



DAILY INFORMATION BULLETIN

THURSDAY, APRIL 3, 1975

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1975 BUDGET GEARED TO REALITY

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THE FINANCIAL SECRETARY, THE HON. PHILIP HADDON-CAVE, TODAY MAINTAINED THAT THE BUDGETARY AND FISCAL POLICIES LAID DOWN IN THIS YEAR'S BUDGET WERE REALISTIC IN THE PRESENT SITUATION OF WORLD ECONOMIC RECESSION.

WINDING UP THE DEBATE ON THE APPROPRIATION BILL 1975, HE TOOK STRONG EXCEPTION TO REMARKS BY SOME UNOFFICIAL MEMBERS WHO HAD BRANDED THE GOVERNMENT 'LAISSEZ FAIRE' AND 'A STOP-GO GOVERNMENT.'

‘IN MY VIEW,’ MR. HADDON-CAVE SAID, ‘AN OBJECTIVE DESCRIPTION OF OUR POLICIES WOULD BE REALISTIC PRAGMATISM, NOT LAISSEZ-FAIRE — THOUGH IF BY LAISSEZ FAIRE IS MEANT AN ABSENCE OF BUREAUCRATIC SPRAWL, I WOULD NOT BE TOO DEFENSIVE ABOUT THE LABEL.’

THE FINANCIAL SECRETARY POINTED OUT THAT THE GOVERNMENT HAD REPEATEDLY, OVER MANY YEARS, STRESSED THE IMPORTANCE OF STEADY PROGRESS AND THE CONTINUITY OF POLICY. ‘AND IT IS THIS EMPHASIS ON CONTINUITY WHICH HAS ENABLED US TO SUSTAIN OUR EFFORTS INTO 1975-76 DESPITE OUR REVENUE PROSPECTS.’

WHILE THE BUDGETTED INCREASE IN EXPENDITURE FOR 1975-76 WAS ONLY SEVEN PER CENT, THE GOVERNMENT WAS NOT IGNORING ITS COMMITMENTS NOR DID THIS PERCENTAGE CONSTITUTE A 'STOP GO' ATTITUDE. RATHER, IT WAS A CHANGE OF PACE, HE ADDED.

THE RIGHT ECONOMIC AND FISCAL POLICIES FOR HONG KONG WERE ALMOST ENTIRELY DICTATED BY OUR CIRCUMSTANCES, HE SAID, AND ‘WE IGNORE THOSE CIRCUMSTANCES AT OUR PERIL.’

AS FOR THE SO-CALLED CUTS OR REDUCTIONS IN EXPENDITURE, THE FINANCIAL SECRETARY POINTED OUT THAT THESE WERE LARGELY IN RESPECT OF DEPARTMENTAL SUBMISSIONS. A STUDY OF THE MEMORANDUM NOTES ON EACH HEAD OF EXPENDITURE WILL REVEAL ‘THAT SERVICES AND PROGRAMMES ARE FOR THE MOST PART BEING MAINTAINED AND, IN SOME CASES, EXPANDED ALBEIT ON A MORE LIMITED SCALE THAN MOST OF US WOULD ARGUE WAS DESIRABLE IN OTHER CIRCUMSTANCES.’

HE ADDED: ‘FURTHERMORE, THE PROVISIONS SOUGHT UNDER EACH HEAD AND SUBHEAD ARE CONSISTENT WITH EACH OTHER, THAT IS TO SAY, FOR EACH SERVICE AND CAPITAL WORKS PROJECT SUFFICIENT FUNDS AND STAFF ARE PROVIDED TO ENABLE STATED INTENTIONS TO BE ACHIEVED.’ HE ADMITTED, HOWEVER, THAT THERE MAY BE ODD CASES OF INADEQUATE PROVISION AND EVEN OMISSION, BUT REITERATED THAT HEADS OF DEPARTMENTS WOULD HAVE TO EXPLORE WAYS AND MEANS OF ACHIEVING MAXIMUM COST-EFFECTIVENESS.

MR. HADDON-CAVE

MR. HADDON-CAVE ALSO REJECTED A SUGGESTION BY DR. THE HON. CHUNG SZE-YUEN THAT HE TENDED TO 'OVER REACT' TO THE SHORT TERM UPS AND DOWNS IN OUR ECONOMIC PROGRESS.

MR. HADDON-CAVE RECALLED THAT HE HIMSELF HAD STATED ON VARIOUS OCCASIONS DURING THE SURPLUS YEARS THAT THE GOVERNMENT MUST BE CAREFUL NOT TO OVER REACT BY INCREASING ITS ABILITY TO SPEND BEYOND ITS ABILITY TO FINANCE SPENDING IN THE LONGER TERM.

TURNING TO A POINT RAISED BY THE HON. JAMES WU, THE FINANCIAL SECRETARY GAVE AN ASSURANCE THAT THE POTENTIAL SUPPLY OF, AND POSSIBLE DEMAND FOR, LAND FOR HIGH DENSITY LIGHT INDUSTRIES AS WELL AS LOW DENSITY HEAVIER INDUSTRIES OVER THE NEXT FEW YEARS WAS NOW BEING CONSIDERED IN DETAIL.

HE AGREED WITH THE HON. LI FOOK-WO THAT AN INCREASE IN THE STANDARD RATE OF EARNINGS AND PROFITS TAX WAS UNACCEPTABLE AT THIS TIME, AND HOPED TO BE ABLE TO AVOID PROPOSING AN INCREASE IN THE STANDARD RATE UNTIL THE THIRD INLAND REVENUE ORDINANCE REVIEW COMMITTEE HAD REPORTED.

MR. HADDON-CAVE TOLD UNOFFICIALS THAT THE REASON THIS COMMITTEE COULD NOT BE APPOINTED UNTIL THE MIDDLE OF 1976 WAS THAT IT WOULD BE TOO MUCH FOR THE INLAND REVENUE DEPARTMENT TO HAVE TO DEAL WITH SUCH A COMMITTEE ON TOP OF THE CHANGES INTRODUCED RECENTLY TO THE INLAND REVENUE ORDINANCE.

IN ADDITION, IT WOULD TAKE SOME TIME TO FIND A SUITABLE CHAIRMAN AND A FULL-TIME SECRETARY, HE EXPLAINED. IN PASSING, MR. HADDON-CAVE SAID HE DID NOT ENVISAGE THE TERMS OF REFERENCE OF THE REVIEW COMMITTEE BEING CAST BEYOND THE DIRECT TAX FIELD.

HE ALSO GAVE AN ASSURANCE THAT WHEN CONSIDERING ANY FISCAL MEASURES, THE CONSEQUENCES FOR INVESTMENT AND HENCE THE GROWTH RATE OF THE ECONOMY WOULD BE IN THE FOREFRONT OF HIS MIND. LOCAL AND OVERSEAS BUSINESSMEN AND INVESTORS, HE REMARKED, COULD TAKE CONSIDERABLE COMFORT FROM THE GOVERNMENT'S CONSISTENT RECORD IN THIS RESPECT OVER THE PAST 25 YEARS.

