



# DAILY INFORMATION BULLETIN

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THURSDAY, APRIL 27, 1989

## CONTENTS

PAGE NO.

### LEGISLATIVE COUNCIL MEETING:

STEPHEN CHEONG CALLS FOR BETTER DEAL FOR MIDDLE-INCOME GROUP .....	1
PROF C.K POON CALLS FOR MORE INVESTMENT IN SCIENCE AND TECHNOLOGY .....	3
WIDER SCOPE IN LABOUR IMPORT URGED : MARTIN BARROW .....	6
CONFLICTING PRESSURE FACING FS : JAMES TIEN .....	9
DAVID CHEUNG URGES GOVT TO MAKE BETTER USE OF SURPLUS .....	10
TAI CHI-WAH URGES GOVT TO LOOK AT CIVIL SERVICE SET-UP .....	12
NEED TO IMPROVE HEALTH SERVICES: LAU WAH-SUM .....	14
ABOLISHING INTEREST TAX MAY BE OVER-GENEROUS: PETER WONG ..	17
BUDGET FAILS TO RE-DISTRIBUTE WEALTH: Y F HUI .....	21
MIRIAM LAU PRAISES 1989 BUDGET .....	22
44 MEMBERS SPEAK ON APPROPRIATION BILL 1989 .....	24
NO AMNESTY FOR II'S FROM CHINA: S FOR S .....	25
SMA SPEAKS ON HK DOLLAR CAPITAL MARKET .....	26
LPG STORAGE AT HK OIL'S TSING YI DEPOT TO BE LIMITED .....	28
OPTIONS ON RELATIONSHIPS WITH SUBVENTED HOSPITALS BEING CONSIDERED: SIR S.Y. CHUNG .....	30
RDCC ENDORSES \$1.5 MILLION PUBLIC EDUCATION PROGRAMME .....	32
FOURTH QUARTER SHIPPING, PORT AND CARGO STATISTICS RELEASED .	33
GRADING OF BEACH WATER QUALITY .....	36
LADY WILSON PRAISES HK ASSOCIATION FOR THE MENTALLY HANDICAPPED .....	41

/ORAL HEALTH .....

ORAL HEALTH EDUCATION UNIT OPENED .....	42
MARINE DEPARTMENT TO LICENSE STEEL FISHING VESSELS .....	43
CHINESE FOREIGN AFFAIRS OFFICIAL VISITS HOUSING AUTHORITY ...	44
SDA HOSTS DINNER FOR CHINESE VISITORS .....	45
PO LEUNG KUK PRAISED FOR COMMUNITY SERVICE .....	45
REGIONAL SECRETARY SEES NORTH DISTRICT PROGRESS .....	46
NORTH DB TO DISCUSS USE OF LO WU CAMP FOR VBP .....	47
DB ENVIRONMENTAL COMMITTEE TO CONSIDER FUND APPLICATIONS ....	48
INAUGURATION CEREMONY OF SHAM SHUI PO AREA COMMITTEES .....	48
LANDSCAPING DAY TO ENHANCE TUEN MUN ENVIRONMENT .....	49
DRAWING CONTEST FOR CHILDREN .....	50
'OPPORTUNITIES FOR YOUTH SCHEME' AWARD PRESENTATION .....	51
BOE MEMBERS VISIT GOVT PRIMARY SCHOOL .....	52
STUDENTS VISIT POLICE TRAINING SCHOOL .....	52
ANNUAL REPORT ON 1988 CONSUMER PRICE INDEX PUBLISHED .....	53
SUPPLY OF NON-CONFIDENTIAL ESTABLISHMENT PARTICULARS .....	53
WATER SUSPENSION TO TWO NT AREAS .....	54

THURSDAY, APRIL 27, 1989

- 1 -

STEPHEN CHEONG CALLS FOR BETTER DEAL FOR MIDDLE-INCOME GROUP

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ANY FURTHER TAX BENEFITS ARISING FROM FUTURE BUDGET SURPLUSES SHOULD FIRST BE PASSED ON TO THE MIDDLE-INCOME GROUP, THE HON STEPHEN CHEONG SAID TODAY (THURSDAY).

HE PLEADED THAT THIS PARTICULAR SUGGESTION BE GIVEN DUE CONSIDERATION AND BE ADOPTED IN FORMULATING THE BUDGETARY STRATEGY FOR THE 1990-91 FINANCIAL YEAR.

LEADING THE SECOND-DAY DEBATE ON THE APPROPRIATION BILL 1989 IN THE LEGISLATIVE COUNCIL, MR CHEONG SUGGESTED THAT IN FUTURE BUDGETS, THERE SHOULD BE NO NEED TO CONSIDER ANY FURTHER CUTS IN THE STANDARD RATE OF TAXATION FOR INDIVIDUALS AS WELL AS CORPORATIONS.

"IN MY VIEW, BOTH OUR HIGH INCOME EARNERS AS WELL AS OUR CORPORATIONS OUGHT TO BE CONTENT WITH THE LOW RATE OF TAXATION WE NOW ENJOY," HE SAID.

HE SAID ANY FURTHER BENEFITS ARISING FROM FUTURE SURPLUSES SHOULD GO TO THE MIDDLE-INCOME GROUP.

AFTER ALL, MR CHEONG SAID, ONE PERCENTAGE POINT CUT IN PROFITS TAX WOULD NOT MAKE OR BREAK INDIVIDUAL TAX PAYING CORPORATIONS.

BUT IF THE OVERALL BENEFIT OF THAT ONE PER CENT PROFITS TAX, AMOUNTING TO \$650 MILLION IN A FULL YEAR, WAS PASSED ON TO TAX PAYERS WITH AN ANNUAL INCOME RANGING FROM \$100,000 TO \$500,000, ABOUT 300,000 SUCH TAX PAYERS WOULD STAND TO BENEFITS, HE POINTED OUT.

MR CHEONG ALSO EXPRESSED SERIOUS CONCERN OVER THE SURGE OF RECURRENT PUBLIC EXPENDITURE, SAYING THAT THIS WAS THE MOST WORRYING ASPECT OF THE BUDGET.

"ECONOMIC PERFORMANCE OF THE PAST FEW YEARS MAY NOT BE REPEATED EASILY AND IF OUR PUBLIC SECTOR RECURRENT COMPONENT CONTINUES TO DRAW BIGGER PORTION OF RESOURCES FROM THE ECONOMY, WE MAY FACE VERY UNPALATABLE PROBLEMS IF AND WHEN THE ECONOMY TURNS SOUR," HE SAID.

HE HOPED THE FINANCIAL SECRETARY WOULD GIVE AN ASSURANCE OF FALLING BACK, WITHIN A PERIOD OF TWO TO THREE YEARS, ON TO THE MEDIUM TERM TREND GROWTH RATE OF GDP AS THE UPPER LIMIT OF ANY FURTHER GROWTH IN THE PUBLIC SECTOR EXPENDITURE.

TURNING TO INFLATION, MR CHEONG SAID THAT HONG KONG SHOULD BE PREPARED TO "HIT THIS MONSTER AT ITS HEAD" IF THERE WAS A CHANCE OF INFLATION RUNNING OUT OF CONTROL.

HE NOTED, HOWEVER, THAT THERE WAS A WRONG BELIEF AMONG SOME QUARTERS THAT THE ILLS OF INFLATION COULD EASILY BE SOLVED BY REMOVING THE HONG KONG DOLLAR LINK WITH THE U.S. DOLLAR.

/ "SUCH A .....

"SUCH A REASONING IS AN OVER-SIMPLIFICATION AND IGNORES HONG KONG'S NEED FOR LONG-TERM STABILITY. WE MUST NOT FORGET THAT THE HONG KONG-U.S. DOLLAR LINK WAS INTRODUCED NOT SO MUCH FOR ECONOMIC REASONS AS FOR POLITICAL CONSIDERATIONS," HE SAID.

HE SAID HE MUST URGE THAT THE DOLLAR LINK SHOULD NOT BE TAMPERED WITH LIGHTLY.

MR CHEONG ALSO SPOKE ON THE SHORTAGE OF "HUMAN" RESOURCES.

HE SAID HE DID NOT USE THE TERM LABOUR SHORTAGE BECAUSE THE ISSUE HAD BEEN CHARGED WITH TOO MUCH EMOTION RATHER THAN CLEAR-HEADED RATIONAL ANALYSIS.

HE RECALLED THAT 18 MONTHS AGO WHEN THE ISSUE WAS FIRST RAISED, HE URGED GOVERNMENT ECONOMISTS TO DO A MACRO-ECONOMIC STUDY ON HOW HONG KONG'S FUTURE ECONOMIC GROWTH MIGHT BE AFFECTED IF THERE WERE TO BE A PROLONGED PERIOD OF SHORTAGE OF LABOUR.

UNFORTUNATELY, HE SAID, HIS SUGGESTION HAD FALLEN ON DEAF EARS.

HE NOTED THAT THE GOVERNMENT HAD ARGUED REPEATEDLY THAT THE LABOUR SHORTAGE PROBLEM COULD BE SOLVED BY AUTOMATION.

"SURELY THE GOVERNMENT CANNOT GO WRONG WITH STATEMENTS LIKE THIS BUT DOES THE GOVERNMENT REALISE THAT THE LABOUR SHORTAGE SITUATION IS NOT EXPERIENCED BY THE MANUFACTURING SECTOR ALONE?" HE QUESTIONED.

HE NOTED THAT INSOFAR AS AUTOMATION WAS CONCERNED, THE LOCAL ECONOMY WAS MOVING MORE AND MORE TOWARDS A SERVICE ECONOMY. THE INGREDIENTS OF SUCCESS OF A SERVICE ECONOMY WAS THE QUALITY AND EFFICIENCY OF SERVICE ONE COULD PROVIDE. THIS WAS IN DIRECT RELATION TO STAFF JOB RATIOS.

"FOR THE SAKE OF THE FUTURE STABILITY AND PROSPERITY OF HONG KONG, I HOPE AND PRAY THAT WE WILL HAVE A FULL OR NEAR FULL EMPLOYMENT SITUATION.

"IN ORDER TO ACHIEVE THIS, WE MUST HAVE ENOUGH FORESIGHT AND COURAGE TO FACE UP TO ANY PROBLEM THAT MAY POSE A CONSTRAINT ON OUR ECONOMIC GROWTH OR THE LONG-TERM HEALTH OF OUR ECONOMY," HE SAID.

MR CHEONG SAID THE BUSINESS SECTOR'S CALL TO STUDY THE IMPORTATION OF LABOUR ISSUE WAS NOT DESIGNED TO DEPRIVE THE LOCAL WORK FORCE OF THEIR CHANCE TO IMPROVE THEIR QUALITY OF LIFE OR WAGE.

"WE ARE PERFECTLY HAPPY TO SIT DOWN AND TALK ABOUT PROPOSALS THAT MAY BE WORKABLE AND ACCEPTABLE TO BOTH PARTIES," HE SAID.

THE GOVERNMENT MUST BE SEEN TO BE ADDRESSING THE ISSUE RATIONALLY, ANALYTICALLY AND MUST THEREFORE TAKE THE LEAD IN FOSTERING A DIALOGUE, HE SUGGESTED.

/MR CHEONG .....

MR CHEONG ALSO CALLED ON THE GOVERNMENT TO INVEST MORE VIGOROUSLY IN RESEARCH AND DEVELOPMENT.

"ALREADY WE ARE AT LEAST 10 YEARS BEHIND THE EFFORTS OF OUR NEIGHBOURING COUNTRIES IN ADDRESSING THE ISSUE OF RESEARCH AND DEVELOPMENT. WE SHOULD NOT AND CANNOT AFFORD TO DELAY ANY LONGER EFFORTS IN CATCHING UP," HE SAID.

ON THE CONCEPT OF DELEGATING MORE AUTHORITY TO DIFFERENT HEADS OF DEPARTMENTS SO THAT THEY WOULD BE ABLE TO MANAGE THEIR OWN RESOURCES BETTER, MR CHEONG SAID THE PRINCIPLE WAS PERFECTLY RIGHT BUT IT WOULD BE VERY DIFFICULT TO CARRYING THAT OUT IN PRACTICE.

FOR ONE THING, HE SAID, THE BULK OF THE ALLOCATION FOR VARIOUS DEPARTMENTS WAS FOR STAFF PROVISION. THIS ELEMENT, PARTICULARLY SALARY LEVELS AND THE RIGHT TO HIRE AND FIRE, WAS BEYOND THE CONTROL OF THE CONTROLLING OFFICERS.

FOR EXAMPLE, A CONTROLLING OFFICER DID NOT HAVE THE RIGHT TO DISMISS 10 CLERKS EVEN IF THEY WERE FOUND TO BE REDUNDANT OR TO ADJUST THE SALARY LEVELS IN LINE WITH MARKET TRENDS.

BESIDES, TOO MUCH AUTONOMY GIVEN AWAY IN A SHORT PERIOD OF TIME WOULD RESULT IN CASUAL SPENDING RATHER THAN SAVINGS, HE CAUTIONED.

ON THE QUESTION OF SALES TAX, MR CHEONG EMPHASISED THE NEED TO KEEP AN OPEN MIND ON THE ISSUE.

ON THE BUDGET AS A WHOLE, MR CHEONG SAID THE GOVERNMENT IN GENERAL AND THE FINANCIAL SECRETARY SHOULD BE CONGRATULATED FOR HAVING DONE A NEAR PERFECT BALANCING ACT.

THE CALL TO SPEND MORE SEEMED IRRESISTABLE IN VIEW OF THE SIZE OF THE SURPLUS. YET IN BUDGETTING FOR LONGER-TERM NEEDS, THE BUDGET SHOULD NOT BE UNDULY INFLUENCED BY SHORT-TERM PEAKS AND TROUGHS, MR CHEONG SAID.

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PROF C K POON CALLS FOR MORE INVESTMENT IN SCIENCE AND TECHNOLOGY  
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PROFESSOR THE HON POON CHUNG-KWONG TODAY (THURSDAY) CRITICISED THE GOVERNMENT FOR ITS RELUCTANCE TO MAKE VIGOROUS INVESTMENT IN HONG KONG'S FUTURE IN THE IMPORTANT AREA OF SCIENCE AND TECHNOLOGY.

SPEAKING DURING THE SECOND DAY DEBATE ON THE 1989 BUDGET IN THE LEGISLATIVE COUNCIL, PROFESSOR POON ALSO HIT OUT AT THE INSUFFICIENT INCENTIVES TO INDUSTRY TO MEET THE PRESSING NEED TO GO HIGH-TECH AND THE INSUFFICIENT FUNDING ON RESEARCH AND DEVELOPMENT.

/PROFESSOR POON, .....

PROFESSOR POON, WHO IS CHAIRMAN OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY, REGRETTED THAT ONE YEAR AFTER THE COMMITTEE HAD BEEN SET UP, AND DISPIE REPEATED PLEAS, THERE WAS STILL NO PROVISION FOR AN ANNUAL BUDGET WITHIN THE DRAFT ESTIMATES WITH WHICH THE COMMITTEE COULD PLAN ITS ACTIVITIES OR LAUNCH PROJECTS LIKE EXHIBITIONS, CONFERENCES AND EDUCATIONAL PROGRAMMES.

"IN THE FACE OF THE BUDGETARY SURPLUS, THERE IS REALLY NO EXCUSE ANYMORE TO DELAY FUNDING IN THIS IMPORTANT AREA OF INVESTING IN HONG KONG'S FUTURE DEVELOPMENT," HE SAID.

EXPRESSING SUPPORT FOR THE FINANCIAL SECRETARY'S INTENTION TO EARMARK SOME OF THE ACCUMULATING SURPLUSES TO FINANCE VARIOUS INFRASTRUCTURAL PROJECTS OVER THE NEXT 10 TO 15 YEARS, PROFESSOR POON ARGUED THAT THE NEED FOR ENABLING INDUSTRIES TO GO HIGH-TECH, TO PROMOTE RESEARCH AND DEVELOPMENT IN TERTIARY INSTITUTIONS AND, TECHNOLOGY AWARENESS WITHIN THE COMMUNITY WAS JUST AS ACUTE.

"IF THE GOVERNMENT TAKES ONLY A MYOPIC VIEW OF IMMEDIATE URGENCIES, WE WILL LOSE OUT IN THE LONG RUN AND BE OVERTAKEN BY THE OTHER NEWLY INDUSTRIALISED ECONOMIES IN THE ASIAN REGION," HE SAID.

"AND ONCE THE COMPETITIVE EDGE IN OUR INDUSTRIES IS GONE, THE HEAVY INVESTMENTS MADE IN OUR INFRASTRUCTURAL DEVELOPMENTS COULD END UP, AS IT WERE, WATER DOWN THE DRAIN," HE WARNED.

SHARING SENIOR LEGCO MEMBER THE HON ALLEN LEE'S VIEW THAT PROVISION FOR EXPENDITURE ON SCIENCE AND TECHNOLOGY IN THE BUDGET SPEECH AND THE DRAFT ESTIMATES WAS FRAGMENTED TO A RIDICULOUS DEGREE, PROFESSOR POON RECOMMENDED THAT THE FINANCIAL SECRETARY SHOULD PROPERLY IDENTIFY SCIENCE AND TECHNOLOGY AS AN EXPENDITURE PROGRAMME AREA AND RATIONALISE THE VARIOUS BITS OF EXPENDITURE ON THIS SUBJECT CURRENTLY PROVIDED WITHIN VARIOUS DEPARTMENTAL HEADS.

TO SUSTAIN THE MOMENTUM OF IDEAS AND WORK OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY, HE URGED THE GOVERNMENT TO ALLOCATE FUNDS FOR ADDITIONAL STAFFING FOR THE ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT AND THE GOVERNMENT DATA PROCESSING AGENCY TO COPE WITH EVER-INCREASING WORK ARISING FROM THE COMMITTEE.

IN ADDITION, HE PRESSED FOR SUPPLEMENTARY FUNDING TO THE MEAGRE \$3 MILLION SO FAR ALLOCATED FOR CONSULTANCY STUDIES AND PROFESSIONAL SERVICES AND FINANCING OF THE PROPOSED INTERNATIONAL TECHNOLOGY EXCHANGE FAIR WHICH WOULD AIM TO MATCHMAKE COMPANIES POSSESSING INNOVATIVE TECHNOLOGIES AND CORPORATE TECHNOLOGY BUYERS.

ON INDUSTRIAL DEVELOPMENT, PROFESSOR POON FELT THAT THE PROPOSED INCREASE OF CAPITAL ALLOWANCE FROM 55 PER CENT TO 60 PER CENT WAS NOT REALLY SUFFICIENT.

NOTING THAT 97 PER CENT OF HONG KONG'S MANUFACTURING INDUSTRY WERE SMALL FACTORIES AND MANY OF THEM WERE TIGHTLY PACKED TOGETHER IN MULTI-STORY FACTORY BUILDINGS, HE SAID THESE SMALL INDUSTRIAL OPERATORS NEEDED ASSISTANCE IN THEIR BATTLE TO MINIMISE INDUSTRIAL POLLUTIONS.

INSTEAD OF BLIND ADHERENCE TO SYSTEMS ADOPTED IN OTHER COUNTRIES, HONG KONG NEEDED A UNIQUE SOLUTION TO ITS INDUSTRIAL POLLUTION PROBLEM AND FUNDS SHOULD BE SET ASIDE TO ENABLE MORE RESEARCH TO BE DONE IN THIS AREA, HE URGED.

FURTHERMORE, PROFESSOR POON UNDERLINED THE NEED TO SPEND MUCH MORE ON RESEARCH AND DEVELOPMENT IN ORDER TO TRAIN AND KEEP PEOPLE WITH IDEAS AND PERSPECTIVE TO SPEARHEAD OUR INDUSTRIAL DEVELOPMENT.

"OUR PERFORMANCE IN THE AREA OF RESEARCH AND DEVELOPMENT IS QUITE APPALLING," HE SAID, NOTING THAT THE ALLOCATION OF ABOUT \$8 MILLION FOR RESEARCH PER TERTIARY INSTITUTION WAS LESS THAN THE RESEARCH GRANT FOR ONE ESTABLISHED PROFESSOR IN THE UNITED STATES.

THE GRANT, WHICH MADE UP ONLY 0.02 PER CENT OF THE GROSS DOMESTIC PRODUCT, ALSO COMPARED MISERABLY WITH RESEARCH AND DEVELOPMENT SPENDING IN OTHER COUNTRIES IN THE REGION, PROFESSOR POON NOTED.

HE SUGGESTED THAT ONE WAY TO STEM THE BRAIN DRAIN WAS TO SHOW OUR ENERGETIC YOUNG MEN AND WOMEN THAT THERE WERE OPPORTUNITIES FOR FURTHER GROWTH AND DEVELOPMENT FOR THEM IN HONG KONG AND TO OFFER THEM THOSE OPPORTUNITIES THROUGH STEPPED UP EFFORTS IN RESEARCH AND DEVELOPMENT FACILITIES.

ON THE MANPOWER TRAINING REQUIREMENTS FOR INDUSTRY IN THE FACE OF THE BRAIN DRAIN, PROFESSOR POON FELT THAT SHORT OF CREATING YET FURTHER TERTIARY INSTITUTIONS, THE GOVERNMENT SHOULD LOOK MORE CLOSELY AT THOSE POST-SECONDARY COLLEGES OR INSTITUTIONS WHICH HAD PROVEN AND INTERNATIONALLY ACCREDITED ABILITIES, TO SEE HOW THEY COULD BE BETTER UTILISED.

"AND THROUGH A MORE FLEXIBLE FUNDING ARRANGEMENT, I AM SURE WE WILL WITHIN A SHORT TIME, HAVE A LARGER POOL OF SUITABLE AND SKILLED MANPOWER TO MEET THE NEEDS OF OUR INDUSTRY," HE OBSERVED.

MOREOVER, IN-SERVICE TRAINING PROGRAMMES IN INDUSTRY SHOULD BE STEPPED UP AND THE TIES BETWEEN EDUCATION AND INDUSTRY STRENGTHENED, HE SAID.

PROFESSOR POON FINALLY MADE A PLEA THAT THE SETTING UP OF HONG KONG'S FIRST TECHNOLOGY CENTRE SHOULD NOT SUFFER THROUGH BUREAUCRATIC DELAYS ON FUNDING.

"WE NEED ACTION AS WELL AS WORKS, PARTICULARLY, IN THE HITHERTO NEGLECTED AREAS LIKE SCIENCE AND TECHNOLOGY, AND RESEARCH AND DEVELOPMENT.

"ONLY THROUGH MORE EFFECTIVE FUNDING IN THESE AREAS CAN THE FINANCIAL SECRETARY HOPE TO MAKE MAXIMUM USE OF THE REDEVELOPMENT OF EXISTING RESOURCES IN ORDER TO ACHIEVE THE NATURE AND QUALITY OF SERVICES THAT ARE NEEDED TODAY AND IN THE FUTURE," HE CONCLUDED.

