFICIALLY REVEALED THAT THE TALKS ARE PROCEEDING STEADILY AND MAKING PROGRESS AND THAT THEY ARE BEING SUPPLEMENTED BY INFORMAL CONTACTS BETWEEN THE TWO SIDES. THEY ARE KNOWN TO BE COVERING DETAILED GROUND. ADDITIONALLY, THERE IS THE EXPRESSED INTENTION OF THE CHINESE GOVERNMENT TO ANNOUNCE THEIR POLICIES AND GUIDELINES IN SEPTEMBER THIS YEAR. INEVITABLY, ALL THESE DEVELOPMENTS HAVE CREATED IN HONG KONG AN AIR OF EXPECTATION AND GIVEN RISE TO A CALL FOR MORE TO BE MADE KNOWN OF WHAT THE FUTURE HAS IN STORE. AGAINST THIS BACKGROUND, IT IS ENTIRELY NATURAL AND UNDERSTANDABLE THAT UNOFFICIAL MEMBERS OF THE LEGISLATIVE COUNCIL SHOULD WISH TO RAISE THIS ISSUE OF THE FUTURE IN THE TERMS OF THE MOTION WHICH IS NOW BEFORE US.

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+THERE HAS BEEN MUCH DISCUSSION IN THE PRESS AND ELSEWHERE ABOUT THIS MOTION. AS A NUMBER OF MEMBERS HAVE POINTED OUT, IT IS A PROCEDURAL MOTION, PROPERLY CONSTITUTED, AND IN ACCORDANCE WITH THE STANDING ORDERS OF THIS COUNCIL. IT DOES NOT SEEK TO BREACH THE CONFIDENTIALITY OF THE TALKS BY SEEKING DETAILED INFORMATION NOW ABOUT THEIR CONTENT AND PROGRESS. NOR DOES IT SEEK TO LAY DOWN IN ADVANCE WHAT THE OUTCOME OF THE NEGOTIATIONS SHOULD BE. WHAT UNOFFICIAL MEMBERS ARE SEEKING, THROUGH THIS MOTION, IS SIMPLY AN OPPORTUNITY TO DISCUSS ANY PROPOSALS FOR THE FUTURE OF HONG KONG IN THIS COUNCIL BEFORE ANY FINAL AGREEMENT IS REACHED BETWEEN THE BRITISH AND CHINESE GOVERNMENTS.

+I FIND IT DIFFICULT TO SEE WHY THERE SHOULD BE ANY QUARREL WITH THAT PROPOSITION. IT IS FULLY ACCEPTED THAT THE CONDUCT OF THE TALKS IN PEKING IS A MATTER FOR THE TWO GOVERNMENTS. AT THE SAME TIME, BRITISH MINISTERS HAVE REPEATEDLY STRESSED THAT THE VIEWS OF THE PEOPLE OF HONG KONG WILL BE TAKEN FULLY INTO ACCOUNT. THEY HAVE ALSO FORMALLY STATED THAT THEIR AIM IS TO SEEK A SETTLEMENT WHICH WILL BE ACCEPTABLE TO THE BRITISH PARLIAMENT, TO THE CHINESE GOVERNMENT AND TO THE PEOPLE OF HONG KONG.

+AS PART OF THE CONTINUING PROCESS OF CONSULTATION YOU, SIR, AND THE UNOFFICIAL MEMBERS OF THE EXECUTIVE COUNCIL, HAVE VISITED LONDON FOR DISCUSSIONS WITH THE PRIME MINISTER, THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, SIR GEOFFREY HOWE, AND OTHER MINISTERS THREE TIMES IN THE PAST EIGHT MONTHS- AND MINISTERS HAVE REITERATED THE IMPORTANCE WHICH THEY ATTACH TO KEEPING THE EXECUTIVE COUNCIL INFORMED AND TO RECEIVING ITS ADVICE.

+DURING THESE VISITS TO LONDON, THE UNOFFICIAL MEMBERS OF THE EXECUTIVE COUNCIL HAVE BEEN ABLE TO MAKE THEIR VIEWS, AND THOSE OF THEIR UNOFFICIAL COLLEAGUES IN THE LEGISLATIVE COUNCIL, DIRECTLY KNOWN TO BRITISH MINISTERS. THEY HAVE DONE SO AGAINST A BACKGROUND OF WIDE AND INTENSE PUBLIC DEBATE ON MANY ASPECTS OF THE ISSUE OF THE FUTURE, AND IN FULL KNOWLEDGE OF THE OPINIONS AND CONCERNS CONVEYED TO THEM BY INDIVIDUALS AND GROUPS THROUGH THE MANY CHANNELS OPEN TO THEM. THE MINISTER OF STATE AT THE FOREIGN AND COMMONWEALTH OFFICE WITH SPECIAL RESPONSIBILITY FOR HONG KONG, MR RICHARD LUCE, HAS ALSO VISITED HONG KONG TWICE IN THE PAST SIX MONTHS AND HAS BEEN ABLE TO HEAR AT FIRST HAND THE VIEWS OF A WIDE CROSS-SECTION OF PEOPLE. AS MEMBERS ARE AWARE, THE SECRETARY OF STATE HIMSELF HOPES TO VISIT HONG KONG IN THE NEAR FUTURE.

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+THERE CAN BE LITTLE DOUBT ABOUT THE GENERAL WISHES OF THE PEOPLE OF HONG KONG. AS YOU, SIR, PUT IT IN YOUR LUNAR NEW YEAR MESSAGE ONLY A FEW WEEKS AGO, IT IS OUR BELIEF THAT WHAT THE PEOPLE OF HONG KONG WISH TO SEE IS, IN ESSENCE, THE CONTINUATION OF THE ESSENTIAL ELEMENTS OF OUR SOCIETY AND AN ASSURANCE THAT THEY WILL CONTINUE. OR AS MR LOBO PUT IT EARLIER THIS AFTERNOON, THE PEOPLE OF HONG KONG WISH TO SEE THE MAINTENANCE OF THEIR PRESENT LIFE-STYLE AND CONTINUITY IN THE SYSTEMS WHICH PRESERVE THEIR PRESENT FREEDOMS. THAT IS THE OUTCOME WHICH THE PEOPLE OF HONG KONG WISH TO SEE FROM THE TALKS NOW BEING CONDUCTED IN PEKING. OVER THE PAST TWO YEARS MANY PEOPLE, IN MANY FORUMS, HAVE SPOKEN OUT IN ELABORATION OF THAT MESSAGE. UNOFFICIAL MEMBERS HAVE DONE SO. THEY HAVE CONTRIBUTED TO THE DISCUSSION OF THE ISSUE OF HONG KONG'S FUTURE BOTH INSIDE AND OUTSIDE THIS COUNCIL. THIS DEBATE HAS GIVEN THEM A FURTHER OPPORTUNITY TO ADD THEIR VIEWS TO THOSE EXPRESSED BY MANY OTHERS ON THE FACTORS WHICH THEY BELIEVE MUST BE TAKEN INTO ACCOUNT IF THE EVENTUAL ARRANGEMENTS ARE TO SERVE THE BEST INTERESTS OF HONG KONG.

+DURING HIS RECENT VISIT, THE MINISTER OF STATE REMINDED US THAT, ON THE BRITISH SIDE, ANY AGREEMENT BETWEEN THE TWO GOVERNMENTS WOULD HAVE TO GO TO PARLIAMENT FOR ENDORSEMENT. OTHER PARLIAMENTARY VISITORS HAVE RECALLED THAT PARLIAMENT CANNOT BE TAKEN FOR GRANTED. IN CONSIDERING THE AGREEMENT, PARLIAMENT WILL, AS MR LUCE MADE CLEAR, WISH TO KNOW THE VIEWS OF THE PEOPLE OF HONG KONG ON IT. IN CONSEQUENCE, THOSE VIEWS, EXPRESSED IN A VARIETY OF WAYS, INCLUDING THROUGH THIS COUNCIL, WILL BE AN IMPORTANT FACTOR FOR PARLIAMENT WHEN IT COMES TO ASSESS THE ARRANGEMENTS AS A WHOLE. IN THE LIGHT OF THIS, IT SEEMS INCONCEIVABLE THAT PARLIAMENT WILL NOT WISH TO KNOW, WHEN THE TIME COMES, WHAT VIEWS HAVE BEEN EXPRESSED IN THIS COUNCIL.