ON DIVIDENDS WITHHOLDING TAX AND THE ASSOCIATED TAX ON UNDISTRIBUTED PROFITS, THE FINANCIAL SECRETARY APPEALED TO UNOFFICIAL MEMBERS NOT TO ASK FOR REFINEMENTS WHICH, HOWEVER JUSTIFIED IN THEORY, WOULD IN PRACTICE BE DIFFICULT AND COSTLY TO ADMINISTER AND INTRODUCE UNCERTAINTIES INTO THE LEGISLATION.

AS ADDITIONAL RESOURCES OF REVENUE HAD TO BE TAPPED, PRIORITY MUST BE GIVEN TO THE IMPLEMENTATION OF THE DIVIDENDS WITHHOLDING TAX, AND THE COMMISSIONER OF INLAND REVENUE, HE SAID, WOULD CONCENTRATE THIS YEAR ON AMENDING THE ORDINANCE FOR THIS PURPOSE.

/ON DR. CHUNG'S

ON DR. CHUNG'S PROPOSAL FOR A ONE PER CENT TURNOVER TAX, MR. HADDON-CAVE SAID THIS CAME AS A SURPRISE. HE RULED IT OUT ON THE BASIS THAT THE ADMINISTRATIVE PROBLEMS WOULD BE CONSIDERABLE AND THE CUMULATIVE EFFECT OF SUCH A TAX ON THE COST OF LIVING AND ON THE COMPETITIVENESS OF HONG KONG EXPORTS WOULD BE *DISASTROUS.*

HE ALSO RULED OUT THE POSSIBILITY OF REINTRODUCING DEPENDENT PARENTS ALLOWANCE WHICH HE HAD CONSIDERED BUT REJECTED BECAUSE *WE SIMPLY CANNOT AFFORD THE LOSS OF REVENUE.*

HOWEVER, MR. HADDON-CAVE AGREED WITH THE HON. OSWALD CHEUNG THAT BETTING DUTY SHOULD PLAY A LARGER ROLE IN HONG KONG'S FISCAL AFFAIRS, AND HE HOPED THAT THE SCOPE OF THE BETTING ORDINANCE COULD BE GRADUALLY EXTENDED TO EMBRACE, ONE WAY OR ANOTHER, FIELDS OTHER THAN HORSE RACING.

HE ALSO SYMPATHISED WITH THE HON. HILTON CHEONG-LEEN'S SUGGESTION THAT ENTERTAINMENT TAX SHOULD BE EXTENDED TO PROFESSIONAL FOOTBALL MATCHES. HE SAID HE WOULD RECONSIDER THIS IF THE DIFFICULTY IN DEFINING PROFESSIONAL FOOTBALL, AS OPPOSED TO AMATEUR SPORT, COULD BE OVERCOME.

THE FINANCIAL SECRETARY SHARED MR. LI FOOK-WO'S SENSE OF SHOCK OVER THE INCREASE IN ARREARS OF REVENUE. THIS DETERIORATION, HE SAID, AROSE MAINLY FROM A SUBSTANTIAL INCREASE IN THE ARREARS FOR EARNINGS AND PROFITS TAXES FROM \$29 MILLION IN JUNE 1973 IN RESPECT OF 1972/73 TO \$69 MILLION IN JUNE 1974 IN RESPECT OF 1973/74.

THE COMMISSIONER FOR INLAND REVENUE HAD PUT FORWARD PLANS TO REDUCE THESE ARREARS. *BUT THE FACT OF THE MATTER IS THAT OVER THE LAST TWO YEARS, THE PROPORTION OF ASSESSED TAX NOT PAID ON THE DUE DATE HAS RISEN= AND GIVEN THE DIFFICULTIES OF 1974, I DOUBT IF WE SHALL SEE MUCH IMPROVEMENT IN THE POSITION AT THE CLOSE OF 1974/75, PARTICULARLY IN RESPECT OF PROFITS AND PROPERTY TAXES,* HE ADDED.

MR. HADDON-CAVE NOTED THAT WITH THE CONCESSIONS IN THE MACAU TERMINAL PASSENGER CHARGE AND THE SURCHARGE ON PEAK-HOUR MOVEMENTS AT KAI TAK AIRPORT, THE ESTIMATED DEFICIT OF \$429 MILLION IN 1975/76 WOULD RISE TO \$431 MILLION.

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MACAU PASSENGER TAX MODIFIED
CONCESSION FOR THOSE TRAVELLING ON CHEAPER TICKETS
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HONG KONG-MACAU COMMUTERS TRAVELLING ON CHEAPER TICKETS NOT EXCEEDING \$12 WILL NOW HAVE TO PAY A PASSENGER TAX OF ONLY \$2, INSTEAD OF THE \$5 ORIGINALLY PROPOSED BY THE FINANCIAL SECRETARY IN HIS BUDGET SPEECH IN FEBRUARY.

ALL OTHERS, INCLUDING THOSE TRAVELLING ON COMPLIMENTARY TICKETS, WILL HOWEVER HAVE TO PAY THE ORIGINAL \$5 CHARGE.

THE NEW PASSENGER CHARGES COME INTO EFFECT ON APRIL 14 THIS YEAR AND WILL REDUCE ESTIMATED REVENUE FROM THIS SOURCE BY ABOUT \$500,000, THE HON. PHILIP HADDON-CAVE TOLD COUNCIL TODAY WHEN WINDING UP THE BUDGET DEBATE.

MR. HADDON-CAVE EXPLAINED THAT HE HAD IN MIND CASUAL VISITORS TO AND FROM MACAU WHEN HE FIRST PROPOSED THE \$5 PASSENGER CHARGE, BUT HE ACCEPTED THE POINT MADE BY UNOFFICIAL MEMBERS THAT SOME TRAVELLED FOR OTHER REASONS AND THE CONCESSIONARY CHARGE, HE SAID, WAS TO CATER FOR SUCH COMMUTERS.

HE WAS AWARE, HOWEVER, THAT THE MODIFICATION WAS THEORETICALLY OPEN TO ABUSE IN SEVERAL WAYS AND HE WARNED THAT IF THERE WAS ANY ATTEMPT, EITHER BY THE OPERATORS OR BY PASSENGERS, TO EVADE THE NORMAL CHARGE OF \$5 +1 SHALL HAVE TO RECONSIDER THE WISDOM OF CONTINUING WITH THE CONCESSIONARY \$2 CHARGE.

MR. HADDON-CAVE AGAIN STRESSED THAT BEFORE PROPOSING THE CHARGE HE HAD SATISFIED HIMSELF THAT IT WOULD NOT RESULT IN MATERIAL DAMAGE TO MACAU.

HE REITERATED, HOWEVER, THAT HE WOULD BE PREPARED TO RECONSIDER THE TAX-LOADING ELEMENT IN THE CHARGE IF, AFTER A REASONABLE PERIOD OF TIME, HE WAS SATISFIED THAT THE NUMBERS TRAVELLING TO AND FROM MACAU WERE SERIOUSLY AFFECTED.

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SURCHARGE ON PEAK-HOUR MOVEMENTS AT KAI TAK
AIRLINES GET CONCESSION
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AIRLINES WERE TODAY GRANTED A SMALL CONCESSION FROM THE PROPOSED \$500 SURCHARGE ON PEAK-HOUR MOVEMENTS AT HONG KONG INTERNATIONAL AIRPORT WHEN THE FINANCIAL SECRETARY REDEFINED THE PEAK PERIOD FROM 12 NOON-6 PM TO 1 PM - 6 PM.