WIDER SCOPE IN LABOUR IMPORT URGED : MARTIN BARROW

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LEGISLATIVE COUNCILLOR THE HON MARTIN BARROW TODAY (THURSDAY) URGED THE ADMINISTRATION TO LOOK BEYOND THE IMPLEMENTATION OF EXCO'S DECISION TO ALLOW THE IMPORTATION OF SKILLED LABOUR TO THE WIDER ASPECTS OF LABOUR SUPPLY AND DEMAND, AND TO SEEK OVERALL SOLUTIONS.

SPEAKING ON THE SECOND DAY OF THE BUDGET DEBATE IN THE LEGISLATIVE COUNCIL, MR BARROW SAID: "THESE SHOULD BE BASED MORE ON ACTUAL NEEDS THAN ON THE DEFINITION OF SKILL, WHICH SOME FEEL IS IRRELEVANT TO THE CRUX OF THIS ISSUE."

HE SAID INFLATION WAS PUBLIC ENEMY NUMBER ONE, AND THAT ONE OF ITS HENCHMEN WAS LABOUR SHORTAGE.

MR BARROW RECOMMENDED THAT THE IMPLEMENTATION OF EXCO'S DECISION SHOULD BE ONLY THE START AND THAT IT SHOULD FOLLOW THAT THE WORKING GROUP SET UP TO OVERSEE THE POLICY WOULD BE GIVEN A SUFFICIENTLY BROAD FRAME OF REFERENCE TO SEEK ALTERNATIVE SOLUTIONS.

WHILE NOTING THAT THERE WERE WIDESPREAD AND DIFFERING VIEWS ON SOLUTIONS, HE SAID THERE WAS A SERIOUS PROBLEM WHICH NEEDED TO BE ADDRESSED.

"THIS PROBLEM SHOULD NOT BE LOOKED ON SIMPLY AS AN ISSUE FOR EMPLOYERS. IT IS AN ISSUE FOR THE WHOLE COMMUNITY," MR BARROW SAID.

REFERRING TO THE ALTERNATIVE SOLUTIONS RECOMMENDED BY THE NINE TRADE ORGANISATIONS, MR BARROW SAID THEY HAD NOT ADVOCATED OPENING THE FLOODGATES AND HAD CONSTANTLY EMPHASISED THAT THE POSITION OF HONG KONG WORKERS MUST BE PROTECTED.

"WHILST THE ISSUE IS PRINCIPALLY ONE OF SHORTAGE RATHER THAN HIGH WAGES PER SE, THE ECONOMY CANNOT SUSTAIN THE GROWTH IN COSTS WHICH WE ALL HAVE EXPERIENCED OVER THE PAST YEAR," HE SAID.

"THERE IS A REAL DANGER OF COST/WAGE SPIRAL WHICH IS GOING TO DAMAGE THE COMMUNITY OF HONG KONG AS A WHOLE, INCLUDING THE EMPLOYERS, CERTAINLY, BUT NOT EXCLUDING THE WORKERS," MR BARROW WARNED.

AS PART OF THE OVERALL EXERCISE IN SEEKING SOLUTIONS, THE ALTERNATIVES TO INCREASING LABOUR SUPPLY NEEDED EQUAL ATTENTION, HE SAID.

"IF GOVERNMENT POLICY OF KEEPING THE SUPPLY SIDE VERY TIGHT IS MAINTAINED, THEN IT FOLLOWS THAT THEY SHOULD BE WILLING TO EXAMINE, AND INCREASE THEIR INVESTMENT IN THE ALTERNATIVES."

MR BARROW ALSO URGED THE GOVERNMENT TO EXAMINE WHAT COULD BE DONE IN RESPECT OF RESEARCH AND DEVELOPMENT, AUTOMATION AND PRODUCTIVITY AND TAX INCENTIVES, AS WELL AS OTHER ASPECTS SUCH AS WHAT ADDITIONAL SUPPORT COULD BE GIVEN FOR TRAINING AND FOR INCREASING FEMALE OR STUDENT PARTICIPATION IN THE ECONOMY.

/IF THEY .....

IF THEY CONCLUDED THAT THERE WERE LIMITS TO WHAT COULD BE DONE, THEN THE SUPPLY SIDE STRATEGY WOULD NEED RE-ASSESSMENT, HE SAID.

"THE LONG TERM DIRECTION OF THE ECONOMY, AND HOW IT RELATES TO LABOUR SUPPLY AND DEMAND, MUST ALSO BE SUBJECTED TO ANALYSIS," MR BARROW SAID.

AS HONG KONG WAS MOVING THROUGH THE TRANSITION PERIOD, A FLEXIBLE SHORT TERM APPROACH ON LABOUR AND OTHER ISSUES MIGHT BE NEEDED TO ENSURE THE ECONOMY COULD CONTINUE TO GROW, HE ADDED.

TURNING TO THE ECONOMY, MR BARROW SAID 1988 WAS AN IMPORTANT MILESTONE YEAR WITH DOMESTIC EXPORTS ECLIPSED BY RE-EXPORTS FOR THE FIRST TIME.

"IT IS A DEVELOPMENT WITH ENORMOUS RAMIFICATIONS FOR THE WHOLE PATTERN OF OUR TRADE AND THE FUTURE OF OUR MANUFACTURING SECTOR, AS WELL AS FOR OUR INFRASTRUCTURE," HE SAID.

MR BARROW SAID HE WAS CONFIDENT THAT THE DEVELOPMENT OF THE PEARL RIVER DELTA WOULD REMAIN LARGELY IMMUNE FROM THE OVERALL AUSTERITY AND RECTIFICATION PROGRAMME CURRENTLY PREVAILING IN CHINA.

RE-EXPORTS TO CHINA WERE UP 56 PER CENT AND DOMESTIC EXPORTS BY 35 PER CENT IN THE FIRST TWO MONTHS OF THIS YEAR.

MR BARROW POINTED OUT THAT ONE REMARKABLE STATISTIC IN OUR TRADE WITH CHINA WAS THE RAPID INCREASE IN RE-EXPORTS TO THE MAINLAND OF CHINA-ORIGIN PRODUCTS WHICH ROSE 44 PER CENT TO OVER US\$1 BILLION LAST YEAR.

"HONG KONG'S ROLE IN THIS DOMESTIC TRADE HIGHLIGHTS OUR IMPORTANCE TO THE MAINLAND," HE SAID.

MR BARROW EMPHASISED THAT ONE OF THE KEY ELEMENTS IN ENSURING HONG KONG'S CONTINUED SUCCESS WAS THE MAINTENANCE OF A GENUINELY INTERNATIONAL AND OPEN OUTLOOK ON EVERY FRONT.

"IT IS ONLY BY ATTRACTING AND RETAINING INTERNATIONAL BUSINESS THAT HONG KONG WILL BE USEFUL TO CHINA.

"SEPARATENESS AS A TRULY INTERNATIONAL CITY BALANCED BY THE ECONOMIC INTERDEPENDENCE WITH CHINA SHOULD BE OUR AIM," HE SAID.

"BEING INTERNATIONAL MEANS PROVIDING THE CONDITIONS THAT WILL MEET THE EXPECTATIONS OF MULTINATIONAL CORPORATIONS.

"IT MEANS ENSURING THAT OUR PROFESSIONAL SERVICE SECTORS ARE AS OPEN AS POSSIBLE, AND IN THIS CONNECTION I RECOMMEND THAT THE ISSUE OF FOREIGN LAWYERS EMPLOYING LOCAL LAWYERS SHOULD BE SETTLED QUICKLY," MR BARROW SAID.

ON THE QUESTION OF PRIVATISATION IN THE FUTURE DIRECTION OF THE ECONOMY, HE SAID THIS OPTION SHOULD BE PURSUED VIGOROUSLY AS THERE SHOULD BE BENEFITS FOR HONG KONG AS A WHOLE.

"IT WILL ENABLE GOVERNMENT TO BE KEPT AS SIMPLE AS POSSIBLE AND IT WILL ENABLE REVENUES TO BE RAISED TO FINANCE MUCH NEEDED INFRASTRUCTURE AND SOCIAL PROJECTS," HE SAID.

TURNING TO THE CIVIL SERVICE, MR BARROW SAID: "WE MUST ENSURE THAT WE CONTROL ITS SIZE IN TERMS OF BOTH ITS VALUE AND ITS PEOPLE".

"I BELIEVE THE LABOUR SHORTAGE SHOULD CONCENTRATE OUR MINDS ON OPPORTUNITIES TO CUT BUREAUCRACY AND SPEED UP DECISION MAKING, LEADING TO MANPOWER SAVING," HE SAID.

MR BARROW SUGGESTED THAT PERHAPS THERE SHOULD BE MORE INTERNAL ORGANISATION AND METHOD STUDIES TO SHOW UP AREAS WHERE PROCEDURES COULD BE STREAMLINED AND STAFFING REQUIREMENTS REDUCED.

ON INFRASTRUCTURAL DEVELOPMENTS, MR BARROW SAID IT WAS ABUNDANTLY CLEAR THAT HONG KONG WAS GOING TO NEED A NEW AIRPORT.

HE SAID WITH KAI TAK LIKELY TO REACH ITS MAXIMUM CAPACITY SEVERAL YEARS PRIOR TO THE COMPLETION OF THE NEW AIRPORT, ACTION SHOULD NOW BE TAKEN TO MINIMISE ECONOMIC DISBENEFITS BY EXPLORING ALL OTHER ALTERNATIVES TO ENSURE THAT AT LEAST SOME MODEST GROWTH IN VISITOR NUMBERS REMAINED POSSIBLE.

"THE MACAU AND SHENZHEN AIRPORTS MAY BE UP AND RUNNING DURING THE EARLY 1990S WHICH WILL PROVIDE SOME RELIEF AND WE NEED TO LOOK AT THE COMMUNICATIONS BETWEEN HONG KONG AND THOSE AREAS.

"WE SHOULD ALSO EXAMINE THE SCHEDULING OF FLIGHT OPERATIONS, INCLUDING THE FEASIBILITY OF INCREASING THE OPERATING HOURS OF KAI TAK," MR BARROW SAID.

OBVIOUSLY, THIS IMPLIED SOCIAL CONSEQUENCES THAT WOULD NEED TO BE WEIGHED AGAINST THE BENEFITS FOR HONG KONG AS A WHOLE, HE ADDED.

"HONG KONG WILL CONTINUE TO SUCCEED, TO THE BENEFIT OF OUR COMMUNITY AS A WHOLE, IF WE CAN KEEP OUR ECONOMY STRONG.

"THE MACHINERY AT WORK IN HONG KONG'S ENGINE ROOM--TRADE, INDUSTRY AND FINANCE--MUST BE TUNED FOR MAXIMUM PERFORMANCE DURING THIS CRITICAL PERIOD, BUT IT MUST NOT BE TINKERED WITH UNNECESSARILY," MR BARROW SAID.

THURSDAY, APRIL 27, 1989

- 9 -

CONFLICTING PRESSURE FACING FS : JAMES TIEN

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THE CONFLICTING PRESSURE OF HAVING TO CONTAIN INFLATION AND YET TO EMBARK ON LARGE-SCALE INFRASTRUCTURAL DEVELOPMENT PROJECTS WAS A MAJOR PROBLEM WHICH THE FINANCIAL SECRETARY WOULD HAVE TO SORT OUT, THE HON JAMES TIEN SAID TODAY (THURSDAY).

IF WE WERE ALREADY EXPERIENCING A SEVERE OVERHEATING OF THE ECONOMY WHICH, THE FINANCIAL SECRETARY SAID, WAS MAINLY THE RESULT OF THE LABOUR SHORTAGE, HOW COULD WE CONSIDER INFRASTRUCTURAL PROJECTS IN THE VERY NEAR FUTURE, MR TIEN NOTED.

HE WAS SPEAKING IN THE BUDGET DEBATE IN THE LEGISLATIVE COUNCIL.

MR TIEN DISAGREED WITH THE FINANCIAL SECRETARY'S ARGUMENT THAT WE SHOULD NOT SPEND SIMPLY BECAUSE THERE WAS "A POT OF GOLD".

"BUT IF HE WILL NOT SPEND THESE SURPLUSES FOR FEAR OF EXACERBATING INFLATIONARY PRESSURE, WHY COLLECT THEM?" HE ASKED.

HE SAID THAT AFTER ALL, THE NUMBER OF TAX PAYERS WAS NOT UNDULY LARGE, AND THE MIDDLE INCOME GROUP CERTAINLY DESERVED A BETTER DEAL OVER TAXATION.

MR TIEN SAID HIS SUGGESTION TO THE FINANCIAL SECRETARY WOULD BE TO GO AHEAD AND SPEND THE "POT OF GOLD" ON THE AIRPORT AND OTHER MAJOR PROJECTS.

HOWEVER, IN ORDER TO CONTAIN INFLATION AND NOT TO COMPETE WITH WORKERS IN THE PRIVATE SECTOR, THE GOVERNMENT SHOULD IMPORT CONSTRUCTION WORKERS, SKILLED OR UNSKILLED, TO DO THE JOB.

HE CALLED ON THE GOVERNMENT TO LOOK SERIOUSLY AT THE PROPOSAL FOR THE IMPORTATION OF LABOUR.

HE SAID SINGAPORE HAD EMPLOYED SOME 150,000 OVERSEAS CONTRACT WORKERS, THUS RELIEVING ITS LABOUR SHORTAGE PROBLEM WITHOUT ANY ADVERSE SOCIAL AND ECONOMIC CONSEQUENCES.

HE NOTED THAT THE GARMENT INDUSTRY, FOR ONE, COULD NOT POSSIBLY AUTOMATE VERY MUCH FURTHER AND WAS IN NEED OF SKILLED LABOUR, AND BECAUSE OF MFA REQUIREMENTS, GARMENT MANUFACTURERS SIMPLY COULD NOT RELOCATE TO CHINA.

HE SAID THE INDUSTRY HAD ALREADY LOST 50,000 WORKERS IN THE PAST THREE YEARS AS A RESULT OF LABOUR SHORTAGE IN OTHER AREAS OF EMPLOYMENT.

"IN THE EVENT OF A FUTURE RECESSION, THIS INDUSTRY WILL NOT BE ABLE TO ABSORB WORKERS DISPLACED FROM SERVICE INDUSTRIES WHEN THEY FACE HARD TIMES," HE WARNED.

/HE CALLED .....

THURSDAY, APRIL 27, 1989

- 10 -

HE CALLED ON THE FINANCIAL SECRETARY TO CONSIDER CAREFULLY BEFORE PUTTING ALL HIS AND HONG KONG'S EGGS IN ONE BASKET -- THAT WAS, INTO FINANCE AND SERVICE SECTORS.

"NO INDUSTRIALIST WILL TELEPHONE THE FINANCIAL SECRETARY AT 4 AM TO BE RESCUED FROM THE RESULTS OF HIS OWN FOLLY," MR TIEN SAID, REFERRING TO OCTOBER 1987 STOCK MARKET CRASH.

MR TIEN ALSO EXPRESSED CONCERN OVER THE GROWING ANTI-DUMPING ACTIONS IN EUROPE AND THE EMERGENCE OF A "FORTRESS EUROPE" IN 1992 WHICH WOULD SEE THE ULTIMATE DRAWING CLOSER OF THE 12 EEC COUNTRIES TO FORM A COMMON ECONOMIC BLOC.

GOVERNMENTS IN EUROPE AND ELSEWHERE WERE LIKE DRUG ADDICTS RETURNING FOR FURTHER SHOTS AS FAR AS ANTI-DUMPING WAS CONCERNED. ONCE STARTED, THOSE WHO COMPLAINED ABOUT DUMPING WOULD FIND IT DIFFICULT TO STOP EVEN WHEN THERE WAS LITTLE OR NO JUSTIFICATION FOR THEIR PROJECTS, MR TIEN NOTED.

"WE LOOK TO THE FULLEST GOVERNMENT SUPPORT ON THIS MATTER TO MAKE OUR CASE FULLY KNOWN INTERNATIONALLY," HE SAID.

HE ALSO NOTED THAT HONG KONG PEOPLE WERE ALL TOO PRONE THESE DAYS TOWARD UNNECESSARY INTERNAL CONFLICT. THERE WERE TOO MANY GROUPS, ASSOCIATIONS AND PROFESSIONS WHICH DEVOTED UNDUE AMOUNT OF TIME TO PUSHING THEIR OWN SELFISH CLAIMS.

"I SINCERELY HOPE THAT THE END RESULT OF ALL THIS IS NOT SOCIAL DISCORD.

"WE MUST BEWARE OF FRAGMENTING OUR SOCIETY AND MY EARNEST HOPE IS THAT THE EARLIER COOPERATIVE SPIRIT OF HONG KONG CAN BE RESTORED," MR TIEN SAID.

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DAVID CHEUNG URGES GOVT TO MAKE BETTER USE OF SURPLUS

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THE HUGE BUDGET SURPLUS MUST BE PUT TO BETTER USE FOR THE SAKE OF THE PEOPLE OF HONG KONG BECAUSE THE MONEY RIGHTFULLY BELONGS TO THEM, THE HON DAVID CHEUNG CHI-KONG SAID TODAY (THURSDAY).

SPEAKING IN THE LEGISLATIVE COUNCIL DURING THE SECOND DAY BUDGET DEBATE, MR CHEUNG SAID IT WAS A PITY THAT THE HUGE SURPLUS HAD NOT BEEN PUT TO BETTER USE TO IMPROVE THE QUALITY OF LIFE OF THE PEOPLE.

THE 3.7 PER CENT INCREASE IN PRE-PRIMARY AND PRIMARY SCHOOL EDUCATION, FOR EXAMPLE, WAS FAR FROM ADEQUATE, HE SAID.

/ "THE FACT .....

"THE FACT THAT FINANCIAL PROVISION FOR PRE-PRIMARY EDUCATION IS NOT EVEN ONE PER CENT OF THE TOTAL BUDGET ON EDUCATION IS QUITE RIDICULOUS," HE SAID.

IF IT WAS NOT THE GOVERNMENT'S POLICY TO PROVIDE ADEQUATE FINANCIAL BACKING TO PRE-PRIMARY EDUCATION, A POLICY WHICH WAS SUBJECT TO INTENSE ARGUMENT, IT WAS ONLY RIGHT FOR THE GOVERNMENT TO ALLOW OPERATORS TO CHARGE HIGHER FEES SO THAT THEY COULD IMPROVE THE QUALITIES OF THEIR SERVICE, HE SAID.

WHEN KINDERGARTENS WERE NOT ADEQUATELY FINANCED AND TEACHERS NOT TRAINED, TO GIVE FEE ASSISTANCE WOULD MEAN SUBSIDISING THE CUSTOMER TO BUY AN UNDESIRABLE PRODUCT. THIS WAS PUTTING THE CART BEFORE THE HORSE, MR CHEUNG SAID.

TURNING TO PRIMARY EDUCATION, MR CHEUNG SAID IT WAS IMPERATIVE THAT THE GOVERNMENT TOOK IMMEDIATE AND CONSTRUCTIVE STEPS TO BEGIN PHASING OUT BI-SESSIONAL SCHOOLS STARTING WITH PRIMARY FIVE AND SIX.

ON SECONDARY SCHOOL EDUCATION, MR CHEUNG SAID THAT AS SOCIETY HAD BECOME MORE PLURALISTIC, MORE COMPLEX, AND THE INSTITUTIONS OF MARRIAGE AND FAMILY HAD BECOME DISINTEGRATED, CHILDREN HAD BECOME MORE AND MORE DIFFICULT TO MANAGE AND TEACH.

OTHER THAN TEACHING, A SUBSTANTIAL PROPORTION OF A TEACHER'S TIME WAS SPENT ON HANDLING PROBLEM CHILDREN, AND VERY OFTEN DOING THIS WITHOUT THE SUPPORT AND COOPERATION OF THE PARENTS, HE SAID.

AT THE SAME TIME, MORAL EDUCATION, SEX EDUCATION, CIVIC EDUCATION AND COMMUNITY INVOLVEMENT HAD BEEN INCLUDED IN THE TEACHERS' WORKLOAD, PARTICULARLY SO IN THE PAST FIVE YEARS, HE ADDED.

UNDER SUCH CIRCUMSTANCES, THE GOVERNMENT COULD AND SHOULD DO MUCH MORE THAN THE PROVISION OF AN ADDITIONAL TEACHER OF CHINESE TO ALL SECONDARY SCHOOLS, MR CHEUNG SAID.

HE SUGGESTED THAT MORE CLERKS SHOULD BE EMPLOYED IN SCHOOLS TO REDUCE TEACHERS' CLERICAL DUTIES AND MORE NECESSARY EQUIPMENT SUCH AS PHOTOCOPYING MACHINES SHOULD BE PURCHASED FOR SCHOOLS.

HE ALSO SUGGESTED THAT A VICE-PRINCIPAL BE PROVIDED TO EACH SCHOOL TO ENSURE THAT ADMINISTRATION-WISE, SCHOOLS WERE WELL LOOKED AFTER IN THE ABSENCE OF PRINCIPALS.

TURNING TO THE SANDWICHED CLASS, MR CHEUNG SAID THAT WITH THE "BRAIN DRAIN" OF PROFESSIONALS AND MIDDLE MANAGEMENT PEOPLE, THE GOVERNMENT MUST TAKE CONCRETE STEPS TO OFFER BETTER CARE TO THE SANDWICHED CLASS SO THAT THEY COULD GENUINELY FEEL BETTER AND THUS HAVE A STRONGER SENSE OF BELONGING TO THE COMMUNITY.

HE SUGGESTED THAT THE BASIC PERSONAL TAX ALLOWANCE BE INCREASED TO \$48,000 FOR A SINGLE PERSON AND \$80,000 FOR A COUPLE, THAT THE "CLAW BACK" SYSTEM ON ADDITIONAL PERSONAL ALLOWANCE BE ABOLISHED, THAT SEPARATE TAXATION FOR MARRIED COUPLES BE IMPLEMENTED AS SOON AS POSSIBLE AND THAT EMPLOYEES' CONTRIBUTIONS TO PROVIDENT OR RETIREMENT FUNDS BE EXEMPTED FROM TAX.

HE ALSO SUGGESTED THAT INTEREST ON MORTGAGE LOANS FOR GENUINE HOME BUYERS FOR SELF-OCCUPATION BE EXEMPTED FROM TAX.

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TAI CHIN-WAH URGES GOVT TO LOOK AT CIVIL SERVICE SET-UP

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THE GOVERNMENT SHOULD TAKE A GOOD LOOK AT THE CIVIL SERVICE TO SEE WHETHER, WITH THE MANY POLICY BRANCHES, IT HAS GROWN TOO CUMBERSOME AND WHETHER PROCEDURES HAVE GROWN SO COMPLICATED AS TO HINDER EFFICIENCY, THE HON TAI CHIN-WAH URGED IN THE LEGISLATIVE COUNCIL TODAY (THURSDAY).