+IT IS PERHAPS APPROPRIATE FOR ME AT THIS POINT IN THE DEBATE TO DRAW ATTENTION TO THE RECORD OF THE LEGISLATIVE COUNCIL AND ITS PLACE IN THE GOVERNANCE OF HONG KONG. THIS COUNCIL'S DELIBERATIONS HAVE PROVIDED HONG KONG WITH A BODY OF LAWS FOR THE GOOD GOVERNMENT OF HONG KONG AND THOSE DELIBERATIONS HAVE MADE A VITAL CONTRIBUTION, OVER THE YEARS, TO THE STABILITY AND PROSPERITY WHICH THOSE WHO LIVE HERE ENJOY TODAY. THROUGH DEBATES, QUESTIONS AND MOTIONS, MEMBERS HAVE REFLECTED AND ARTICULATED THE CONCERNS OF THE PEOPLE OF HONG KONG ON MANY ISSUES, ON MANY OCCASIONS.

+MEMBERS HAVE TODAY SPOKEN ON THE ISSUE OF THE FUTURE. THEY HAVE SHOWN, ONCE AGAIN, THAT THEY SPEAK CAREFULLY AND RESPONSIBLY. THEY HAVE DEMONSTRATED THAT THEIR AIM IS TO MAKE A CONSTRUCTIVE CONTRIBUTION TO THE ACHIEVEMENT OF AN OBJECTIVE WHICH IS SHARED BY ALL, THAT IS TO SAY, ARRANGEMENTS FOR THE FUTURE WHICH WILL SATISFY BRITAIN AND CHINA AND WHICH WILL, AT THE SAME TIME, CARRY CONFIDENCE IN HONG KONG. MEMBERS HAVE SPOKEN WITH A DEEP SENSE OF COMMITMENT TO THE WELL-BEING OF HONG KONG. I CANNOT BELIEVE, THEREFORE, THAT THE DEBATE FOR WHICH THIS MOTION CALLS WILL, WHEN IT TAKES PLACE, DO OTHER THAN HELP, AND CERTAINLY IT WILL NOT HINDER, THE ACHIEVEMENT OF THAT OBJECTIVE.

+FOR ALL THESE REASONS, SIR, OFFICIAL MEMBERS WILL VOTE IN FAVOUR OF THIS MOTION.+

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ACCOUNTING SYSTEM STRENGTHENED

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THE DIRECTOR OF ACCOUNTING SERVICES WILL REVIEW CONTINUALLY THE NEED FOR ACCOUNTANTS IN GOVERNMENT DEPARTMENTS AND SEEK THE CREATION OF ADDITIONAL POSTS WHERE NEEDS ARE IDENTIFIED, THE CHIEF SECRETARY, SIR PHILIP HADDON-CAVE, TOLD THE LEGISLATIVE COUNCIL TODAY.

GIVING EXAMPLES, SIR PHILIP SAID THE ACCOUNTING STAFF IN THE MEDICAL AND HEALTH DEPARTMENT WERE GREATLY STRENGTHENED LAST YEAR AND MORE RECENTLY SENIOR TREASURY ACCOUNTANTS WERE POSTED TO THE LANDS AND THE ENGINEERING DEVELOPMENT DEPARTMENTS.

AND CONSIDERATION WAS BEING GIVEN TO THE FURTHER STRENGTHENING OF THE ACCOUNTING STAFF IN THE CIVIL AVIATION DEPARTMENT AND TO THE APPOINTMENT OF AN ACCOUNTANT IN THE BUILDING DEVELOPMENT DEPARTMENT, SIR PHILIP SAID.

THE CHIEF SECRETARY WAS SPEAKING ON THE GOVERNMENT MINUTE IN RESPONSE TO THE SIXTH REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE ACCOUNTS FOR THE YEAR 1982-83.

THE MINUTE, TABLED TODAY, REPORTED THE ACTION TAKEN, OR WAS ABOUT TO BE TAKEN, BY THE ADMINISTRATION ON THE CONCLUSIONS AND RECOMMENDATIONS CONTAINED IN THE PUBLIC ACCOUNTS COMMITTEE REPORT.

SIR PHILIP RECALLED THAT THE CHAIRMAN OF THE PAC, THE HON S.L. CHEN, HAD EARLIER SUGGESTED THAT THE GOVERNMENT SHOULD SECOND MORE COST ACCOUNTANTS FROM THE TREASURY TO DEPARTMENTS +TO ADVISE CONTROLLING OFFICERS AND PROMOTE AWARENESS OF WAYS TO MEASURE COST-BENEFITS AND IMPROVE PRODUCTIVITY AND EFFICIENCY+.

TREASURY ACCOUNTANTS WERE ALREADY ON THE STAFF OF A NUMBER OF THE LARGER DEPARTMENTS, SIR PHILIP SAID.

THE GOVERNMENT WOULD ALSO BE CONSIDERING ANOTHER SUGGESTION THAT EACH NEW HEAD OF DEPARTMENT SHOULD BE ISSUED A LETTER LAYING DOWN HIS PERSONAL RESPONSIBILITIES.

HOWEVER, SIR PHILIP STRESSED THAT CONTROLLING OFFICERS ARE, IN FACT, INFORMED IN VERY PRECISE TERMS OF THEIR RESPONSIBILITIES, THROUGH THE FINANCIAL AND ACCOUNTING REGULATIONS MADE UNDER THE PROVISION OF THE PUBLIC FINANCE ORDINANCE.

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GOOD PROGRESS ON WORK FOR BOND ISSUE

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TO BENEFIT FROM PREVAILING LOW INTEREST RATES, PREPARATIONS BEGAN A FEW WEEKS AGO ON THE PROPOSED ISSUE OF GOVERNMENT BONDS OF UP TO \$1 BILLION AND WORK HAS PROGRESSED SATISFACTORILY, THE FINANCIAL SECRETARY, THE HON SIR JOHN BREMRIDGE, TOLD THE LEGISLATIVE COUNCIL TODAY.

SIR JOHN PROPOSED THAT THE BONDS BE OFFERED FOR SALE ON MARCH 30, 1984, WITH TENDERS CLOSING ON APRIL 9.

HE WAS MOVING A MOTION SEEKING AUTHORITY TO RAISE THE LOAN IN HONG KONG UNDER THE LOANS (GOVERNMENT BONDS) ORDINANCE.

THE ISSUE WILL BE IN THE FORM OF FIXED-RATE HONG KONG DOLLAR DENOMINATED BEARER BONDS WITH A TERM OF FIVE YEARS.

THEY WILL HAVE A FACE VALUE OF \$50 000, WITH INTEREST PAYABLE HALF YEARLY.

+IT IS, HOWEVER, PREMATURE TO DECIDE NOW ON THE COUPON AND THE MINIMUM TENDER PRICE, WHICH SHOULD, FOR OBVIOUS REASONS, BE DETERMINED AT THE LATEST POSSIBLE MOMENT,+ SIR JOHN SAID.

IN CONSIDERING TENDERS, THOSE WITH THE HIGHEST OFFERED PRICES WOULD BE ACCEPTED TO THE EXTENT REQUIRED TO ATTAIN THE AMOUNT BEING RAISED, HE SAID.