THE ONE-HOUR DIFFERENCE WILL MEAN A LOSS OF \$1.2 MILLION FROM ESTIMATED REVENUE IN 1975/76.

WINDING UP THE BUDGET DEBATE, THE HON. PHILIP HADDON-CAVE SAID HE HAD NOT PROPOSED THE SURCHARGE AS A MEANS OF DISCOURAGING AIRLINES FROM USING THE PEAK PERIOD, AS HAD BEEN IMPLIED BY THE HON. J.H. BREMIDGE.

MY POINT WAS THAT PEAK MOVEMENTS ARE DICTATING THE SIZE OF THE GOVERNMENT'S INVESTMENT AT THE AIRPORT, MR. HADDON-CAVE SAID.

THE FACT IS, HE ADDED, *IF MOVEMENTS WERE SPREAD OUT EVENLY OVER THE DAY, THE PRESENT FACILITIES AT THE AIRPORT WOULD BE ADEQUATE AND THE SUBSTANTIAL CAPITAL EXPENDITURE WE ARE NOW UNDERTAKING WOULD BE UNNECESSARY, AT LEAST FOR THE TIME BEING.*

HE SAID HE WAS AWARE THAT THE CONCENTRATION OF MOVEMENTS IN THE PEAK PERIOD WAS PARTIALLY THE RESULT OF HONG KONG'S GEOGRAPHICAL POSITION. BUT IF, AS A RESULT OF THE SURCHARGE, SOME AIRLINES DID ADJUST THEIR SCHEDULES, GIVEN THAT THE RUNWAY WAS REACHING SATURATION POINT IN THE PEAK PERIOD, SO MUCH THE BETTER.

THE FINANCIAL SECRETARY ALSO DENIED THAT THE SURCHARGE WAS, AS DESCRIBED BY MR. BREMIDGE, 'A SIGNAL EXAMPLE OF RANDOM TAXATION.'

MOVEMENTS PER HOUR BETWEEN THE PEAK PERIOD MID-DAY AND 6 P.M., HE SAID, EXCEEDED THE AVERAGE MOVEMENTS PER HOUR BETWEEN 8 A.M. AND MIDNIGHT AND MORE THAN HALF THE NUMBER OF DAILY MOVEMENTS FELL WITHIN THIS BRACKET.

HOWEVER, HE CHANGED THE PEAK HOUR PERIOD TO 1 P.M. - 6 P.M. AS THE NUMBER OF MOVEMENTS BETWEEN MID-DAY AND 1 P.M. ONLY SLIGHTLY EXCEEDED THE AVERAGE DURING THE 16 HOURS BETWEEN 8 A.M. AND MIDNIGHT.

IN HIS BUDGET SPEECH ON FEBRUARY 26, MR. HADDON-CAVE SAID THE SURCHARGE WOULD BE INTRODUCED ON JULY 1 THIS YEAR.

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AMNESTY FOR CORRUPT OFFENCES RULED OUT

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THE POSSIBILITY OF GIVING A GENERAL AMNESTY WITH REGARD TO CORRUPT OFFENCES COMMITTED BEFORE A PARTICULAR DATE, WAS RULED OUT TODAY BY THE COLONIAL SECRETARY, THE HON. DENYS ROBERTS.

HE TOLD THE LEGISLATIVE COUNCIL THAT HE THOUGHT IT WOULD BE UNPRECEDENTED FOR AN AMNESTY, WHICH IS OCCASIONALLY GRANTED FOR OFFENCES CONNECTED WITH FIREARMS OR THOSE WHICH HAVE SOME POLITICAL ELEMENT, TO BE APPLIED TO AN ORDINARY CRIMINAL OFFENCE LIKE CORRUPTION.

HOWEVER, MR. ROBERTS ADDED THAT THERE MIGHT BE CIRCUMSTANCES IN WHICH A LIMITED OR SPECIAL AMNESTY FOR CORRUPTION OFFENCES COULD BE OF POSITIVE VALUE TO THE COMMUNITY AND OF ASSISTANCE TO THE ICAC.

✦IF SO, THEN SERIOUS CONSIDERATION WILL BE GIVEN TO IT BUT SUCH A TIME IS, IN MY OPINION, A LONG WAY OFF,✦ HE SAID.

THE COLONIAL SECRETARY POINTED OUT THAT THE LAW REQUIRED THE COMMISSIONER TO INVESTIGATE CORRUPTION WHEREVER IT MAY BE FOUND.

✦IN PRACTICE, THE MAJORITY OF THE RESOURCES OF THE COMMISSION WILL BE CONCENTRATED ON PRESENT AND FUTURE CORRUPT ACTIVITIES, BUT IT WOULD BE TOTALLY WRONG, AND INDEED A DERELICTION FROM THE DUTY IMPOSED BY LAW ON THE COMMISSIONER, FOR THE COMMISSION TO REFUSE TO INVESTIGATE PAST CORRUPTION WHERE THIS EMERGES.✦

MR. ROBERTS SAID IT WAS OFTEN ESSENTIAL TO STUDY THE PAST PATTERN OF CORRUPTION IN ORDER TO DIAGNOSE ITS PRESENT CONDITION AND ITS LIKELY FUTURE DEVELOPMENT.

THE COLONIAL SECRETARY SAID SOME FEARS HAD BEEN EXPRESSED THAT THE EFFORTS OF THE COMMISSION MIGHT BE HAVING AN ADVERSE EFFECT ON POLICE MORALE.

✦LET ME EMPHASISE,✦ HE SAID, ✦THAT THE OBJECTIVE OF THE COMMISSION IS TO ROOT OUT CORRUPTION, NOT TO LAUNCH A WITCH HUNT OR TO BRING FEAR TO INNOCENT AND HONEST MEN.✦

THE COMMISSIONER OF POLICE BELIEVED THAT THE MORALE OF HIS FORCE WOULD BE POSITIVELY IMPROVED BY THE WEEDING OUT OF CORRUPT OFFICERS, HE ADDED.

MR. ROBERTS

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MR. ROBERTS DESCRIBED AS A +GROSS EXAGGERATION+ ALLEGATIONS THAT THE POLICE FORCE WAS CORRUPT THROUGHOUT, AND SAID IT WAS +UNFAIR IN THE EXTREME TO THE THOUSANDS OF MEMBERS OF THE FORCE, WHO ARE DEVOTED, LOYAL AND HONEST MEN, DISCHARGING A DIFFICULT, UNCOMFORTABLE AND OFTEN DANGEROUS TASK WITH SKILL AND DETERMINATION.+

+THEY ARE AS ANXIOUS AS WE AND THE PUBLIC TO SEE A FORCE WHICH IS FREE FROM CORRUPTION AND IS THEREFORE A BETTER INSTRUMENT FOR DEALING WITH CRIME THE FORCE NEEDS NOT ONLY PUBLIC SUPPORT BUT PUBLIC RESPECT IF IT IS TO BE FULLY EFFECTIVE.+

ON THE QUESTION OF DETAILED EXPENDITURE ON THE COMMISSION, THE COLONIAL SECRETARY SAID THAT THE REASON FOR INCLUDING THE ESTIMATES OF THE COMMISSION AS A +ONE LINE VOTE+ SUCH AS THE T.D.C. OR THE CONSUMER COUNCIL WAS TO +UNDERLINE ITS INDEPENDENCE+.