SPEAKING DURING THE BUDGET DEBATE, MR TAI DESCRIBED AS "WORRYING" THE 3.9 PER CENT GROWTH IN THE SIZE OF THE CIVIL SERVICE, WHICH EXCEEDED THE TARGET GROWTH OF 2.5 PER CENT.

"IF WE ARE GOING TO LOOK AT THE COST EFFICIENCY OF OUR CIVIL SERVICE, NOT ONLY MUST WE ENCOURAGE OUR DEPARTMENTAL MANAGERS TO GET MORE OUT OF THE INCREASED RESOURCES THAT THEY ARE ADVOCATING, WE MUST ALSO ENCOURAGE THEM TO LOOK AT THE PROCEDURES THEY ARE APPLYING TO ENSURE THAT THEY ARE OPERATING WITH MAXIMUM EFFICIENCY AS WELL AS COST EFFECTIVENESS," HE SAID.

WERE CIVIL SERVANTS BEING BOGGED DOWN WITH AN INCREASING NUMBER OF CONFERENCES BETWEEN DEPARTMENTS BEFORE A CONCLUSION OR A DECISION COULD BE REACHED, HE ASKED.

ACCORDING TO MR TAI, THE BUILDINGS AND LANDS DEPARTMENT WAS THE SUBJECT OF CONSTANT COMPLAINTS BY NEW TERRITORIES RESIDENTS FOR ITS INEFFICIENCY IN DEALING WITH APPLICATIONS TO BUILD HOUSES, COMPENSATION PAYMENT FOR LAND RESUMPTION AS WELL AS IMPROVEMENT PROGRAMMES IN THE NEW TERRITORIES.

TURNING TO THE RURAL IMPROVEMENT STRATEGY, HE URGED THE GOVERNMENT TO LOOK AT THE DEPARTMENTS RESPONSIBLE FOR OVERALL COORDINATION, WITH A VIEW TO ENSURE THAT PLANNING IN THE RURAL AREAS, AND NEW TOWNS, AND THE IMPLEMENTATION OF THE WORK PROPOSED, WAS ACTUALLY CARRIED OUT ON TIME.

HE WAS UNHAPPY WITH THE PRESENT ARRANGEMENT THAT ALL LAND MATTERS WERE DIVIDED BETWEEN TOWN PLANNING, THE TERRITORY DEVELOPMENT DEPARTMENT, THE BUILDINGS AND LANDS DEPARTMENT, AND THE REGISTRAR GENERAL, WHILST THE ROLE OF THE CITY AND NEW TERRITORIES ADMINISTRATION HAD BEEN REDUCED INTO VIRTUAL INSIGNIFICANCE IN RESPECT OF LAND DEVELOPMENT AND IMPROVEMENT.

"IN MATTERS OF POLICY, AND ADMINISTRATIVE PROCEDURE, WHICH AFFECT THE LIVELIHOOD OF OUR CITIZENS, A RESPONSIVE GOVERNMENT SHOULD RE-EXAMINE THE OVERALL ROLE OF THE CNTA IN IMPROVING COMMUNITY DEVELOPMENT," HE SAID.

ON THE VIETNAMESE BOAT PEOPLE ISSUE, HE OBSERVED THAT FROM THE VERY ONSET HONG KONG HAD BEEN UNFAIRLY AND UNEQUALLY TREATED BY THE INTERNATIONAL COMMUNITY; IN PARTICULAR, IN RESPECT OF THE FINANCIAL CONTRIBUTION BY UNHCR TO OUR ASIAN NEIGHBOURS WHO PROVIDED CENTRES FOR VIETNAMESE BOAT PEOPLE.

"MALAYSIA AND THAILAND HAVE RECEIVED TOTAL REIMBURSEMENT FOR THE RUNNING OF THEIR CENTRES, INCLUDING THE CONSTRUCTION COSTS; HOWEVER, HONG KONG IS ONLY PARTIALLY REIMBURSED FOR THE PROVISION OF SUCH SERVICES," HE NOTED, ADDING THAT THIS AREA MUST BE LOOKED INTO.

ANOTHER ADVERSE CONSEQUENCE OF THE CONTINUAL INFLUX OF THE BOAT PEOPLE WAS THAT OUR SOCIETY WAS DEPRIVED OF THE SERVICE OF OUR DISCIPLINARY FORCES DESPITE A DRAMATIC INCREASE IN THEIR NUMBERS. THIS WAS BECAUSE MANPOWER HAD BEEN DIVERTED AS A RESULT OF THE GROWING NUMBER OF BOAT PEOPLE NOW STRANDED IN HONG KONG.

MR TAI THEREFORE CALLED FOR A SOLUTION TO STOP THE INFLUX.

IN REGARD TO THE FINANCIAL SECRETARY'S TAXATION PROPOSALS HE WAS DISAPPOINTED THAT MORE CONCESSIONS AND GREATER CONSIDERATION WAS NOT GIVEN TO THOSE IN THE LOWER INCOME GROUP, INCREASING THEIR MARRIAGE AND CHILD ALLOWANCES, AS WELL AS ALLOWANCES FOR THE ELDERLY.

"THE VERY SMALL INCREASE IN THE TAXATION THRESHOLD WAS ALSO A GREAT DISAPPOINTMENT TO OUR LOWER WAGE EARNERS, ESPECIALLY IN VIEW OF THE PRESENT INCREASE IN INFLATION," HE REMARKED.

ON HEALTH SERVICE, MR TAI BELIEVED THAT THE NINE PER CENT INCREASE IN REVENUE WOULD BE LARGELY SWALLOWED UP BY AN INCREASE IN PAY, AND THE INCREASE IN THE COST OF MEDICAL EQUIPMENT AND MEDICINE DUE TO INFLATION.

HE REGRETTED THAT LITTLE HAD BEEN DONE TO IMPROVE EQUIPMENT, WORKING ENVIRONMENT; OR TO RESOLVE THE MANY PROBLEMS NOW FACED BY OUR MEDICAL STAFF.

NOTING THAT MOST FIRST-CLASS BEDS IN OUR PUBLIC HOSPITALS, AND FREE DENTAL SERVICES, WERE AVAILABLE ONLY TO CIVIL SERVANTS, HE URGED THE GOVERNMENT TO LOOK AT THE POSSIBILITY OF SOME DEGREE OF REIMBURSEMENT BY THE CIVIL SERVICE WHEN THE HOSPITAL AUTHORITY WAS SET UP.

HE ALSO SUGGESTED SETTING ASIDE SOME FUNDS TO CATER FOR FUTURE DEVELOPMENT AND IMPROVEMENT IN THE QUALITY OF OUR HEALTH SERVICE OVER THE NEXT DECADE, TOGETHER WITH A NATIONAL HEALTH INSURANCE PROGRAMME WHICH COULD CONTRIBUTE TO THE RUNNING AND DEVELOPMENT COSTS.

ALTHOUGH THE SCHEME WOULD INVOLVE AN INITIAL OUTLAY MR TAI BELIEVED THAT IT WAS A FAIRER CONTRIBUTORY SYSTEM AND WOULD BE BENEFICIAL TO THE MIDDLE INCOME GROUP IN PARTICULAR, WHO ARE WILLING TO PAY MORE FOR THEIR MEDICAL SERVICES, BUT CANNOT AFFORD SUCH SERVICES AS ARE NOW BEING OFFERED BY THE PRIVATE HOSPITALS.

THURSDAY, APRIL 27, 1989

- 14 -

NEED TO IMPROVE HEALTH SERVICES: LAU WAH-SUM  
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THE GOVERNMENT MUST CONCENTRATE ON IMPROVING HEALTH SERVICES TO DEVELOP A HEALTHY SOCIETY, THE HON LAU WAH-SUM SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING ON THE SECOND DAY OF THE BUDGET DEBATE MR LAU SAID AS THE POPULATION DENSITY TOGETHER WITH HIGH RATE OF PASSENGER TRAFFIC WOULD CONTINUE TO MAKE THE TERRITORY VULNERABLE TO EPIDEMIC DISEASES, THERE WAS A NEED TO IMPROVE OUR HEALTH SERVICES.

"WE ARE NOW MOVING IN FULL SWING WITH AN AMBITIOUS HOSPITAL CONSTRUCTION PROGRAMME WHICH WILL BRING OUR POPULATION-BED RATIO TO THE ACCEPTABLE STANDARD," MR LAU POINTED OUT.

AS THERE WERE MANY PITFALLS IN THE PRESENT HOSPITAL ORGANISATION AND MANAGEMENT STRUCTURE, MR LAU BELIEVED IT WAS ESSENTIAL TO INTRODUCE PROFESSIONAL MANAGEMENT CONCEPT SUPPORTED BY UPDATED INFORMATION TECHNOLOGY, TO IMPROVE WORKING CONDITIONS AND PROVIDE A BETTER ENVIRONMENT FOR THE MEDICAL STAFF TO PERFORM EFFECTIVELY.

"I WELCOME THE FORMATION OF A HOSPITAL AUTHORITY TO DEAL WITH VARIOUS PROBLEMS ARISING FROM THE DELIVERY OF HOSPITAL SERVICES IN BOTH GOVERNMENT AND SUBVENTED HOSPITALS," HE SAID.

"THE MERE DELEGATION OF THE MANAGEMENT OF HOSPITAL SERVICES TO A STATUTORY BODY WILL NOT ACHIEVE THE BEST RESULTS UNLESS SUFFICIENT ADDITIONAL RESOURCES ARE MADE AVAILABLE IN A FLEXIBLE MANNER," MR LAU CONTINUED.

HE SAID THE AUTHORITY WOULD REQUIRE SUBSTANTIAL INVESTMENTS IN EXPENDITURE RELATING TO THE IMPROVEMENT OF TERMS AND CONDITIONS OF MEDICAL STAFF, IMPLEMENTATION OF UPDATED INFORMATION TECHNOLOGY, EXTRA EQUIPMENT INSTALLATIONS AND OTHER NEW FUNCTIONAL SET-UPS.

MR LAU POINTED OUT THAT FINANCIAL FLEXIBILITY BETWEEN THE GOVERNMENT AND THE HOSPITAL AUTHORITY MIGHT BE ACHIEVED BY DEVISING A FORMULA ON A START-UP BUDGET, WITH A GROWTH BASED ON A PERCENTAGE OF GDP AND THE NUMBER OF HOSPITAL BEDS PROVIDED TO ARRIVE AT A ONE-LINE VOTE TO BE ALLOCATED ON A TRI-ANNUAL BASIS.

"THE AUTHORITY NEEDS FLEXIBILITY AND SHOULD NOT FOLLOW THE PRESENT GOVERNMENT RESOURCE ALLOCATION METHOD WHICH REQUIRE DEPARTMENTS TO COMPETE ANNUALLY FOR ADDITIONAL FUNDS FROM GENERAL REVENUE," HE SAID.

ACCORDING TO MR LAU THE ALLOCATION ON A TRI-ANNUAL BASIS SHOULD ALLOW THE AUTHORITY TO ACCUMULATE OPERATING SURPLUS IN GOOD YEARS IN A RESERVE ACCOUNT.

THE SURPLUS WOULD THEN BE USED TO OFFSET OPERATING DEFICIT IN BAD YEARS, HE SAID.

/MR LAU .....

THURSDAY, APRIL 27, 1989

- 15 -

MR LAU SAID IN ORDER TO GUARD AGAINST UNFORESEEABLE CIRCUMSTANCES, A LOAN FUND UP TO CERTAIN PRE-DETERMINED LIMITS SHOULD ALSO BE PROVIDED BY THE GOVERNMENT.

"WHEN CONSIDERING SUBSIDISED FEES AND CHARGES, WE SHOULD ALSO ADDRESS THE DISPROPORTIONATE LACK OF MEDICAL BENEFITS FOR THE MIDDLE-CLASS IN OUR COMMUNITY," HE SAID.

MR LAU SAID BECAUSE OF THE WEAKNESSES OF PRESENT SYSTEM, THEY HAD NO CHOICE BUT TO USE PRIVATE CLINIC AND HOSPITAL SERVICES AND WERE USUALLY BURDENED WITH THE NEED TO PROVIDE FOR THEIR OLD AGE PARENTS.

"SPECIAL HEALTH CARE SERVICES SHOULD THEREFORE BE PROVIDED FREE TO THE ELDERLY WHO HAVE CONTRIBUTED TO THE ENORMOUS GROWTH OF OUR ECONOMY IN THE PAST BUT WITHOUT THE CENTRAL PROVIDENT FUND TO LOOK AFTER THEIR RETIREMENT LIFE," MR LAU SAID.

HE SAID THIS WAS IMPORTANT IN THE LIGHT OF OUR AGEING POPULATION.

MR LAU SAID INFLATION WAS ONE OF THE BIGGEST PROBLEMS TODAY AROUND THE WORLD AND ALL GOVERNMENTS WERE TRYING THEIR BEST TO PUT IT UNDER CONTROL.

HE SAID OUR INFLATION RATE WAS EVEN MORE SERIOUS THAN OTHER ECONOMIES AS WE WERE BOTH IMPORTING AND SELF-GENERATING IT.

"I FULLY AGREE WITH THE BUDGETTING STRATEGY OF THE HONOURABLE FINANCIAL SECRETARY. IN THE INTEREST OF OUR ECONOMY, HE STRIKES A REASONABLE BALANCE BETWEEN THE LEVEL OF TAX CONCESSIONS AND THE INCREASE OF PUBLIC EXPENDITURE," HE SAID.

"BY SETTING ASIDE PART OF THE SURPLUS IN RESERVE, THIS STRATEGY, I BELIEVE, WILL GO SOME WAY TOWARDS CHECKING THE GROWTH OF OUR INFLATION RATE," HE ADDED.

MR LAU POINTED OUT THAT AFTER A PERIOD OF SUSTAINED ECONOMIC GROWTH AND HUGE BUDGET SURPLUSES, THERE MUST BE MANY CALLS FROM DIFFERENT SECTORS OF OUR SOCIETY FOR INCREASED SPENDING.

BUT THESE SURPLUSES SHOULD BEST BE INVESTED IN OUR MAJOR PROGRAMME OF INFRASTRUCTURAL WORKS IN ORDER TO MAINTAIN HONG KONG AS AN INTERNATIONAL CITY, HE NOTED.

HOWEVER, THE GOVERNMENT SHOULD NOT FORGET OTHER INVESTMENTS TO IMPROVE OUR QUALITY OF LIFE TO MAKE HONG KONG A BETTER HOME FOR ALL, HE ADDED.

MR LAU SAID THIS WAS PARTICULARLY IMPORTANT WHEN WE WANTED TO ATTRACT THE MIDDLE-CLASS PEOPLE TO STAY ON AND TO CONTRIBUTE IN THE 1990S AND BEYOND.

/AS FOR .....

AS FOR THE PUBLIC REVENUE STRATEGY, MR LAU BELIEVED THAT MAINTAINING LOW DIRECT TAX WAS ESSENTIAL FOR THE CONTINUOUS DEVELOPMENT AS A LOW-TAX INTERNATIONAL CITY.

"WE SHOULD THEREFORE EXPLORE NEW SOURCES OF REVENUE WHICH ARE LESS AFFECTED BY THE CYCLICAL MOVEMENTS OF OUR ECONOMY AND ALSO LESS DEPENDENT ON OUR DIRECT TAX.

"PERSONALLY I THINK THE SALES TAX IS A GOOD SOURCE, BUT I DO KNOW THERE ARE MANY PROBLEMS WHICH ARE DIFFICULT TO OVERCOME, WHETHER IT IS LEVIED AT WHOLESALE OR RETAIL LEVEL," MR LAU SAID.

HE BELIEVED THAT UNLESS WE COULD RESOLVE ALL PROBLEMS, SALES TAX WOULD NOT BE ACCEPTABLE TO THE PUBLIC.

MR LAU SAID OVER THE YEARS, MANY PRIVILEGED PUBLIC UTILITIES UNDERTAKINGS HAD BEEN ENJOYING COMPOUND GROWTH BOTH IN REVENUE AND PROFIT, SUCH AS OUR LOCAL AIRLINE, CONTAINER TERMINALS, CROSS-HARBOUR TUNNEL AND POWER STATIONS.

HE NOTED THAT APART FROM NORMAL FEE AND CHARGES, THE GOVERNMENT HAD NOT ENJOYED ANY SHARE OF PROFIT THROUGH EQUITY PARTICIPATION EXCEPT THE CROSS-HARBOUR TUNNEL.

"SINCE WE ARE CONFIDENT IN OUR FUTURE ECONOMIC GROWTH, THESE PRIVILEGED PUBLIC UNDERTAKINGS SHOULD CONTINUE SIMILAR TREND OF GROWTH.

"GOVERNMENT SHOULD SHARE THE BENEFITS OF THEIR PROSPERITY THROUGH EQUITY PARTICIPATION," HE ADDED.

MR LAU SAID ONE WOULD IMAGINE THAT IF THE GOVERNMENT HAD, SAY, 25 PER CENT OF EQUITY IN OUR LOCAL AIRLINE COMPANY OR OTHER PRIVILEGED UNDERTAKINGS, REVENUE FROM THIS SOURCE COULD BE VERY SUBSTANTIAL.

"I AM SURE THERE WILL BE MANY ARGUMENTS FOR AND AGAINST TAPPING THIS SOURCE OF REVENUE.

"SOME MAY ARGUE THAT THESE PRIVILEGED PUBLIC UNDERTAKINGS ARE 'PRIVATE ENTERPRISE' WHICH SHOULD NOT BE INTERFERED WITH BY GOVERNMENT.

MR LAU SAID HIS SUGGESTION WAS AIMED AT INVESTMENT RETURNS WITHOUT MANAGEMENT INTERFERENCE.

"AS THERE ARE NEW PROJECTS SUCH AS THE NEW AIRPORT WE NEED TO CONSIDER TAKING EQUITY PARTICIPATION AND OPPORTUNITIES ARE ALWAYS AVAILABLE.

"MAY I SUGGEST THAT THIS SOURCE OF REVENUE BE CAREFULLY STUDIED BY THE CENTRAL POLICY UNIT WHEN GOVERNMENT GRANTS OR RENEWS OTHER OPERATING PRIVILEGES TO THE EXISTING PUBLIC UNDERTAKINGS," MR LAU CONCLUDED.

ABOLISHING INTEREST TAX MAY BE OVER-GENEROUS: PETER WONG

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THE FINANCIAL SECRETARY WAS GENEROUS IN HIS ACT OF ABOLISHING INTEREST TAX BY REPEALING SECTION 27 OF THE INLAND REVENUE ORDINANCE BUT THERE ARE RESERVATIONS AS TO WHETHER HE HAD BEEN OVERGENEROUS, THE HON PETER WONG SAID THIS IN THE LEGISLATIVE COUNCIL TODAY (THURSDAY).

SPEAKING DURING THE SECOND DAY OF THE RESUMED BUDGET DEBATE, MR WONG SAID THAT THE FINANCIAL SECRETARY'S BUDGET HAD BEEN UNSPECTACULAR AND ALMOST BORING BUT TO THE FINANCIAL COMMUNITY THEY REFLECTED CONFIDENCE BECAUSE OF THE STEADY AND HARD WORK THAT HAD BEEN PUT IN.

"AS A PACKAGE, THE BUDGET HAS GIVEN ME CONFIDENCE THAT HONG KONG IS MOVING DOWN THE RIGHT TRACK," MR WONG SAID.

REFERRING TO THE FIVE YEAR ROLLING FORECASTING TOOL --- THE MEDIUM RANGE FORECAST AND THE PUBLIC SECTOR REFORM PROPOSALS, MR WONG SAID: "THE NOISES COMING OUT OF LOWER ALBERT ROAD, THOUGH FAINT, ARE BECOMING INCREASINGLY INTELLIGIBLE".

ON HIS RESERVATIONS ON ABOLISHING INTEREST TAX, MR WONG ECHOED THE HONG KONG SOCIETY OF ACCOUNTANTS' WARNING THAT INTEREST TAX WAS A FINE TUNER OF THE OVERALL TAX BALANCING ACT IN HONG KONG AND THAT THE REPEAL OF SECTION 27 OF THE INLAND REVENUE ORDINANCE COULD HERALD THE BEGINNING OF YET ANOTHER TAX AVOIDANCE SEASON FOR HONG KONG.

MR WONG NOTED THAT THERE WAS A FINE CORRELATION BETWEEN HOW AN INVESTOR CHOSE TO TAKE HIS EARNINGS OUT OF AN INVESTMENT AND HOW THAT INVESTMENT WOULD BE TAXED, WHETHER BY WAY OF DIVIDENDS, INTEREST OR SOME FEES AND CHARGES.

DIVIDENDS WERE PAID OUT AFTER TAX PROFITS; SO THEORETICALLY, A FULL TAX CHARGE HAD BEEN LEVIED BEFORE THE DIVIDEND WAS PAID AND THAT DIVIDEND WAS THEREAFTER TAX FREE IN THE HANDS OF THE RECIPIENT.

"HOWEVER, INTEREST IS NORMALLY A DEDUCTION TO THE PAYER AND INCOME TO THE RECIPIENT," MR WONG SAID.

"WITHIN THESE PARAMETERS THERE IS ROOM TO MANOEUVRE ON THE SOURCE OF THAT INTEREST FOR BOTH THE PAYER AND RECIPIENT, AND INTEREST TAX IS ONE OF THE MAIN TOOLS TO RESTRAIN SUCH MANIPULATION," HE SAID.

REFERRING TO THE FORMER FINANCIAL SECRETARY'S BUDGET SPEECH IN THE 1984 APPROPRIATION BILL SECOND READING THAT HE WAS HIGHLY CONCERNED ABOUT THE POTENTIAL TAX LEAKAGE IN THE FORM OF INTEREST AND INTRODUCED THE HIGHLY UNPOPULAR LOCATION OF BUSINESS TEST, MR WONG ASKED: "HAVE ALL THOSE CONCERNS BEEN PROVEN GROUNDLESS?"

HE SAID THAT WITH THE REPEAL OF SECTION 27 ALL THOSE INTEREST PROVISIONS HAD NOW BEEN DISMANTLED AND THERE REMAINED ONLY THE ANTI-AVOIDANCE PROVISIONS SECTIONS AIMED AT BACK-TO-BACK LOANS AND GENERAL ARTIFICIAL TRANSACTIONS.

COMMENTING ON OTHER TAXATION ISSUES, MR WONG SAID: "I AM DISAPPOINTED IN THE HALF PER CENT REDUCTION IN THE STANDARD TAX RATE.

"I KNOW THAT THE FINANCIAL SECRETARY WAS WORRIED ABOUT INFLATION AND THAT A FURTHER DROP COULD BE SAID TO BE INFLATIONARY," HE SAID.

HOWEVER, MR WONG QUESTIONED WHETHER A GREATER REDUCTION WOULD AUTOMATICALLY MEAN HIGHER PERSONAL EXPENDITURE LEADING TO MORE INFLATION AND THAT WHETHER THERE SHOULD HAVE BEEN SOME ENCOURAGEMENT TO SAVINGS SUCH AS HIGHER TAX LIMITS FOR PROVIDENT FUND CONTRIBUTIONS BY EMPLOYEES.

