



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
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Thursday, June 13, 1996

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Transcript of FS's media session

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Following is the transcript of the remarks by the Financial Secretary, Mr Donald Tsang, after visiting the Hong Kong Industrial Technology Centre this (Thursday) afternoon:

FS: You know that in my last Budget I made an important part on my Budget speech to discuss the future industrial development in Hong Kong both in the service industry and in the manufacturing industry. I also made proposal which is to explore the possibility of having another industrial technology centre. For that reason, I come here today to have personal experience of various incubatees and various tenants discussing their own experience with the centre, and discussing their plans. I found it extremely useful and I hope it would help me eventually in formulating Government policy in this respect.

Reporter: Can I have your comments on KCRC proposal to inject \$44 billion?

FS: We have just got this more detailed proposals from the KCRC. We would go through our vigorous studies of the proposal, particularly in terms of the programme they have suggested, and also the expenditure programme. My colleagues and I would have to be satisfied that those plans are realistic, and then we have to consider the phasing of the programme in terms of expenditure and in terms of works. And at that stage then we have to come to a view.

Reporter: There are some views that the Chinese might not agree to ... Would the Government sort of trying to put back the whole thing until ...?

FS: There is no question of putting it back. The fact is it is an enormous project. It is also a priority project. We would tackle it as quickly as possible. But it is also because it is a future project, and various studies means that we won't be able to start this project until 1998. There is no delaying involved. There is no fear of pre-mature commitment or delay commitment in this project. We would do it in the right time.

End

Misapprehensions of subvention review clarified

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The Social Welfare Department's subvention for non-governmental organisations (NGOs) operating 2,488 service units in 1996-97 is nearly \$4 billion.

This was stated by the Director of Social Welfare, Mr Ian Strachan, when he addressed the luncheon meeting of the Rotary Club of Kingspark Hong Kong today (Thursday).

Mr Strachan said the department had commissioned a consultancy firm to review the social welfare subvention system with an objective to improve the current system so that the department and NGOs could work in partnership to provide more efficient, customer oriented and output-driven services.

He said the consultants had so far released two reports and held various workshops, seminars and briefings with the SWD and NGOs.

"For collection of views from the sector, I also issued a questionnaire to all chairpersons/agency heads of subvented NGOs to seek their views on the proposals and have specifically asked them to incorporate in the completed questionnaire views of their staff, their boards and their senior management," Mr Strachan said.

"Judging from the initial response, it can be said that the sector generally supports in principle the series of measures aimed at improving the way in which SWD assesses the quality and quantity of the services delivered by NGOs though there are concerns on the need for additional manpower and technological support for implementing and monitoring these standards."

Mr Strachan took the opportunity to clarify nine of some common misapprehensions by the welfare sector:

- (1) Subvention provision will be cut in the name of service improvement and there will not be enough to maintain the civil service pay rates.

Maintaining that the review was not a cost cutting exercise, Mr Strachan said the total cost of social welfare subvention under the new system would be no more nor no less than it was under the current system.

There would be adequate provision for most NGOs to meet their necessary operation costs including payment of salary to their staff at civil service rates, he said.

- (2) The general public will suffer from reduced social welfare service provision due to the averaging effect of the unit grant.

Mr Strachan said such a worry was completely untrue. In fact, he expected the reverse to happen: because the entire sector, including SWD units, would be concentrating on better performance, the services to customers were expected to improve.

- (3) The proposed Unit Grant will commercialise the provision of social welfare services.

To this misapprehension, he said all subvented services would remain non-profit making and there would be absolutely no change in this respect.

- (4) Unit Grant funding will preclude future service improvements.

The SWD would continue its current process to bid new funding for service improvement, Mr Strachan said.

- (5) Professional standards are denied and ignored thus adversely affecting the interest of the public.

Mr Strachan said the Funding and Service Agreement proposed by the consultants would require service units to deliver the service to the required quality and level and the new approach would have the effect of raising the quality of welfare services.

- (6) NGO managers are overpowered.

Mr Strachan said the requirements of the existing system create the misleading impression that SWD carried some of the management responsibility of NGOs.

The new system could clarify the actual position that the Executive Board of a NGO is responsible and accountable for the organisation's functions and services, he said.

- (7) The averaging approach adopted by the Unit Grant subvention would penalise the well established NGOs.