IT WAS ALWAYS INTENDED THAT ITS ESTIMATES SHOULD BE PUBLISHED IN ITS ANNUAL REPORT, WHICH WOULD BE TABLED VERY SHORTLY.

MR. ROBERTS ALSO DISCLOSED THAT ARRANGEMENTS WOULD BE MADE FOR THE ESTIMATES OF THE COMMISSION TO BE PUBLISHED IN THE FUTURE IN THE SAME WAY AND AT THE SAME TIME AS THOSE +OTHER BODIES OF AN INDEPENDENT NATURE.+

HE GAVE AN ASSURANCE THAT ALL REQUESTS FOR THE PROVISION OF PUBLIC FUNDS FOR THE PURPOSE OF THE COMMISSION WERE SCRUTINISED WITH THE SAME CARE AS REQUESTS FROM GOVERNMENT DEPARTMENTS, AND IT WAS THEREFORE UNLIKELY THAT THERE WAS ANY WASTAGE IN THE COMMISSION'S BUDGET.

HOWEVER, HE REMINDED MEMBERS THAT +THE ROOTING OUT OF CORRUPTION IS A TASK WHICH WILL INEVITABLY INVOLVE US IN SUBSTANTIAL EXPENSE.+ BUT +THIS MUST NOT DETER US FROM THIS TASK WHICH IS SO VITAL TO THE HEALTH OF OUR SOCIETY.+

DEALING WITH CIVIL SERVICE RECRUITMENT, MR. ROBERTS SAID THAT AFTER THE FIRST SUBMISSION OF DEPARTMENTAL ESTIMATES, THE FINANCE BRANCH PERFORMED ITS TRADITIONAL FUNCTIONS OF TRIMMING FROM THEM ANY INESSENTIAL ITEMS AND ACHIEVING ECONOMIES AND COST REDUCTIONS.

WHEN THIS PROCESS HAD BEEN COMPLETED THERE REMAINED A VERY HEAVY EXCESS IN DEPARTMENTAL ESTIMATES OVER THE AMOUNT OF MONEY TO BE SPENT.

HE SAID IT WAS THE COLONIAL SECRETARY'S COMMITTEE WHICH UNDERTOOK THE TASK OF DECIDING HOW THE GAP BETWEEN DEPARTMENTAL BIDS AND AVAILABLE RESOURCES WAS TO BE CLOSED AND WHICH ITEMS AND PROJECTS WOULD HAVE TO BE REDUCED OR DEFERRED TO ACHIEVE THIS.

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ONE OF THE DECISIONS MADE BY THIS COMMITTEE WAS THAT THERE SHOULD BE A MAXIMUM INCREASE OF 1,600 IN THE STRENGTH OF THE PUBLIC SERVICE DURING THE PERIOD FROM JANUARY 1, 1975 TO MARCH 31, 1976.

HE SAID THE COMMITTEE HAD DECIDED THAT MORE THAN HALF OF THE TOTAL MUST BE ALLOCATED TO THE POLICE AND PRISONS AND THEREAFTER PRIORITY HAD BEEN GIVEN TO THOSE DEPARTMENTS CONCERNED WITH REVENUE COLLECTION.

THIS LEFT A SMALL BALANCE FOR DISTRIBUTION AMONG ALL THE OTHER DEPARTMENTS AND WOULD INEVITABLY GIVE RISE TO GRAVE PROBLEMS FOR SOME OF THEM. BUT HE WAS SURE THAT MEMBERS WOULD AGREE THAT +IN DIFFICULT TIMES, THE GROWTH OF THE PUBLIC SERVICE MUST BE RUTHLESSLY CONTAINED.+

AS FOR THE AUXILIARY SERVICES, MR. ROBERTS SAID THAT THE REDUCTION IN FUNDS AVAILABLE FOR THEM DID NOT MEAN THAT THE GOVERNMENT UNDERESTIMATED THEIR IMPORTANCE. +WHEN TIMES IMPROVE WE SHALL CERTAINLY HOPE TO BE ABLE TO BUILD UP THE SCALE OF THEIR ACTIVITIES AGAIN.+

TURNING TO THE QUESTION OF ADDITIONAL WATER FROM CHINA, THE COLONIAL SECRETARY SAID IT MUST BE APPRECIATED THAT EVEN ASSUMING THE AVAILABILITY OF SUBSTANTIAL FURTHER WATER FROM CHINA, THERE WERE CONSIDERABLE TECHNICAL PROBLEMS TO BE OVERCOME. THE EXISTING DELIVERY SYSTEMS WOULD REQUIRE TO BE EXTENSIVELY MODIFIED, INCLUDING THE CONSTRUCTION OF ADDITIONAL PIPELINES AND PUMPING FACILITIES ON BOTH SIDES OF THE BORDER.

+I AM CONFIDENT THAT OUR CLOSE AND FRIENDLY RELATIONSHIPS WITH THE RELEVANT CHINESE AUTHORITIES, BASED ON A MUTUAL UNDERSTANDING OF EACH OTHER'S NEEDS AND PROBLEMS, WILL CONTINUE AND MAY IN DUE COURSE MAKE IT POSSIBLE FOR FURTHER WATER TO BE SUPPLIED FROM CHINA.+

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HONG KONG DOLLAR : NOT REALISTIC TO REFIX NOW
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THE FINANCIAL SECRETARY, THE HON. PHILIP HADDON-CAVE, TODAY SAID IT WOULD NOT BE REALISTIC TO REFIX THE HONG KONG DOLLAR UNTIL THERE ARE SIGNS THAT A MORE FUNDAMENTAL STABILITY HAS RETURNED TO THE INTERNATIONAL MONETARY SYSTEM.

+IN SUCH CIRCUMSTANCES, I DO URGE UPON TRADERS THE DESIRABILITY OF TAKING FORWARD COVER TO PROTECT THEMSELVES AS FAR AS POSSIBLE FROM THE UNCERTAINTIES OF THE EXCHANGE RATE SITUATION THAT HAS BEEN FORCED UPON US,+ HE SAID WHEN WINDING UP THE BUDGET DEBATE.

MR. HADDON-CAVE STUCK TO HIS BELIEF THAT IN HONG KONG THE ECONOMY MUST, IN PRINCIPLE, ADJUST TO THE EXCHANGE RATE AND NOT THE OTHER WAY ROUND. THIS WAS BECAUSE EXTERNAL TRANSACTIONS FORMED A LARGE PROPORTION OF TOTAL TRANSACTIONS — THE VALUE OF TRANSACTIONS BEING MORE THAN THREE TIMES THE GROSS DOMESTIC PRODUCT.

WHILE HE REALISED THAT A STRONG OR STRENGTHENING HONG KONG DOLLAR AT A TIME WHEN ORDERS WERE HARD TO NEGOTIATE, WAS NOT HELPFUL IN THE SHORT TERM, HONG KONG'S INTERNAL COST-PRICE STRUCTURE WAS STABLE AND MAY EVEN BE FALLING A LITTLE, HE SAID.