HE ALSO SAID THE INCREASE OF 5 PER CENT TO 60 PER CENT OF THE INITIAL ALLOWANCE COULD HARDLY BE SAID TO BE THE INCENTIVE FOR INVESTMENT IN HIGH TECH LABOUR SAVING DEVICES IN HONG KONG.

HE SAID IF GOVERNMENT MADE THE ENTIRE INVESTMENT DEDUCTIBLE IN THE YEAR OF ACQUISITION, NO ANNUAL ALLOWANCES WOULD BE NEEDED.

HE ALSO SAID THE VENTURE CAPITAL MARKET'S REQUEST TO HAVE CLARITY OF TAX TREATMENT ON THE PROFIT/LOSS ON DISPOSAL OF INVESTMENTS SHOULD BE SYMPATHETICALLY TREATED BECAUSE THEY WERE ASKING FOR CERTAINTY OF TAX TREATMENT IN WHAT WAS OTHERWISE A VERY UNCERTAIN AND RISKY BUSINESS.

COMMENTING ON MEASURES TO SIMPLIFY THE TAX STRUCTURE AND REDUCE INEQUITY IN TAXATION IN THE BUDGET, MR WONG SAID: "FIRSTLY, THE 10 PER CENT RULE FOR CHARITABLE DONATIONS SHOULD BE REVIEWED.

"IF WE NEED A NEW WING OF A HOSPITAL COSTING HK\$100 MILLION, THE COST TO THE GOVERNMENT OF A TOTALLY DEDUCTIBLE DONATION IS ONLY \$15 MILLION FOR AN INDIVIDUAL, ASSUMING HE HAS TAXABLE INCOME OF THAT AMOUNT," HE SAID.

"WHAT IS THE LOGIC OF LIMITING THAT TO 10 PER CENT OF HIS TAXABLE INCOME ONLY FOR THE GOVERNMENT TO PAY THE OTHER 90 PER CENT?" HE ASKED.

IN ADDITION, MR WONG POINTED OUT THAT SINCE THE LAST REVIEW OF THE ESTATE DUTY BAND IN 1982, INFLATION HAD GATHERED PACE AND THE BANDS SHOULD NOW BE UPWARDLY ADJUSTED.

HE ALSO SAID THE LOCATION OF ASSET TEST WAS A POWERFUL DISINCENTIVE TO KEEP ANY ASSET IN HONG KONG AND THAT ESTATE DUTY SHOULD BE ABOLISHED ALTOGETHER.

"THIRDLY, IF SIMPLIFICATION OF THE TAX SYSTEM WAS REALLY THE OBJECTIVE, I WOULD ADVOCATE THE REPEALING OF THE CLAW BACK PROVISIONS IN SALARIES TAX INSTEAD OF GRANTING THE HALF PER CENT REDUCTION IN THE STANDARD RATE," MR WONG SAID.

/HE POINTED .....

HE POINTED OUT THAT THE SEPARATE ASSESSMENT FOR MARRIED COUPLES WOULD SURELY ADD COMPLICATIONS TO THE TAX STRUCTURE AND THAT THE GOVERNMENT SHOULD GET RID OF THE RATHER CLUMSY CLAW BACK PROVISION NOW.

COMMENTING ON HONG KONG COMPANIES RELOCATING TO OTHER PLACES, MR WONG SAID: "THE GENUINE FEAR RELATING TO 1997 AND THEREAFTER IS SOMETHING THAT WE CANNOT DIRECTLY DO ANYTHING ABOUT IN THIS CHAMBER."

"HOWEVER WE CAN ASSIST IN TWO AREAS TO AVOID THIS MORALE DAMAGING SHIFT.

"FIRSTLY, WE CAN LOOK AT THE COMPANIES ORDINANCE IN THE AREA OF A COMPANY BEING ABLE TO ASSIST SOMEONE ELSE TO ACQUIRE ITS OWN SHARES OR THE USE OF TREASURY STOCK WHICH INDEED ALLOWS A COMPANY TO BUY ITS OWN SHARES.

"MUCH WORK HAS ALREADY BEEN DONE AND AGREED IN PRINCIPLE BY THE LAW REFORM COMMISSION AND THE PROFESSIONAL BODIES AND IT SHOULD BE RELATIVELY EASY TO BRING THAT FORWARD ONTO THE LEGISLATIVE PROGRAMME.

"SECONDLY, WE CAN GIVE AN ASSURANCE THAT IT IS NOT THE INTENTION, NOR IS IT FEASIBLE UNDER THE LETTERS PATENT FOR THIS LEGISLATURE TO TAX THE GENUINE OFFSHORE EARNINGS OF A HONG KONG ENTERPRISE OR GROUP," HE SAID.

"THIS MESSAGE MUST ALSO BE GOT ACROSS TO THE DRAFTERS OF THE BASIC LAW," HE ADDED.

ON ENVIRONMENTAL PROTECTION, MR WONG WELCOMED GOVERNMENT'S PROPOSAL TO SPEND HK\$10 BILLION OVER THE NEXT TEN YEARS ON CLEANING UP THE ENVIRONMENT.

BUT HE WOULD LIKE TO BE INFORMED OF A CLEAR AND CONCISE ACCOUNT OF HOW THE \$10 BILLION WOULD BE SPEND AND WHY THE ADMINISTRATION THOUGHT IT WAS ADEQUATE.

MR WONG, COMMENTING ON THE BUDGET FOR HOSPITAL SERVICES, CRITICISED AS MISERLY, THE PROPOSED NINE PER CENT INCREASE FOR THE HOSPITAL SERVICES DEPARTMENT FOR 1989-90, WHICH WAS THREE PER CENT MORE THAN THE 1988-89 INCREASE OVER THE PRECEEDING YEAR.

"WITH INFLATION OF AT LEAST 7.5 PER CENT FOR 1988, WHICH I KEEP SAYING IS UNDERSTATED, THAT IS HARDLY ANY INCREASE AT ALL," MR WONG SAID.

"I AM GRATEFUL THAT THIS IS THE LAST YEAR THAT THE BUDGET FOR OUR HOSPITALS WILL BE TACKLED IN THIS WAY," HE SAID.

HE POINTED OUT THAT THE PROVISIONAL HOSPITAL AUTHORITY, IN WHICH HE WAS A MEMBER, WERE MAKING PLANS FOR THE HOSPITAL AUTHORITY WHICH HE HOPED WOULD BE SUBMITTED BY THE END OF THIS YEAR.

THURSDAY, APRIL 27, 1989

- 20 -

"WE ARE PLANNING MANY CHANGES BASED ON WHAT WE UNDERSTAND TO BE THE BEST PRACTICE IN THE MEDICAL AND OTHER FIELDS WHERE SCIENTIFIC MANAGEMENT IS NEEDED IN ORDER TO EFFECTIVELY DELIVER SERVICES," HE SAID.

"HOSPITALS ARE NOT UNIQUE IN THAT WE SIMPLY CANNOT LEAVE EVERYTHING TO THE DOCTORS AND THERE IS NO ACCOUNTABILITY.

"I SINCERELY BELIEVE THAT WE WILL PRODUCE A PACKAGE THAT WILL SURELY AND STEADILY BRING OUR HOSPITAL MANAGEMENT SYSTEMS FROM NIGHTINGALE'S ERA TO THE 21ST CENTURY.

"SOME IMPROVEMENTS WILL BECOME APPARENT IMMEDIATELY, BUT SOME OF NECESSITY WILL TAKE US UP TO THE 21ST CENTURY TO COMPLETE.

"IT WILL BE A HONG KONG SOLUTION TO A HONG KONG PROBLEM," MR WONG ADDED.

MR WONG SAID THAT THE CHANGE SHOULD START WITH NEXT YEAR'S BUDGET FOR THE HOSPITALS.

"WE HAVE TO GET AWAY FROM THE NOTION THAT IT IS JUST ANOTHER GOVERNMENT DEPARTMENT.

"IT IS NOT LIKE THE KCRC OR HOUSING AUTHORITY WHICH ARE SELF FINANCING.

"GOVERNMENT HAS TO BE RELIED UPON TO MAKE SO MUCH MONEY AVAILABLE OVER A PREDETERMINED PERIOD OF TIME," HE SAID.

"THE HOSPITAL AUTHORITY MUST THEN BE GIVEN A FAIR AMOUNT OF AUTONOMY AS TO HOW IT WILL DELIVER THOSE SERVICES BY DECIDING HOW MUCH TO PAY TO ITS EMPLOYEES AND FOR OUTSIDE SERVICES.

"IT MUST ALSO BE ABLE TO DECIDE WHO ARE THE BEST PEOPLE OR ORGANISATIONS TO DELIVER THOSE SERVICES.

"IT MUST ALSO HAVE LATITUDE AS TO HOW MUCH TO CHARGE FOR THOSE SERVICES AND THE MODE OF THEIR DELIVERY.

"ALL THIS IS TO ENSURE THE ECONOMICAL USAGE OF RESOURCES," HE POINTED OUT.

"ONLY THEN, CAN THE HOSPITAL AUTHORITY HAVE THE FLEXIBILITY TO PLAN AHEAD AND BE RESPONSIVE TO THE CHANGING NEEDS OF HONG KONG," HE ADDED.

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THURSDAY, APRIL 27, 1989

- 21 -

BUDGET FAILS TO RE-DISTRIBUTE WEALTH: Y F HUI

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THE 1989-90 BUDGET FAILED TO BRING ABOUT A FAIR DISTRIBUTION OF WEALTH FOR THE PEOPLE OF HONG KONG AND WAS EXCESSIVELY PRUDENT, EXTREMELY CONSERVATIVE AND TOTALLY DISAPPOINTING, THE HON HUI YIN-FAT SAID TODAY (THURSDAY).

SPEAKING IN THE LEGISLATIVE COUNCIL DURING THE SECOND-DAY BUDGET DEBATE, MR HUI SAID THAT IN THE LIGHT OF HONG KONG'S VOLATILE ECONOMY AND THE FORESEEABLE DOWNTURN OF INFLATION TRENDS, THE WISDOM OF SAVING UP EXCESSIVELY FOR THE BUILDING OF INFRASTRUCTURE WAS QUESTIONABLE.

"THE CONCESSIONS MADE ON SALARIES TAX AND PROFITS TAX NO DOUBT BENEFIT THE OPULENT WHO BECOME RICHER, WHILE THE GENUINELY POOR STILL REMAIN POOR," HE SAID.

HE SAID THAT WITH TWO-THIRDS OF SOCIAL WELFARE EXPENDITURE THIS YEAR BEING ABSORBED BY SOCIAL SECURITY PAYMENTS, AND AFTER DEDUCTING INFLATION-ADJUSTED COSTS, VERY LITTLE WAS LEFT FOR EXPANDING EXISTING SOCIAL WELFARE SERVICES, NOT TO MENTION IMPROVING SERVICE STANDARDS.

"A PROGRESSIVE SOCIETY DOES NOT ONLY CATER TO THOSE WHO ARE LEAST ABLE TO HELP THEMSELVES, BUT ALSO AIMS AT ENABLING ALL SECTORS OF THE COMMUNITY TO BECOME SELF-RELIANT AND CONTRIBUTING MEMBERS," HE SAID.

HE SAID THAT THE INCREASE OF SOCIAL WELFARE DEPARTMENT EXPENDITURE AND SOCIAL WELFARE SUBVENTION FROM \$1.18 BILLION LAST YEAR TO \$1.3 BILLION THIS YEAR WAS FAR FROM ADEQUATE IN MEETING CURRENT SHORTFALLS IN PROVISIONS AND ENHANCING SERVICE STANDARDS THAT HAD ROLLED BACK AND DETERIORATED OVER THE YEARS.

HE SUGGESTED THAT 10 PER CENT OF THE LOTTERIES PROCEEDS, INSTEAD OF THE PRESENT 3.5 PER CENT, SHOULD GO TO THE LOTTERIES FUND WHICH WAS SET ASIDE FOR WELFARE PURPOSES.

HE SAID THAT HALF OF THE 10 PER CENT LOTTERIES FUND ALLOCATION SHOULD BE DESIGNED FOR CAPITAL GRANTS FOR WELFARE PROJECTS, AND THE REMAINING HALF SHOULD BE USED AS A REVOLVING FUND TO GENERATE INTERESTS FOR THE IMPROVEMENT OF SOCIAL WELFARE SERVICES.

TURNING TO SALES TAX, HE SAID THE SOCIAL WORK PROFESSION WAS AGAINST THE IDEA OF A SALES TAX.

"WE LOOK UPON THE GOVERNMENT'S EXPRESSED NEED FOR SECURING MORE STABLE INCOME IN THE LIGHT OF RISING INFLATION AS AN EXCUSE TO BUILD UP ITS OWN RESOURCES," HE SAID.

BESIDES, TO LOWER THE DIRECT TAX RATE AFTER INTRODUCING SALES TAX COULD ONLY WIDEN THE GAP BETWEEN THE RICH AND THE POOR, HE SAID.

/IF, HOWEVER, .....

THURSDAY, APRIL 27, 1989

- 22 -

IF, HOWEVER, A SALES TAX MUST BE LEVIED, MR HUI SAID, HE WOULD INSIST THAT SALES TAX BE IMPOSED ON LUXURIOUS GOODS ONLY, SUCH AS JEWELLERY, THAT THE RATE OF SALES TAX MUST NOT EXCEED THREE PER CENT, AND THAT ALLOWANCES AND REFUNDS SHOULD BE GIVEN TO EXPORTERS, SMALL RETAILERS AND THE "SANDWICH CLASS".

FURTHERMORE, WELFARE EXPENDITURE SHOULD BE INCREASED TO OFFER COMPENSATION FOR LARGE FAMILIES AND SINGLE-PARENTS ON PUBLIC ASSISTANCE WHO SUFFERED THE INFLATIONARY PRESSURES IMPOSED BY THE SALES TAX, HE SUGGESTED.

TURNING TO THE WELFARE OF THE SANDWICHED CLASS, MR HUI SUGGESTED THAT THE GOVERNMENT OFFER THEM FINANCIAL ASSISTANCE IN THE FORM OF TAX CONCESSIONS ON HOME PURCHASE DOWN-PAYMENTS OF UP TO \$50,000 FOR FIRST-TIME HOME BUYERS.

"TAX CONCESSION ON MORTGAGE PAYMENTS, FULL OR PARTIAL, SHOULD BE PROGRESSIVELY INTRODUCED TO RELIEVE THE FINANCIAL BURDEN OF THE SANDWICHED CLASS," HE ADDED.

HE SAID THE GOVERNMENT SHOULD CONSIDER BUILDING MORE HOME OWNERSHIP FLATS CATERING TO THE SANDWICHED CLASS.

"AS THE PROVISIONAL HOSPITAL AUTHORITY BEGINS TO MAKE CHANGES TO OUR MEDICAL AND HEALTH SERVICES, IT IS ALSO TIMELY TO CONSIDER A MEDICAL INSURANCE SCHEME WITH TAX CONCESSION BY WHICH HONG KONG PEOPLE, PARTICULARLY THE SANDWICHED CLASS, CAN BENEFIT FROM PRIVATE, MEDIUM-PRICED HOSPITAL SERVICE," HE SUGGESTED.

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MIRIAM LAU PRAISES 1989 BUDGET  
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THE 1989-90 BUDGET SHOWS THAT DUE CONSIDERATION HAD BEEN GIVEN TO THE CURRENT NEEDS OF THE PEOPLE AND, AT THE SAME TIME, HAD NOT LOST SIGHT OF THE NEED TO ADOPT THE APPROACH OF CAREFUL FORWARD PLANNING, THE HON MIRIAM LAU SAID TODAY (THURSDAY).

SPEAKING IN THE LEGISLATIVE COUNCIL DURING THE BUDGET DEBATE, MRS LAU SAID THAT THE TRANSFER OF MONEYS TO THE CAPITAL WORKS RESERVE FUND AND THE DEVELOPMENT LOAN FUND TO PAVE THE WAY FOR MAJOR BUILDING PROGRAMMES WAS A PRUDENT AND WISE MOVE, AND WOULD ENSURE THAT WE WOULD HAVE ADEQUATE FINANCES TO PROCEED WITH INFRASTRUCTURAL DEVELOPMENT.

ON SOCIAL WELFARE, MRS LAU SAID THAT THE PROPOSED 13.8 PER CENT INCREASE IN EXPENDITURE WAS, IN REAL TERMS, MINIMAL.

/SHE SAID .....

THURSDAY, APRIL 27, 1989

- 23 -

SHE SAID THAT WHILE SHE DID NOT ADVOCATE HONG KONG SHOULD BE A WELFARE STATE, SHE BELIEVED THAT A SOUND AND EFFECTIVE SOCIAL WELFARE SYSTEM WAS VITAL TO THE MAINTENANCE OF HONG KONG'S STABILITY IN THE RUN-UP TO 1997.

MRS LAU THOUGHT THAT THE GOVERNMENT OUGHT TO ADOPT A MORE REALISTIC APPROACH IN THE PROVISION OF SOCIAL SERVICES, IN PARTICULAR SOCIAL SECURITY.

SHE NOTED WITH REGRET THAT WITH THE PRESENT COST OF LIVING, A SINGLE PERSON ELIGIBLE FOR PUBLIC ASSISTANCE RECEIVED ONLY \$620 PER MONTH, WHILE A FAMILY OF THREE RECEIVED ONLY \$1,385 PER MONTH.

SHE SAID THAT WHILE THE HIGHER DISABILITY ALLOWANCE INTRODUCED LAST YEAR AND THE REDUCTION IN QUALIFYING AGE FOR THE OLD-AGE ALLOWANCE WERE WELCOMED, THEY WERE INADEQUATE AND UNREALISTIC IN DOLLAR TERMS.

NOTING THAT THESE ALLOWANCES WERE CURRENTLY NON-MEANS-TESTED, MRS LAU SAID THE GOVERNMENT SHOULD CONSIDER APPLYING THE MEANS TEST MORE RIGIDLY, OR A NEEDS TEST, SO THAT THE SOCIAL SECURITY PROGRAMME WORKED MORE FAIRLY TOWARD THOSE WHO HAVE A GENUINE REQUIREMENT.

IN THE OTHER AREAS OF SOCIAL WELFARE, MRS LAU COMMENDED THE ADMINISTRATION FOR HAVING IN PLACE A COMPREHENSIVE RANGE OF SERVICES TO MEET THE EVER CHANGING NEEDS OF THE COMMUNITY, AND FOR INTRODUCING A SINGLE PARENT ALLOWANCE.

SHE STRESSED HOWEVER THAT THE PROVISION OF ADEQUATE AND EFFECTUAL FAMILY SERVICES WAS VERY IMPORTANT, AND WAS PLEASED THAT ADDITIONAL SERVICES WERE IN THE PIPELINE INCLUDING THE PROVISION OF MORE FAMILY SERVICES CENTRES, DAY NURSERIES, HOME HELP TEAMS AND FAMILY CASEWORKER UNITS.

SHE HOPED THAT THE GOVERNMENT WOULD SERIOUSLY CONSIDER THE NEED FOR ADDITIONAL MARRIAGE COUNSELLING SERVICE.

WHILE MRS LAU WAS PLEASED TO NOTE THAT THERE WAS A PROPOSAL TO IMPROVE THE EXISTING STAFFING RATIO OF CASEWORKER TO FAMILY CASES, SHE WARNED HOWEVER THERE MUST BE SUFFICIENT SOCIAL WORKERS TO COPE WITH THE JOB DEMANDS.

"THE GOVERNMENT MUST ADDRESS THE PROBLEM URGENTLY AND EMBARK ON EFFECTIVE PROGRAMMES TO RECRUIT AND TRAIN MORE QUALIFIED SOCIAL WORKERS," SHE SAID.

TURNING TO THE VIETNAMESE REFUGEE PROBLEM, MRS LAU SAID THAT HUNDREDS OF MILLIONS OF DOLLARS HAD BEEN SPENT AND, DESPITE THE INTRODUCTION OF THE SCREENING POLICY, THE PROBLEM HAD NOT BEEN ABATED AND IN FACT THE POSITION WAS WORSENING.

SHE SAID IF MANDATORY REPATRIATION WAS THE ONLY SOLUTION, THE ADMINISTRATION SHOULD BE ALLOWED TO IMPLEMENT IT.

/SHE ALSO .....

THURSDAY, APRIL 27, 1989

- 24 -

SHE ALSO SAID THAT BRITAIN, BEING HONG KONG'S SOVEREIGN STATE AND THE DIRECTOR OF THE POLICY RESULTING IN HONG KONG'S PRESENT PREDICAMENT, HAD THE OBLIGATION TO SOLVE THE PROBLEM, AND THE ADMINISTRATION SHOULD IMPRESS UPON THE BRITISH GOVERNMENT THAT THIS HAD TO BE DONE AND DONE EXPEDITIOUSLY.

ON THE PROPOSITION OF A SALES TAX, SHE SAID WHILE SHE SAW THE NEED TO BROADEN OUR TAX BASE SO THAT THE FISCAL SYSTEM WOULD BE LESS SUSCEPTIBLE TO CHANGES IN ECONOMIC CONDITION, SHE BELIEVED HONG KONG SHOULD HAVE A MORE BALANCED TAX SYSTEM.

SHE SAID THE CONCEPT OF A SALES TAX HAD ITS MERITS BUT IT HAD ITS SHORTCOMINGS TOO AND MUCH DEPENDED ON HOW IT WAS PROPOSED TO BE IMPLEMENTED.

"UNLESS WE HAVE DETAILS AS TO WHAT EXACTLY THE FINANCIAL SECRETARY HAS TO OFFER, IT IS PREMATURE TO ARGUE ON ITS ACCEPTABILITY OR OTHERWISE," SHE CONCLUDED.

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44 MEMBERS SPEAK ON APPROPRIATION BILL 1989  
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A TOTAL OF 44 MEMBERS HAVE SPOKEN ON THE APPROPRIATION BILL 1989 IN THE LEGISLATIVE COUNCIL IN THE PAST TWO DAYS.

THE DEBATE ON THE BILL WAS FURTHER ADJOURNED TODAY (THURSDAY) TO MAY 10 WHEN REPLIES ARE SCHEDULED TO BE GIVEN ON VARIOUS POINTS RAISED.

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THURSDAY, APRIL 27, 1989

- 25 -

NO AMNESTY FOR II'S FROM CHINA: S FOR S

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THE SECRETARY FOR SECURITY, MR GEOFFREY BARNES, HAS REITERATED THAT THERE WILL BE NO AMNESTY FOR PEOPLE ENTERING HONG KONG ILLEGALLY FROM CHINA.

"WE ARE ABSOLUTELY FIRM ON THIS," HE SAID, WHEN ADDRESSING REPORTERS DURING A TOUR OF THE BORDER AREA THIS (THURSDAY) MORNING.