Mr Strachan expected the well established NGOs would be in a better position to respond to the proposed changes because of their greater managerial skills and greater number of subvented service units.

Even if their agencies' requirements were above the notional Unit Grant level, experienced NGO managers could still make use of the opportunities of staff turnover and natural wastage to make adjustments so as to cut expenditure, he said.

(8) Reduction in staff salaries, smaller pay rise, etc.

Mr Strachan said firstly, this kind of fear was unwarranted because the money available to the sector to pay staff salaries under the new system would be the same as the existing system.

Secondly, the salaries of existing staff were guaranteed by the government in the first three years of implementation and NGOs could use the additional flexibility during the period to make any appropriate adjustments required to cope with the new Unit Grant level.

Thirdly, as more vacancies were filled and the service continued to expand, this would increase the benchmark. The need for experienced staff would continue to exist and they would continue to be funded through the Unit Grant.

(9) If the Unit Grant is so favourable, why is this not applied to SWD units?

Mr Strachan explained that it was because SWD was not funded in the same ways as NGOs. Funded mainly by the government, NGOs also received funding from donations, the Community Chest and fee income.

Concluding, Mr Strachan said the consultants had worked out a detailed blue print for the future administration of the subvention system which, he believed, would make a major contribution to improving the way the department delivered its welfare services.

End

New arrangement for property resumption allowance endorsed

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The Governor-in-Council has endorsed revisions to the eligibility criteria for the Home Purchase Allowance (HPA) to avoid over-generous payment to property owners affected by government resumption.

A government spokesman explained that HPA was an ex-gratia allowance payable to owners of domestic premises upon resumption by the Government on top of the full market value statutory compensation.

The original intention of the allowance is to ensure that affected owners will not be forced out of home ownership as a result of resumption. The allowance goes towards the cost of purchasing a replacement flat of a similar size in the neighbourhood of the resumed flat.

"HPA is currently paid to all owners of domestic premises regardless of whether the premises are vacant, let or occupied by the owners.

"Nor is there any restriction to prevent a single owner, who owns more than one property, from receiving more than one HPA payment.

"This is unjustifiably generous, particularly to absentee landlords or investment owners who have no genuine need to purchase a replacement flat to live in.

"Furthermore, it would give rise to speculators acquiring property for the purpose of profiting from HPA payment," the spokesman said.

To rectify this, the Governor-in-Council approved that HPA payment should normally be restricted to owner-occupiers on the basis of buying one replacement flat per owner.

"There will be guidelines for the Director of Lands to determine whether a claimant is an owner-occupier, and to address exceptional situations where payment to absentee landlords and multiple payments to an owner may be allowed," said the spokesman.

Owners who disagree with the Director of Lands' decision on their eligibility for HPA can appeal, within three months of such decision, to the Secretary for Planning, Environment and Lands.

The Finance Committee of the Legislative Council will be asked to endorse the arrangement shortly.

End

Government committed to supporting industries: FS

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The key to improving the competitiveness of our manufacturing sector is technological innovation, the Financial Secretary, Mr Donald Tsang, said today (Thursday).

Speaking after a tour of the Hong Kong Industrial Technology Centre (HKITC), Mr Tsang said the Government was committed to supporting the further development of the manufacturing industries by providing the necessary infrastructure.

"The HKITC, established to facilitate the promotion of technological innovation and the application of new technologies, is an important part of the supportive infrastructure we provided for high-tech companies in Hong Kong.

"Other projects that are being planned, including the second technology centre, the science park, and the fourth industrial estate, will help to further promote technology upgrading in Hong Kong when they come on stream," he said.

Mr Tsang was accompanied by the acting Director-General of Industry, Ms Anissa Wong, during his visit. He was briefed by the Chief Executive Officer of HKITC, Dr James Liu, on the Centre's facilities and functions.

The Financial Secretary toured the Incubation Centre in the building, where high technology start-up companies were nurtured.

He also visited a number of tenants and incubatees of the Centre, including a company developing computer-aided design (CAD) software for the garment industry; a company specialising in multimedia computer graphics applications; a software consultancy firm specialising in the design and development of scheduling systems and a company specialising in developing CAD tools for three dimensional modelling.

End

Licence for satellite earth station approved

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The Governor-in-Council has approved the grant of a licence under the Telecommunication Ordinance to APT Satellite Company Limited for the establishment of an earth station in the territory to control and monitor its new satellite.