HE THEREFORE DID NOT REGARD THE PRESENT SITUATION AS TOO UNSATISFACTORY, ALTHOUGH HE CONCEDED THAT AS HONG KONG'S ECONOMY BECOMES MORE SOPHISTICATED, THE ADJUSTMENT PROCESS WORKED THROUGH THE SYSTEM MORE SLOWLY THAN BEFORE.

ON BUDGET DAY (FEBRUARY 26), HE NOTED, THE EXCHANGE RATE WAS ABOUT HK\$4.64 TO THE U.S. DOLLAR IN INTERBANK TRADING. SINCE THEN, THE HONG KONG DOLLAR HAD WEAKENED FURTHER. BY COMPARISON, THE REVALUATION WAS FIVE PER CENT, AND 2-1/2 PER CENT COMPARED WITH THE RATE ON THE DAY BEFORE THE DOLLAR WAS FLOATED.

IN FACT, MR. HADDON-CAVE SAID, LOOKING AT THE CURRENCIES OF HONG KONG'S OTHER MAJOR TRADING PARTNERS (EXCLUDING THE U.S.) AND TRADING COMPETITORS, ON THE BASIS OF A TRADE-WEIGHTED INDEX, +WE FIND THAT THE HONG KONG DOLLAR IS NOW AT ABOUT THE SAME VALUE OVERALL AS DURING THE THREE OR FOUR MONTHS BEFORE WE FLOATED.+

HE SHARED THE BELIEF THAT THE U.S. DOLLAR HAD COME TO BE SERIOUSLY UNDERVALUED, AND SAID THE POSSIBILITY OF USING INTEREST TAX AS A POSITIVE REGULATOR HAD RECEDED A LITTLE. BUT HE FELT THAT IN THESE UNCERTAIN TIMES +I MUST BE ALLOWED TO KEEP MY OPTIONS OPEN.+

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HONG KONG'S ECONOMIC POLICY NOT PURE LAISSEZ-FAIRE
SAYS DIRECTOR OF COMMERCE AND INDUSTRY

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THE DIRECTOR OF COMMERCE AND INDUSTRY, THE HON. DAVID JORDAN, TODAY DESCRIBED HONG KONG'S ECONOMIC POLICY AS +NOT LAISSEZ-FAIRE BUT MINIMUM INTERFERENCE.+

HE SAID THAT WITHIN THE FRAMEWORK OF THIS LONG-STANDING POLICY HONG KONG HAD TRANSFORMED ITSELF FROM A TRADING PORT TO A GREAT MANUFACTURING CENTRE.

HE WARNED THAT WE SHOULD THINK VERY CAREFULLY ABOUT MODIFYING IT. +WE SHOULD TAKE CARE NOT TO THROW THE BABY OUT WITH THE BATHWATER,+ HE SAID.

MR. JORDAN MADE THIS STATEMENT DURING THE RESUMED BUDGET DEBATE IN LEGISLATIVE COUNCIL TODAY IN REPLY TO MR. JAMES WU'S COMPLAINTS ABOUT THE LACK OF CLOSER CO-OPERATION AND PROPER CO-ORDINATION TO ACHIEVE BETTER ECONOMIC PROGRESS.

MR. JORDAN POINTED OUT THAT IF HONG KONG'S ECONOMIC POLICY WERE PURE LAISSEZ-FAIRE IT WOULD HAVE NO COMPANIES LEGISLATION, SECURITIES LEGISLATION, NO STATUTORY EXPORT CREDIT INSURANCE CORPORATION, TRADE DEVELOPMENT COUNCIL AND OTHER SUCH BODIES.

HE SAID THAT THE GOVERNMENT HAD IN FACT BECOME STEADILY MORE INVOLVED IN REGULATING ECONOMIC ACTIVITY AND IN PROVIDING SERVICES TO ASSIST THAT ACTIVITY.

+SO I THINK THAT THE DIFFERENCE BETWEEN MY HONOURABLE FRIEND AND ME IS ON A QUESTION OF DEGREE RATHER THAN OF PRINCIPLE,+ HE SAID.

MR. JORDAN SAID THAT CO-ORDINATION REQUIRED FIRST THE DETERMINATION OF THE OBJECTS TO BE ACHIEVED AND THEN WHERE VOLUNTARY CO-OPERATION FAILED, THE INVOCATION OF AUTHORITY, AND ADDED: +CO-ORDINATION OF THE ECONOMIC DEVELOPMENT OF HONG KONG WOULD, I BELIEVE, INEVITABLY INVOLVE MORE GOVERNMENT CONTROLS AND REGULATIONS WHICH MY HONOURABLE FRIEND SAYS MUST BE VIGOROUSLY RESISTED. AND I AGREE WITH HIM.+

MR. JORDAN FURTHER EXPLAINED THAT ALTHOUGH IT WAS PART OF THE COMMERCE AND INDUSTRY DEPARTMENT'S JOB TO ENCOURAGE AND ASSIST AND PROMOTE INDUSTRIAL INVESTMENT AND DEVELOPMENT, THE DECISIONS MUST BE LEFT TO THE ENTREPRENEUR HIMSELF.

/HE SAID THAT

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HE SAID THAT IF HONG KONG WERE TO MAKE RADICAL CHANGES NOW TO STIMULATE INVESTMENT IN NEW MANUFACTURING ENTERPRISES THEY WOULD MAKE LITTLE CONTRIBUTION FOR SOME TIME TO COME.

+THIS YEAR,+ MR. JORDAN CONTINUED, +WE MUST RELY ON OUR ESTABLISHED INDUSTRIES. WE HAVE TO GET OUT AND SELL WHAT WE CAN MAKE NOW. AND THAT IS WHAT OUR MANUFACTURERS AND EXPORTERS ARE DOING.+

MR. JORDAN ALSO REPLIED TO QUESTIONS FROM MR. FRANCIS TIEN, ON HONG KONG'S COMMERCIAL RELATIONS WITH ITS TRADING PARTNERS.

ON THE UNITED STATES GENERALISED SCHEME OF PREFERENCES, HE CONFIRMED THAT PRESIDENT FORD ISSUED TWO LISTS ON MARCH 18. ONE OF THESE CONTAINED THE NAMES OF COUNTRIES WHICH THE PRESIDENT INTENDED TO DESIGNATE AS BENEFICIARIES UNDER THE SCHEME AND THE OTHER CONTAINED THE NAMES OF THOSE WHICH COULD BE ELIGIBLE FOR DESIGNATION BUT ON WHICH A FINAL DECISION HAD NOT YET BEEN TAKEN. HONG KONG, HE SAID, WAS ON THIS LATTER LIST.

HE ADDED THAT HONG KONG HAD BEEN IN CLOSE AND CONSTANT TOUCH WITH THE UNITED STATES GOVERNMENT THROUGH THE BRITISH EMBASSY IN WASHINGTON, AND THAT THE EMBASSY HAD SUBMITTED EARLIER THIS YEAR AN AIDE-MEMOIRE WHICH SPELT OUT HONG KONG'S CASE FOR INCLUSION IN THE SCHEME= AND HAD BEEN WORKING VIGOROUSLY ON HONG KONG'S BEHALF. HOWEVER, ALTHOUGH THE LATEST INDICATIONS WERE REASONABLY ENCOURAGING, IT SEEMED THAT THERE MIGHT BE SOME DOUBTS ABOUT HONG KONG'S CASE IN WASHINGTON.