HE SAID GOVERNMENT'S RECENT DECISION TO RELAX THE CRITERIA FOR THE IMPORTATION OF SKILLED LABOUR, INCLUDING THOSE FROM CHINA, DID NOT MEAN ANY SLACKENING OF EFFORTS AGAINST ILLEGAL IMMIGRANTS.

DURING THE TOUR TO THE BORDER AREA MR BARNES LOOKED AT THE EXPANDED METAL MESH ERECTED TO THWART ATTEMPTS BY WOULD-BE ILLEGAL IMMIGRANTS TO CUT THROUGH THE BORDER FENCE AND AT A DISPLAY OF IMPROVED ALARM SYSTEMS.

THE SECURITY FORCES WOULD CONTINUE TO DO THEIR UTMOST TO PREVENT ILLEGAL IMMIGRANTS FROM COMING, HE SAID.

HE POINTED OUT THAT THE NUMBER OF ILLEGAL IMMIGRANTS CAUGHT HAD DROPPED FROM OVER 100 A DAY LAST YEAR TO ABOUT 36 DAILY THIS YEAR AS A RESULT OF THE PROSECUTION POLICY.

ON THE CONTINUED INFLUX OF BOAT PEOPLE FROM VIETNAM, MR BARNES SAID IT WAS THE RESPONSIBILITY OF THE VIETNAMESE GOVERNMENT TO TAKE STRONGER STEPS TO CONTROL AND PREVENT ITS PEOPLE LEAVING THE COUNTRY.

WHEN ASKED ABOUT THE POSTPONEMENT OF YESTERDAY'S FINANCE COMMITTEE MEETING WHICH WAS TO BE ASKED TO APPROVE FUNDS FOR THE ACCOMMODATION OF VIETNAMESE BOAT PEOPLE, MR BARNES SAID: "I AM SURE THAT THE LEGISLATIVE COUNCIL MEMBERS WILL UNDERSTAND THE IMPORTANCE OF PROVIDING FUNDS FOR THESE PEOPLE WHO HAVE COME AND I AM SURE EVENTUALLY WE WILL GET THE NECESSARY SUPPORT FROM THEM."

COMMENTING ON THE USE OF FERRIES FOR HOLDING VIETNAMESE BOAT PEOPLE, MR BARNES SAID THE GOVERNMENT MIGHT HAVE TO USE FERRIES WHEN NECESSARY.

"THEY ARE UNCOMFORTABLE AND THOROUGHLY UNPLEASANT PLACES FOR PEOPLE TO STAY ON. BUT IF PEOPLE COME TO HONG KONG AS UNWELCOME AND UNEXPECTED GUESTS THEY CAN'T EXPECT ANYTHING BETTER," HE SAID.

HE SAID THAT THERE WAS NOT A GREAT DEAL THAT HONG KONG ITSELF COULD DO BEFORE THE FORTHCOMING MEETING IN GENEVA TO DISCUSS THE BOAT PEOPLE PROBLEM.

ON EX-CHINA VIETNAMESE ILLEGAL IMMIGRANTS, MR BARNES STRESSED THAT THERE WAS NO QUESTION OF ALLOWING THEM TO STAY IN HONG KONG.

HE PRAISED THE BRITISH GARRISON FOR DOING A "FIRST CLASS JOB" ON THE BORDER IN CURBING THE INFLOW OF ILLEGAL IMMIGRANTS.

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SMA SPEAKS ON HK DOLLAR CAPITAL MARKET

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THE GOVERNMENT HOPES THAT ITS MORE RELAXED ATTITUDE TOWARDS NON-RESIDENT ISSUES OF HONG KONG DOLLAR DEBT WILL ENCOURAGE HIGH QUALITY NON-RESIDENT BORROWERS TO MAKE USE OF THE HONG KONG DOLLAR CAPITAL MARKET, THE SECRETARY FOR MONETARY AFFAIRS, MR DAVID NENDICK, SAID TODAY (THURSDAY).

SPEAKING AT A CONFERENCE OF THE HONG KONG CAPITAL MARKETS ASSOCIATION, MR NENDICK SAID ONE OF THE FIRST INSTITUTIONS TO EXPRESS INTEREST IN TAKING ADVANTAGE OF THIS RELAXATION WAS THE WORLD BANK.

HE SAID WORLD BANK OFFICIALS HAD VISITED HONG KONG RECENTLY TO CONSULT WITH THE GOVERNMENT AND A NUMBER OF MARKET MEMBERS ON THE POSSIBILITY OF A DOMESTIC PUBLIC OFFERING OF HONG KONG DOLLAR BONDS.

"WHILST IN THE LIGHT OF WHAT I HAVE SAID, WE WOULD OBVIOUSLY WELCOME THE PRESENCE OF SUCH A TOP QUALITY BORROWER, IT MUST BE FOR THEM TO DECIDE WHETHER, AND IF SO WHEN, THEY WISH TO TAP OUR MARKETS."

"IT IS OUR BELIEF, THOUGH, THAT A WORLD BANK ISSUE IN HONG KONG DOLLARS WOULD HELP PROVIDE DEPTH TO THE BOND MARKET AND ACT AS A PRIMER IN STIMULATING A HEALTHY GROWTH IN MARKET ACTIVITY," HE SAID.

MR NENDICK SAID THE GOVERNMENT'S DECISION THAT IT COULD TAKE A MORE NEUTRAL STANCE TOWARDS THE ISSUE OF HONG KONG DOLLAR DEBT INSTRUMENTS BY NON-RESIDENTS WAS MADE FOR TWO REASONS.

"FIRST SINCE THE IMPLEMENTATION OF THE NEW ACCOUNTING ARRANGEMENTS BETWEEN THE EXCHANGE FUND AND THE HONGKONG BANK LAST JULY, THE GOVERNMENT HAS ACQUIRED MORE EFFECTIVE INFLUENCE OVER INTERBANK LIQUIDITY AND INTEREST RATES.

"BY TAKING ACTION UNDER THE ARRANGEMENTS, WE ARE NOW MUCH BETTER PLACED TO ENSURE EXCHANGE RATE STABILITY UNDER THE LINKED EXCHANGE RATE SYSTEM AND TO COUNTER, IF NECESSARY, THE EFFECTS ARISING FROM SWITCHING BY NON-RESIDENT BORROWERS INTO OR OUT OF FOREIGN CURRENCIES.

"SECONDLY, GIVEN THAT OUR FINANCIAL SECTOR HAS AT PRESENT A LARGE 'INVOLUNTARY' SWITCHED-OUT POSITION IN HONG KONG DOLLARS, THE ISSUE OF QUALITY DEBT HERE WILL TEND TO RESULT IN THIS SECTOR SWITCHING FUNDS BACK INTO HONG KONG DOLLARS TO INVEST IN SUCH DEBT AND THUS LARGELY NEUTRALISE THE EFFECT OF SALES OF HONG KONG DOLLARS BY THE BORROWERS," HE SAID.

MR NENDICK STRESSED THAT NON-RESIDENT BORROWERS WOULD, OF COURSE, STILL HAVE TO COMPLY WITH REQUIREMENTS COMMON TO ALL APPLICANTS AS LAID DOWN UNDER THE PROTECTION OF INVESTORS ORDINANCE.

"YOU WILL BE PLEASED TO HEAR, HOWEVER, THAT THERE ARE PROPOSALS UNDER EXAMINATION FOR STREAMLINING THE PRESENT APPROVAL PROCEDURES," HE SAID.

TURNING TO THE PROSPECTS FOR EXPANSION OF OUR CAPITAL MARKETS, MR NENDICK SAID THE COMPLETE ABOLITION OF INTEREST TAX WITH EFFECT FROM THE YEAR OF ASSESSMENT COMMENCING APRIL 1, 1989 WAS LIKELY TO DECREASE THE COST OF BORROWING BY NON-FINANCIAL INSTITUTIONS.

"IT IS REASONABLE, THEREFORE, TO EXPECT A HIGHER LEVEL OF ACTIVITY IN HONG KONG DOLLAR COMMERCIAL PAPER IN FUTURE," HE SAID.

HOWEVER, HE SAID THAT WHETHER THE ABOLITION OF INTEREST TAX WOULD OF ITSELF SPUR MORE DEBT ISSUES IN HONG KONG'S CAPITAL MARKET WAS NOT FOR THE GOVERNMENT TO SAY.

MR NENDICK SAID THE GOVERNMENT'S STANCE TOWARDS THE FINANCIAL MARKETS HAD ALWAYS BEEN TO LEAVE THE INITIATIVE OF MARKET DEVELOPMENT TO THOSE WHO OPERATED IN THE MARKET.

"WE BELIEVE THAT MARKET PLAYERS ARE IN THE BEST POSITION TO DECIDE WHAT THEY WANT TO DO. NO ONE SHOULD THEREFORE EXPECT THE GOVERNMENT TO ACT AS THE PRIME MOVER IN DEVELOPING OUR CAPITAL MARKETS.

"BUT WHERE FISCAL OR INSTITUTIONAL FACTORS ARE IDENTIFIED AS INHIBITING THE MARKET DEVELOPMENTS, THE GOVERNMENT WILL ALWAYS STAND READY TO CONSIDER RECTIFYING THE SITUATION IN THE OVERALL GOOD OF HONG KONG.

"THE DECISION TO REMOVE THE INTEREST TAX IS A CASE IN POINT, AS WE SEE THIS IS PROVIDING A MORE 'LEVEL PLAYING FIELD' FOR COMPETING BORROWERS," HE SAID.

MR NENDICK SAID THERE WERE OTHER FACTORS, TOO, WHICH WOULD HELP THE DEVELOPMENT OF MARKET ACTIVITY.

FOR EXAMPLE, HE SAID, THE MONETARY AFFAIRS BRANCH WAS NOW DEVELOPING A PROGRAMME FOR THE ISSUE OF EXCHANGE FUND BILLS.

"THESE BILLS, WHICH WILL BE DENOMINATED IN HONG KONG DOLLARS, WILL, I BELIEVE, BE SEEN AS PROVIDING FINANCIAL INSTITUTIONS WITH LOW RISK, HIGHLY LIQUID ASSETS AND THUS AS PROVIDING GOOD INVESTMENT AND TRADING OPPORTUNITIES FOR OUR CAPITAL MARKETS," HE SAID.

"IF IT IS POSSIBLE TO INTRODUCE A HONG KONG DOLLAR INTEREST RATE FUTURES CONTRACT ON THE FUTURES EXCHANGE, THIS WILL PROVIDE ADDED OPPORTUNITIES FOR ARBITRAGE AND HEDGING," HE ADDED.

THURSDAY, APRIL 27, 1989

- 28 -

LPG STORAGE AT HK OIL'S TSING YI DEPOT TO BE LIMITED

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IN THE INTEREST OF PUBLIC SAFETY, THE GOVERNMENT WILL LIMIT THE STORAGE QUANTITY OF LIQUEFIED PETROLEUM GAS AT THE TSING YI DEPOT OF HONG KONG OIL, WHILE IN THE LONG TERM PLANS ARE TO RELOCATE IT TO THE SOUTHWEST SIDE OF THE ISLAND.

THE SECRETARY FOR LANDS AND WORKS, MR GRAHAM BARNES, SAID THIS AT A PRESS CONFERENCE TODAY (THURSDAY) WHEN HE RELEASED THE REPORTS ON THE 1982 TSING YI POTENTIAL HAZARD STUDY AND THE 1989 TSING YI RISK REASSESSMENT STUDY.

THE CONSULTANTS IN THEIR 1989 REPORT WERE OF THE VIEW THAT EXCEPT FOR HONG KONG OIL AND MOBIL, THE RISK OF ALL THE OTHER EXISTING AND PROPOSED INSTALLATIONS CAN BE REDUCED TO AN ACCEPTABLE LEVEL AND MEET WITH THE GOVERNMENT INTERIM RISK GUIDELINES LAID DOWN IN 1988 FOR NEW INSTALLATIONS, WITH IMPROVEMENTS TO THEIR MANAGEMENT AND SAFETY SYSTEMS.

THE RISKS OF HONG KONG OIL AND MOBIL ARE HIGH BECAUSE OF THE LARGE QUANTITY OF LPG STORED AT THEIR DEPOTS AND THEIR PROXIMITY TO RESIDENTIAL AREAS, AND IN THE CASE OF HONG KONG OIL, ALSO BECAUSE OF ITS POOR SAFETY MANAGEMENT SYSTEM, THE CONSULTANTS SAID.

IN THE CASE OF MOBIL, THE CONSULTANTS HAVE ADVISED THAT BECAUSE OF ITS GOOD MANAGEMENT SYSTEM AND GOOD TECHNICAL DESIGN, INVENTORY CONTROL IS NOT JUSTIFIED PENDING RELOCATION.

DISCUSSIONS WITH MOBIL ON RELOCATION ARE ALREADY WELL UNDER WAY AND DISCUSSIONS WITH HONG KONG OIL ON ITS FUTURE PLANS HAVE ALSO STARTED.

THE SECRETARY RECALLED THAT THE 1982 STUDY WAS THE RESULT OF INCIDENTS ELSEWHERE INVOLVING POTENTIALLY HAZARDOUS INSTALLATIONS WHICH GAVE RISE TO LOCAL CONCERN, THAT EXISTING PHI PHI'S ON TSING YI AND OTHER DEVELOPMENTS MIGHT NOT MEET ACCEPTABLE RISK LEVELS AND THAT EXISTING LAND-USE PLANNING AND CONTROL PROCEDURES MIGHT NOT BE ADEQUATE TO PREVENT DEVELOPMENTS ADJACENT TO THESE INSTALLATIONS.

RESULTING FROM THE 1982 STUDY, A NUMBER OF MEASURES WERE TAKEN BY GOVERNMENT TO REDUCE RISK LEVELS ON TSING TI:

- \* PHASE THREE OF MAYFAIR GARDENS DID NOT PROCEED;
- \* IMPROVEMENTS WERE MADE TO THE OVERALL INFRASTRUCTURE OF TSING YI AND THE DESIGN AND OPERATING STANDARDS AT THE SITES ORIGINALLY REVIEWED; AND
- \* MEASURES WERE ADOPTED TO IMPROVE LAND-USE PLANNING AND DEVELOPMENT CONTROL PROCEDURES RELATING GENERALLY TO PHI'S.

/IN 1988 .....

IN 1988 BECAUSE OF THE GROWING CONCERN EXPRESSED BY RESIDENTS ABOUT THE OVERALL SAFETY OF PHI'S LOCATED ON TSING YI, A REASSESSMENT STUDY WAS COMMISSIONED BY THE GAS SAFETY OFFICE OF THE ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT TO RE-EXAMINE THE POTENTIAL HAZARDS AND ASSOCIATED PLANNING CONSIDERATIONS FOR THE ISLAND AS A WHOLE.

THE STUDY CENTRED ON THREE MAJOR ISSUES:

- \* THE OFFSITE RISKS POSED BY INDIVIDUAL PHI'S TO THE RESIDENTS IMMEDIATELY ADJACENT TO THEM;
- \* THE CUMULATIVE RISK OF THE PHI'S; AND
- \* THE RISKS POSED BY THE TRANSPORTATION OF DANGEROUS SUBSTANCES BY ROAD THROUGH THE ISLAND.

THE RESULTS OF THE REASSESSMENT STUDY INDICATED THAT WITH THE EXCEPTION OF MOBIL AND HONG KONG OIL, THE OFFSITE RISKS OF ALL THE OTHER EIGHT INSTALLATIONS ON THE ISLAND CAN EITHER MEET THE REQUIREMENTS OF THE 1988 GUIDELINES OR COULD DO SO WITH IMPROVEMENTS TO THEIR SAFETY MANAGEMENT SYSTEMS.

THE OPERATORS OF THOSE INSTALLATIONS WHOSE RISKS ARE NOT WITHIN THE GUIDELINES WILL BE ASKED TO ADOPT THE REMEDIAL MEASURES AS RECOMMENDED BY THE CONSULTANTS. WHERE APPROPRIATE, THESE CAN BE IMPOSED UPON THE OPERATORS AS LICENSING CONDITIONS UNDER THE DANGEROUS GOODS ORDINANCE.

IF EXISTING LEGISLATION WAS INADEQUATE TO IMPLEMENT THIS ASPECT OF SAFE SAFETY MANAGEMENT, CONSIDERATION WOULD BE GIVEN TO ADDITIONAL LEGISLATION.

AS REGARDS THE CUMULATEAST AND WEST SIDES OF TSING YI, THE PHI SITES ON THE SOUTH, SOUTH-EAST AND WEST SIDES OF TSING YI, THE CONSULTANTS HAD ADVISED IT WOULD BE NEGLIGIBLE TO THE MAIN POPULATION AREAS CONCEN A HIGH MOUNTAIN RIDGE. PROTECTED BY A HIGH MOUNTAIN RIDGE.

THE MOUNTAIN RIDGE ACTS AS A NATURAL BARRIER SEPARATING THE RESIDENTIAL POPULATION IN THE NORTH AND EAST FROM THE PHI'S ON THE SOUTH AND WEST SIDES OF TSING YI. THE ADMINISTRATION HAS ALREADY TAKEN STEPS IN 1988 TO PROTECT THE INTEGRITY OF THE RIDGE LINE.

ON TRANSPORT RISKS, THE CONSULTANTS POINTED OUT THAT IT WAS WIDELY RECOGNISED WORLD-WIDE THAT SUCH RISKS WERE NOT SO WELL CONTROLLED AS THOSE FROM FIXED SITES, AND THAT THE TRANSPORT OF BULK LPG WAS GENERALLY SAFER THAN NORMAL DANGEROUS GOODS TRANSPORT.

NEVERTHELESS, THE CONSULTANTS HAVE SUGGESTED A NUMBER OF REMEDIAL MEASURES TO REDUCE TRANSPORT RISKS. THESE INCLUDE RESTRICTING AND IMPROVING THE ROUTEING OF LPG VEHICLES, TIGHTER TRANSPORT CONTROL, AND IMPROVEMENTS IN EMERGENCY PROCEDURES AND TECHNICAL MEASURES.

THURSDAY, APRIL 27, 1989

- 30 -

A PILOT TRAFFIC MANAGEMENT SCHEME FOR THE CONTROL OF DANGEROUS GOODS VEHICLES IN TSING YI IS ALREADY UNDER ACTIVE CONSIDERATION AND CONSULTATION ON THE CONSULTANTS' OTHER SUGGESTIONS HAS ALSO BEEN STARTED.

COPIES OF THE 1982 AND 1989 REPORTS ARE ON SALE AT \$72 AND \$62 EACH. THEY CAN BE OBTAINED FROM THE GOVERNMENT PUBLICATIONS CENTRE, GPO BUILDING, CONNAUGHT PLACE, CENTRAL.

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OPTIONS ON RELATIONSHIPS WITH SUBVENTED HOSPITALS  
BEING CONSIDERED: SIR S.Y. CHUNG

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A NUMBER OF OPTIONS ON THE RELATIONSHIP BETWEEN THE BOARD OF DIRECTORS OF SUBVENTED HOSPITALS AND THE FUTURE HOSPITAL AUTHORITY ARE NOW BEING CONSIDERED. THE CHAIRMAN OF THE PROVISIONAL HOSPITAL AUTHORITY (PHA), SIR S.Y. CHUNG, SAID TODAY (THURSDAY).

SIR S.Y. WAS SPEAKING ABOUT THE RELATIONSHIP BETWEEN SUBVENTED HOSPITALS AND THE HOSPITAL AUTHORITY (HA) AFTER A VISIT TO THE TUNG WAH HOSPITAL THIS MORNING.

HE SAID THAT THE SUBJECT WAS NOW BEING DISCUSSED BY THE COMMITTEE ON INTEGRATION OF PUBLIC HOSPITAL SERVICES OF THE PHA.

A NUMBER OF OPTIONS WERE BEING CONSIDERED WITH THE BOARD OF DIRECTORS WHICH WOULD FIT THEIR CURRENT INVOLVEMENT IN MANAGING THEIR HOSPITALS AND ALSO ALLOW TRADITIONS, PHILOSOPHY AND CHARACTERISTICS TO BE RETAINED.

"ONE OF THE OPTIONS IS TO HAVE THE BOARD TO BE DIRECTLY RESPONSIBLE FOR THE RUNNING OF THE HOSPITAL IN ACCORDANCE WITH THE HA'S MANAGEMENT POLICIES."

IN THIS OPTION, ONE OR MORE REPRESENTATIVES OF THE HA MIGHT BE APPOINTED TO SIT ON THE BOARD AND THE HOSPITAL CHIEF EXECUTIVE WOULD REPORT TO THE BOARD OF DIRECTORS, SIR S.Y. SAID.

"ANOTHER OPTION IS TO INTRODUCE THE CONCEPT OF A HOSPITAL EXECUTIVE COMMITTEE IN THE AUTHORITY'S DIRECT LINE OF COMMAND, IN WHICH REPRESENTATIVES OF THE BOARD OF DIRECTORS AND THE AUTHORITY WOULD BE APPOINTED.

"THIS WOULD SUIT THOSE CASES WHERE THE PRESENT BOARD OF DIRECTORS ARE PROVIDING SOCIAL SERVICES OTHER THAN HOSPITALS.

/"THE BOARD .....

"THE BOARD CAN CONTINUE TO CARRY OUT TRADITIONAL ACTIVITIES SUCH AS FUND RAISING AND RUNNING OTHER ACTIVITIES AND TO EXERT ITS INFLUENCE IN MANAGING THE HOSPITAL THROUGH COMMON MEMBERSHIP IN THE HOSPITAL EXECUTIVE COMMITTEE, AND SUBJECT TO FURTHER DISCUSSIONS, PERHAPS ALSO CHAIRMANSHIP OF THE COMMITTEE," SIR S.Y.SAID.

THE OTHER OPTIONS WOULD SEE THE BOARD OF DIRECTORS PLAYING AN ADVISORY ROLE OR NOMINAL ROLE IN HOSPITAL MANAGEMENT AND CONTINUE TO OWN THE HOSPITAL'S ASSETS.

SIR S.Y. POINTED OUT THAT EACH OF THESE OPTIONS WOULD, AFTER FURTHER CONSIDERATION BY THE PHA, BE DISCUSSED WITH SUBVENTED HOSPITALS.

IT WAS ENVISAGED THAT THE FINAL AGREEMENT REACHED WOULD BE ENSHRINED IN WRITING BETWEEN THE SUBVENTED HOSPITALS AND THE HA, WHEN THE LATTER WAS TO BE FORMED IN APRIL 1990, HE ADDED.

SIR S.Y. REMARKED THAT SATISFACTORY PROGRESS HAD BEEN MADE BY THE PHA IN THE DELIBERATION OF OTHER MATTERS RELATING TO THE ESTABLISHMENT OF THE FUTURE HA.

"A BUSY SCHEDULE OF MEETINGS OF THE PHA'S COMMITTEES IS BEING FOLLOWED," HE SAID.