APT, a company registered in Hong Kong, will be issued a licence to operate its satellite, APSTAR-IA, which will be launched by the China Great Wall Industry Corporation from Xichang in China around July 2 to 4 this year.

The new satellite will form part of the company's satellite communication network in the Asia-Pacific region to provide telecommunications and broadcasting transmission services to countries and territories in the region.

The licence is to enable the company to establish an earth station at the Tai Po Industrial Estate for the control and monitoring of the satellite.

APSTAR-IA is the fourth satellite operated by a Hong Kong company after AsiaSat-1 (launched in April 1990), APSTAR-I (launched in July 1994) and AsiaSat-2 (launched in November 1995).

End

Incident at San Po Kong demolition site

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The Director of Buildings, Dr Choi Yu-leuk, today (Thursday) extended condolences to the family of the worker who died following an accident at a demolition site in San Po Kong earlier.

He said the Department was now conducting a thorough investigation into the cause of the accident.

Dr Choi said since October 1994, the Buildings Department had tightened up control on demolition work and issued practice notes for building professionals with advice on site safety measures.

The department had also set up the Site Monitoring Section (SMS) in October last year to monitor the performance of building professionals and contractors on active sites to deter dangerous work practice.

Dr Choi said since the last accident which occurred at the same site in November last year, SMS had directed the contractor to install sufficient precautionary measures to ensure public safety.

"The Section has also carried out four inspections to the site in the past two months.

"Under the Buildings Ordinance, authorised persons, registered structural engineers and registered contractors have a duty to supervise and ensure that all building works are carried out in a safe manner and in accordance with approved plans," Dr Choi said.

Meanwhile, Dr Choi added, the department's staff were on site advising the contractor to take all necessary measures to ensure safety.

End

Temple of two gods declared a monument

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I Shing Kung, which literally means "a temple of two gods", will be gazetted as a historical building tomorrow (Friday) under the Antiquities and Monuments Ordinance.

One of the few surviving examples of its kind, I Shing Kung is situated in Wang Chau, Yuen Long. It was originally a small temple for the worship of two deities, Hung Shing and Che Kung.

Judging from the oldest remaining relic - a temple bell - and the structure of the building, the temple was probably built by residents of the six villages in Wang Chau area in 1718, the 57th year of the Kangxi reign in Qing Dynasty.

It is a green-brick two-hall structure with an open courtyard flanked by covered aisles. The left aisle, which was formerly used as a kitchen to prepare basin meals during Ta Chiu festivals, is no longer in use.

The roof ridge is of simple geometric design while wall friezes are decorated with leafy and floral plaster moulding.

The temple underwent minor repairs in the 1970s and 1980s and most of the original features have been retained in fair condition.

The declaration of I Shing Kung brings the total number of monuments in Hong Kong to 61.

End

Social Workers Registration Bill to be gazetted

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The Social Workers Registration Bill, which seeks to set up a statutory registration system for social workers in Hong Kong, will be published in the Gazette tomorrow (Friday).

The main objectives of the Bill are to establish a register of professional social workers as well as to make registration mandatory for any person who wishes to use the title "registered social worker" and to use the words "social work" or "social worker" to describe his profession as being the social work profession, or his social work professional qualifications.

"A person who is not registered, but who carries out voluntary social work or social work, may use the term 'social worker' in connection with such work, on condition that he does not say or imply that he is professionally qualified to provide or is providing professional social work services," a spokesman for the Health and Welfare Branch explained.

"These provisions on protection of title are designed to provide the central balance in the Bill between preventing abuse of the term 'social worker' in a professional context while permitting the common use of the term in a non-professional context."

Under the Bill, a Social Workers Registration Board will be established to set and assess the qualifications required for the registration of social workers, to register and discipline registered social workers, and to issue codes of practice.

The 15-member Board will comprise eight elected registered social workers; six appointed by the Governor, of whom at least three shall be non-social worker lay members and two registered social workers employed in Government departments; and the Director of Social Welfare, or his representative, as an ex-officio member.

The Bill provides for two categories of registered social workers. A person who holds a degree or diploma in social work recognised by the Board, or who occupied a social work post before April 1, 1982, and for not less than 10 years thereafter, may be registered under Category 1 of the Register.