MR. JORDAN CONFIRMED THAT HE WOULD BE LEAVING FOR WASHINGTON LATER THIS MONTH TO TRY AND DISPEL THESE DOUBTS.

ON THE COMMON MARKET'S GENERALISED SCHEME OF PREFERENCES, MR. JORDAN EXPLAINED THAT THIS WAS ANOTHER PIECE OF COMPLEX LEGISLATION WHICH WAS REVIEWED AND REVISED EACH YEAR, AND THAT IT WAS IN THE LATTER CONNECTION THAT HONG KONG RECEIVED A VISIT LAST MONTH FROM AN EEC COMMISSION DELEGATION LED BY MR. TRAN VAN THINH.

MR. JORDAN DISCLOSED THAT MR. TRAN WAS CAUTIOUSLY OPTIMISTIC THAT SOME OF THE DISCRIMINATION AGAINST HONG KONG IN THE EEC'S SCHEME WOULD BE REMOVED WHEN THE DETAILS OF THE 1976 VERSION OF THE SCHEME WERE PUBLISHED LATER THIS YEAR.

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UNRESTRICTED USE OF RESERVOIRS FOR RECREATION NOT POSSIBLE
SAYS SECRETARY FOR HOME AFFAIRS

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THE SECRETARY FOR HOME AFFAIRS, THE HON. DENIS BRAY, SAID TODAY THAT IT WOULD BE IMPOSSIBLE TO ALLOW UNRESTRICTED USE OF RESERVOIRS FOR SWIMMING AND BOATING.

+SWIMMING IS UNIVERSALLY FROWNED UPON BY WATER UNDERTAKINGS HERE AND ELSEWHERE NOT ONLY BECAUSE OF POLLUTION, BUT ALSO BECAUSE OF DANGER TO SWIMMERS DISAPPEARING DOWN THOSE YAWNING BELLMOUTH OVERFLOWS.+

SPEAKING IN THE LEGISLATIVE COUNCIL, MR. BRAY AGREED THAT HONG KONG'S RESERVOIRS HAD AN UNTAPPED RECREATIONAL POTENTIAL, +BUT THIS POTENTIAL CANNOT BE EXPLOITED WITHOUT EXPENSE NOR IS ALL RECREATION BARRED NOW.+

HE SAID THE DEMAND FOR BOATING ON RESERVOIRS MUST BE VERY LIMITED BECAUSE HONG KONG'S BIG RESERVOIRS WERE SO CLOSE TO THE SEA.

GIVING AN EXAMPLE, HE SAID THAT ONLY HALF OF PLOVER COVE WAS TAKEN INTO THE RESERVOIR AND THE OTHER HALF WAS AVAILABLE FOR BOATING AND THE SCHOOLS SAILING ASSOCIATION WAS BUILDING A CENTRE ON THE SEA WATER HALF. THEY ALREADY HAD ANOTHER SAILING CENTRE IN TYTAM BAY JUST BELOW TYTAM RESERVOIR.

HOWEVER, THE SECRETARY FOR HOME AFFAIRS ADDED THAT THERE WERE PLANS TO CONVERT A VERY SMALL RESERVOIR AT WONG NEI CHONG GAP INTO A BOATING LAKE WHEN FUNDS COULD BE MADE AVAILABLE TO DIVERT THE WATERWAYS WHICH FEED IT.

ON THE QUESTION OF RADIO HONG KONG, MR. BRAY SAID THAT BIG EXPENDITURE WAS ON GOOD CHINESE TELEVISION.

HE SAID THE DIRECTOR OF BROADCASTING HAD ENOUGH MONEY TO KEEP +BELOW LION ROCK+ GOING FOR SIX MONTHS AND IT WAS LIKELY THAT ADDITIONAL MONEY COULD BE OBTAINED TO CONTINUE THE PROGRAMME RUNNING FOR ANOTHER THREE MONTHS +WHICH IS AS LONG AS THE PROGRAMME WILL STAND WITHOUT A REST.+

+NEEDLEPOINT+ AND +VIEWPOINT AND ANGLES+ WOULD ALSO CONTINUE ON THE CHINESE NETWORKS WHILE A DIFFERENT WAY OF FILLING THE ENGLISH +VIEWPOINT+ TIME SLOT WOULD BE INTRODUCED.

MR. BRAY GAVE AN ASSURANCE THAT THE CUTS IN EXPENDITURE FOR RADIO HONG KONG WOULD +NOT MEAN THAT WHEN IMPORTANT PUBLIC ISSUES ARISE WE SHALL BE WITHOUT MEANS TO AIR THEM.+

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THURSDAY, APRIL 3, 1975.

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CHILDREN'S DAY CELEBRATIONS

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TOMORROW, APRIL 4, IS CHILDREN'S DAY AND THE SOCIAL WELFARE DEPARTMENT HAS ARRANGED A VARIETY OF ACTIVITIES FOR CHILDREN UNDER ITS CARE OR WHO ARE MEMBERS OF ITS CENTRES TO CELEBRATE THE OCCASION.

ONE HUNDRED AND TEN MENTALLY AND PHYSICALLY DISABLED CHILDREN FROM CENTRES OR CLUBS RUN BY THE REHABILITATION DIVISION TOGETHER WITH 90 OTHERS FROM VOLUNTARY WELFARE AGENCIES, WILL BE GUESTS OF THE HAPPY VALLEY LIONS CLUB AT A TEA PARTY TO BE HELD AT THE HILTON HOTEL BALLROOM AT 4.30 P.M.

THE KAI NANG TRAINING CENTRE IN KWUN TONG WILL BE THROWING A PARTY FOR 60 JUNIOR TRAINEES.

FOR A GROUP OF 16 YOUNGSTERS UNDER THE CHARGE OF THE CHILDREN'S RECEPTION CENTRE WHICH TAKES CARE OF ABANDONED CHILDREN OR THOSE NEEDING CARE AND ATTENTION, IT WILL BE A DAY'S OUTING TO THE LAI CHI KOK AMUSEMENT PARK FOLLOWED BY LUNCH AT A RESTAURANT.

AT THE SAME TIME, THE GROUP AND COMMUNITY WORK DIVISION'S COMMUNITY CENTRES AND ESTATE COMMUNITY WORK OFFICES WILL BE RUNNING AT LEAST SIX FUNCTIONS AT DIFFERENT TIMES FOR CHILDREN IN THEIR RESPECTIVE DISTRICTS.

IN WESTERN DISTRICT ON HONG KONG ISLAND, THE COMMUNITY CENTRE WILL ENTERTAIN 100 CHILDREN IN CHESS AND BLOCK-BUILDING COMPETITIONS AND ANOTHER 150 TO A FILM SHOW.

IN CHAI WAN, THE CELEBRATIONS WILL BE HELD TODAY WHEN 300 CHILDREN WILL JOIN IN A QUIZ COMPETITION AT THE COMMUNITY CENTRE FROM 7.30 P.M. TO 10 P.M.