TODAY'S VISIT BY SIR S.Y. AND MEMBERS OF THE PHA WAS PART OF A REGULAR PROGRAMME OF VISITS TO ALL THE 34 PUBLIC HOSPITALS IN HONG KONG.

MEMBERS TAKING PART INCLUDED MR JOHN CHAMBERS, DR CHAN WOON-CHEUNG, DR T.Y. CHAU, LEGISLATIVE COUNCILLOR DR C.H. LEONG, AND MR PAUL YU.

"WE HAVE SEEN THE HARD WORK AND DEDICATION OF HOSPITAL STAFF WORKING IN THE HOSPITAL. DESPITE THE HEAVY DEMAND ON THEIR WORK.

"THE PHA IS ALWAYS CONSCIOUS OF THE CONTRIBUTION OF THE SERVICE RENDERED BY THE SUBVENTED HOSPITALS," SIR S.Y. SAID.

DURING THE VISIT, SIR S.Y. AND MEMBERS TOURED VARIOUS UNITS OF THE HOSPITAL, INCLUDING OUT-PATIENT DEPARTMENT, MEDICAL AND DENTAL UNITS, UNIVERSITY SURGICAL MEDICAL UNIT, STROKE REHABILITATION UNIT, PRIVATE WARDS AND DIETETIC KITCHEN.

THEY LEARNED THAT TUNG WAH HOSPITAL IS THE OLDEST INSTITUTION IN THE TUNG WAH GROUP OF HOSPITALS.

IT IS A GENERAL HOSPITAL WITH 787 BEDS SERVICING SHEUNG WAN AND WESTERN DISTRICT AND RECEIVING PATIENTS TRANSFERRED FROM QUEEN MARY HOSPITAL.

THE HOSPITAL HAS A 24-HOUR RECEIVING ROOM AND OPERATES A WIDE RANGE OF SPECIALTY SERVICES INCLUDING MEDICINE, SURGERY, RENAL, EAR, NOSE AND THROAT, GYNAECOLOGY, NEUROLOGY, DERMATOLOGY, GASTROENTEROLOGY, PAIN AND PLASTIC CLINICS AND DENTISTRY.

/IN ADDITION, .....

THURSDAY, APRIL 27, 1989

- 32 -

IN ADDITION, THE HOSPITAL RUNS GENERAL AND SPECIALIST OUT-PATIENT SERVICES.

SIR S.Y. AND MEMBERS CONCLUDED THEIR VISIT WITH A DISCUSSION WITH THE HOSPITAL STAFF.

DESCRIBING THE DISCUSSION AS A USEFUL ONE, SIR S.Y. SAID IT SERVED A DUAL PURPOSE IN THAT THE HOSPITAL STAFF WERE INFORMED OF THE LATEST PROGRESS OF THE WORK OF THE PHA AND THAT THEIR VIEWS COULD BE SOLICITED.

"WE ARE IMPRESSED BY MANY OF THE SUGGESTIONS AND COMMENTS ON THE IMPROVEMENTS OF MEDICAL SERVICE, IN PARTICULAR THE INTEGRATION OF SUBVENTED HOSPITAL SERVICES UNDER THE FUTURE HA," SIR S.Y. SAID.

THE REGULAR PROGRAMME OF HOSPITAL VISITS WAS STARTED IN NOVEMBER 1987 AND WILL CONTINUE UNTIL SOMETIME THIS AUGUST.

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RDCC ENDORSES \$1.5 MILLION PUBLIC EDUCATION PROGRAMME  
\* \* \* \* \*

THE REHABILITATION DEVELOPMENT CO-ORDINATING COMMITTEE (RDCC) TODAY (THURSDAY) ENDORSED A \$1.5 MILLION PUBLIC EDUCATION PACKAGE FOR 1989/90 TO PROMOTE THE SOCIAL INTEGRATION OF THE DISABLED PERSONS.

AT A MEETING CHAIRED BY DR HENRIETTA IP, THE COMMITTEE HELD THE VIEW THAT PUBLIC ACCEPTANCE AND SUPPORT PLAY A VITAL PART IN THE TERRITORY'S OVERALL REHABILITATION PROGRAMME.

RDCC MEMBERS HOPED THE TERRITORY-WIDE EDUCATION PROGRAMME WOULD ENHANCE PUBLIC ACCEPTANCE AND UNDERSTANDING THAT DISABLED PEOPLE WERE AN INTEGRAL PART OF THE COMMUNITY, AROUSE PUBLIC AWARENESS OF THE POTENTIAL AND ABILITIES OF THE DISABLED PEOPLE AND HELP THEM REALISE THEIR OWN ABILITIES AND POTENTIAL.

THE MAJOR EVENT OF THIS YEAR'S PUBLIC EDUCATION PROGRAMME WILL BE ENTITLED "IN-TOUCH WITH REHABILITATION".

IT COMPRISES A CONTEST PROJECT FOR YOUTH TEAMS STUDYING A SOCIAL ISSUE OR A TOPIC OF INTEREST IN REHABILITATION.

THERE WILL ALSO BE REHABILITATION SERVICES EXHIBITION, EMPLOYMENT OPPORTUNITIES FOR THE DISABLED EXHIBITION, AND DESIGN AWARD FOR THE COMPETITIONS.

OUTDOOR ACTIVITIES, SEMINARS AND TALKS WILL ALSO BE ORGANISED AT DISTRICT LEVEL.

/PARTICIPANTS IN .....

THURSDAY, APRIL 27, 1989

- 33 -

PARTICIPANTS IN THE PUBLIC EDUCATION PROGRAMME INCLUDE: THE REHABILITATION DIVISION OF THE HEALTH AND WELFARE BRANCH, SOCIAL WELFARE DEPARTMENT, HONG KONG COUNCIL OF SOCIAL SERVICES, LABOUR DEPARTMENT, HOSPITAL SERVICES DEPARTMENT, DEPARTMENT OF HEALTH, CITY AND NEW TERRITORIES ADMINISTRATION, RADIO TELEVISION HONG KONG, GOVERNMENT INFORMATION SERVICES AND CONCERNED WELFARE AGENCIES IN THE REHABILITATION FIELD.

THE RDCC ALSO DISCUSSED ACCESS FACILITIES AND EMPLOYMENT OPPORTUNITIES FOR DISABLED PERSONS.

ON ACCESS FACILITIES, RDCC MEMBERS WERE INFORMED THAT TWO TRIAL LIFTS CONNECTING THE PAVEMENT AT GROUND LEVEL TO THE ELEVATED WALKWAY SYSTEM IN CENTRAL TO PROVIDE ACCESS OF DISABLED PERSONS, WOULD BE INSTALLED AT STAR FERRY AND PEDDER STREET.

THE ROYAL HONG KONG JOCKEY CLUB AGREED TO FINANCE THE TRIAL PROJECT, AT A COST OF ABOUT \$5.3 MILLION.

ON EMPLOYMENT OPPORTUNITIES FOR DISABLED, RDCC MEMBERS NOTED THAT THERE WAS A GROWING TREND FOR THE EX-MENTALLY ILL TO USE THE LABOUR DEPARTMENT'S SELECTIVE PLACEMENT SERVICES.

THIS TYPE OF JOB-SEEKERS HAD TAKEN THE PLACE OF THE DEAF TO BECOME THE SECOND LARGEST GROUP OF CLIENTS OF THE SELECTIVE PLACEMENT DIVISION.

RDCC MEMBERS WERE GLAD TO LEARN THAT THERE WERE ENCOURAGING SIGNS THAT EMPLOYERS WERE GRADUALLY BECOMING MORE RECEPTIVE TOWARD EMPLOYING MENTALLY DISABLED PERSONS.

THEY WERE ALSO INFORMED OF THE PROGRESS IN THE IMPLEMENTATION OF THE HALF-WAY HOUSE BUILDING PROGRAMME.

THE RDCC URGED GOVERNMENT TO STEP UP PUBLIC EDUCATION ON MENTAL HEALTH AND IN PARTICULAR THE IMPORTANCE OF HALF-WAY HOUSES AS AN EFFECTIVE MEANS FOR REHABILITATION OF THE EX-MENTALLY ILL.

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FOURTH QUARTER SHIPPING, PORT AND CARGO STATISTICS RELEASED  
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IN THE FOURTH QUARTER OF 1988, 4,295 SHIPS WITH A TOTAL CAPACITY OF 26.3 MILLION NET REGISTERED TONS (NRT) ARRIVED IN HONG KONG, REPRESENTING AN INCREASE OF 500 (OR 13 PER CENT) IN NUMBER AND OF 3.0 MILLION NRT (OR 13 PER CENT) IN CAPACITY OVER THE FOURTH QUARTER OF 1987.

THIS IS REVEALED IN THE "HONG KONG SHIPPING STATISTICS REPORT OCTOBER - DECEMBER 1988" PUBLISHED TODAY (THURSDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

/OVER THE .....

THURSDAY, APRIL 27, 1989

- 34 -

OVER THE SAME PERIOD, THE TOTAL TONNAGE OF CARGO DISCHARGED IN HONG KONG FROM INCOMING SHIPS (ESTIMATED FROM A SAMPLE OF MANIFEST CONSIGNMENTS) INCREASED BY 11 PER CENT.

WHEN ANALYSED BY SHIP TYPE, MAJOR INCREASES WERE RECORDED IN THE NUMBER OF OIL TANKERS (+192). CONTAINER VESSELS (+160). CONVENTIONAL CARGO VESSELS (+132) AND DRY BULK CARRIERS (+35).

WHEN ANALYSED BY FLAG OF VESSELS, MAJOR INCREASES IN NUMBER WERE RECORDED FOR SHIPS REGISTERED IN CHINA (+148), PANAMA (+137). TAIWAN (+29), THE U.S.A. (+27) AND THE U.S.S.R. (+25), WHILE MAJOR DECREASES WERE RECORDED FOR THOSE REGISTERED IN DENMARK (-37), WEST GERMANY (-10) AND THE PHILIPPINES (-10).

THE NUMBER OF INCOMING SHIPS WITH A CAPACITY OF LESS THAN 10,000 DEADWEIGHT TONS INCREASED BY 271 WHILST THE NUMBER OF THOSE WITH A LARGER CAPACITY INCREASED BY 229.

IN THE FOURTH QUARTER OF 1988, THERE WERE 4,260 OUTGOING SHIPS WITH A TOTAL CAPACITY OF 26.0 MILLION NRT, REPRESENTING AN INCREASE OF 460 (OR 12 PER CENT) IN NUMBER AND OF 2.5 MILLION NRT (OR 11 PER CENT) IN CAPACITY OVER THE FOURTH QUARTER OF 1987.

THE TOTAL TONNAGE OF CARGO LOADED ONTO OUTGOING SHIPS (ESTIMATED FROM A SAMPLE OF MANIFEST CONSIGNMENTS) ROSE BY 15 PER CENT. ABOUT 66 PER CENT OF THE DEPARTING SHIPS STAYED IN HONG KONG FOR LESS THAN TWO DAYS.

OF THE CARGO DISCHARGED FROM INCOMING SHIPS, 85 PER CENT IN TERMS OF TONNAGE WAS IMPORTS AND 15 PER CENT WAS TRANSHIPMENT CARGO. OF THE CARGO LOADED ONTO OUTGOING SHIPS, 61 PER CENT WAS EXPORTS (INCLUDING DOMESTIC EXPORTS AND RE-EXPORTS) AND 39 PER CENT WAS TRANSHIPMENT CARGO.

THE MAJOR COUNTRIES OF LOADING FOR SEABORNE IMPORTS IN TONNAGE TERMS WERE SOUTH AFRICA (16 PER CENT), JAPAN (14 PER CENT), SINGAPORE (14 PER CENT), CHINA (10 PER CENT), TAIWAN (10 PER CENT) AND AUSTRALIA (7 PER CENT). WHILE THE MAJOR COUNTRIES OF DISCHARGE FOR SEABORNE EXPORTS WERE THE U.S.A. (18 PER CENT). CHINA (16 PER CENT). TAIWAN (13 PER CENT), JAPAN (6 PER CENT) AND SINGAPORE (5 PER CENT).

TRANSHIPMENT CARGO WAS MAINLY LOADED IN CHINA (32 PER CENT) AND THE U.S.A. (19 PER CENT). AND WAS MAINLY DISCHARGED IN CHINA (23 PER CENT) AND THE U.S.A. (12 PER CENT).

COMPARING THE FOURTH QUARTER OF 1988 WITH THE FOURTH QUARTER OF 1987. MAJOR INCREASES IN TONNAGE WERE NOTED FOR SEABORNE IMPORTS FROM SOUTH AFRICA (+176 PER CENT), TAIWAN (+25 PER CENT), JAPAN (+19 PER CENT), CHINA (+10 PER CENT), THE U.S.A. (+8 PER CENT) AND INDONESIA (+7 PER CENT); WHILE MAJOR DECREASES IN TONNAGE WERE NOTED FOR SEABORNE IMPORTS FROM SOUTH KOREA (-41 PER CENT). AUSTRALIA (-11 PER CENT) AND SINGAPORE (-9 PER CENT).

/AS A .....

THURSDAY, APRIL 27, 1989

- 35 -

AS A WHOLE, THE TOTAL TONNAGE OF SEABORNE IMPORTS ROSE BY 12 PER CENT.

AMONG THE PRINCIPAL COMMODITIES, MAJOR INCREASES IN CARGO TONNAGE WERE RECORDED FOR SEABORNE IMPORTS OF MISCELLANEOUS MANUFACTURES OF METAL AND NON-METALLIC MINERALS, NOT ELSEWHERE SPECIFIED (+36 PER CENT), OTHER MACHINERY AND EQUIPMENT AND PARTS, NOT ELSEWHERE SPECIFIED (+32 PER CENT) AND COAL, COKE AND BRIQUETTES (+29 PER CENT); WHILE A DECREASE WAS RECORDED FOR SEABORNE IMPORTS OF PETROLEUM, PETROLEUM PRODUCTS AND RELATED MATERIALS (-5 PER CENT).

COMPARING THE FOURTH QUARTER OF 1988 WITH THE FOURTH QUARTER OF 1987, THE TOTAL TONNAGE OF SEABORNE EXPORTS (DOMESTIC EXPORTS PLUS RE-EXPORTS) INCREASED BY 26 PER CENT.

MAJOR INCREASES IN TONNAGE WERE RECORDED FOR SEABORNE EXPORTS TO CHINA (+105 PER CENT), TAIWAN (+47 PER CENT), INDONESIA (+28 PER CENT), THAILAND (+26 PER CENT), SINGAPORE (+22 PER CENT); AND THE U.S.A. (+20 PER CENT); WHILE A DECREASE WAS RECORDED FOR SEABORNE EXPORTS TO JAPAN (-11 PER CENT).

AMONG THE PRINCIPAL COMMODITIES, MAJOR INCREASES IN TONNAGE WERE NOTED FOR SEABORNE EXPORTS OF PETROLEUM, PETROLEUM PRODUCTS AND RELATED MATERIALS (+221 PER CENT), IRON AND STEEL (+84 PER CENT), CLAY AND KAOLIN (+75 PER CENT). MISCELLANEOUS MANUFACTURES OF METAL AND NON-METALLIC MINERALS, NOT ELSEWHERE SPECIFIED (+49 PER CENT), METALLIFEROUS ORES AND METAL SCRAP (+28 PER CENT) AND MISCELLANEOUS EDIBLE PRODUCTS AND PREPARATIONS (+28 PER CENT).

OF THE CARGO DISCHARGED FROM INCOMING SHIPS, INCLUDING SEABORNE IMPORTS AND INWARD TRANSHIPMENT, 34 PER CENT IN TERMS OF TONNAGE WAS CONTAINERISED CARGO. OF THOSE LOADED ONTO OUTGOING SHIPS, INCLUDING SEABORNE EXPORTS AND OUTWARD TRANSHIPMENT, 75 PER CENT WAS CONTAINERISED CARGO.

IN TERMS OF TONNAGE, CONTAINERISED CARGO ACCOUNTED FOR 28 PER CENT OF SEABORNE IMPORTS. IN PARTICULAR, CONTAINERISED CARGO ACCOUNTED FOR ALL OR A LARGE PROPORTION OF SEABORNE IMPORTS FROM ITALY (100 PER CENT). THE NETHERLANDS (89 PER CENT), WEST GERMANY (74 PER CENT), THE U.S.A. (73 PER CENT) AND SOUTH KOREA (70 PER CENT).

THE TOTAL TONNAGE OF CONTAINERISED SEABORNE IMPORTS IN THE FOURTH QUARTER OF 1988 ROSE BY 14 PER CENT OVER THE FOURTH QUARTER OF 1987.

AMONG THE PRINCIPAL COMMODITIES, CONTAINERISED CARGO ACCOUNTED FOR, IN TONNAGE TERMS, 93 PER CENT OF SEABORNE IMPORTS OF OTHER ELECTRICAL AND ELECTRONIC APPLIANCES AND PARTS, 91 PER CENT OF ARTIFICIAL RESINS AND PLASTIC MATERIALS, 88 PER CENT OF PAPER, PAPERBOARD AND ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD, 81 PER CENT OF TEXTILE FIBRES AND 77 PER CENT OF NON FERROUS METALS.

/OF SEABORNE .....

THURSDAY, APRIL 27, 1989

- 36 -

OF SEABORNE EXPORTS, CONTAINERISED CARGO ACCOUNTED FOR 68 PER CENT IN TERMS OF TONNAGE. IN PARTICULAR, CONTAINERISED CARGO ACCOUNTED FOR ALL OR NEARLY ALL OF SEABORNE EXPORTS TO THE UNITED KINGDOM, WEST GERMANY, THE U.S.A. AND AUSTRALIA.

THE TOTAL TONNAGE OF CONTAINERISED SEABORNE EXPORTS IN THE FOURTH QUARTER OF 1988 ROSE BY 17 PER CENT OVER THE FOURTH QUARTER OF 1987.

SEABORNE EXPORTS OF SOME PRINCIPAL COMMODITIES WERE NEARLY ALL CONTAINERISED. THESE INCLUDED COTTON GARMENTS; PLASTIC MANUFACTURES, NOT ELSEWHERE SPECIFIED; TOYS; GARMENTS OF MIXED MATERIALS OR OTHER MATERIALS, NOT ELSEWHERE SPECIFIED; COTTON TEXTILES AND MISCELLANEOUS MANUFACTURES ARTICLES, NOT ELSEWHERE SPECIFIED.

SHIPPING STATISTICS ARE COMPILED PRIMARILY FROM GENERAL DECLARATIONS SUBMITTED TO THE MARINE DEPARTMENT BY SHIPMASTERS OR AUTHORISED SHIPPING AGENTS AND COVER ALL OCEAN-GOING VESSELS ENTERING AND LEAVING HONG KONG, EXCLUDING YACHTS AND PLEASURE CRAFT.

PORT AND CARGO STATISTICS ARE COMPILED FROM OCEAN CARGO MANIFESTS SUPPLIED BY SHIPPING COMPANIES OR AGENTS TO THE CENSUS AND STATISTICS DEPARTMENT.

BECAUSE OF RESOURCE CONSTRAINTS, A SAMPLE OF ALL CONSIGNMENTS LISTED IN THE MANIFESTS IS USED FOR COMPILING THE STATISTICS. THE SAMPLING METHOD IS DESCRIBED IN THE EXPLANATORY NOTES OF THE REPORT.

MORE DETAILS ON SHIPPING, PORT AND CARGO STATISTICS FOR THE FOURTH QUARTER OF 1988 ARE CONTAINED IN THE "HONG KONG SHIPPING STATISTICS REPORT" FOR OCTOBER TO DECEMBER 1988, WHICH IS NOW ON SALE AT THE GOVERNMENT PUBLICATIONS CENTRE, GENERAL POST OFFICE BUILDING, CONNAUGHT CENTRE, AT \$22 PER COPY.

ENQUIRIES ON STATISTICS PROVIDED IN THE REPORT MAY BE DIRECTED TO THE SHIPPING STATISTICS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON 5-8234887.

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#### GRADING OF BEACH WATER QUALITY

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

AN EPD SPOKESMAN SAID THE PURPOSE OF THE GRADING SYSTEM IS TO INFORM SWIMMERS AND THE GENERAL PUBLIC ABOUT THE STATE OF BACTERIAL POLLUTION AT VARIOUS BEACHES.

/THE GRADING .....

THE GRADING WILL BE ANNOUNCED AT BIWEEKLY INTERVALS DURING THE BATHING SEASON, TO COINCIDE WITH THE FREQUENCY AT WHICH BEACH WATERS ARE USUALLY SAMPLED.

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

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

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

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

BATHING WATERS COMMONLY BECOME WORSE DUE TO HEAVY USAGE DURING THE SUMMER. HOWEVER, THE GRADES GIVE A GOOD GENERAL PICTURE OF THE WATER QUALITY AT BATHING BEACHES AT THE TIME OF REPORTING AND FORM THE BEST AVAILABLE FORECAST FOR THE IMMEDIATE FUTURE.

THE SYSTEM FOR GRADING BEACH WATER QUALITY IS AS FOLLOWS:

"A" GRADE INDICATES THAT THE WATER QUALITY IS GOOD. THE MEAN E.COLI COUNT IS LESS THAN 100 PER 100 MILLILITRES AT EACH BEACH SO GRADED, AND THE EXPECTED HEALTH RISK IS LESS THAN SEVEN CASES OF MINOR ILLNESS PER 1,000 SWIMMERS.

"B" GRADE INDICATES THAT THE WATER QUALITY IS ACCEPTABLE. THE MEAN E.COLI COUNT IS LESS THAN 1,000 PER 100 MILLILITRES AT EACH BEACH SO GRADED, AND THE EXPECTED HEALTH RISK IS LESS THAN 18 CASES OF MINOR ILLNESS PER 1,000 SWIMMERS.

"C" GRADE INDICATES THAT THE WATER QUALITY IS POOR. THE MEAN E.COLI COUNT IS 1,000 OR MORE PER 100 MILLILITRES AT EACH BEACH SO GRADED, AND THE EXPECTED HEALTH RISK IS 18 OR MORE CASES OF MINOR ILLNESS PER 1,000 SWIMMERS.

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

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

SIMILARLY, A RECOMMENDATION TO RE-OPEN A CLOSED BEACH WOULD ONLY BE CONSIDERED IF A "B" GRADE OR BETTER WERE CONSISTENTLY OBTAINED.

AT PRESENT, SIX BATHING BEACHES HAVE BEEN DECLARED UNSUITABLE FOR SWIMMING PURPOSES, BASED ON THE WATER QUALITY DURING PAST SEASONS.

THESE BEACHES ARE ANGLERS', CASTLE PEAK, SILVERMINE BAY, OLD CAFETERIA, ROCKY BAY AND TING KAU.

THEY ARE POLLUTED BY FAECAL WASTES AND FAILED TO ACHIEVE CONSISTENTLY THE WORLD HEALTH ORGANISATION AND HONG KONG STANDARDS. THE PUBLIC ARE ADVISED NOT TO SWIM IN THESE SIX BEACHES. THEY ARE IDENTIFIED BY AN "X" IN THE FOLLOWING TABLE.