+THIS IS SUBJECT, AS ALWAYS, TO THE PROVISIONS THAT THE GOVERNMENT RESERVES THE RIGHT TO ACCEPT OR REJECT ANY OR ALL TENDERS IN WHOLE OR IN PART AND THAT NO TENDER WILL BE CONSIDERED WHERE THE PRICE OFFERED IS LESS THAN THE MINIMUM PRICE,+ SIR JOHN ADDED.

THE ISSUE PRICE WILL BE THE PRICE OF THE LOWEST TENDER OR TENDERS ACCEPTED IN WHOLE OR IN PART, HE EXPLAINED.

AS AN EXAMPLE, HE SAID, +LET US SUPPOSE THAT \$500 MILLION WORTH OF BONDS ARE TENDERED AT, SAY, 105 PER CENT OF THE FACE VALUE, \$500 MILLION AT 104 PER CENT AND \$500 MILLION AT 103 PER CENT.

+AS WE ONLY NEED \$1 000 MILLION, THOSE WHO TENDERED AT 105 AND 104 WOULD RECEIVE A FULL ALLOCATION AND TENDERS PRICED AT 103 WOULD BE REJECTED. ALL SUCCESSFUL TENDERERS WOULD PAY FOR THE BONDS AT THE LOWEST ACCEPTED PRICE OF 104.+

IT IS INTENDED THAT THE BONDS WILL BE SPECIFIED AS LIQUID ASSETS UNDER THE BANKING AND DEPOSIT-TAKING COMPANIES ORDINANCES.

INTEREST PAYMENTS AS WELL AS PROFITS ON THE SALE OF THE BONDS WILL BE EXEMPT FROM PROFITS TAX AND INTEREST TAX.

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+I PROPOSE THAT THE NET PROCEEDS OF THE BOND ISSUE, AFTER DEFRAYING EXPENSES, SHOULD BE CREDITED TO THE GENERAL REVENUE IN THE FIRST INSTANCE FOR SUBSEQUENT TRANSFER TO THE CAPITAL WORKS RESERVE FUND FOR THE PURPOSE OF PRODUCTIVE CAPITAL INVESTMENT.

+THE ISSUE WILL PROVIDE AN OPPORTUNITY FOR INVESTMENT IN THE FUTURE OF HONG KONG,+ SIR JOHN SAID.

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BILL PROVIDES FOR PAYMENT IN FOREIGN EXCHANGE
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THE MAIN PURPOSE OF THE EXCHANGE FUND (AMENDMENT) BILL 1984 IS TO PROVIDE IN EXPLICIT TERMS FOR PAYMENT AND REDEMPTION IN RELATION TO CERTIFICATES OF INDEBTEDNESS TO BE MADE IN FOREIGN EXCHANGE, THE FINANCIAL SECRETARY, THE HON SIR JOHN BREMERIDGE SAID TODAY.

MOVING THE SECOND READING OF THE BILL, HE SAID THAT SINCE THE INTRODUCTION ON OCTOBER 17, 1983 OF MEASURES TO STABILISE THE EXCHANGE VALUE OF THE HONG KONG DOLLAR, CERTIFICATES OF INDEBTEDNESS HAVE BEEN ISSUED AND REDEEMED AGAINST US DOLLARS AT A FIXED RATE OF HK\$7.80 TO US\$1.

+THESE CERTIFICATES ARE ISSUED TO THE NOTE-ISSUING BANKS UNDER SECTION 4 OF THE EXCHANGE FUND ORDINANCE AND THEY ARE HELD BY THEM AS COVER FOR THEIR NOTE ISSUES.

+PRIOR TO OCTOBER 17, 1983 SUCH CERTIFICATES WERE ISSUED AND REDEEMED AGAINST HONG KONG DOLLARS.

+ALTHOUGH THE NEW PRICING ARRANGEMENTS ARE NOT EXPRESSLY PROVIDED FOR IN THE EXCHANGE FUND ORDINANCE, THEY ARE NOT CONSIDERED TO BE CONTRARY TO THE PROVISIONS OF THAT ORDINANCE.

+NEVERTHELESS, IN ORDER TO REMOVE ANY DOUBTS, IT IS PROPOSED THAT SUBSECTIONS (1) AND (2) OF SECTION 4 BE AMENDED SO AS TO PROVIDE IN EXPLICIT TERMS THAT ISSUES AND REDEMPTIONS OF CERTIFICATES OF INDEBTEDNESS MAY BE TRANSACTED NOT ONLY IN HONG KONG DOLLARS BUT ALSO IN FOREIGN EXCHANGE AND AT SUCH A RATE OF EXCHANGE AS MAY BE DETERMINED BY THE FINANCIAL SECRETARY,+ HE SAID.

FOR THE AVOIDANCE OF DOUBT, SIR JOHN ADDED, HE SHOULD STRESS THAT THE CERTIFICATES WOULD CONTINUE TO BE DENOMINATED IN HONG KONG DOLLARS.

THE BILL ALSO PROPOSED THAT THE ORDINANCE BE AMENDED BY REMOVING THE UNNECESSARY REQUIREMENT UNDER SECTION 3(5) THAT RESOLUTIONS IN THE LEGISLATIVE COUNCIL TO AMEND THE EXCHANGE FUND BORROWING LIMIT MUST BE PROPOSED BY THE GOVERNOR.

THESE AMENDMENTS REQUIRED THE APPROVAL OF THE SECRETARY OF STATE, WHICH HAD BEEN OBTAINED.

THE DEBATE ON THE BILL WAS ADJOURNED TO APRIL 18.

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SEVERANCE PAY BILL SEEN AS 'REASONABLE COMPROMISE'

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THE COMMISSIONER FOR LABOUR, THE HON RON BRIDGE, EXPRESSED THE HOPE TODAY THAT THE PROPOSED LEGISLATIVE AMENDMENTS ON SEVERANCE PAY WOULD BE ACCEPTED BY BOTH EMPLOYERS AND EMPLOYEES AS A REASONABLE COMPROMISE BETWEEN THEIR CONFLICTING INTERESTS.

MR BRIDGE WAS SPEAKING AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) IN MOVING THE SECOND READING OF THE EMPLOYMENT (AMENDMENT) BILL 1984.

THE BILL SEEKS TO INCREASE THE RATE OF SEVERANCE PAY FROM ONE-HALF TO TWO-THIRDS OF A MONTH'S WAGE FOR EVERY YEAR OF SERVICE FOR MONTHLY-RATED EMPLOYEES AND FROM 13 DAYS' TO 18 DAYS' WAGES FOR TIME AND PIECE-RATED EMPLOYEES, SUBJECT TO A QUALIFYING PERIOD OF TWO YEARS' SERVICE AND A MAXIMUM PAYMENT NOT EXCEEDING 12 MONTHS' PAY.

IT ALSO SEEKS TO EXTEND THE LENGTH OF TIME ALLOWED FOR MAKING CLAIMS FROM ONE MONTH TO THREE MONTHS.

MR BRIDGE SAID THE PROPOSALS WOULD TAKE HONG KONG ANOTHER STEP FORWARD TOWARDS THE GOVERNMENT'S PUBLICLY STATED GOAL OF ACHIEVING A LEVEL OF LEGISLATION GOVERNING SAFETY, HEALTH AND CONDITIONS OF EMPLOYMENT AT LEAST BROADLY EQUIVALENT TO THE BEST IN NEIGHBOURING ASIAN COUNTRIES.

HE SAID ALTHOUGH THE PROPOSAL TO EXTEND THE TIME LIMIT FOR CLAIMS WAS UNANIMOUSLY SUPPORTED BY THE LABOUR ADVISORY BOARD, THE PROPOSAL TO INCREASE THE RATE OF SEVERANCE PAY HAD MET WITH MIXED REACTIONS.