THE KWUN TONG COMMUNITY CENTRE IS HOSTING A GAMES PARTY TOGETHER WITH AN INAUGURATION CEREMONY OF THE CHILDREN'S MEMBERS COUNCIL FOR 200 YOUNGSTERS.

THE ESTATE COMMUNITY WORK OFFICE IN THE EAST AREA OF LAM TIN WILL BE SPONSORING A SELF-PROGRAMMING GROUP TO THROW A PARTY FOR 100 CHILDREN LIVING NEARBY WHILE THE OFFICES IN SAU MAU PING CENTRAL AND SOUTH AREAS WILL HOLD THE FINALS AND PRIZE-GIVING PARTY FOR ITS TALENT CONTEST ORGANISED FOR THE OCCASION.

/CHILDREN LIVING

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CHILDREN LIVING IN THE NEW TERRITORIES HAVE NOT BEEN FORGOTTEN AND THE PRINCESS ALEXANDRA COMMUNITY CENTRE IN TSUEN WAN WILL BE TAKING 200 OF THEM ON A OVERNIGHT CAMPING TRIP AT WHICH THEY WILL ENJOY GAMES, VARIOUS PERFORMANCES AND SONGS BY THE CAMPFIRE. WINNERS OF THE RECENTLY-HELD COLOURING COMPETITION WILL ALSO RECEIVE THEIR PRIZES.

THE SHEK LEI ESTATE COMMUNITY WORK OFFICE WILL JOIN THE CARITAS CENTRE AND THE BOYS AND GIRLS CLUBS ASSOCIATION IN HOLDING A PARTY FOR 300 CHILDREN. PROGRAMMES WILL INCLUDE THE USUAL PARTY ACTIVITIES AND A FILM SHOW.

AT THE FANLING ROTARY YOUTH CENTRE, A TWO-DAY SERIES OF COMPETITIONS BEGINS TODAY FOR CHILDREN BELOW THE AGE OF 14.

SOME ACTIVITIES IN CELEBRATION OF CHILDREN'S DAY WILL TAKE PLACE LATER IN THE MONTH. THESE INCLUDE A FILM SHOW ORGANISED BY A YOUTH GROUP FOR 80 DEAF CHILDREN FROM DEAF CLUBS RUN BY THE DEPARTMENT ON SUNDAY, APRIL 13- A TRIP TO LION ROCK PARK FOR 50 CHILDREN ON THE SAME DAY AND AN EXCURSION TO THE PEAK FOR ANOTHER 40 CHILDREN ON SUNDAY, APRIL 20 ORGANISED BY THE WONG TAI SIN COMMUNITY CENTRE.

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DANGEROUS BUILDINGS
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THE BUILDING AUTHORITY TODAY (THURSDAY) DECLARED FOUR BUILDINGS IN THE KOWLOON CITY LIABLE TO BECOME DANGEROUS.

THEY ARE THE BUILDING OVERRIDING THE LANE BETWEEN 79 AND 83 IN LUNG CHUN ROAD AND NOS. 83, 85 AND 87 LUNG CHUN ROAD. THE FOUR SMALL BUILDINGS ARE TIMBER AND BRICK STRUCTURES OF EITHER SINGLE OR TWO STOREYS.

THE PRINCIPAL GOVERNMENT BUILDING SURVEYOR SAID THAT THESE STRUCTURES WERE INSPECTED FOLLOWING A COLLAPSE OF AN EXTERNAL STAIRCASE AND LANDING IN AN ADJOINING GROUP OF BUILDINGS ON MARCH 27 THIS YEAR.

AS DEMOLITION OF THE ADJOINING GROUP OF BUILDINGS AFFECTED BY THE COLLAPSE WOULD ENDANGER THE FOUR BUILDINGS, IT IS NECESSARY TO CLOSE AND DEMOLISH THEM AS WELL.

NOTICES OF INTENTION TO APPLY FOR CLOSURE ORDERS IN KOWLOON DISTRICT COURT AT 9.30 AM ON APRIL 24, 1975 WERE POSTED TODAY.

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THURSDAY, APRIL 3, 1975.

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JANUARY ISSUE OF MONTHLY DIGEST PUBLISHED

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THE JANUARY 1975 ISSUE OF THE HONG KONG MONTHLY DIGEST OF STATISTICS PUBLISHED TODAY CONTAINS A SPECIAL REVIEW ARTICLE ON WHOLESALE AND RETAIL TRADES IN HONG KONG. IT IS ONE IN A SERIES OF REVIEW ARTICLES ON SPECIAL SUBJECTS OF INTEREST PUBLISHED ONCE EVERY THREE MONTHS BY THE CENSUS AND STATISTICS DEPARTMENT.

THE ARTICLE PRESENTS SOME OF THE FINDINGS OF A SURVEY OF WHOLESALE AND RETAIL ESTABLISHMENTS CARRIED OUT FROM JUNE TO AUGUST 1974.

IT ALSO CONTAINS ANALYSIS OF ESTABLISHMENTS BY TYPES OF ACTIVITY, COMMODITIES TRADED, EMPLOYMENT SIZE AND LOCATION.

THE HONG KONG MONTHLY DIGEST OF STATISTICS IS NOW OBTAINABLE FROM THE GOVERNMENT PUBLICATIONS CENTRE AT THE STAR FERRY CONCOURSE, HONG KONG AT \$5.00 PER COPY.

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TWO BUILDINGS DECLARED DANGEROUS

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THE BUILDING AUTHORITY TODAY (THURSDAY) DECLARED NO. 28 GILMAN'S BAZAAR TO BE IN A DANGEROUS CONDITION AND NO. 26 GILMAN'S BAZAAR LIABLE TO BECOME DANGEROUS.

THE PRINCIPAL GOVERNMENT BUILDING SURVEYOR SAID THAT BOTH THESE THREE-STOREY PRE-WAR BUILDINGS HAD BEEN UNDER OBSERVATION FOR SOME TIME. AS THERE WERE SIGNS OF EXTENSIVE RECENT MOVEMENT IN THE BRICK LOAD BEARING WALLS OF NO. 28 GILMAN'S BAZAAR, ESPECIALLY AT THE REAR, IT WAS NECESSARY TO CLOSE AND DEMOLISH THIS BUILDING.

AS THE DEMOLITION OF NO. 28 GILMAN'S BAZAAR WILL RENDER NO. 26 GILMAN'S BAZAAR LIABLE TO COLLAPSE, IT IS NECESSARY TO CLOSE AND DEMOLISH THIS BUILDING AS WELL, HE SAID.

NOTICES OF INTENTION TO APPLY FOR CLOSURE ORDERS IN VICTORIA DISTRICT COURT AT 9.30 AM ON MAY 1, 1975 WERE POSTED TODAY.

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SPECIAL TRAFFIC ARRANGEMENTS FOR CHING MING
ON HONG KONG ISLAND
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SPECIAL TRAFFIC AND PUBLIC TRANSPORT ARRANGEMENTS WILL BE IMPLEMENTED ON HONG KONG ISLAND ON SATURDAY (APRIL 5) DURING CHING MING FESTIVAL.