THE GRADES ON THE BACTERIAL WATER QUALITY OF VARIOUS BEACHES IN HONG KONG AS AT TODAY AND TWO WEEKS AGO ARE LISTED BELOW :

BEACH -----	LAST GRADING ----- (AS AT 13.4.89)	PRESENT GRADING ----- (AS AT 27.4.89)
HONG KONG SOUTH -----		
BIG WAVE BAY	A	A
CHUNG HOM KOK	A	A
DEEP WATER BAY	A	A
HAIRPIN	A	A
MIDDLE BAY	A	B
REPULSE BAY	B	A
SHEK O	A	A
SOUTH BAY	A	A
ST STEPHEN'S	A	A
TURTLE COVE	A	A
STANLEY MAIN	B	B
ROCKY BAY	X	X
TO TEI WAN*	A	A

ISLANDS DISTRICT  
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CHEUNG SHA UPPER	A	A
CHEUNG SHA LOWER	A	A
DISCOVERY BAY*	A	A
HUNG SHING YEH	A	A
KWUN YAM WAN	A	A
TONG FUK	A	A
LO SO SHING	A	A
PUI O	A	A
SILVERMINE BAY	X	X
TUNG WAN, CHEUNG CHAU	B	A
TUNG O*	A	A

SAI KUNG DISTRICT  
-----

CAMPERS	A	A
CLEAR WATER BAY 1ST BEACH	A	A
CLEAR WATER BAY 2ND BEACH	A	A
HAP MUN BAY	A	A
KIU TSUI	A	A
PAK SHA CHAU	A	A
SILVERSTRAND	A	B
TRIO (HEBE HAVEN)	A	A

/TSUEN WAN DISTRICT .....

TSUEN WAN DISTRICT

ANGLERS'	X	X
APPROACH	B	B
CASAM	A	B
GEMINI	A	B
HOI MEI WAN	B	B
LIDO	A	B
TING KAU	X	X
TUNG WAN, MA WAN	A	A

TUEN MUN DISTRICT

OLD CAFETERIA	X	X
NEW CAFETERIA	A	B
CASTLE PEAK	X	X
KADOORIE	B	B
BUTTERFLY	A	B

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

THE FOLLOWING BEACHES HAVE CHANGED GRADING ON THIS OCCASION:  
 REPULSE BAY AND TUNG WAN BEACH ON CHEUNG CHAU, FROM "B" TO "A";  
 MIDDLE BAY, SILVERSTRAND, CASAM, GEMINI, LIDO, NEW CAFETERIA  
 AND BUTTERFLY, FROM "A" TO "B".

THE CHANGES FROM "B" TO "A" AND VICE VERSA ARE WITHIN THE  
 NORMAL RANGE OF FLUCTUATION OF THE BACTERIAL WATER QUALITY OF  
 THESE BEACHES.

NOTE TO EDITORS:

FOR FURTHER ENQUIRIES, PLEASE CONTACT MR PAUL HOLMES,  
 PRINCIPAL ENVIRONMENTAL PROTECTION OFFICER (WATER POLICY) OF EPD, ON  
 5-8351234.

THURSDAY, APRIL 27, 1989

- 41 -

LADY WILSON PRAISES HK ASSOCIATION FOR THE MENTALLY HANDICAPPED  
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THE EFFORTS OF THE HONG KONG ASSOCIATION FOR THE MENTALLY HANDICAPPED IN PROVIDING EDUCATIONAL, VOCATIONAL AND RECREATIONAL SERVICES FOR MENTALLY DISABLED PEOPLE OF ALL AGES, ARE HIGHLY COMMENDABLE, AND VERY MUCH APPRECIATED, LADY WILSON SAID TODAY (THURSDAY).

SPEAKING AT THE OPENING OF THE WINIFRED MARY CHEUNG MORNINGHOPE SCHOOL OF THE HONG KONG ASSOCIATION FOR THE MENTALLY HANDICAPPED, LADY WILSON SAID THROUGH THE VIGOROUS ATTEMPTS OF THE ASSOCIATION TO PROVIDE A VERY PROFESSIONAL AND CARING SERVICE, THE QUALITY OF LIFE OF THE MENTALLY HANDICAPPED HAD GREATLY IMPROVED.

"THE ASSOCIATION DESERVES RECOGNITION AND A GREAT DEAL OF PRAISE AND GRATITUDE FOR ALL IT HAS ACHIEVED," SHE ADDED.

SHE SAID THAT THE WORK THAT HAD BEEN DONE AND CONTINUED TO BE DONE BY THE ASSOCIATION WHICH SHE WORKED FOR WHEN SHE LAST LIVED IN HONG KONG, IN THE LATE SEVENTIES, WAS OF GREAT IMPORTANCE TO HER, AND TO THE WHOLE COMMUNITY.

LADY WILSON POINTED OUT THAT THE HISTORY OF DEVELOPMENT OF THE ASSOCIATION, FROM A SINGLE CLASS SCHOOL IN THE EARLY 1960'S, TO THE MANY SERVICE UNITS OF TODAY, AND WITH 12 FLOURISHING SCHOOLS NOW IN OPERATION, WAS CLEAR EVIDENCE OF THE CONSTANT EFFORTS OF ITS MEMBERS AND THE TOTAL COMMITMENT OF ALL THE PROFESSIONAL STAFF INVOLVED.

SHE SAID THAT SHE WAS PARTICULARLY DELIGHTED TO SEE ONE MORE ASSOCIATION PROJECT COMING TO FRUITION.

LADY WILSON CONGRATULATED EVERYONE IN THE ASSOCIATION FOR THE REMARKABLE WORK THEY WERE DOING, AND THANKED SIR RUN RUN SHAW FOR HIS GENEROUS CONTRIBUTION.

"I AM REALLY THRILLED TO SEE THE NAME OF A MAN WHO HAS DONE SO MUCH FOR HONG KONG, LINKED WITH THIS ASSOCIATION," SHE SAID.

"I AM SURE THAT THESE IMPRESSIVE, PURPOSE-BUILT PREMISES OF THE WINIFRED MARY CHEUNG MORNINGHOPE SCHOOL, WILL PROVIDE NOT ONLY A PLEASANT AND STIMULATING LEARNING ENVIRONMENT FOR THE CHILDREN, BUT WILL ALSO BECOME AN EXAMPLE FOR THE FURTHER DEVELOPMENT OF EDUCATIONAL SERVICES FOR MENTALLY HANDICAPPED CHILDREN IN HONG KONG," SHE ADDED.

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/42 .....

THURSDAY, APRIL 27, 1989

- 42 -

ORAL HEALTH EDUCATION UNIT OPENED

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LEGISLATIVE COUNCILLOR DR LEONG CHE-HUNG TODAY (THURSDAY) CALLED ON MEMBERS OF THE PUBLIC TO TAKE THEIR OWN INITIATIVES IN LEARNING AND TAKING PROPER STEPS TO PREVENT DENTAL DISEASE.

HE WAS SPEAKING AT THE OPENING CEREMONY OF THE ORAL HEALTH EDUCATION UNIT OF THE DEPARTMENT OF HEALTH AT THE ARGYLE STREET JOCKEY CLUB SCHOOL DENTAL CLINIC.

DR LEONG RECALLED THAT ORAL HEALTH EDUCATION - A VERY IMPORTANT COMPONENT OF HEALTH EDUCATION - WAS INADEQUATE IN THE PAST AND PROGRAMMES IN ORAL HEALTH EDUCATION WERE CARRIED OUT ON AN AD HOC BASIS.

WITH THE ESTABLISHMENT OF THE ORAL HEALTH EDUCATION UNIT, INFORMATION ON ANY ASPECT OF ORAL HEALTH COULD BE OBTAINED FROM THE PROFESSIONAL STAFF THERE FREE OF CHARGE, HE SAID.

"AS WE ALL KNOW PREVENTION IS BETTER THAN CURE. BEING ABLE TO OBTAIN KNOWLEDGE ABOUT A DISEASE IS THE FIRST STEP TOWARDS PREVENTION," HE SAID.

EARLIER, THE DIRECTOR OF HEALTH, DR S.H. LEE, SAID THE SETTING UP OF THE ORAL HEALTH EDUCATION UNIT REPRESENTED A SIGNIFICANT STEP FORWARD IN THE DEVELOPMENT OF MORE EFFECTIVE ORAL HEALTH EDUCATION PROGRAMMES FOR THE COMMUNITY OF HONG KONG.

"THE PROPOSAL FOR THE FORMATION OF A FULL-TIME ORAL HEALTH EDUCATION UNIT WAS FIRST MOOTED BY THE MEDICAL DEVELOPMENT ADVISORY COMMITTEE AS EARLY AS 1979.

"FOLLOWING THE RECOMMENDATION OF A WORKING PARTY ON PARA-DENTAL TRAINING AND DELIVERY OF GOVERNMENT DENTAL SERVICES IN 1982, A PILOT ORAL HEALTH EDUCATION UNIT WAS ESTABLISHED IN THE TANG SHIU KIN DENTAL THERAPISTS TRAINING SCHOOL TO CARRY OUT LIMITED ORAL HEALTH EDUCATION PROGRAMMES," DR LEE SAID.

THE UNIT, WHICH MOVED INTO THE EXISTING PREMISES AT THE END OF LAST YEAR, IS A FULL-TIME ORAL HEALTH EDUCATION CENTRE.

IT FEATURES A 150-SEATED AUDITORIUM FOR SEMINARS AND LECTURES, AN EXHIBITION HALL FOR PUBLIC VIEWING, TWO HEALTH EDUCATION ROOMS FOR HEALTH EDUCATION PROGRAMMES AND A WORKSHOP FOR DESIGNING AND PRODUCING AUDIO-VISUAL AIDS.

/OTHER FACILITIES .....

OTHER FACILITIES INCLUDE A 'PLAGUE DISCLOSING TUNNEL' FOR DIRECT VIEWING OF ONE'S PLAGUE, A MICROBIOLOGY LABORATORY PROVIDING VIEWING OF ONE'S OWN BACTERIAL PLAGUE, A TOOTH-BRUSHING BAY FOR ON-SPOT TEACHING OF CORRECT ORAL HYGIENE PRACTICES, A PREVENTION CLINIC FOR MONITORING INTENSIVE PREVENTION PROGRAMMES, AND A LIBRARY-MUSEUM PROVIDING A LOAN SERVICE OF AUDIO-VISUAL AIDS.

DR LEE WAS CONFIDENT THAT THROUGH THESE FACILITIES, A STRONG EDUCATIONAL COMPONENT WITH LASTING EFFECT COULD BE BUILT INTO THE EXISTING DENTAL PREVENTION PROGRAMME FOR PRIMARY SCHOOL CHILDREN, WHILE OTHER COMMUNITY GROUPS COULD ALSO BE STIMULATED TO TAKE CARE OF THEIR OWN ORAL HEALTH AND ADOPT SIMPLE PREVENTION PROCEDURES FOR SELF-CARE.

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MARINE DEPARTMENT TO LICENSE STEEL FISHING VESSELS

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STEEL FISHING VESSELS WILL BE CONSIDERED FOR LICENCE UPON APPLICATION WITH EFFECT FROM MAY 1. THE MARINE DEPARTMENT ANNOUNCED TODAY (THURSDAY).

THE DECISION WAS MADE BY THE DIRECTOR OF MARINE FOLLOWING SATISFACTORY TRIALS OF FOUR SUCH VESSELS WHICH WERE LICENSED TWO YEARS AGO ON AN EXPERIMENTAL BASIS TO TEST THE SAFETY, SURVEY AND MANNING STANDARDS.

"DURING THE TRIAL PERIOD WHICH WILL END IN EARLY MAY, SUCH STANDARDS HAVE BEEN FOUND ADEQUATE AND THE DIRECTOR OF MARINE AGREED THAT LICENCES COULD BE ISSUED TO STEEL FISHING VESSELS IN FUTURE," A SPOKESMAN FOR THE DEPARTMENT SAID.

MEANWHILE, THE SPOKESMAN SAID, THE MARINE DEPARTMENT HAD ALSO BEEN IN CONSULTATION WITH THE AGRICULTURE AND FISHERIES DEPARTMENT REGARDING CERTIFICATION AND TRAINING REQUIREMENTS FOR THE CREW OF FUTURE NEW STEEL FISHING VESSELS.

"THE AGRICULTURE AND FISHERIES DEPARTMENT HAS AGREED TO CONDUCT RELEVANT TRAINING COURSES WHICH WILL UPGRADE THE COMPETENCY LEVELS OF LOCAL FISHERMEN AT PRESENT USING TRADITIONAL CRAFT TO A STANDARD THAT IS ACCEPTABLE ON THESE MODERN STEEL VESSELS," HE SAID.

THE SPOKESMAN ADDED THAT THE TRAINING SCHEME WOULD ALLOW FOR ASSESSMENT TO BE MADE OF EACH CANDIDATE DURING THE COURSE AND THE MARINE DEPARTMENT WOULD ISSUE THE APPROPRIATE CERTIFICATES.

"THIS APPLICATION OF NEW STANDARD IS IN KEEPING WITH THE PHILOSOPHY OF THE LOCAL CRAFT REVIEW.

"THE PRAGMATIC APPROACH BY THE MARINE DEPARTMENT WILL MOST CERTAINLY ASSIST THE DEVELOPMENT OF THE LOCAL FISHING INDUSTRY," THE SPOKESMAN SAID.

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THURSDAY, APRIL 27, 1989

- 44 -

CHINESE FOREIGN AFFAIRS OFFICIAL VISITS HOUSING AUTHORITY

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THE DIRECTOR OF THE HONG KONG AND MACAU AFFAIRS OFFICE OF THE CHINESE MINISTRY OF FOREIGN AFFAIRS, MR GUO FENGMIN, TODAY (THURSDAY) VISITED THE HOUSING AUTHORITY TO SEE ITS WORK AND ACHIEVEMENTS IN PROVIDING PUBLIC HOUSING FOR THE PEOPLE OF HONG KONG.

ON ARRIVAL AT THE HOUSING AUTHORITY HEADQUARTERS IN HO MAN TIN, MR GUO WAS BRIEFED BY THE DIRECTOR OF HOUSING, MR PANG YUK-LING, ON THE DEVELOPMENT OF PUBLIC HOUSING IN THE TERRITORY.

MR GUO HEARD THAT UNDER THE AUTHORITY'S AMBITIOUS LONG TERM HOUSING STRATEGY IMPLEMENTED LAST YEAR, THE AUTHORITY WOULD PROVIDE ADEQUATE HOUSING FOR THOSE IN NEED BY THE YEAR 2001.

HE ALSO LEARNED THAT THE AUTHORITY CONSTRUCTED ABOUT 50,000 RENTAL AND HOME OWNERSHIP SCHEME FLATS DURING THE 1988/89 FINANCIAL YEAR, A RECORD IN THE AUTHORITY'S HISTORY, DESPITE THE PROBLEM OF LABOUR SHORTAGE.

ACCOMPANIED BY THE DEPUTY DIRECTOR/ESTATE MANAGEMENT, MR FUNG TUNG, MR GUO LATER WENT TO TSZ WAN SHAN AND TOURED THE HEUNG YEUNG SQUATTER VILLAGE WHERE HE WAS BRIEFED ON THE IMPROVEMENT WORKS BEING CARRIED OUT IN THE AREA UNDER THE DEPARTMENT'S SQUATTER AREA IMPROVEMENT SCHEME.

IT IS THE AIM OF THE AUTHORITY TO CLEAR ALL SQUATTER HUTS IN THE URBAN AREA BY THE MIDDLE OF NEXT DECADE.

MR GUO THEN WENT TO THE NEARBY CHUK YUEN (SOUTH) ESTATE, ONE OF THE NEWEST PUBLIC HOUSING ESTATES IN CENTRAL KOWLOON, AND TOURED THE SHOPPING CENTRE AND LANDSCAPED AREAS AS WELL AS THE INDOOR RECREATION CENTRE.

THE PARTY THEN PAID A VISIT TO THE ADJACENT HOME OWNERSHIP SCHEME TIN MA COURT WHERE THEY HAD AN OVERVIEW OF THE AUTHORITY'S REDEVELOPMENT PROGRAMME IN CENTRAL KOWLOON.

MR GUO CONCLUDED HIS TOUR BY VISITING A FAMILY OF THE COURT.

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THURSDAY, APRIL 27, 1989

- 45 -

SDA HOSTS DINNER FOR CHINESE VISITORS

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THE SECRETARY FOR DISTRICT ADMINISTRATION, MR DONALD LIAO, HOSTED A DINNER TONIGHT (THURSDAY) IN HONOUR OF A VISITING CHINESE DELEGATION CURRENTLY IN HONG KONG ON A GENERAL FAMILIARISATION TOUR.

THE FIVE-MEMBER DELEGATION IS LED BY MR GUO FENGMIN, THE DIRECTOR OF THE HONG KONG AND MACAU AFFAIRS OFFICE OF THE MINISTRY OF FOREIGN AFFAIRS.

THEY ARRIVED IN HONG KONG ON APRIL 20 AND WILL REMAIN HERE UNTIL SATURDAY (APRIL 29).

MR LIAO MET MR GUO SIX MONTHS AGO WHEN HE LED A HONG KONG GOVERNMENT DELEGATION TO PEKING.

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PO LEUNG KUK PRAISED FOR COMMUNITY SERVICE

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THE SECRETARY FOR DISTRICT ADMINISTRATION, MR DONALD LIAO, TODAY (THURSDAY) PRAISED THE PO LEUNG KUK FOR ITS SERVICES TO THE COMMUNITY.

MR LIAO WAS SPEAKING DURING A COURTESY CALL ON THE CITY AND NEW TERRITORIES ADMINISTRATION BY THE KUK'S BOARD OF DIRECTORS.

MR LIAO NOTED THAT THE KUK HAS, IN RECENT YEARS, ACTIVELY PROVIDED MULTI-FACETED SOCIAL SERVICES AND HAS SOUGHT TO WIDEN ITS SCOPE OF SERVICES FOR THE BENEFIT OF PEOPLE FROM ALL WALKS OF LIFE.

"THE KUK IS TO BE COMMENDED FOR STEPPING UP EFFORTS TO STRENGTHEN VARIOUS SERVICES AND CARRY OUT VARIOUS PROJECTS IN LINE WITH THE NEEDS OF THE SOCIETY," HE SAID.

REFERRING TO THE CONSTRUCTION OF A SECOND YOUTH HOLIDAY CAMP IN TAI TONG, YUEN LONG, MR LIAO SAID THE KUK'S PLAN WAS STRONGLY SUPPORTED BY THE VARIOUS GOVERNMENT DEPARTMENTS CONCERNED.

"THE KUK'S LAND GRANT APPLICATION IS NOW BEING PROCESSED BY THE BUILDINGS AND LANDS DEPARTMENT," HE SAID, ADDING THAT CNTA WOULD RENDER FULL SUPPORT TO THE PROJECT.

ON THE REDEVELOPMENT OF THE KUK'S PROPERTY AT 220 HENNESSY ROAD IN WAN CHAI, MR LIAO SAID THE SCHEME HAD THE UNANIMOUS SUPPORT OF THE KUK'S ADVISORY BOARD.

DURING THE MEETING, KUK CHAIRMAN MR LUK HING-TOO GAVE AN OUTLINE OF THE WORK OF THE KUK IN THE COMING YEAR.

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THURSDAY, APRIL 27, 1989

- 46 -

REGIONAL SECRETARY SEES NORTH DISTRICT PROGRESS  
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THE REGIONAL SECRETARY FOR THE NEW TERRITORIES, MR ADOLF HSU, TOURED THE NORTH DISTRICT THIS (THURSDAY) MORNING TO LOOK AT THE LATEST DEVELOPMENTS THERE.

HE ALSO MET LOCAL PERSONALITIES AND DISTRICT OFFICE STAFF.

ACCOMPANIED BY THE ACTING NORTH DISTRICT OFFICER, MR TIM MILNES, MR HSU FIRST VISITED THE TEMPORARY PREMISES OF THE DISTRICT OFFICE AT JOCKEY CLUB ROAD, FANLING.

AFTERWARDS, HE INSPECTED THE CONSTRUCTION SITE OF A SEVEN-STOREY FANLING GOVERNMENT OFFICES BUILDING ADJACENT TO THE TEMPORARY DISTRICT OFFICE PREMISES.

HE WAS TOLD THAT THE \$67 MILLION BUILDING, WHEN COMPLETED IN JUNE NEXT YEAR, WOULD BE A FOCAL POINT OF GOVERNMENT ACTIVITIES IN THE DISTRICT ACCOMMODATING OVER 10 DEPARTMENTS.

MR HSU LATER PROCEEDED TO THE TOP OF WO HOP SHEK CEMETERY FOR A PANORAMIC VIEW OF THE FANLING/SHEUNG SHUI NEW TOWN DEVELOPMENTS.

THE NEW TOWN, COVERING AN AREA OF 790 HECTARES, COMPRISES A MIXTURE OF TRADITIONAL VILLAGES, TWO COMMERCIAL/RESIDENTIAL CORES (NAMELY LUEN WO HUI AND SHEK WU HUI), PUBLIC HOUSING ESTATES AND INSTITUTIONAL BUILDINGS.

HE NOTED THAT FANLING/SHEUNG SHUI HAS UNDERGONE SIGNIFICANT DEVELOPMENT IN HOUSING, TRANSPORT, RECREATION, EDUCATION AND COMMUNITY FACILITIES SINCE IT WAS DESIGNATED AS A NEW TOWN IN JANUARY 1979.

MR HSU ALSO TRAVELLED TO LUEN WO HUI WHERE ROAD AND DRAINAGE IMPROVEMENT WORKS ARE BEING CARRIED OUT TO ENHANCE ITS INFRASTRUCTURAL CAPACITY FOR FUTURE REDEVELOPMENT.

THE PROJECT, WHICH STARTED LAST MONTH, WILL BE IMPLEMENTED IN 15 STAGES AND TAKE 19 MONTHS TO COMPLETE.

MR HSU THEN VISITED THE ON LOK TSUEN INDUSTRIAL ESTATE IN THE FANLING/SHEUNG SHUI NEW TOWN.

HE WAS TOLD THAT THE ESTATE, WHICH PROVIDES A TOTAL OF 16 HECTARES OF INDUSTRIAL LAND, HAS 115 FACTORIES WITH 2,100 EMPLOYEES NOW. THIS IS ABOUT SEVEN PER CENT OF THE TOTAL POTENTIAL EMPLOYMENT OF 32,000 PEOPLE ON FULL DEVELOPMENT.

EARLIER TODAY, MR HSU VISITED THE SHA TAU KOK TOWN WITHIN THE FRONTIER CLOSED AREA, WHICH IS UNDERGOING A \$300 MILLION FACELIFT.