+EMPLOYERS' REPRESENTATIVES WOULD PREFER TO SEE THE RATE REMAIN UNCHANGED. EMPLOYEES' REPRESENTATIVES NOT ONLY SUPPORT THE INCREASED RATES OF SEVERANCE PAY PROPOSED IN THE BILL, BUT WOULD LIKE TO SEE FURTHER CHANGES SO AS TO INCREASE THE NUMBER OF EMPLOYEES ENTITLED TO IT.+

MR BRIDGE SAID IT WOULD BE UNREALISTIC TO EXPECT THE PROPOSALS TO BE WELCOMED UNRESERVEDLY BY EITHER GROUP, BUT STRESSED THAT THE BILL +REPRESENTS A COMPROMISE BETWEEN THESE TWO SETS OF VIEWS.+

HE ADDED: +AS MR T.S. LO SAID IN THIS COUNCIL ON OCTOBER 12 LAST YEAR, IN THE LONGER TERM THE INTERESTS OF THE TWO GROUPS DO NOT CONFLICT BUT ARE IDENTICAL.+

DEBATE ON THE BILL WAS ADJOURNED TO APRIL 18.

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PROBE INTO BLACKOUT WILL BE DISCLOSED

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CHINA LIGHT AND POWER COMPANY WILL ANNOUNCE THE RESULTS OF ITS INVESTIGATION INTO THE MARCH 4 BLACKOUT AS SOON AS POSSIBLE, THE SECRETARY FOR ECONOMIC SERVICES, THE HON PIER JACOBS, TOLD THE LEGISLATIVE COUNCIL TODAY.

+BUT AN INVESTIGATION OF THIS NATURE MUST TAKE SOME TIME,+ HE EXPLAINED, IN REPLY TO A QUESTION BY THE HON YEUNG PO-KWAN.

MR JACOBS ALSO SAID THAT THE COMPANY HAD ENGAGED CONSULTANTS FROM THE UNITED KINGDOM AND THE UNITED STATES TO HELP IDENTIFY MEASURES THAT CAN BE TAKEN TO PREVENT A RECURRENCE OF SIMILAR INCIDENTS, THOUGH IT HAD THE NECESSARY EXPERTISE TO CARRY OUT SUCH AN INVESTIGATION.

DEALING WITH THE QUERY CONCERNING SECURITY MEASURES DURING A POWER FAILURE, MR JACOBS SAID THAT, LIKE IN ANY EMERGENCY, THE POLICE WOULD BE DEPLOYED TO ENSURE THERE IS NO BREAKDOWN OF ORDER.

AND THE TRAFFIC POLICE, HE SAID, WOULD PROCEED TO MAJOR INTER-CHANGES AND JUNCTIONS TO SECURE AS FAR AS POSSIBLE A SMOOTH FLOW OF TRAFFIC.

+IF A MAJOR POWER FAILURE WERE TO OCCUR DURING THE HOURS OF DARKNESS, ADDITIONAL MEMBERS OF THE POLICE FORCE WOULD BE DEPLOYED AS NECESSARY,+ HE SAID.

MR JACOBS EXPLAINED THAT THE FIRE SERVICES COMMUNICATION CENTRE, WHICH IS MANNED 24 HOURS A DAY, IS RESPONSIBLE FOR ENSURING ADEQUATE FIRE AND AMBULANCE COVER THROUGHOUT THE TERRITORY DURING ANY EMERGENCY.

+FIRE APPLIANCES EQUIPPED WITH LIFT KEYS WILL COPE WITH ANY INCIDENTS INVOLVING PEOPLE TRAPPED IN LIFTS.

+ACTION IS NOW IN HAND TO PROVIDE FIRE STATIONS AT STRATEGIC LOCATIONS WITH ADDITIONAL LIFT KEYS SO AS TO ENHANCE THEIR CAPABILITY TO MEET ANY SUDDEN DEMAND FOR LIFT RESCUE,+ MR JACOBS SAID.

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BILL TO UPDATE ARBITRATION LEGISLATION

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THE PURPOSE OF THE ARBITRATION (AMENDMENT) BILL 1984 IS TO IMPROVE LEGISLATION ON ARBITRATION STILL FURTHER BY MAKING TWO AMENDMENTS TO THE MAIN ORDINANCE, THE ATTORNEY GENERAL, THE HON MICHAEL THOMAS, TOLD THE LEGISLATIVE COUNCIL TODAY.

THE BILL ALSO FORMS PART OF THE EFFORTS TO ESTABLISH AN INTERNATIONAL ARBITRATION CENTRE IN HONG KONG TO SERVE LOCAL BUSINESS NEEDS AS WELL AS TO ATTRACT TO HONG KONG ARBITRATIONS BETWEEN DISPUTING PARTIES TO BUSINESS VENTURES THROUGHOUT THE REGION, MR THOMAS SAID.

MUCH PROGRESS WAS BEING MADE IN THIS DIRECTION BY THE STEERING COMMITTEE WHICH HAD BEEN AT WORK SINCE 1982, HE SAID IN MOVING THE SECOND READING OF THE BILL.

+I AM HOPEFUL THAT BEFORE LONG THERE WILL BE TANGIBLE RESULTS THAT WILL ADD TO HONG KONG'S IMPORTANCE AS A FINANCIAL AND COMMERCIAL CENTRE,+ MR THOMAS ADDED.

THE FIRST AMENDMENT UNDER THE BILL GIVES ARBITRATORS WIDER POWERS TO AWARD INTEREST ON SUMS AWARDED AT THE CONCLUSION OF AN ARBITRATION AND TO AWARD INTEREST ON SUMS THAT HAVE BEEN PAID AFTER THE COMMENCEMENT OF THE ARBITRATION BUT BEFORE THE FINAL AWARD.

THE SECOND AMENDMENT CURES A MINOR DEFECT WHICH EXISTS IN CASES WHERE THIRD PARTIES HAVE FAILED TO APPOINT OR CONCUR IN THE APPOINTMENT OF AN ARBITRATOR TO COMPLETE THE COMPOSITION OF THE AGREED TRIBUNAL.

MR THOMAS EXPLAINED THAT IT WOULD FRUSTRATE THE INTENTION OF THE PARTIES IF THE COURT DID NOT HAVE POWER IN THESE PARTICULAR CASES TO SUPPLY AN ARBITRATOR TO ENABLE THE ARBITRATION TO PROCEED.

DEBATE ON THE BILL WAS ADJOURNED TO APRIL 18.

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EEC STUDY COMPLICATES WATCH QUOTA ISSUE

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THE POSITION REGARDING THE QUANTITATIVE RESTRICTIONS IMPOSED BY FRANCE ON HONG KONG QUARTZ WATCHES HAS BEEN COMPLICATED BY AN EEC STUDY TO DETERMINE WHETHER THERE IS A CASE FOR PROTECTION OF THE WATCH INDUSTRY IN THE EEC.

THIS WAS STATED TODAY (WEDNESDAY) BY THE SECRETARY FOR TRADE AND INDUSTRY, THE HON E.P. HO, AT THE LEGISLATIVE COUNCIL MEETING IN REPLY TO A QUESTION BY DR THE HON FRANCIS TIEN.

+THE STUDY STARTED IN OCTOBER 1983 AND A PRELIMINARY REPORT HAS BEEN ISSUED TO MEMBER STATES FOR COMMENT. HONG KONG DOES NOT CONSIDER THAT A CASE EXISTS FOR PROTECTION FOR FRANCE OR ELSEWHERE IN THE EEC. IN THIS CONNECTION, THE HONG KONG GOVERNMENT OFFICE IN BRUSSELS IS IN CLOSE CONTACT WITH THE COMMISSION AND HAVE PRESENTED IN DETAIL HONG KONG'S VIEWS ON THE MATTER.