THERE WILL BE TEMPORARY CLOSURE OF CERTAIN ROAD SECTIONS AND TRAFFIC DIVERSIONS AND MOTORISTS ARE STRONGLY ADVISED TO AVOID THESE AREAS UNLESS THEIR JOURNEY IS ABSOLUTELY NECESSARY.

PEEL RISE FROM ITS JUNCTION WITH ABERDEEN RESERVOIR ROAD WILL BE CLOSED TO ALL VEHICULAR TRAFFIC. VICTORIA ROAD WILL BE ROUTED ONE-WAY SOUTHWARDS FROM MOUNT DAVIS ROAD TO SASSOON ROAD= CONSORT RISE WILL BE ONE-WAY SOUTHWARDS FROM VICTORIA ROAD TO BISNEY ROAD= AND CAPE COLLINSON ROAD WILL BECOME ONE-WAY WESTWARDS FROM LIN SHING ROAD TO SHEK O ROAD.

DEPENDING ON TRAFFIC CONDITIONS, IT MAY BE NECESSARY TO CLOSE CAPE COLLINSON ROAD WITHOUT PRIOR NOTICE.

THE CHINA MOTOR BUS COMPANY WILL RUN A SPECIAL BUS SERVICE -- ROUTE 22A -- BETWEEN SHAU KEI WAN AND CHAI WAN CEMETERY FROM 7 A.M. TO 6 P.M. ON SATURDAY TO CATER FOR THE LARGE NUMBERS OF WORKSIPPERS.

BUSES ON THIS SPECIAL ROUTE WILL OPERATE AT A SEVEN-MINUTE FREQUENCY VIA CHAI WAN ROAD, WAN TSUI ROAD, LIN SHING ROAD, CAPE COLLINSON ROAD, SHEK O ROAD, TAI TAM ROAD AND CHAI WAN ROAD NEAR ITS JUNCTION WITH SHAU KEI WAN ROAD. THE FARE WILL BE 50 CENTS.

BUS ROUTE 77 RUNNING BETWEEN ABERDEEN AND WESTERN DISTRICT WILL BE TEMPORARILY SUSPENDED ON SATURDAY.

APPROPRIATE TRAFFIC SIGNS WILL BE POSTED TO GUIDE MOTORISTS.

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CHING MING FESTIVAL FIRE WARNING

CHING MING FESTIVAL WORSHIPPERS ARE TODAY URGED BY THE FIRE SERVICES DEPARTMENT TO TAKE ALL POSSIBLE PRECAUTIONS TO PREVENT FIRES IN THE COUNTRY-SIDE THIS WEEKEND.

A SPOKESMAN SAID THAT DUE TO CARELESS HANDLING OF JOSS-STICKS, CANDLES AND BURNING PAPER THE FESTIVAL HOLIDAY USUALLY ENDED UP AS ONE OF THE WORST DAYS OF THE YEAR FOR FIRES.

♦HUNDREDS OF TREES WERE TRAGICALLY DESTROYED AND ACRES OF COUNTRY-SIDE SPOILED DURING CHING MING, ♦ HE SAID.

HE NOTED THAT THERE WAS AN ADDED DANGER THIS YEAR BECAUSE OF THE LOW HUMIDITY OF THE PAST FEW DAYS. THE COUNTRYSIDE HAD DRIED OUT AND FIRES COULD BE STARTED MUCH MORE EASILY. ♦THEREFORE WE APPEAL TO ALL THOSE VISITING GRAVES OR THE COUNTRYSIDE ON SATURDAY TO TAKE HEED OF THE GREATER FIRE RISK AND TO TAKE EXTRA PRECAUTIONS TO PREVENT FIRES, ♦ HE SAID.

HE URGED SMOKERS AND WORSHIPPERS TO MAKE SURE CIGARETTE ENDS AND MATCHES WERE PROPERLY EXTINGUISHED BEFORE DISPOSING OF THEM.

THE SPOKESMAN SAID THERE WERE 70 FIRES, MORE THAN THREE TIMES THE NORMAL NUMBER, DURING CHING MING LAST YEAR. WELL OVER HALF OCCURRED IN THE NEW TERRITORIES.

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PASSING-OUT PARADE FOR IMMIGRATION OFFICERS

EIGHTEEN ASSISTANT IMMIGRATION OFFICERS WILL TAKE PART IN A PASSING-OUT PARADE TOMORROW (APRIL 4) AT THE ROYAL HONG KONG REGIMENT PARADE GROUND-SPORTS ROAD, HAPPY VALLEY.

AN UNOFFICIAL LEGISLATIVE COUNCILLOR, MR. HILTON CHEONG-LEEN, WILL INSPECT THE PARADE AND ADDRESS THE GATHERING.

NOTE TO EDITORS: THE PARADE WILL BE HELD AT 9.30 A.M. YOU ARE INVITED TO SEND A REPORTER AND/OR PHOTOGRAPHER TO COVER IT.

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THURSDAY, APRIL 3, 1975.

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INAUGURATION OF PENTECOSTAL SCHOOL
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THE DIRECTOR OF EDUCATION, MR. KENNETH TOPLEY WILL INAUGURATE THE PENTECOSTAL SCHOOL IN PERTH STREET, KOWLOON, TOMORROW (FRIDAY) AFTERNOON.

THIS PRIVATE NON-PROFIT-MAKING SECONDARY SCHOOL IS STANDING ON A 46,000 SQUARE-FOOT SITE WHICH WAS GRANTED FREE BY THE GOVERNMENT.

THE GOVERNMENT ALSO PROVIDED THE SPONSOR -- THE KOWLOON PENTECOSTAL CHURCH LIMITED -- WITH AN INTEREST-FREE LOAN OF \$3.3 MILLION.

THE SCHOOL, WHICH HAS BEEN IN OPERATION SINCE SEPTEMBER 1973, HAS 24 CLASSROOMS AND 11 SPECIAL ROOMS. IT HAS MORE THAN 1,000 PUPILS.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE INAUGURATION CEREMONY WHICH BEGINS AT 4 P.M. THE SCHOOL IS AT 14, PERTH STREET, KOWLOON.

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LABOUR DISPUTE SETTLED
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A TWO-WEEK OLD DISPUTE INVOLVING 350 WORKERS AND THE MANAGEMENT OF THE HANWAY DEVELOPMENT CO. LTD. (COTTON MILL) IN TSUEN WAN WAS SETTLED LAST (WEDNESDAY) NIGHT AFTER A SERIES OF CONCILIATION MEETINGS CONDUCTED BY LABOUR DEPARTMENT OFFICERS.

AN AGREEMENT COVERING THE REVISED TERMS OF THE VARIOUS ALLOWANCES ENJOYED BY THE WORKERS WAS SIGNED BY REPRESENTATIVES OF THE TWO PARTIES IN THE PRESENCE OF THE CONCILIATOR, MR. SIN CHUNG YU OF THE LABOUR RELATIONS SERVICE, TSUEN WAN BRANCH.

THE WORKERS WENT ON STRIKE ON MARCH 19 IN PROTEST AGAINST A PROPOSED NEW SCALE OF ALLOWANCES. THEY RESUMED WORK A WEEK LATER WHILE CONCILIATION WAS IN PROGRESS UNTIL FINAL SETTLEMENT WAS REACHED LAST NIGHT.

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