A person who is not qualified to be registered under Category 1, but who currently occupies a social work post, or has been accepted for employment in such a post, may be registered under Category 2.

Those in Category 2 will be required to complete the necessary formal training to enable them to be qualified for registration under Category 1 within a reasonable period of time to be agreed by the Board.

The spokesman said the Administration had discussed the major issues in the Bill with representatives of the Hong Kong Social Welfare Personnel Registration Council, staff of the Social Welfare Department, board members and staff of Non-government Organisations, the Legislative Council Panel on Welfare Services, the Social Welfare Advisory Committee, academic staff of the tertiary institutions, and other interested bodies.

The Social Workers Registration Bill will be introduced into the Legislative Council on June 26.

End

ACP Exhibition Centre to open on public holidays

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The Airport Core Programme (ACP) Exhibition Centre has been so well received by the public that the New Airport Projects Co-ordination Office (NAPCO) will be extending the centre's opening hours to include public holidays.

Since its opening on January 16, by the end of May, the centre has attracted more than 75,000 visitors, with an average of over 2,000 people on weekends.

"The change in the opening time of the centre is primarily for the convenience of the public so that visitors may use the centre during public holidays," explained a spokesman for NAPCO today (Thursday).

The change will come into effect this Saturday (June 15), a public holiday to mark the Queen's Birthday.

The new opening hours will be 10 am to 5 pm from Tuesdays to Fridays, and 10 am to 6.30 pm on Saturdays, Sundays and public holidays.

However, the centre will close on New Year's day and during the Chinese New Year and the Christmas holidays.

It will also close on Mondays for maintenance purposes, except when it is a public holiday.

The centre was set up by NAPCO for the public to learn more about the 10 ACP projects which are the largest infrastructure development ever undertaken in Hong Kong.

NAPCO organises guided tours of the centre for primary and secondary schools and local organisations. Up to the end of May, about 12,500 people from 369 schools and 196 community organisations have visited the centre.

The tours for schools have been fully booked up to the end of July this year. The tours in August have also been fully booked by community organisations.

Admission is free and enquiries on guided tours can be made to NAPCO's Community Relations Division on 2829 6282 or fax 2827 8446.

Located on Castle Peak Road, Ting Kau, the centre is an ideal location to view construction progress of the Tsing Ma Bridge, the world's longest suspension bridge carrying both road and rail traffic, and to appreciate a major landmark in Hong Kong.

On display at the centre is the latest information on the physical progress of the 10 projects, illustrated by photographs, models and video presentations.

Telescopes have been set up at the viewing platform at the rooftop and the centre's garden for visitors to view the Tsing Ma and Kap Shui Mun Bridges.

End

108 VMs depart on orderly repatriation flight

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A group of 108 Vietnamese migrants (VMs) returned by air to Hanoi, Vietnam, today (Thursday) on the 41st flight under the Orderly Repatriation Programme (ORP).

All of the returnees, comprising 50 men, 28 women, 17 boys and 13 girls, are from North Vietnam.

The majority of them arrived in Hong Kong in 1988 and 1989, with a few in 1990.

The group brought to 3,436 the total number repatriated on ORP flights since November 1991.

End

Monitors' Report submitted to CS

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The monitors appointed to observe the Orderly Repatriation Programme operation this (Thursday) morning have submitted their report to the Chief Secretary.

The two monitors comprised a non-official Justice of the Peace, Mrs Irene Cheung Yok-luen; and a representative from a non-governmental organisation, Ms Elaine Chan from Christian Action.

End

Hong Kong Monetary Authority money market operations

	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	1,888	0930	+72
Closing balance in the account	2,140	1000	+72
Change attributable to :		1100	+72
Money market activity	+72	1200	+72
LAF today	+180	1500	+72
		1600	+72

LAF rate 4.00% bid/6.00% offer TWI 124.3 *-0.2* 13.6.96

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.11	2 years	2805	6.30	99.71	6.56
1 month	5.14	3 years	3904	6.30	98.60	6.96
3 months	5.29	5 years	5103	7.23	98.99	7.62
6 months	5.51	7 years	7305	7.60	98.90	7.96
12 months	5.92	5 years	M502	7.30	98.82	7.76

Total turnover of EF bills and notes \$18,266 million

Closed June 13, 1996

End