+I ALSO RAISED THIS ISSUE WITH THE MINISTER FOR TRADE, THE RT HON PAUL CHANNON ON MARCH 1, 1984, WHEN HE WAS IN HONG KONG. AT PRESENT WE ARE CLOSELY MONITORING THE SITUATION,+ SAID MR HO.

SINCE THE ADOPTION BY THE GATT COUNCIL OF THE RECOMMENDATION BY THE CONTRACTING PARTIES THAT FRANCE SHOULD TERMINATE THE RESTRICTIONS ON EIGHT HONG KONG PRODUCTS INCLUDING QUARTZ WATCHES, FRANCE HAS LIBERALISED IMPORTS OF THREE PRODUCTS, RETAINED ONE ITEM UNDER DISCRIMINATORY SURVEILLANCE THOUGH THERE IS NO FORMAL QUOTA LIMIT, AND INCREASED THE QUOTAS FOR TWO OTHERS.

+THIS IS NOT GOOD ENOUGH AS THE ITEMS LIBERALISED CONSTITUTE ONLY 1.5 PER CENT OF TRADE IN ALL EIGHT ITEMS.

+ACCORDINGLY, ACTION HAS BEEN AND WILL CONTINUE TO BE TAKEN TO PRESS FRANCE TO IMPLEMENT THE CONTRACTING PARTIES' RECOMMENDATION IN FULL. FOR INSTANCE, THE HONG KONG REPRESENTATIVE HAS RAISED THIS ISSUE AT THREE SUBSEQUENT MEETINGS OF THE GATT COUNCIL -- ON OCTOBER 3 AND NOVEMBER 1, 1983 AND FEBRUARY 7, 1984 -- AND WE ARE ENCOURAGED BY THE SUPPORT WE HAVE RECEIVED WITHIN THE GATT COUNCIL,+ MR HO SAID.

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BILL PUTS EMPHASIS ON ROAD USERS

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THE ROAD TRAFFIC (AMENDMENT) BILL 1984 PROPOSES TO CHANGE THE TITLE OF THE +HIGHWAY CODE+ IN THE MAIN ORDINANCE TO +ROAD USERS' CODE+ TO REFLECT A SIGNIFICANT CHANGE OF EMPHASIS IN ITS CONTENTS, THE SECRETARY FOR TRANSPORT, THE HON ALAN SCOTT, SAID IN THE LEGISLATIVE COUNCIL TODAY.

MOVING THE SECOND READING OF THE BILL, MR SCOTT SAID THE PRESENT TITLE +HIGHWAY CODE+ IN SECTION 109 OF THE ORDINANCE IS ALMOST EXCLUSIVELY ADDRESSED TO DRIVERS.

+HOWEVER, THE MAJORITY OF ROAD USERS IN HONG KONG ARE PEDESTRIANS AND PASSENGERS; AND SOME 34 PER CENT AND 31 PER CENT OF TRAFFIC ACCIDENTS RESPECTIVELY INVOLVE THESE TWO GROUPS. CYCLISTS ALSO ARE A VULNERABLE GROUP,+ MR SCOTT POINTED OUT.

THE BILL SEEKS TO CHANGE +HIGHWAY CODE+ TO +ROAD USERS' CODE+ SO THAT THE REVISION WILL HAVE CHAPTERS FOR PEDESTRIANS, PASSENGERS, CYCLISTS, THE PARENTS OF YOUNG CHILDREN AS WELL AS DRIVERS.

IT WILL ALSO REFLECT THE PROVISIONS OF THE NEW ROAD TRAFFIC LEGISLATION WHICH IS TO BE IMPLEMENTED IN AUGUST THIS YEAR, MR SCOTT SAID.

DEBATE ON THE BILL WAS ADJOURNED TO APRIL 18.

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TRAFFIC LIGHTS FOR 'PROBLEM JUNCTION'

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TRAFFIC LIGHTS ARE TO BE INSTALLED AT THE +PROBLEM JUNCTION+ OF POTTINGER STREET AND QUEEN'S ROAD CENTRAL, THE SECRETARY FOR TRANSPORT, THE HON ALAN SCOTT, SAID TODAY.

+WORK IS SCHEDULED TO BEGIN LATER THIS MONTH, AND SHOULD BE COMPLETED WITHIN ABOUT THREE MONTHS,+ HE SAID; IN REPLY TO A QUESTION BY THE HON K.C. CHAN.

+THIS JUNCTION, FOLLOWING THE INTRODUCTION OF THE CENTRAL TRAFFIC MANAGEMENT SCHEME OVER THE PAST 18 MONTHS, HAS BEEN NOTED AS A PROBLEM,+ MR SCOTT ADDED.

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PLB LIMITATION EXTENDED

THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) EXTENDED FOR TWO YEARS UNTIL APRIL 10, 1986, THE PERIOD DURING WHICH THE NUMBER OF VEHICLES WHICH MAY BE LICENSED AS PUBLIC LIGHT BUSES, IS LIMITED.

MOVING THE ROAD TRAFFIC ORDINANCE (CHAPTER 220), THE SECRETARY FOR TRANSPORT, THE HON ALAN SCOTT, SAID THE PERMISSIBLE NUMBER OF PUBLIC LIGHT BUSES WOULD REMAIN AT 4 350 AS ORDERED BY THE GOVERNOR IN COUNCIL ON OCTOBER 8, 1980.

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PROPOSAL QUESTIONED ON PRINCIPLE

IT IS WRONG IN PRINCIPLE TO SAFEGUARD THE PROFITABILITY OF A PRIVATE ENTERPRISE AT THE EXPENSE OF THE PUBLIC PURSE, PARTICULARLY AT A TIME WHEN GOVERNMENT IS BORROWING IN AN ATTEMPT TO MAKE ENDS MEET, THE HON S.L. CHEN SAID TODAY (WEDNESDAY).

SPEAKING AT THE RESUMED DEBATE IN THE LEGISLATIVE COUNCIL ON THE PEAK TRAMWAY (AMENDMENT) BILL 1984, MR CHEN SAID: +THE BILL SEEKS TO SET THE ANNUAL PERMIT FEE FOR THE YEAR AT \$1 000 WHICH, BY COMPARISON, IS A VERY SUBSTANTIAL REDUCTION FROM WHAT IS OTHERWISE PAYABLE BY THE PEAK TRAMWAY COMPANY, AS A PERCENTAGE OF THE TOLLS RECEIVED DURING 1983.+

HE NOTED THAT THE REASON FOR THIS AMENDMENT, AS GIVEN BY THE SECRETARY FOR TRANSPORT, WAS +TO ENABLE THE COMPANY TO AVOID MAKING A LOSS ON ITS OPERATIONS+.

+SURELY THERE MUST BE OTHER WAYS TO AVOID MAKING A LOSS THOUGH THIS IS NOT A SUBJECT FOR THIS DEBATE, BUT I WOULD EXPECT THE COMPANY, BEFORE SEEKING PUBLIC ASSISTANCE, TO ASK ITSELF WHETHER ITS OPERATIONS ARE EFFICIENT AND WHETHER THE FARES ARE SET AT THE RIGHT LEVEL,+ HE SAID.

WITH THE REDUCED PERMIT FEE, MR CHEN SAID, HE BELIEVED THE PEAK TRAMWAY COMPANY WOULD MAKE A MODEST PROFIT FOR THE YEAR.

+IN VIEW OF THE FACT THAT DISCUSSIONS ARE IN PROGRESS WITH THE COMPANY, AS ADVISED BY THE SECRETARY FOR TRANSPORT, TO ESTABLISH A NEW FORMULA WHICH WOULD AVOID FUTURE AD HOC REDUCTION OF THE ANNUAL PERMIT FEE, I AM PREPARED TO SUPPORT THE PROPOSED AMENDMENT WITH THE UNDERSTANDING THAT THIS IS THE SIXTH AND THE LAST TIME FOR AN AD HOC REDUCTION,+ HE STRESSED.