HE SAW FOR HIMSELF HOW A LOW-DENSITY, SELF-CONTAINED TOWNSHIP, COMPLETE WITH LOW-COST PUBLIC HOUSING UNITS, MODERN AMENITIES AND RECREATIONAL FACILITIES, IS TAKING SHAPE.

/MR HSU .....

THURSDAY, APRIL 27, 1989

- 47 -

MR HSU ALSO WENT TO THE SHA TAU KOK BORDER CONTROL POINT AND RECEIVED A DETAILED BRIEFING ON THE NORTHEAST NEW TERRITORIES LANDFILL PROJECT AT WONG MAU HANG SHAN IN TA KWU LING.

THE LANDFILL, INTENDED TO REPLACE THE SHUEN WAN LANDFILL, WILL PROVIDE WASTE DISPOSAL FACILITIES FOR THE NORTHEAST NEW TERRITORIES SUB-REGION AND THE URBAN AREA OF KOWLOON.

HE WAS BRIEFED ON THE VARIOUS ENVIRONMENTAL CONTROL MEASURES WHICH WOULD BE INCORPORATED INTO THE DESIGN, CONSTRUCTION AND OPERATION OF THE LANDFILL TO MINIMISE ITS ENVIRONMENTAL IMPACT.

BEFORE CONCLUDING HIS VISIT, MR HSU HAD LUNCH AND EXCHANGED VIEWS WITH NORTH DISTRICT BOARD MEMBERS AND LOCAL PERSONALITIES.

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NORTH DB TO DISCUSS USE OF LO WU CAMP FOR VBP

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MEMBERS OF THE NORTH DISTRICT BOARD WILL DISCUSS THE USE OF LO WU CAMP AS A TEMPORARY DETENTION CENTRE FOR VIETNAMESE BOAT PEOPLE AT A SUPPLEMENTARY MEETING TO BE HELD TOMORROW (FRIDAY).

THE CAMP AT THE FRONTIER, WHEN CONVERTED, WILL BE ABLE TO ACCOMMODATE UP TO 1,800 BOAT PEOPLE.

A PRINCIPAL ASSISTANT SECRETARY OF THE SECURITY BRANCH, MRS CARRIE YAU, WILL BRIEF MEMBERS ON THE SUBJECT.

ALSO AT THE MEETING, THE COMMISSIONER OF ADMINISTRATIVE COMPLAINTS, MR ARTHUR GARCIA, WILL BRIEF MEMBERS ON THE ORGANISATION AND FUNCTION OF HIS OFFICE.

OTHER ITEMS ON THE AGENDA INCLUDE REPORTS FROM THE NORTH DISTRICT FIGHT CRIME COMMITTEE AND THE REGIONAL COUNCIL'S NORTH DISTRICT COMMITTEE.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE NORTH DISTRICT BOARD'S SUPPLEMENTARY MEETING TO BE HELD TOMORROW (FRIDAY) IN THE CONFERENCE ROOM OF THE NORTH DISTRICT OFFICE, JOCKEY CLUB ROAD, FANLING.

THE MEETING WILL BEGIN AT 10 AM.

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/48 .....

THURSDAY, APRIL 27, 1989

- 48 -

DB ENVIRONMENTAL COMMITTEE TO CONSIDER FUND APPLICATIONS

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THE KWUN TONG DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE WILL CONSIDER APPLICATIONS FOR FUNDS TOTALLING \$334,000 FOR MINOR ENVIRONMENTAL IMPROVEMENT PROJECTS AT ITS MEETING TOMORROW (FRIDAY).

AMONG THE PROJECTS ARE THE PROVISION OF A RAINHELTER NEAR PING SHEK TEMPORARY HOUSING AREA, CONSTRUCTION OF AN AMENITY PLOT AT THE JUNCTION OF HONG TAK ROAD AND TAI YIP STREET, AND REPLACEMENT OF PLANTS FOR DISTRICT BOARD FACILITIES.

THE MEETING WILL ALSO DISCUSS A DRAFT WASTE DISPOSAL PLAN WHICH OUTLINES ARRANGEMENTS FOR THE COLLECTION AND DISPOSAL OF SOLID AND SEMI-SOLID WASTES, AS WELL AS METHODS OF AND SITES FOR DISPOSING WASTE.

IN ADDITION, MEMBERS WILL HEAR REPORTS BY GOVERNMENT DEPARTMENTS ON THE OPERATION OF THE JORDAN VALLEY LANDFILL, AND PROGRESS REPORTS ON LOCAL WORKS PROJECTS AND MINOR ENVIRONMENTAL IMPROVEMENT PROJECTS.

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NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE MEETING OF THE KWUN TONG DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE TO BE HELD TOMORROW (FRIDAY) IN THE CONFERENCE ROOM ON THE THIRD FLOOR OF THE KWUN TONG DISTRICT BRANCH OFFICES BUILDING IN TUNG YAN STREET.

THE MEETING WILL BEGIN AT 2.30 PM.

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INAUGURATION CEREMONY OF SHAM SHUI PO AREA COMMITTEES

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AN INAUGURATION CEREMONY OF THE 10 AREA COMMITTEES IN THE SHAM SHUI PO DISTRICT WILL BE HELD TOMORROW (FRIDAY) AT THE CHEUNG SHA WAN COMMUNITY CENTRE.

DURING THE CEREMONY, APPOINTMENT LETTERS WILL BE PRESENTED TO REPRESENTATIVES OF THE AREA COMMITTEES FOR THE TERM 1989-90.

/AMONG THE .....

AMONG THE OFFICIATING GUESTS ARE THE DEPUTY REGIONAL SECRETARY FOR HONG KONG AND KOWLOON, MR AUGUSTINE CHENG; SHAM SHUI PO DISTRICT OFFICER, MRS JENNIE CHOK; AND POLICE DISTRICT COMMANDER, MR GERARD FRITH.

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NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE INAUGURATION CEREMONY OF AREA COMMITTEES IN SHAM SHUI PO TO BE HELD TOMORROW (FRIDAY) AT THE CHEUNG SHA WAN COMMUNITY CENTRE, 55 FAT TSEUNG STREET, KOWLOON.

THE CEREMONY WILL START AT 8 PM.

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LANDSCAPING DAY TO ENHANCE TUEN MUN ENVIRONMENT

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MORE THAN 700 TUEN MUN RESIDENTS FROM 39 SCHOOLS AND ORGANISATIONS WILL JOIN HANDS IN PLANTING 400 SAPLINGS ON THE TUEN MUN LANDSCAPING DAY ON SATURDAY (APRIL 29).

SPONSORED BY THE TUEN MUN DISTRICT BOARD, THE FUNCTION IS JOINTLY ORGANISED BY THE TUEN MUN DISTRICT OFFICE, THE DISTRICT'S CLEAN HONG KONG COMMITTEE AND THE COMMUNITY YOUTH CLUB.

IT IS AIMED AT PUTTING THE CLEAN HONG KONG MESSAGE ACROSS TO RESIDENTS.

AN OPENING CEREMONY WILL BE HELD AT 10.30 AM. THE PARTICIPANTS WILL PLANT THE SAPLINGS IN THE OPEN SPACE FACING PRIMEVIEW GARDEN IN AREA 4B, TUEN MUN.

OFFICIATING AT THE CEREMONY WILL BE THE ASSISTANT DISTRICT OFFICER, MISS REBECCA PUN; REGIONAL COUNCILLORS, MR ALFRED TSO AND MR POON CHIN-HUNG; VICE-CHAIRMAN OF THE TUEN MUN RURAL COMMITTEE, MR TO KAM-CHAU; AND REPRESENTATIVES FROM THE TUEN MUN DEVELOPMENT OFFICE, AND THE ENVIRONMENTAL PROTECTION, EDUCATION, AND REGIONAL SERVICES DEPARTMENTS.

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NOTE TO EDITORS:

THE TUEN MUN LANDSCAPING DAY WILL BE HELD ON SATURDAY (APRIL 29) IN THE OPEN SPACE FACING PRIMEVIEW GARDEN IN AREA 4B, TUEN MUN.

YOU ARE INVITED TO COVER THE OPENING CEREMONY AT 10.30 AM.

MEDIA REPRESENTATIVES WISHING TO TAKE GOVERNMENT TRANSPORT TO THE VENUE SHOULD ASSEMBLE AT 9.30 AM AT THE KOWLOON PUBLIC PIER, TSIM SHA TSUI.

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THURSDAY, APRIL 27, 1989

- 50 -

DRAWING CONTEST FOR CHILDREN

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AN "INTERNATIONAL CHILDREN DRAWING CONTEST" WILL BE HELD AT KOWLOON PARK IN TSIM SHA TSUI FROM 9 AM TO 11.30 AM ON SUNDAY (APRIL 30).

JOINTLY ORGANISED BY THE YAU TSIM DISTRICT OFFICE, THE URBAN COUNCIL, THE HARBOUR JAYCEES AND SING TAO LTD, THE CONTEST AIMS AT STIMULATING CHILDREN'S INTEREST IN ART, AND ENHANCING THEIR UNDERSTANDING OF ART AND CREATIVE SKILLS.

THE CONTEST IS DIVIDED INTO THREE SECTIONS: JUNIOR (FOR CHILDREN AGED FROM FOUR TO SIX), INTERMEDIATE (AGED FROM SEVEN TO NINE), AND SENIOR (AGED FROM 10 TO 13).

PARTICIPANTS MAY ENROL FOR THE CONTEST AT THE VENUE AT 9 AM ON SUNDAY, OR OBTAIN ENROLMENT FORMS BEFOREHAND FROM THE YAU TSIM DISTRICT OFFICE OR OTHER DISTRICT OFFICES: THE HARBOUR JAYCEES AT 272 QUEEN'S ROAD CENTRAL, 15TH FLOOR, BLOCK C, HONG KONG; SING TAO CENTRES; AND CHUCK AND CHEESE.

ADJUDICATION OF THE ENTRIES AND PRESENTATION OF PRIZES WILL BE HELD AT THE VENUE.

THE WINNER AND RUNNERS-UP IN EACH SECTION WILL BE AWARDED ATTRACTIVE PRIZES, INCLUDING SCHOLARSHIPS RANGING FROM \$500 TO \$1,000, GIFT COUPONS AND FOUNTAIN PENS.

THE CONTEST WILL BE FOLLOWED BY A VARIETY SHOW TO BE PRESENTED BY THE URBAN COUNCIL AND ASIA TELEVISION.

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NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE "INTERNATIONAL CHILDREN DRAWING CONTEST" WHICH WILL BEGIN AT 9 AM AT KOWLOON PARK IN TSIM SHA TSUI ON SUNDAY (APRIL 30).

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/51 .....

THURSDAY, APRIL 27, 1989

- 51 -

'OPPORTUNITIES FOR YOUTH SCHEME' AWARD PRESENTATION

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AN EXHIBITION OF THE BEST PROJECTS UNDER THE 1988-89 OPPORTUNITIES FOR YOUTH SCHEME (OYS) WILL BE HELD AT THE ENTRANCE ARENA OF THE NEW TOWN PLAZA IN SHA TIN ON SATURDAY (APRIL 29).

THE 19 BEST PROJECTS SELECTED FROM VARIOUS DISTRICTS WILL BE COMPETING FOR THE HONG KONG BEST OYS AWARD.

THE WINNER OF THE AWARD WILL BE ANNOUNCED AT A PRIZE PRESENTATION CEREMONY TO BE HELD AT 3 PM.

A TOTAL OF 126 YOUTH GROUPS PLANNING INNOVATIVE COMMUNITY SERVICE PROJECTS HAD APPLIED TO THE SOCIAL WELFARE DEPARTMENT IN 1988-89 FOR GRANTS UNDER THE OYS. OUT OF THESE, 111 PROJECTS WERE APPROVED.

THE APPROVED PROJECTS WERE GRANTED FUNDS UP TO A MAXIMUM OF \$4,500, AND 19 BEST PROJECTS WERE CHOSEN FOR EXHIBITION.

A DEPARTMENT SPOKESMAN SAID THE OYS WAS FIRST LAUNCHED IN 1974. ITS OBJECTIVES WERE TO PROMOTE THE PERSONAL AND SOCIAL DEVELOPMENT OF YOUTH, ENCOURAGE PARTICIPATION IN COMMUNITY ACTIVITIES, AND DEVELOP THE SPIRIT OF CO-OPERATION AND MUTUAL HELP.

"THROUGH WORKING TOGETHER TOWARDS A COMMON GOAL, THE OYS OFFERS A GOOD OPPORTUNITY FOR YOUNG PEOPLE TO BROADEN THEIR SCOPE OF KNOWLEDGE AND EXPERIENCE, BETTER UNDERSTAND THE COMMUNITY, AND ACHIEVE THE NECESSARY SATISFACTION FOR PERSONAL GROWTH AND DEVELOPMENT," HE SAID.

OFFICIATING AT THE CEREMONY ON SATURDAY WILL BE THE DEPUTY DIRECTOR OF SOCIAL WELFARE, MR STEPHEN LAW, AND THE CHAIRMAN OF THE COMMITTEE ON THE PROMOTION OF CIVIC EDUCATION, DR DANIEL TSE.

NOTE TO EDITORS:

THE HONG KONG BEST OPPORTUNITIES FOR YOUTH SCHEME PROJECT EXHIBITION WILL BE HELD AT THE ENTRANCE ARENA, NEW TOWN PLAZA, SHA TIN ON SATURDAY (APRIL 29).

THE AWARD PRESENTATION CEREMONY WILL BEGIN AT 3 PM.

YOU ARE INVITED TO COVER THE EVENT.

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THURSDAY, APRIL 27, 1989

- 52 -

BOE MEMBERS VISIT GOVT PRIMARY SCHOOL

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FIVE MEMBERS OF THE BOARD OF EDUCATION (BOE) TODAY (THURSDAY) VISITED KAI TAK GOVERNMENT PRIMARY P.M. SCHOOL WHERE 29 VIETNAMESE CHILDREN WITH HONG KONG BELONGERS' STATUS ARE STUDYING WITH LOCAL CHILDREN.

THE MEMBERS WERE MISS BOW SUI-MAY, MS SANSAN CHING, MR ANDREW SO, MR TAM MAN-KWAN AND MR DOMINIC WONG.

THEY WERE ACCOMPANIED BY THE ASSISTANT DIRECTOR OF EDUCATION (SCHOOLS), MR S.W. WONG; THE SENIOR EDUCATION OFFICER (WONG TAI SIN), MR K.K. LEUNG; AND THE BOE SECRETARY, MR P.K. CHIU.

THE GROUP WAS TOLD THAT ABOUT 210 CHILDREN ARE ENROLLED IN THE SCHOOL. THE 29 VIETNAMESE CHILDREN ARE MAKING GOOD PROGRESS AND HAVE ADAPTED WELL TO THE NEW SCHOOL ENVIRONMENT.

OF THESE VIETNAMESE CHILDREN, 26 ARE ATTENDING PRIMARY 1 AND THE OTHERS ARE IN PRIMARY 2.

THE VIETNAMESE CHILDREN FROM KAI TAK TRANSIT CENTRE WERE ADMITTED TO THE SCHOOL LAST NOVEMBER. THEY ARE OF ETHNIC CHINESE ORIGIN AND COULD COMMUNICATE IN CANTONESE.

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STUDENTS VISIT POLICE TRAINING SCHOOL

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TEN FINAL-YEAR STUDENTS OF SHUE YAN COLLEGE VISITED THE POLICE TRAINING SCHOOL TODAY (THURSDAY) TO SEE FOR THEMSELVES THE DIFFERENT ASPECTS OF TRAINING OF AN INSPECTOR IN THE ROYAL HONG KONG POLICE FORCE.

AS PART OF THE ONGOING RECRUITMENT PUBLICITY EXERCISE, THE VISIT IS SPECIALLY ARRANGED FOR THE FINAL-YEAR STUDENTS OF POST-SECONDARY SCHOOLS IN HONG KONG WITH AN AIM TO ENHANCE THEIR UNDERSTANDING OF THE VARIETY OF WORK AND THE CHALLENGING CAREER IN THE FORCE.

THE VISIT COMPRISED BRIEFINGS ON A WIDE RANGE OF TOPICS INCLUDING THE ORGANISATION STRUCTURE OF THE FORCE, RECRUITMENT PROCEDURES, TRAINING, DIVERSIFIED JOB OPPORTUNITIES AS WELL AS THE PROMOTION PROSPECTS OF AN INSPECTORATE OFFICER. APART FROM THESE, THE STUDENTS HAD ALSO TOURED THE CAMPUS TO SEE THE DIFFERENT TRAINING FACILITIES AND THE STUDENTS' HOSTELS IN THE POLICE TRAINING SCHOOL.

IN ADDITION TO THE VISIT, A SERIES OF RECRUITMENT PUBLICITY ACTIVITIES SUCH AS CAREER TALK AND EXHIBITIONS WERE LAUNCHED AT THE POST-SECONDARY COLLEGES TO ATTRACT MORE YOUNG PEOPLE OF HIGH CALIBRE TO JOIN THE SERVICE.

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THURSDAY, APRIL 27, 1989

- 53 -

ANNUAL REPORT ON 1988 CONSUMER PRICE INDEX PUBLISHED

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THE ANNUAL REPORT ON THE CONSUMER PRICE INDEX (CPI) FOR 1988, GIVING A COMPREHENSIVE ACCOUNT OF THE MOVEMENTS OF THE CPI'S DURING LAST YEAR, WAS RECENTLY PUBLISHED BY THE CENSUS AND STATISTICS DEPARTMENT.

THE REPORT ALSO INCLUDES FOUR CHARTS AND FIVE TABLES SHOWING MOVEMENTS OF THE 1984/85-BASED CPI(A) AND CPI(B) BY SECTION AND GROUP OF COMMODITY/SERVICE, AS WELL AS THEIR CONTRIBUTIONS TO THE OVERALL CHANGE IN THE INDICES.

TWO NEW FEATURES ARE INTRODUCED TO THE PUBLICATION THIS YEAR. FOR THE FIRST TIME A SEPARATE CHINESE VERSION OF THE ANNUAL REPORT IS ALSO PUBLISHED.

SECONDLY, TO HELP READERS TO OBTAIN BETTER UNDERSTANDING AND PROPER INTERPRETATION OF THE CPI'S, MORE ELABORATION ON THE CONCEPTS AND COMPUTATION METHOD OF THE CPI'S IS PROVIDED IN THE REPORT.

THE REPORT IS NOW ON SALE, AT \$14 A COPY FOR BOTH THE ENGLISH AND CHINESE VERSIONS, AT THE GOVERNMENT PUBLICATIONS CENTRE, GPO BUILDING, GROUND FLOOR, CONNAUGHT PLACE, CENTRAL AND THE CENSUS AND STATISTICS DEPARTMENT, 19TH FLOOR, WANCHAI TOWER I, 12 HARBOUR ROAD, WAN CHAI, HONG KONG.

ENQUIRIES CONCERNING THIS REPORT CAN BE DIRECTED TO THE CONSUMER PRICE INDEX SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON 5-8235089.

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SUPPLY OF NON-CONFIDENTIAL ESTABLISHMENT PARTICULARS

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THE CENSUS AND STATISTICS DEPARTMENT MAINTAINS A COMPREHENSIVE AND UP-TO-DATE COMPUTERISED CENTRAL REGISTER OF AROUND 350,000 ESTABLISHMENTS IN HONG KONG TO SERVE MAINLY AS THE SAMPLING FRAME FOR THE DEPARTMENT'S SURVEYS ON BUSINESS UNDERTAKINGS.

MANY OTHER GOVERNMENT DEPARTMENTS ALSO MAKE USE OF THE REGISTER FOR PUBLICITY, SURVEY AND RESEARCH WORK.

THE PRIVATE SECTOR CAN ALSO BENEFIT FROM THE REGISTER BY MAKING USE OF NON-CONFIDENTIAL ESTABLISHMENT PARTICULARS RECORDED IN IT FOR MARKET RESEARCH, STATISTICAL SURVEY, BUSINESS AND PRODUCT PROMOTION PURPOSES.

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THURSDAY, APRIL 27, 1989

- 54 -

IN THIS CONNECTION, APPLICATIONS CAN BE MADE TO THE CENTRAL REGISTER SECTION OF THE DEPARTMENT FOR THE SUPPLY OF A PHOTOCOPY OR A MAGNETIC TAPE OF THE LISTING OF NON-CONFIDENTIAL PARTICULARS SUCH AS THE NAME, THE ADDRESS, THE MAJOR TYPE OF BUSINESS ACTIVITY AND THE EMPLOYMENT SIZE CLASS OF INDIVIDUAL ESTABLISHMENTS.

A CHARGE WILL BE LEVIED FOR THIS SERVICE, AND THE RATES ARE AS FOLLOWS:

- (A) \$2.50 PER PHOTOCOPY, AND
- (B) A MINIMUM CHARGE OF \$340 FOR A JOB REQUIRING UP TO 20 CRU'S (COMPUTER RESOURCES UNIT) PLUS \$17 FOR EACH CRU IN EXCESS OF 20 CRU'S IF THE INFORMATION IS REQUIRED ON MAGNETIC TAPES TO BE PROVIDED BY THE APPLICANT.

FURTHER DETAILS ABOUT THE SERVICE CAN BE OBTAINED BY CALLING THE CENTRAL REGISTER SECTION OF THE DEPARTMENT ON 5-8234760.

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WATER SUSPENSION TO TWO NT AREAS

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FRESH WATER SUPPLY TO CERTAIN PREMISES IN SHEUNG SHUI WILL BE SUSPENDED FROM 9 PM TOMORROW (FRIDAY) TO 8 AM THE NEXT DAY TO FACILITATE WATER PIPE CONNECTION WORKS.

THE AFFECTED AREA INCLUDES ALL VILLAGES ALONG MAN KAM TO ROAD FROM BRIDGE NO.1 TO MUK WU, INCLUDING HUNG KIU SAN TSUEN, FU TEI AU ROAD, LO WU BARRACKS CAMP, LO WU TSUEN, TAK YUET LAU TSUEN, LIU PO TSUEN, SHA LENG SAN TSUEN, SAN UK LENG TSUEN, MUK WU TSUEN AND NGA YIU TSUEN.

ALSO, POTABLE WATER SUPPLY TO CERTAIN PREMISES IN YUEN LONG WILL BE SUSPENDED FROM 9 PM ON MONDAY (MAY 1) TO 6 AM THE NEXT DAY TO FACILITATE WATER WORKS.

THE AFFECTED AREA IS BOUNDED BY HA TSUEN, SHEK KONG TSUEN, SHEK KONG WAI, LO UK TSUEN, SAN WAI, TSEUNG KONG WAI, TUNG TAU TSUEN, FUNG KONG TSUEN, SHA KONG WAI, SAN HING TSUEN, LAU FAU SHAN, HANG HAU TSUEN, FUK LO TSUEN, NGAU HOM, HANG MEI TSUEN, NGAU HOM SHEK, PAT LAI, SHA KIU TSUEN, SAI SHAN TSUEN, KAU LEE UK TSUEN AND SAN UK TSUEN.

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