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FIRE-WATCH TEAMS ENCOURAGED
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IT IS THE GOVERNMENT'S POLICY TO ENCOURAGE RESIDENTS IN SQUATTER AREAS TO SET UP FIRE-WATCH TEAMS, THE HON DAVID AKERS-JONES, SECRETARY FOR DISTRICT ADMINISTRATION SAID TODAY.

+THERE ARE NOW 144 SUCH TEAMS IN SQUATTER AREAS,+ HE ADDED.

MR AKERS-JONES WAS REPLYING TO A QUESTION BY THE HON CHAN YING-LUNG, ABOUT THE +FORMATION, TRAINING, OPERATION AND WELFARE+ OF SUCH TEAMS.

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FUNDS ON ACCOUNT APPROVED
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A MOTION BY THE FINANCIAL SECRETARY, THE HON SIR JOHN BREMRIDGE, SEEKING FUNDS ON ACCOUNT TO ENABLE THE GOVERNMENT TO CARRY ON EXISTING SERVICES BETWEEN THE START OF THE NEW FINANCIAL YEAR ON APRIL 1 AND THE ENACTMENT OF THE APPROPRIATION BILL, WAS APPROVED BY THE LEGISLATIVE COUNCIL TODAY.

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FOUR BILLS PASSED
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FOUR BILLS, THE FIXED PENALTY (TRAFFIC CONTRAVENTIONS) (AMENDMENT) BILL 1984, THE FIXED PENALTY (CRIMINAL PROCEEDINGS) (AMENDMENT) BILL 1984, THE PEAK TRAMWAY (AMENDMENT) BILL 1984 AND THE LABOUR TRIBUNAL (AMENDMENT) BILL 1984, WERE PASSED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

FOUR OTHER BILLS WERE INTRODUCED AND READ A SECOND TIME, AND DEBATE ON THEM WAS ADJOURNED TO APRIL 18.

THEY ARE: THE EXCHANGE FUND (AMENDMENT) BILL 1984, THE ARBITRATION (AMENDMENT) BILL 1984, THE ROAD TRAFFIC (AMENDMENT) BILL 1984 AND THE EMPLOYMENT (AMENDMENT) BILL 1984.

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TALKS ON FUTURE OF HONG KONG MOVING STEADILY: LUCE
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THE FOREIGN OFFICE MINISTER RESPONSIBLE FOR HONG KONG, MR RICHARD LUCE, SAID YESTERDAY (MARCH 13) THAT THE TALKS ON THE FUTURE OF HONG KONG WERE MOVING STEADILY AND THAT THE BRITISH GOVERNMENT WAS CONFIDENT THAT THE ARRANGEMENTS WOULD SUCCEED FOR THE PEOPLE OF HONG KONG.

MR LUCE WAS SPEAKING AT THE GUILDHALL IN LONDON AT THE LAUNCHING OF A SERIES OF GALA EVENINGS BEING STAGED BY THE HONG KONG GOVERNMENT IN BRITAIN THIS MONTH.

COMMENTING ON HIS VISITS TO HONG KONG, MR LUCE SAID THE STRONGEST WISH HE HAD DETECTED ON THE PART OF THE PEOPLE OF HONG KONG WAS FOR THE GREATEST DEGREE OF CONTINUITY IN THEIR WAY OF LIFE AND FOR THE MAINTENANCE OF THEIR PROSPERITY AND THEIR STABILITY.

HE SAID THE BRITISH AND CHINESE GOVERNMENTS HAD A COMMON OBJECTIVE TO THAT END AND THAT THE BRITISH GOVERNMENT WAS WORKING VERY HARD FOR THE BEST DEAL FOR THE PEOPLE OF HONG KONG.

MR LUCE TOLD THE GUESTS AT THE GALA EVENING THAT HONG KONG WAS AS VIBRANT AND AS DYNAMIC AS EVER.

+IN THE LAST PART OF 1983, THERE WAS A DRAMATIC INCREASE IN EXPORTS FROM HONG KONG TO OTHER COUNTRIES AND THERE IS A VERY HEAVY INVESTMENT PROGRAMME ON THE PART OF THE HONG KONG GOVERNMENT IN INFRASTRUCTURE, IN PUBLIC WORKS AND IN SOCIAL PROGRAMMES, WHICH IN ITSELF IS A MARK OF THE CONFIDENCE OF THE HONG KONG GOVERNMENT IN THEIR PEOPLE AND IN HONG KONG'S FUTURE.+

HE SAID THE TRADING AS WELL AS THE CULTURAL LINK BETWEEN BRITAIN AND HONG KONG WAS STRONG AND THAT THEY WERE VERY IMPORTANT TRADING PARTNERS.

+HONG KONG'S EXPORTS TO BRITAIN IN 1983 WENT UP BY 19 PER CENT. BRITAIN'S EXPORTS TO HONG KONG INCREASED ANNUALLY BY AN AVERAGE OF 15 PER CENT SINCE 1979,+ HE POINTED OUT.

+HONG KONG THEREFORE IS A MAJOR MARKET FOR BRITAIN, IN AREAS SUCH AS TRANSPORT AND ENERGY.+

MR LUCE ADDED THAT BRITAIN AND HONG KONG WERE SEEKING TO STRENGTHEN THE TWO-WAY COMMERCIAL, FINANCIAL AND CULTURAL LINKS.

THE GALA EVENING WAS HOSTED BY THE HONG KONG COMMISSIONER, SIR JACK CATER AND UNOFFICIAL MEMBER OF THE EXECUTIVE COUNCIL, MISS LYDIA DUNN.

/IN ATTENDANCE

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IN ATTENDANCE WAS THE LORD MAYOR OF THE CITY OF LONDON, LADY DONALDSON. THE OTHER GUESTS INCLUDED MINISTERS AND MEMBERS OF PARLIAMENT, LEADERS OF COMMERCE AND INDUSTRY, CIVIC DIGNITARIES, SENIOR MEDIA REPRESENTATIVES AND OTHER COMMUNITY LEADERS.

FOLLOWING A RECEPTION, THE GUESTS ATTENDED A STAGE PRESENTATION IN THE GREAT HALL OF THE GUILDHALL.

THE HIGHLIGHT OF THE SHOW WAS A MULTI-SCREEN AUDIO-VISUAL SPECTACULAR SHOWING HOW HONG KONG HAS DEVELOPED OVER THE PAST THREE DECADES, ILLUSTRATING ITS ECONOMIC SUCCESSES AS WELL AS OTHER ASPECTS OF PRESENT DAY LIFE IN THE TERRITORY.

THIS WAS FOLLOWED BY A PROGRAMME OF MUSIC AND DANCE PERFORMED BY VISITING ARTISTES OF THE URBAN COUNCIL'S HONG KONG DANCE COMPANY AND HONG KONG CHINESE ORCHESTRA.

SIMILAR GALA EVENINGS WILL BE HELD OVER THE NEXT NINE DAYS FOR INVITED AUDIENCES IN CARDIFF, NEWCASTLE AND GLASGOW, WHERE THE HONG KONG COMMISSIONER AND OTHER MEMBERS OF THE HONG KONG GOVERNMENT OFFICE IN LONDON WILL ALSO MEET WITH BUSINESSMEN, CIVIC LEADERS, MEMBERS OF THE CHINESE COMMUNITY AND THE MEDIA.

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NOTE TO EDITORS:

GOVERNOR LEAVES FOR PEKING TOMORROW
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THE GOVERNOR, SIR EDWARD YOUDE, LEAVES HONG KONG TOMORROW (THURSDAY) TO CONTINUE TO TAKE PART IN THE SINO-BRITISH TALKS ON THE FUTURE OF HONG KONG.

SIR EDWARD WILL BE TRAVELLING ON FLIGHT BA 03, ETD 11 AM.

A FACILITY HAS BEEN ARRANGED FOR MEDIA PHOTOGRAPHERS AND CAMERAMEN TO COVER SIR EDWARD'S DEPARTURE. THOSE ASSIGNED TO COVER THE EVENT SHOULD ASSEMBLE IN THE AIRPORT PRESS CONFERENCE ROOM NOT LATER THAN 9.45 AM.

GIS OFFICERS WILL BE ON HAND TO ASSIST.

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MUSICAL WORKS PIRACY 'ALMOST WIPED OUT'

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PIRACY OF MUSICAL WORKS HAS BEEN ALMOST WIPED OUT IN HONG KONG, THE HEAD OF THE CUSTOMS INVESTIGATION BUREAU, MR K.S. TONG TOLD THE LUNCHEON MEETING OF THE ROTARY CLUB OF KOWLOON WEST TODAY.

THIS WAS SHOWN BY A FINDING OF THE INTERNATIONAL FEDERATION OF PRODUCERS OF PHONOGRAMS AND VIDEOGRAMS (IFPI) THAT ABOUT 98 PER CENT OF THE RECORDS AND TAPES ON SALE ARE LEGITIMATE PRODUCTS, HE EXPLAINED.

+HONG KONG HAS ALWAYS BEEN SINGLED OUT AS A PLACE WITH REMARKABLE SUCCESSES IN THE FIELD OF COPYRIGHT PROTECTION,+ MR TONG SAID.

+IN JANUARY 1980, THE IFPI AND THE RECORDING INDUSTRY ASSOCIATION OF AMERICA (RIAA) EACH PRESENTED AN HONORARY GOLD DISC TO THE COPYRIGHT DIVISION OF THE CUSTOMS AND EXCISE DEPARTMENT IN RECOGNITION OF ITS OUTSTANDING ACHIEVEMENTS.

AND A NUMBER OF COMPANIES AND ORGANISATIONS, INCLUDING OXFORD UNIVERSITY PRESS, COLLIER MACMILLAN INTERNATIONAL PUBLISHER, SONY CORPORATION OF JAPAN, THE MOTION PICTURE ASSOCIATION OF AMERICA (MPAA) HAD ALSO EXPRESSED THEIR APPRECIATION TO THE DEPARTMENT FOR ITS SUCCESSFUL OPERATIONS AGAINST PIRACY TO PROTECT THEIR INTERESTS, HE SAID.

OUTLINING THE DEPARTMENT'S WORK IN COMBATING MUSIC PIRACY SINCE 1973, WHEN IT TOOK OVER THE COPYRIGHT PROTECTION RESPONSIBILITIES FROM THE HONG KONG POLICE, MR TONG SAID THAT BETWEEN 1974 AND 1977, THE DEPARTMENT HAD SMASHED 41 PIRATED TAPE MANUFACTURING CENTRES AND SEIZED LARGE QUANTITIES OF LABELS AND RECORDING EQUIPMENT WORTH SOME \$3.5 MILLION, MORE THAN 300 PERSONS HAD BEEN CONVICTED AS A RESULT OF PROSECUTIONS.

+HOWEVER, INVESTIGATIONS IN 1977 FOUND THAT HONG KONG HAD ABOUT 150 HAWKERS AND RETAILERS SELLING PIRATED TAPES, INDICATING THAT THE SITUATION WAS STILL SERIOUS. SUBSEQUENTLY, THE DIVISION STRENGTHENED ITS ESTABLISHMENT FROM SEVEN TO 41 OFFICERS IN 1978, IN READINESS TO LAUNCH A TERRITORY WIDE OPERATION CODENAMED THE 'SHILLING BAZAAR'.

+THE 'SHILLING BAZAAR' WAS AIMED AT LOCATING AND ARRESTING HAWKERS AND RETAILERS ENGAGED IN THIS TRADE. WE BELIEVED THIS OPERATION WOULD IN TURN SMASH THE ACTIVITIES OF THE ILLEGAL MANUFACTURERS,+ HE ADDED.

TO REINFORCE THE OPERATIONS, A PUBLICITY DRIVE WAS LAUNCHED IN MARCH 1978 TO ISSUE WARNINGS TO TRADERS THROUGH THE MASS MEDIA, TRADE AND INDUSTRIAL ORGANISATIONS AND TRADE UNIONS TO MAKE IT CLEAR TO THEM THAT SELLING PIRATED TAPES WAS AN OFFENCE. BY THE MIDDLE OF THAT YEAR INFRINGING COPIES HAD VANISHED ALMOST COMPLETELY FROM THE MARKET, MARKING A DECISIVE VICTORY IN THE BATTLE AGAINST MUSIC PIRACY.

DUE TO TIGHT SURVEILLANCE BY THE DEPARTMENT, SOME UNSCRUPULOUS TRADERS ONCE RESORTED TO MANUFACTURING AND IMPORTING COUNTERFEIT TAPES WHICH COPIED BOTH THE PACKAGING AND THE MUSICAL PRODUCTION OF THE ORIGINAL WORK.

+EVEN THE AGENTS OF THOSE BRAND NAMES BEING INFRINGED FOUND IT VERY DIFFICULT TO DIFFERENTIATE THE FAKE FROM THE REAL ONES. A SERIES OF INVESTIGATIONS BY THE DEPARTMENT EVENTUALLY LED TO THE CRACK DOWN ON TWO MANUFACTURING CENTRES AND THESE COUNTERFEITING ACTIVITIES ALSO CAME TO AN END,+ MR TONG SAID.

IN 1978, HE SAID, INVESTIGATORS ALSO DISCOVERED THAT SOME GENUINE TAPES WERE BEING IMPORTED ILLEGALLY INTO HONG KONG WITHOUT THE PERMISSION OF THE HONG KONG SOLE AGENTS WHO OWNED THE COPYRIGHTS. THIS MALPRACTICE WAS BEING ERADICATED AFTER THE DEPARTMENT HAD STEPPED UP CHECKS AT CARGO AND PASSENGER ENTRY POINTS.

TURNING TO THE PRESENT MARKET SCENE, MR TONG POINTED OUT THAT RECENTLY THERE WERE RECORDED TAPES SOLD AT \$5 TO \$6 PER COPY WHICH WERE NOT PIRATED COPIES.

+THEY ARE MERELY 'SOUND-ALIKE' TAPES -- THE WORK OF SOME NEW OR NOT-YET-ESTABLISHED SINGERS IMITATING THE ORIGINAL ARTISTS OF POP SONGS AND FAMOUS TV THEME SONGS.

+COMPANIES WHICH PRODUCE THESE TAPES CAN SELL THEM LEGALLY AFTER THEY HAVE PAID ROYALTIES TO THE COMPOSERS' AND AUTHORS' SOCIETY OF HONG KONG (CASH),+ MR TONG EXPLAINED.

HOWEVER, HE WARNED THAT 'RECORDING SERVICES' PROVIDED BY SOME RECORD COMPANIES WERE ILLEGAL.

+IN THESE DEALS, CUSTOMERS PROVIDE TAPES AND THE RECORD COMPANIES RECORD THE SONGS CHOSEN BY THE CUSTOMERS AT A CHARGE OF 50 CENTS TO \$2 FOR EACH SONG RECORDED.+

+THIS IS PIRACY. THE COPYRIGHT PROTECTION UNIT IS CONSIDERING APPROPRIATE WAYS TO CURB THESE ILLEGAL ACTIVITIES,+ HE STRESSED.

ANY PERSON FOUND GUILTY OF POSSESSING INFRINGING COPIES OF WORK FOR TRADE IS LIABLE TO A FINE OF \$1 000 IN RESPECT OF EACH INFRINGING COPY AND TO IMPRISONMENT OF 12 MONTHS, AND IF FOUND GUILTY OF POSSESSING ANY PLATE USED OR INTENDED TO BE USED FOR MAKING INFRINGING COPY OF WORK, IS LIABLE TO A FINE OF \$50 000 AND IMPRISONMENT OF TWO YEARS, MR TONG SAID.

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PLANS TO DOUBLE CHILD CARE PLACES IN TUEN MUN
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THERE ARE PLANS TO DOUBLE THE EXISTING NUMBER OF CHILD CARE PLACES IN THE FAST DEVELOPING TUEN MUN NEW TOWN IN THE NEXT THREE YEARS, THE DIRECTOR OF SOCIAL WELFARE, MR JOHN CHAMBERS, SAID TODAY (WEDNESDAY).

SPEAKING AT THE OPENING CEREMONY OF THE PO LEUNG KUK BUTTERFLY BAY NURSERY IN TUEN MUN, HE SAID THE PLANNED INCREASE WOULD BE TO MEET THE NEEDS OF THE GROWING POPULATION IN TUEN MUN.

AT PRESENT THERE ARE OVER 1 300 PLACES IN 12 CHILD CARE CENTRES IN THE NEW TOWN.

+THE INCREASE WILL NOT BE POSSIBLE WITHOUT THE COOPERATION OF VOLUNTARY AGENCIES,+ HE STRESSED.

HE THANKED THE AGENCIES FOR THEIR COMBINED EFFORTS IN ACHIEVING THE TARGETS.

MR CHAMBERS SAID THE DEMAND FOR CHILD CARE PLACES IN NEW HOUSING ESTATES WAS ALWAYS HIGH.

THE NEW NURSERY, LOCATED IN THE BUTTERFLY ESTATE COMMUNITY CENTRE, PROVIDES CARE FOR 100 CHILDREN BETWEEN THE AGES OF TWO AND SIX.

HE SAID THAT TWO MORE NURSERIES WOULD BE ESTABLISHED IN BUTTERFLY ESTATE WITHIN THE NEXT 12 MONTHS.

MR CHAMBERS PAID TRIBUTE TO PO LEUNG KUK FOR ITS CONTRIBUTION TO THE EXPANSION OF LOCAL WELFARE SERVICES.

THESE SERVICES INCLUDE NURSERIES, CRECHES, HOMES FOR YOUNG GIRLS AND WOMEN, AS WELL AS HOMES AND SHELTERED WORKSHOPS FOR THE MENTALLY HANDICAPPED.

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DB TO DISCUSS INDUSTRIAL SURVEY
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TUEN MUN DISTRICT BOARD MEMBERS WILL DISCUSS A REPORT ON AN INDUSTRIAL SURVEY AT THEIR MEETING ON FRIDAY (MARCH 16) MORNING.

ENTITLED +INDUSTRIES AND WORKERS - PRESENT AND FUTURE OUTLOOK+, THE SURVEY WAS CONDUCTED BY THE TUEN MUN NEW TOWN DEVELOPMENT OFFICE WITH ASSISTANCE FROM THE LOCAL DISTRICT OFFICE LAST YEAR.

AN ENGINEER OF THE HIGHWAYS OFFICE, MR SIU SAU-CHING, WILL BRIEF MEMBERS ON THE CONSTRUCTION OF A NEW THREE-CELL BOX CULVERT AT CASTLE PEAK ROAD TO REPLACE THE SUB-STANDARD BRIDGES AT TAI LAM CHUNG WHICH WERE BUILT BEFORE THE SECOND WORLD WAR.

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AT THE MEETING, BOARD MEMBERS WILL ALSO BE BRIEFED ON THE LAND SALE PROGRAMME IN 1984-85 AND ON PRIVATE DEVELOPMENT IN THE NEW TOWN.

THE POLLUTION CONTROL AND MANAGEMENT OF WATERCOURSES IN THE DISTRICT WILL ALSO BE DISCUSSED.

OTHER ITEMS ON THE AGENDA WILL INCLUDE INCREASED ALLOCATION FOR THE CONSTRUCTION OF A SITTING-OUT AREA NEAR CASTLE PEAK BAY, A REPORT BY A WORKING GROUP ON THE PROPOSED SETTING UP OF THE THIRD UNIVERSITY IN TUEN MUN, AND PROGRESS REPORTS OF THE BOARD'S COMMITTEES.

SOME SEATS WILL BE RESERVED FOR THE PUBLIC ON A FIRST-COME-FIRST-SERVED BASIS, AND THOSE WISHING TO ATTEND SHOULD CONTACT THE BOARD'S SECRETARIAT AT TELEPHONE 0-843801.

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NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE WELCOME TO COVER THE TUEN MUN DISTRICT BOARD MEETING AT 10 AM ON FRIDAY (MARCH 16) IN THE CONFERENCE ROOM OF THE DISTRICT BOARD'S SECRETARIAT ON THE NINTH FLOOR OF FOO YICK COMMERCIAL BUILDING IN SAN ON CIRCUIT.

A GOVERNMENT VEHICLE, AM 5797, WILL LEAVE KOWLOON PUBLIC PIER AT 9 AM SHARP FOR TUEN MUN.

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NOTE TO EDITORS:

GALA NIGHT ON INDUSTRIAL SAFETY
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THE GALA NIGHT OF THE +TEXTILES INDUSTRY SAFETY DAY+ WILL BE HELD AT THE AUDITORIUM OF TSUEN WAN TOWN HALL, AT 8 PM TOMORROW (THURSDAY) EVENING.

THE SAFETY DAY IS JOINTLY ORGANISED BY THE TEXTILES INDUSTRY SAFETY SUB-COMMITTEE AND THE TSUEN WAN DISTRICT BOARD.

DR J.W. HAYES, DEPUTY COMMISSIONER FOR LABOUR- DR T.K. ANN, HONORARY PRESIDENT OF THE FEDERATION OF HONG KONG INDUSTRIES- MR ADOLF HSU, DISTRICT COMMISSIONER, TSUEN WAN- AND MR LAM KIN-MING, CHAIRMAN OF THE TSUEN WAN INDUSTRIAL COMMITTEE OF THE TSUEN WAN DISTRICT BOARD WILL OFFICIATE AT THE CEREMONY.

THE GALA NIGHT WILL BE HIGHLIGHTED BY A VARIETY SHOW FEATURING LOCAL SINGERS KEN CHOI, PAO TSUI-MEI AND WONG YEE-KA AS WELL AS A +POLY DESIGN HALF AN HOUR+ FASHION SHOW BY THE SWIRE SCHOOL OF FASHION DESIGN OF THE HONG KONG POLYTECHNIC.

YOU ARE INVITED TO COVER THE FUNCTION.

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PEAK TRAM NIGHT WORK

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THE LAST TRAMCAR FROM THE UPPER AND LOWER PEAK TRAM TERMINUS WILL LEAVE AT 10 PM TOMORROW (THURSDAY), TO ALLOW WORKS TO BE CARRIED OUT.

EARLY MORNING SERVICES ON THE FOLLOWING DAY WILL COMMENCE AT ABOUT 7 AM AS USUAL.

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FANLING PROHIBITED ZONES

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FROM 10 AM ON FRIDAY (MARCH 16), ALL PUBLIC LIGHT BUSES EXCEPT THOSE AUTHORISED BY THE TRANSPORT DEPARTMENT WILL BE PROHIBITED FROM ENTERING THE INTERIM FORECOURT OF FANLING KCR STATION.

AND ALL VEHICLES EXCEPT FRANCHISED PUBLIC OMNIBUSES AND THOSE AUTHORISED BY THE TRANSPORT DEPARTMENT WILL BE PROHIBITED FROM ENTERING THE TWO DEPARTURE BAYS IN THE NORTHERN SECTION OF THE FORECOURT.

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